

# Business Services Proposal for



Prepared by



[www.ExED.net](http://www.ExED.net)

April 14, 2014

## Statement of Confidentiality & Non-Disclosure

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This document contains proprietary and confidential information. All data submitted to Larchmont Charter School ("Larchmont") is provided in reliance upon its consent not to use or disclose any information contained herein except in the context of its business dealings with ExED. The recipient of this document agrees to inform present and future employees of Larchmont who view or have access to its content of its confidential nature.

BY ACCEPTANCE OF THIS DOCUMENT, THE RECIPIENT AGREES TO BE BOUND BY THE AFOREMENTIONED STATEMENT.

## Executive Summary

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ExED is pleased to present Larchmont Charter School (“Larchmont”) with this proposal for business services. We will address your needs by offering the following business services:

- Budgeting, Financial Reporting, and Forecasting
- Accounting and Bookkeeping
- Cash Management
- Payroll Processing and Retirement Reporting
- Compliance and Data Management
- CALPADS Reporting

Furthermore, Larchmont will find value in the systems, tools, and services we will use to support the delivery of the proposed business services, including:

- ExED Online Purchasing System (BPSLive – [www.bpslive.com](http://www.bpslive.com))
- ExED Accounting Portal
- Annual Compliance Calendar and Monthly Compliance Newsletter
- Financial Oversight Toolkit and Fiscal Policies
- Human Resource Templates
- Board Recruitment and Training

Based on our analysis of your needs, the scope of ExED’s proposed services, and an assumption that Larchmont enters into a two-year contract, the total fees per year for fiscal year 2014-15 and 2015-16 will be:

- School Finance: \$133,250\*
- CALPADS Reporting: \$6,250

\* Includes optional nutrition services and associated fees of \$1,250.

We are confident that our proposed services will effectively address your needs and that ExED is a good fit for Larchmont because:

- ExED is the industry expert in providing the services outlined in this proposal, and ExED has extensive experience addressing the unique needs of large organizations that operate multiple sites or serve large student populations.
- ExED works with the largest number and broadest range of clients of any back-office provider in Los Angeles, indicative of the high-quality of service and value ExED delivers.
- ExED can enable Larchmont to benefit from the full functionality of the BPS system it currently uses only for eProcurement, as well as free access to the system. The system can save Larchmont time processing invoices.
- ExED has a deep presence and extensive networks in Los Angeles.
- ExED’s non-profit mission aligns to Larchmont’s goals.

Our geographic focus, non-profit orientation, and history of successfully serving charter schools in Los Angeles makes us the right long-term partner for Larchmont.

## 1. ExED Background

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Founded in 1998 by Bill Siart, former CEO of First Interstate Bank, and led by Anita Landecker, ExED ([www.ExED.net](http://www.ExED.net)) is a nonprofit organization that fosters the development and management of high-achieving charter schools in Southern California. Our vision is that every child, and in particular every child in an underserved community, has access to a high-quality public education.

ExED is focused on overcoming the obstacles to creating excellent schools serving low-income students. As part of our mission, ExED has developed additional services to ensure high-quality schools are sustainable for the long-term. For example, we have developed services for securing facilities financing, securing lines of credit, providing board recruitment and training, and hosting community events to advance education reform. In addition, ExED is working with our strategic partners, like BPS, to develop technologies that improve the effectiveness and efficiency of school operations. ExED supports our mission in part through philanthropy and as such we have deep and extensive relationships with all of the major foundations that support education reform in Los Angeles.

In recognition of ExED's valuable contributions to the California charter school movement, Ms. Landecker received the Legacy Award at the 20th Annual California Charter Schools Association Conference (CCSA). The Legacy Awards were created to celebrate those outstanding charter school supporters, funders, operators and elected officials who have been stewards of the movement over the last 20 years. Additionally Anita has won a prestigious Stanton Fellowship from the Durfee Foundation to focus on student-based budgeting at LAUSD.

### Key facts regarding ExED

- |   |                                    |
|---|------------------------------------|
| • Number of Charter School Clients          | 80 schools within 53 organizations |
| • Number of Students Served by ExED Clients | 35,000                             |
| • Cash Balances ExED Manages (in banks)     | \$250 MM                           |
| • Number of ExED-Financed School Facilities | 26                                 |
| • Total Amount of ExED Facility Financing   | \$145 MM                           |
| • Number of ExED employees                  | 60                                 |



### Offices Locations:

- Los Angeles (Headquarters)
- San Diego

## **Board of Directors:**

As a non-profit organization, ExED is guided by a board of directors. ExED's Board of Directors includes various charter school and private sector leaders who contribute to ExED's strategy and network. They are:

- William E. B. Siart, Chairman of the Board, Founder of ExED
- Robert Abeles, Chief Financial Officer, University of Southern California
- Brian Bauer, Executive Director, Granada Hills Charter High School
- Judy Burton, President & CEO, Alliance College-Ready Public Schools
- Paul F. Cummins, Ph.D., Executive Director, New Visions Foundation
- Hrag Hamalian, Founder and Head of School, Valor Academy Charter School
- Guilbert C. Hentschke, Ph.D., Professor, Rossier School of Education University of Southern California
- Brian Johnson, Vice President, Leadership for Educational Equity
- Lindsey Kozberg, Partner, California Strategies, LLC
- Stuart Laff, Retired Real Estate Executive, Former Senior VP at AECOM
- Kevin Reed, Vice Chancellor-Legal Affairs, UCLA
- Jerry Ruiz, Attorney/Shareholder, AlvaradoSmith, APC

## **2. Identification of Needs**

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### **A. Larchmont Requirements**

Based on our previous discussions, ExED understands Larchmont is requesting a "full-service" proposal to compare to its existing back-office provider.

### **B. Proposal Assumptions**

The following assumptions were made when preparing this proposal:

- Larchmont operates one charter school serving approximately 1,400 students in grades K-10 and will add 11<sup>th</sup> grade in 2014-15 and 12<sup>th</sup> grade in 2015-16.
- Larchmont will outsource school finance activities including: budgeting, financial reporting, and forecasting; accounting and bookkeeping; cash management; payroll processing and retirement reporting, and compliance related activities.
- Larchmont will outsource CALPADS reporting activities. Larchmont's student data in PowerSchool is accurate (i.e., 99.5% clean).
- ExED will prepare monthly claims and will complete year-end cost and revenue reporting for National School Lunch Program.
- ExED will prepare a budget and financial reports for one school.
- Larchmont will transition to ExED's agreement with BPS and will no longer be billed for access to the BPSLive procurement and invoice management system.
- Larchmont will have access to the full functionality of the BPSLive system, including the eProcurement, AP/Invoice Processing, and Receiving Modules. This access will allow complete online requisition, approval, processing, receiving, and submission of the accounts payable function.

- As it does today, Larchmont will continue to contract directly with Paychex for payroll processing and Time and Labor Online (TLO) services.

### 3. Proposed Services

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#### I. School Finance Services

ExED proposes a comprehensive range of services to meet Larchmont's needs, including following:

##### A. Budgeting, Financial Reporting, and Forecasting

ExED will partner with Larchmont to build a budget that aligns the organization's short-term and long-term strategic objectives with the necessary financial planning. Furthermore, ExED will provide ongoing financial reporting to inform operational decisions and enable effective board oversight. ExED will:

- Develop annual budget, including attending hands on budget-development meetings with stakeholders.
- Revise budget, if necessary, based on approval of Governor's State Budget.
- Develop budget for charter petition renewals and/or grant requests.
- On a monthly basis, develop cash flow forecast illustrating anticipated monthly cash balances and annual forecast by individual revenue and expense line items.
- Monitor changes to the State budget deferral schedule as they change during the budget season and throughout the fiscal year.
- Complete and submit all financial reporting required by charter school authorizer including First Interim, Second Interim, Unaudited Actuals, and Preliminary Budget.
- Prepare and present financial dashboard and financial statements to Finance Committee and Board Meetings. Monthly financial reports include: Financial Dashboard, Cash Flow Forecast, Financial Analysis, Income Statement, Balance Sheet, Statement of Cash Flows, Check Register, and General Ledger.
- Track and present fundraising totals.

##### B. Accounting and Bookkeeping Services

ExED will provide a comprehensive range of accounting services to ensure the reliability and integrity of financial information, promote efficient and effective operations, and help safeguard the organization's assets. ExED will:

- Maintain and update school's chart of accounts to remain compliant with the State Standardized Account Code Structure (SACS).
- Record all transactions into accounting system with appropriate coding to enable the required reporting.
- On a monthly basis, reconcile all bank statements. At a minimum of once per quarter, perform reconciliation of remaining balance sheet accounts, including: Prepaid Expenditures, Long-Term Deposits, Accounts Receivable, Accounts Payable, Payroll Liability, Debt/Loans, and any Other Asset or Liability line items. Perform monthly depreciation and valuation analysis and update asset values for items such as property, equipment, and furniture.

- Process vendor invoices for payments, including verifying approval of payment, determining cash flow availability, verifying non-duplication of payment, and resolving any discrepancies.
- Complete 1099's for independent contractors.
- Monitor receipt of revenue to ensure school receives all funds it is entitled; perform collection activities to receive past due funding from government agencies.
- Collect all information required by auditors, prepare required schedules, serve as the point of contact with the auditors, meet with Audit Committee as needed, and prepare required information for 990 tax return.
- Train school personnel on accounting and internal control procedures.

### **C. Cash Management**

ExED will help Larchmont effectively manage cash flow needs. ExED will:

- Develop cash position report on a weekly basis.
- Complete line of credit applications, as necessary.
- Complete deferral exemption applications, as necessary.
- Manage timing of invoice payment.
- Plan and manage payment of outstanding debt.

### **D. Payroll Processing and Retirement Reporting**

ExED will:

- Maintain employee information in payroll database; process all status updates, new hires, and terminations
- Process payroll for all staff on a regular schedule.
- Process supplemental checks for terminations, stipends, and bonuses.
- Process payroll tax filings, garnishments, and W-2's.
- Calculate and report all retirement benefits for STRS/PERS.
- Assist Larchmont in completing unemployment insurance claims and workers compensation audits.
- Assist Larchmont in developing sound procedures for management of employee records.

### **E. Compliance and Data Management Services**

ExED will:

- Prepare 20-Day, P-1, P-2, and Annual attendance reports and submit to LAUSD.
- Prepare and submit monthly statistical and classification attendance reports required by LAUSD.
- Prepare funding applications, if appropriate, including: Consolidated Application, Title III consortia, Annual Funding Survey, PENSEC Report, SB 740, and Facilities Incentive Grant.
- If appropriate, complete After School Educational & Safety program reporting.
- Prepare monthly claim information for National School Lunch Program and transfer information into Child Nutrition Information and Payment System (CNIPS).
- Prepare and submit year-end cost and revenue reporting for National School Lunch Program.
- As appropriate, file property tax exemptions, and provide sales and use tax reporting.

- Prepare per pupil expenditure section of the School Accountability Report Card (SARC).
- Update all clients with monthly Compliance newsletter.

## **F. Other Services**

ExED will:

- Attend regular meetings with Larchmont staff and attend Larchmont board meetings.
- Attend meetings with charter school authorizer & other stakeholders.
- Host annual meeting to update ExED's clients on operational best practices and state budget.
- Provide guidance, training, and templates to support effective internal controls.

## **II. CALPADS Reporting Services**

ExED offers a full-range of CALPADS Reporting services. These services help ensure that required data is efficiently managed within PowerSchool, Larchmont's Student Information System (SIS), and accurately reported to CALPADS – helping save time, improving data integrity, and helping ensure appropriate funding is secured.

ExED's CALPADS Reporting service features complete reporting support for Fall 1, Fall 2, and End-of Year reports. As part of our service, ExED will:

- Train your staff on reporting processes, data requirements and data collection best practices.
- Validate and extract data from Larchmont's SIS and upload and review data in CALPADS.
- Train and support your staff to resolve CALPADS / SIS errors.
- Summarize key data for school leaders and certify data for each reporting period.
- Track and report progress.
- Assess and maintain data integrity by identifying and correcting CALPADS-related errors regularly.
- Identify and complete missing student and/or teacher data (i.e. identification numbers).
- Train staff and help manage data collection and submission process for Pre-IDs, CRDC, and/or CBEDS.

Furthermore, ExED's services ensure student data privacy is protected through secure online document exchange and report archiving.

## **III. Support Systems, Tools, and Services**

ExED has implemented various systems, tools, and services to support the efficient delivery of our core services described above and to provide additional support to our clients. The key systems are described below:

### **A. ExED Online Purchasing System (BPSLive – [www.bpslive.com](http://www.bpslive.com))**

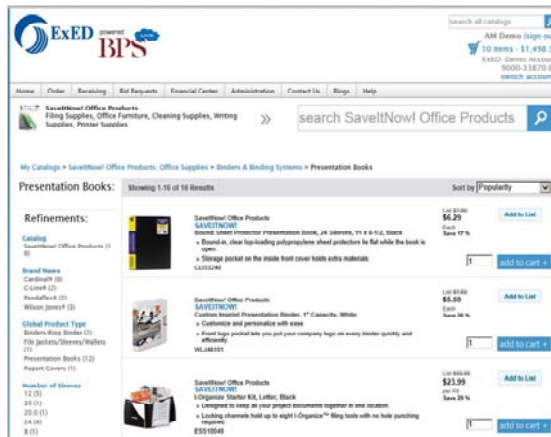
The ExED Online Purchasing System is a powerful, cloud-based solution that streamlines the purchasing process, allows invoices to be processed more efficiently, and increases visibility to purchase-level data. ExED has contracted with Business Purchasing Solutions (BPS), an



industry leader with significant experience working with school districts, to customize the procure-to-pay process to meet the needs of ExED's charter school clients. The system has three primary components:

### *e-Procurement*

The ExED Online Purchasing System taps the collective purchasing power of ExED's clients to achieve lower prices on commonly purchased items from leading vendors offering extensive catalogs of office products, school supplies, and educational resources. The system offers a user-friendly, shopping experience that enables schools to quickly purchase products and integrates the school's purchase requisition process into the purchase process, and thereby, eliminates the need for paper-based purchase orders.



### *AP/Invoice Processing*

The ExED Online Purchasing System features a time-saving invoice management process that allows school staff to receive and route invoices electronically for approval, run reports to view payment status, and access historical copies of invoices electronically. The system eliminates the need to compile physical accounts payable packages and the physical filing of invoices.

### *Data Management and Reporting*

The ExED Online Purchasing System provides real-time access to:

- Invoice approval status
- Invoice payment status
- Reports showing historical expenditures (by vendor, object code, etc.)

Order Date	Account	User	Order Number	Supplier Order Number	PO Number	Amount	Status	Approvers
03/21/2013 04:24:50 PM	9000-33870-00	Laura Armstrong	552629		9000007	\$200.00	Processed	Tom Jackson (3/21/2013 4:26:43 PM) Laura Armstrong (3/21/2013 4:25:14 PM)
03/19/2013 07:23:58 PM	9000-33870-00	CM Demo	552174		9000004	\$23.97	Pending Approval	Laura Armstrong Tom Jackson AM Demo (3/19/2013 7:33:57 PM)
03/19/2013 07:06:19 PM	9000-33870-00	CM Demo	552171		9000003	\$180.00	Pending Approval	Laura Armstrong Tom Jackson
03/01/2013 02:23:59 PM	9000-33870-00	AM Demo	548427		9000000	\$75.92	Processed	Tom Jackson (3/1/2013 2:27:01 PM)
03/01/2013 08:57:47 AM	9000-33870-00	Tom Jackson	548279		93	\$133.90	Processed	Tom Jackson (3/1/2013 8:59:25 AM)
03/01/2013 08:43:10 AM	9000-33870-00	Tom Jackson	548274		92	\$60.00	Processed	Tom Jackson (3/1/2013 8:43:24 AM)
03/01/2013 08:41:15 AM	9000-33870-00	Tom Jackson	548273		91	\$63.98	Processed	Tom Jackson (3/1/2013 8:41:43 AM)
03/01/2013 08:38:35 AM	9000-33870-00	Tom Jackson	548271		89	\$104.92	Processed	Tom Jackson (3/1/2013 8:39:34 AM)
02/19/2013 06:46:08 PM	9000-33870-00	Tom Jackson	546598			\$199.90	Processed	Tom Jackson (2/19/2013 6:52:36 PM)
12/18/2012 06:20:11 PM	9000-33870-00	Tom Jackson	534641		...	\$51.25	Rejected	
12/18/2012 12:39:28 PM	9000-33870-00	Tom Jackson	534486		...	\$288.18	Rejected	

The ExED Online Purchasing System provides the following benefits:

- Save money on office and school supplies by using ExED group discounts.
- Save time with more efficient creation of purchase orders, more efficient invoice approval, and eliminating paper filing.
- Save time and improve purchase decisions given real-time access to expenditure data.

## B. ExED Accounting Portal

ExED's Accounting Portal provides secure access to a school-specific, online portal which provides real-time accounting information including vendor activity reports, check register, and general ledger. ExED's Accounting Portal also provides access to school-specific documents such as financial reports, cash position reports, budgets, audits, bylaws, policies, etc. The Accounting Portal provides a knowledge-base of sample documents and templates.

## C. Compliance Calendar and Newsletter

In addition to providing a calendar of annual compliance requirements, ExED distributes a monthly newsletter which summarizes important information regarding compliance related deadlines and news. The newsletter highlights activities that ExED and/or the school is responsible for completing and includes a list of all deadlines for the upcoming month. The newsletter assists charter schools in managing the plethora of compliance activities that need to be completed. The following are examples of topics addressed in ExED's compliance newsletter:

- Prepare for Common Core State Standards Funding
- Fall Consolidated Application is postponed
- Civil Rights Data Collection is not required for 2012-13
- Begin to upload your CALPADS data
- Reminders for Nutrition Claims Submission Process
- Prepare to sign and deliver 20 day Report
- Reach out to ExED for Prop. 39 support



## Compliance Calendar

<b>Finance, Funding &amp; Compliance Calendar for California Charter Schools 2013 - 2014</b> <span style="float: right; font-size: small;">                     Excellent education through charter schools  <b>ExED</b> </span>					
<small>                         All Dates All specific due dates should be reviewed with ExED at least one month before each deadline. Information subject to change.                          Target Month = Denotes recommended time period to complete task                          * = Denotes due dates for funding applications are subject to change                          ** = Denotes reporting due dates to be established by the Chartering District and/or CDE                     </small>					
Deadline Date	Area	Description	Who completes this?	Board Approval required?	School Signature required?
<b>November</b>					
Target Month	Finance	To be completed by Audit Sub-Committee: Submit prior fiscal year audit report and recommendation to your school Board	Your school	---	---
11/1	Funding	Submit Prop 39 applications to your Chartering District	Your school	No	Yes
11/15	Finance	File Annual Federal and State Tax Return or Extension	ExED & Auditor	---	---
Cont'd from October	Compliance	<b>To-do for new schools:</b> Submit Single School-District Plan (SSD Plan) to CDE	Your school	Yes	Yes
Cont'd from October	Compliance	Complete Consolidated Application reporting - Fall (POSTPONED)	ExED	---	---
Cont'd from October	Funding	Complete CALPADS - Fall 1 Submission: Includes counts for enrollments, graduates, drop-outs, English Learners and Immigrants	Your school	No	Yes
Cont'd from October	Funding	Complete CALPADS - Fall 2 Submission: Includes student course enrollments, teacher assignments and English Learner education services	Your school	No	Yes
<b>December</b>					
Target Month	Finance	To-be completed at December Board Meeting: Approve prior-year audit report & tax returns	Your school & ExED	Yes	No
12/15	Finance	Submit to CDE, State Controller, County Office of Education & Chartering District: Prior-Year Audit Report	ExED	Yes	Yes
DTB**	Finance	Submit Financial Report - 1st Interim	ExED	Yes	No
DTB**	Compliance	Review, prepare and submit attendance for Period 1 (P1) Attendance Report	ExED	No	Yes

### D. Financial Oversight Toolkit and Fiscal Policies

ExED has partnered with The High Bar, an organization that provides charter school boards with training, to create a Financial Oversight Toolkit to share our collective wisdom regarding financial oversight best practices. As part of our mission, we have made this information available to both our clients and the broader charter school community (the toolkit is available from the ExED homepage at [www.exed.net](http://www.exed.net)). The toolkit includes an introductory primer for charter schools on the following topics:

- Micro Training - quick crash course on financial oversight
- Roles and Responsibilities - Board, Finance Committee, Trustee, Leader
- Fraud and Mismanagement
- Sample Fiscal Policy Handbook
- Sample Financial Statements
- 50 Smart Questions to Ask

In addition, ExED has developed sample fiscal policies to assist charter schools in the implementation of sound fiscal management practices and ensure the responsible and efficient use of the school's resources.

ExED also contracts with a former school district auditor and forensic accountant to review our own work on a monthly basis. This service reduces our errors and assists us in identifying possible fraud.

### E. Human Resource Templates

ExED has developed various human resource templates that address common human resource needs of charter schools, including:

- Employee Handbook
- Offer Letters

- At-Will Employment Agreements

While ExED recommends that our clients review these templates with their legal counsel, we will assist schools in developing sound human resources practices.

## **F. Board Recruitment and Training**

ExED is augmenting the Board Recruitment and Training services that it has provided in the past. ExED views board governance as an essential ingredient in sustaining the performance of high-achieving charter schools. Specifically, ExED will help charter schools identify board members who fill skills and experience gaps in the board. ExED has developed a series of trainings covering the following topics:

- Charter school governance
- Charter school board fiscal responsibilities
- Charter school finance 101

## **G. Facility Financing**

ExED is the largest provider of facility financing for charter schools in Los Angeles, offering more than \$140 million in low-interest loans to build 26 new schools, through its New Markets Tax Credit Program. Additionally, the Walton Family Foundation has awarded ExED over \$10 million in flexible, low-cost loan money for facilities. Unfortunately for Larchmont, both of these successful programs are targeted to either low income neighborhoods or schools with over 50% low income students. However, ExED is able to provide technical assistance and feasibility work on new facilities, through its experienced Facility Director, Louise Manuel. ExED may be offering a low-cost loan fund for schools that are not in low income areas or serve less than 50% low income students. If this fund happens, Larchmont would benefit from it. ExED does not charge extra costs for its technical assistance and financing matchmaking. This is an area of ExED's work supported by philanthropy.

## **H. Transition Services**

ExED has experience successfully transitioning business services from other back-office providers and in-house business and accounting teams. We have checklists and procedures to ensure all necessary payroll, accounting, and other processes and information are transitioned to ExED and there is no disruption in your operations.

## **IV. Invoice Processing (Outside the scope of this proposal)**

With the full-functionality of BPS, ExED has the ability to transition Larchmont to a paperless accounts payable process. Furthermore, ExED can assume the most time consuming aspects of invoice processing – invoice collection, data entry, and approval routing. In the paperless process, vendors email invoices to ExED, ExED staff upload the invoices to BPS and assign the appropriate coding, BPS routes the invoices for approval, and Larchmont staff review and approve the invoices directly within BPS. Larchmont staff would save significant time and could focus on higher value activities.

This is an optional service and additional fees would apply. The fees are estimated to be between \$3,500 - \$5,000.

## 4. ExED Client-Service Team

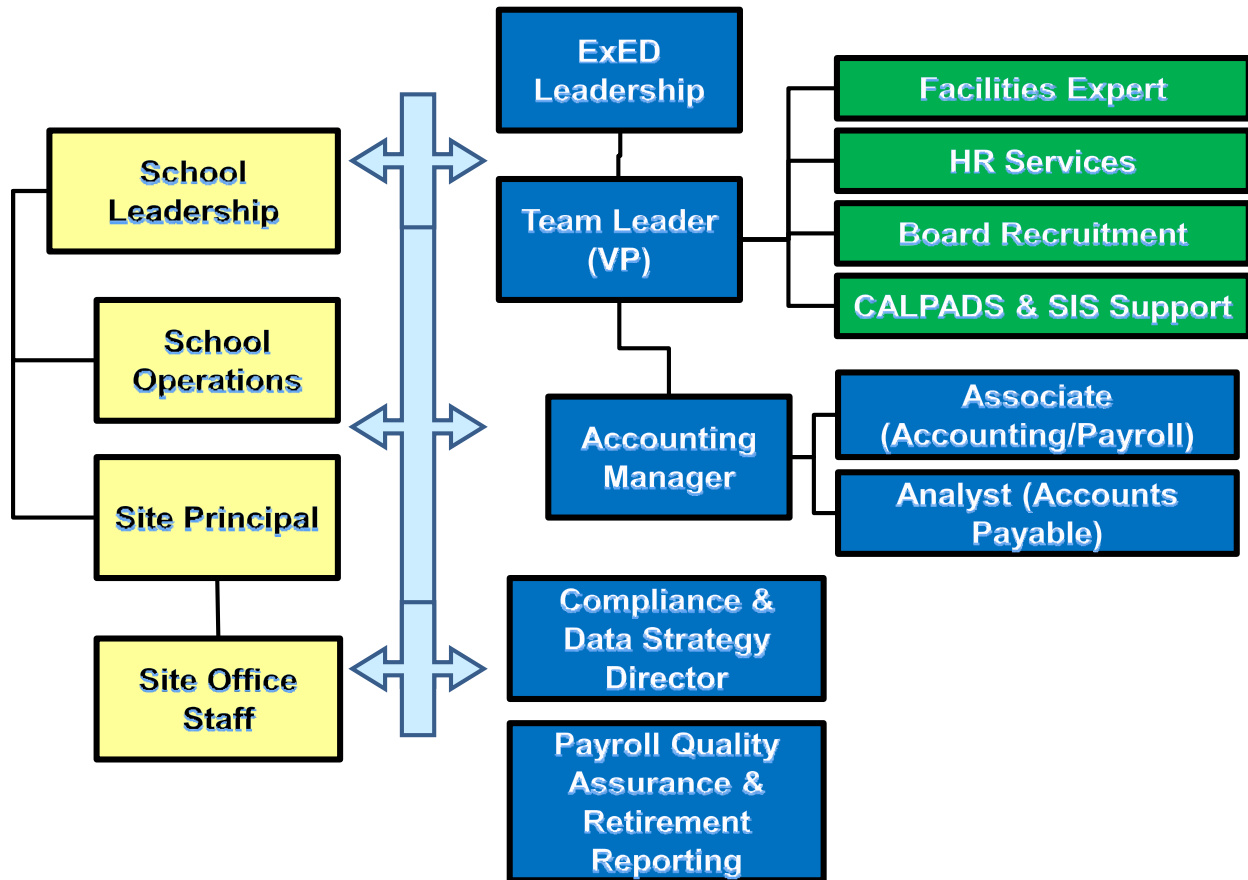
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Each ExED client is supported by a dedicated client-service team. The team is led by a Vice President of School Finance and each team typically works with between 4-7 clients. The low client-team ratio allows ExED's teams to develop a deep understanding of their client's organizational structure and staff, short-term and long-term objectives, and financial situation. The team uses this information to tailor the services they provide. The Team Lead delivers all finance services and directly manages an Accounting Manager who is responsible for the delivery of all accounting and payroll services. The Team Lead identifies any additional services or support a client may need, such as, facilities advice or financing, HR support/templates, and board recruitment and training.

ExED's teams are led by experienced staff. On average, ExED's Vice Presidents have worked at ExED for five years and ExED's Accounting Managers have worked at ExED for four years. During their tenure, ExED's staff members have built deep expertise in charter school finance and charter school operations. They also have experience supporting clients in a variety of state budgetary environments.

In addition to the client-service team, ExED has two centralized departments that provide services. First, ExED's Compliance and Data Management department provides our compliance services. They collaborate with the ExED Team Lead and will work directly with your Operations Staff, Office Staff, and Site Principals. Second, ExED's Payroll/Retirement Reporting department provides quality control for team-based payroll processing and are experts in STRS/PERS retirement reporting.

## ExED Client Service Structure



Key:

Yellow – Larchmont Staff

Blue – ExED School Finance, Payroll, and Compliance Staff

Green – ExED Supporting Service Staff

**ExED Leadership Team:**

**Anita Landecker, Executive Director**

Anita Landecker joined ExED in 1999. She is a leader in community development in Los Angeles, having directed the western operations for the Local Initiatives Support Corporation (LISC) for more than a decade. At LISC, Ms. Landecker raised more than \$1 billion for affordable housing investment in inner-city areas. She has taught at UCLA, served on the Los Angeles Board of the Federal Reserve Bank of San Francisco and currently serves on the Board of Directors Building Excellent Schools. In 2010, she was awarded the Stanton Fellowship from the Durfee Foundation, to research and recommend new budget systems at LAUSD. Ms. Landecker earned an M.S. in urban planning from Massachusetts Institute of Technology and a B.A. from the University of California, Santa Barbara.

### **Tait Anderson, Executive Vice President**

Tait Anderson joined ExED in 2012. He is an experienced manager in the education field and has a strong consulting and finance background. Prior to joining ExED, Mr. Anderson was an Executive Director with Laureate Education where he managed their teacher continuing education business unit and he managed their market research team. He has also worked in management consulting at Deloitte Consulting, non-profit lending at U.S. Bank, and in investment banking at Dain Rauscher. Mr. Anderson earned an M.B.A. from the Anderson School at UCLA and a B.A. in economics from Carleton College.

### **Tammy Stanton, Executive Vice President, School Finance and Lead Trainer**

Tammy Stanton joined ExED in 2006 and oversees the business operations for select charter school clients, which includes budgeting, cash flow projections, accounting, bookkeeping, compliance, payroll and general operational issues. Furthermore, Ms. Stanton oversees board governance and fiscal trainings ExED provides. Prior to joining ExED, she served as the treasurer for Ocean Charter School, and was involved in all aspects of budgeting and accounting for the school. She has worked as a Business Manager for Miraleste Music and the Women Alive Coalition. Tammy holds a B.A. in business from Antioch University.

### **Teams and Support for all Teams**

Below is background information on ExED Teams and provides examples of the Team Leaders that would possibly be selected to work with Larchmont. In the back of the proposal is a list of all ExED staff and there are more bios on our website at [www.exed.net](http://www.exed.net).

### **Graham Dye, Vice President, School Finance**

Graham Dye joined ExED in 2009 and oversees the business operations for select charter school clients, which includes budgeting, cash flow projections, accounting, bookkeeping, compliance, payroll and general operational issues. Mr. Dye joined ExED as an Accounting Associate and was ExED's first internally promoted VP of School Finance and has extensive experience with all facets of ExED's service delivery. Prior to joining ExED, he worked in the tax and business management field for over 5 years. Graham holds a bachelor's degree in business administration with a focus on accounting from Southeast Missouri State's Harrison College of Business, and completed MBA coursework at Webster University in St. Louis, Missouri.

### **Samira Estilai, Vice President, School Finance**

Samira Estilai joined ExED in 2010 and oversees the business operations for select charter school clients, which includes budgeting, cash flow projections, accounting, bookkeeping, compliance, payroll and general operational issues. Prior to joining ExED, Samira worked for the Los Angeles Unified School District as a Program and Policy Development Advisor in the Office of the Chief Financial Officer. Previously, she was Chief of Staff to Los Angeles Unified School District Board Member Marlene Canter. Samira also served as a Senior Policy Analyst in the Office of Mayor Richard Riordan. Samira holds a B.A. degree in Ethnic Studies from the University of California, Berkeley and a Master of Public Policy degree from USC.

### **Ryan Griffin, Vice President, School Finance**

Ryan Griffin joined ExED in 2009 as an Accounting Associate and worked his way up to the Vice President position. He currently manages the back-office operations for six schools. Ryan graduated from Cal State Northridge with a joint bachelor's degree in finance and business with honors.

### **Compliance & Data Management:**

#### **Jonathan Chan, Director of Compliance and Data Strategy**

Jonathan Chan joined ExED in 2012 and supports ExED schools with compliance and data management efforts. Prior to joining ExED, Jonathan used his skills in data analysis and project management at the District Management Council (Boston), supporting school districts in raising student achievement, improving operations and increasing cost effectiveness. His previous experience includes providing investment management services to non-profit institutions such as universities and foundations. He has a bachelor's degree in international relations and economics from Tufts University.

### **Payroll Quality Assurance and Retirement Reporting:**

#### **Shahad Askandar, Payroll Quality Assurance Manager**

Shahad Askandar joined ExED in 2005 and has over 15 years of payroll and employment tax experience, and 8 years of retirement expertise, including CalSTRS and CalPERS. She has worked directly with both state retirement systems and earned the trust of many school districts with her accurate reporting and understanding of their processes. She has deep knowledge and specialized expertise related to charter school-specific payroll and retirement reporting. She holds a B.A. in Management Science from UC San Diego, and an MBA from National University.

### **Facilities:**

#### **Louise Manuel, Facility Development Director**

Louise Manuel joined ExED in 2009 and is primarily responsible for generating loans for affordable charter school facilities, monitoring and reporting compliance with lenders and federal New Markets Tax Credit regulations, overseeing loan approval, and providing technical assistance on finance and real estate development. Louise has 30 years of experience in community economic development and real estate. Louise earned an M.A. in Urban Planning and Social Development Policy and a B.A. in Geography from UCLA.

### **External Review of ExED's work: Michele McClowery**

ExED contracts with Michele McClowery, a retired CPA focused on school district finance, to have an experienced and independent set of eyes reviewing our own work. Michele has over 30 years of experience as a Chief Business Officer and Fiscal Advisor to school districts and county education offices. In addition to being a CPA, Michele holds a bachelor's degree in accounting and an M.B.A. from the University of La Verne.



## 5. ExED Advantages

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When selecting a business services provider, ExED believes the decision revolves around confidence and value. First, do you have confidence the organization can deliver the services it has outlined in their proposal, confidence the organization will be able to meet your future needs, and confidence the organization will be a long-term partner. Second, what is the value of the proposed services which reflects both the breadth and quality of the services as well as the associated fees.

Larchmont can be confident it is selecting the right partner in ExED because:

- **ExED is the industry expert in providing the business services outlined in this proposal**
  - Our organization has the longest history of any back-office provider serving Los Angeles.
  - Our staff has deep expertise gained through years of industry experience. On average, ExED's VPs and Accounting Managers have been working at ExED for between 4 and 5 years.
  - ExED's easy-to-use tools empower charter schools to quickly understand their complete financial picture, including cash flow, accounts payable and other critical financial information. Accessing this comprehensive, user-friendly information helps ensure charter schools operate reliably and efficiently at all times.
  - ExED is the only back office provider that hires an external reviewer to maintain quality control, and to catch errors. We have a commitment to maintaining excellence across all our teams.
  
- **ExED works with the largest number and broadest range of clients of any back-office provider in Los Angeles, proof of the high-quality of service and value ExED delivers.**
  - ExED works with more than 35 charter school organizations in the greater Los Angeles area. For our full client list of Los Angeles based charter schools, please see Appendix A.
  - Industry leaders have provided the following feedback on the quality of ExED's services and support:
    - "ExED is more than a vendor – they are a partner in our solution. ExED gave us a much clearer understanding of where and how ICEF was allocating our resources, giving us the information we needed to spend more wisely and more efficiently in the future." *Parker Hudnut, CEO, ICEF Public Schools*
    - "ExED provides a special gift to us – a certain genius in the financial area. With ExED, the Watts Learning Center can be confident that we are accountable, both educationally and fiscally." *Gene Fisher, President, Watts Learning Center*
    - "Years ago, we studied the idea of creating a high school, but we faced obstacles in getting the idea off the ground. ExED's Anita Landecker identified the ideal building location and created the financing plan to make it happen. Specifically, ExED made use of New Markets Tax

Credits to make our dream come true. Now, Camino Nuevo has a beautiful learning environment for 450 high school students. It's just incredible, and we have ExED to thank for it." *Ana Ponce, CEO, Camino Nuevo Charter Academy*

- "ExED has a great deal of expertise in bookkeeping, accounting, and all the business services necessary to run a school smoothly and efficiently. They also bring great value in terms of the political and regulatory requirements we face. The team at ExED has a real commitment to the success of our school." *Andy Bogen, Chairman of the Board, New Village Charter High School*

- **ExED can enable Larchmont to benefit from the full functionality and support of the BPS system it currently uses only for eProcurement.**
  - By using both eProcurement and AP/Invoice Processing, Larchmont will improve efficiency, and increase access to purchasing data. ExED's expert staff will assist in tailoring the system to meet the specific needs of the school. The scale and scope of Larchmont's operations demand an online purchasing solution.
- **ExED has a deep presence and extensive networks in Los Angeles**
  - Given ExED's strategic focus on southern California, and Los Angeles specifically, ExED has developed deep relationships and extensive networks that benefit our charter school clients. We use these networks, for example, to help our clients secure necessary bank financing, source new board members, and navigate political and regulatory environment.
  - The confidence in ExED's work has helped schools win grants from foundations and secure financing from banks.
  - ExED has a deep knowledge of the private facilities that may be available to charter schools. ExED also has funding to help create "win-win" outcomes on co-location sites.
- **ExED's non-profit mission aligns to Larchmont's goals**
  - ExED is the only non-profit back-office provider in California. Our goal is not financial profit, but rather to improve the access children have to high-quality public schools. Our clients are the vehicle by which we pursue our vision, so we are especially excited by the opportunity to work with Larchmont.

When comparing our capabilities and proposed solution to that of competitors, the value of choosing ExED is:

- The depth and quality of the services ExED provides as described above.
- The value of the systems, tools, and processes to support the proposed services. In particular, ExED's Online Purchasing System (BPSLive).
- The value of the additional services ExED provides for free, including:
  - Facilities Financing
  - Board recruitment and training
- We are a true partner with our schools and want to help them be successful in any way we can.

ExED has four core values that are integral to how we work internally and with our clients:

- **Integrity:** ExED will act with the highest standard of ethics.

- *Going Above and Beyond:* ExED will offer excellent customer service to our client schools.
- *Respect & Humility:* Our success depends on learning from all co-workers and stakeholders.
- *Continuous Learning:* ExED will lead the field through innovation and a relentless focus on results.

## 6. Fees

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Based on our analysis of your needs and assuming a two-year contract, the total annual fees for fiscal year 2014-15 and 2015-16 will be

- School Finance: \$133,250\*
- CALPADS Reporting: \$6,250

The School Finance Services will include the following services:

- Budgeting, Financial Reporting, and Forecasting
- Accounting and Bookkeeping Services
- Cash Management
- Payroll Processing and Retirement Reporting
- Compliance and Data Management Services
  - \* Includes optional nutrition services related to National School Lunch Program and the associated fees of \$1,250.

The School Finance fees include all of the following systems, tools, and services:

- Use of ExED's Online Purchasing System (BPSLive), including training and support by expert staff. Note, Larchmont currently spends over \$4,000 per year for the eProcurement Module alone and does not use the AP/Invoice Processing Module.
- Use of ExED's Accounting Portal
- Use of ExED's templates – fiscal policies, human resource templates, etc.
- Board Recruitment and Training
- Facility Financing

The fees are based on an assumption ExED services are delivered for the duration of fiscal year 2014-15 and 2015-16 (7/1/14 – 6/30/16), and are billed on a monthly basis.

Larchmont will continue to contract directly with Paychex and pay separately for the payroll processing and Time and Labor Online services Paychex provides.

We sincerely hope that Larchmont will consider ExED as a long-term partner. Our missions and values are closely aligned and we will not only deliver excellent business services but can help Larchmont sustain its success long into the future. We are available to answer any questions you may have regarding this proposal and look forward to discussing this opportunity further.

## Appendix A – ExED Los Angeles Client List

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**ExED currently supports the following organizations in Los Angeles:**

- APEX Academy Charter, East Hollywood
- Bert Corona Charter School, Pacoima
- Big Picture - Film and Theater Arts Charter, South Los Angeles
- Birmingham Community Charter High, Van Nuys
- Camino Nuevo Charter Academy, MacArthur Park
- Camarillo Academy of Progressive Education Charter School, Camarillo
- Charter High School of the Arts Multimedia & Performing (CHAMPS), Van Nuys
- Citizens of the World – Los Angeles, Hollywood & Mar Vista
- Crown Preparatory Academy, South Los Angeles
- El Camino Real High School, Woodland Hills
- Endeavor College Prep, Chinatown
- Equitas Academy, Central City, Los Angeles
- Extera Public Schools, Boyle Heights
- Gabriella Charter School, Echo Park
- Goethe International Charter, West Los Angeles
- Inner City Education Foundation (ICEF), South LA
- James Jordan Middle School, Northridge
- Jardín de la Infancia, Downtown Los Angeles
- Los Feliz Charter School for the Arts, Los Feliz
- Math and Science College Preparatory High School, Mid-City
- Metro Charter School, Downtown
- Monseñor Oscar Romero Charter Middle School, Pico Union
- NEW Academy of Science and Arts, Belmont-Pico Union
- NEW Academy Canoga Park, Canoga Park
- New Heights Charter School, South Los Angeles
- New Los Angeles Charter, Mid-City
- New Village Charter High, East Hollywood
- New West Charter Middle, West Los Angeles
- Ocean Charter School, West Los Angeles
- Our Community Charter School, Chatsworth
- Para Los Ninos, Downtown LA
- PUENTE Learning Center, Boyle Heights & South LA
- University Charter Schools at CSU Channel Islands, Camarillo
- USC Hybrid High, Downtown LA
- Valley Charter Elementary & Middle Schools, North Hills
- Watts Learning Center & Middle Schools, South Los Angeles
- Westchester Secondary Charter School, Westchester

## Appendix B – ExED Staff

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<b>Name</b>	<b>Job Title</b>
1. Daisy Aguilar	Accounting Manager
2. Robert Alcala	Accounting Analyst
3. Tenisha Alexander	Accounting Analyst
4. Diana Aminzadeh	Accounting Manager
5. Kyle Amirault	Accounting Analyst
6. Tait Anderson	Executive Vice President
7. Sean Armijo	Accounting Associate
8. Shahad Askandar	Payroll Quality Assurance Manager (SD Office)
9. Carolyn Baun	Accounting Analyst (SD Office)
10. Brianna Bennett	Student Data Management Analyst
11. Lisa Boulos	Accounting Manager
12. Brian Bubrick	Accounting Analyst
13. Matthew Caputo	Accounting Analyst (SD Office)
14. Irina Castillo	VP, School Finance
15. Jonathan Chan	Compliance Manager
16. Caroline Chen	Accounting Associate
17. Renee Corona	Student Data Management Analyst
18. Harindra Dissanayake	Accounting Analyst
19. Graham Dye	VP, School Finance
20. Samira Estilai	VP, School Finance
21. Desiree Flowers	Accounting Analyst
22. Kara Gallo	Controller (SD Office)
23. Susan Germer	Director of New Initiatives
24. Theresa Goody	Accounting Manager (SD Office)
25. Addison Grant	Accounting Associate
26. Ryan Griffin	VP, School Finance
27. Tyler Grimsley	Payroll and Retirement Associate (SD office)
28. Marcella Gunadi	Accounting Associate
29. Yolanda Gutierrez	Sr. Accounting Associate
30. Fady Habib	VP of Information Technology
31. Tim Hoi	Accounting Analyst (SD Office)
32. Michael Johnston	Controller
33. Inna Kustanovich	Accounting Associate
34. George Labib	System Administrator
35. Anita Landecker	Executive Director
36. Amber Malvin-Mclver	Accounting Analyst
37. Louise Manuel	Facilities Development Director
38. Bonny McClure	Sr. Accounting Associate
39. Melissa Monasmith	Accounting Associate (SD Office)
40. Jessica Norman	VP, School Finance
41. Lynn Oishi	Director of Administration
42. Sonia Oliva	Controller
43. Maria Ann Pacubas	Administrative Assistant

<b>Name</b>	<b>Job Title</b>
44. Darshita Patel	Accounting Associate
45. Ayanthy Perris	Accounting Manager
46. Erik Perezbrain	Accounting Associate
47. Zain Quaid	Accounting Analyst
48. Brin Rhee	Accounting Associate (SD Office)
49. Suzanne San	Payroll Associate
50. Phillip Shaw	Accounting Analyst
51. Tammy Stanton	Executive Vice President
52. Larry Tamayo	VP, and Operations Mgr., (SD Office)
53. Delise Tanks	Accounting Manager
54. Nancy Tawadros	Director of Human Resources
55. Tonja Townsend	Accounting Analyst
56. Luis Viramontes	Sr., Vice President, School Finance
57. Catherine Walsh	VP, School Finance, (SD Office)
58. Sarah Weiner	Accounting Associate
59. Renee West	Accounting Associate
60. Chris Wright	VP of School Finance (SD Office)
61. Lisa Yun	Sr. Accounting Associate