

## Application and Certification to Exempt a Charter School from the June 2013 Apportionment Deferral

*Charter schools must consult with County Superintendent of Schools, complete Sections A through C of this application, and submit it with all required documents, as described below. Note, charter school governing body representative must certify the application and accompanying documents. The charter school may receive in June no more than the lesser of (1) the total amount of additional funds necessary for the charter school to meet its expenditure obligations for the month of June, or (2) the total June principal apportionment payments the charter school is entitled to in July<sup>1</sup>.*

- A. The charter school identified below is applying for an exemption from the deferral of principal apportionment payments during June 2013 pursuant to the provisions of *Education Code* Section 14041.7. The charter school is eligible to make this application in that it meets all of the following criteria:
- It has exhausted all internal and external sources of borrowing including those pursuant to California *Education Code (EC)* sections 42620, 42620.1, 42621, 42622, the *California Constitution*, Article XVI, Section 6, and *Government Code* Section 53850 et.seq. (Links to these legal references are available on the CDE Web page at <http://www.cde.ca.gov/fg/fi/ir/jun13def.asp>.)
  - The deferral of warrants in February through June will result in the charter school being unable to meet its expenditure obligations for the month of June, and
  - If not exempt, the charter school will become insolvent.

The amount of additional funds necessary for the charter school to meet its expenditure obligations for the month of June is \$221,886. (This amount must match the June negative ending cash balance on the cash flow projection provided or an explanation of any difference must be provided in the narrative below.)

19-64733-0108928 and 0717

Larchmont Charter School

\_\_\_\_\_  
County-District-School Code and  
Charter Number

\_\_\_\_\_  
Charter School Name

- B. The charter school must provide narrative below and attach documents as necessary that demonstrate that the charter school has exhausted all internal and external sources of borrowing, will be unable to meet its expenditure obligations and will become insolvent and be forced to cease operations in the absence of specific payments in June. Attach a current cash flow projection covering, at a minimum, July 2012 through June 2013. Please refer to the February 25, 2013, letter for assumptions to use in preparing the cash flow statement. The letter can be found on the CDE Web page at <http://www.cde.ca.gov/fg/fi/ir>.

*Larchmont Charter School has access to a short term line of credit for \$300,000. However, the June 2013 apportionment deferral would leave Larchmont Charter School with a negative cash balance of -\$218,608 even if the line is fully drawn. That deficit is occurring because of the deferral of the payments for State Aid and Categorical apportionments from June to July. Because of this deferral and the large deficit that would be created, Larchmont Charter School will be unable to meet payroll and other financial obligations if the deferral exemption isn't granted.*

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<sup>1</sup> The amount a charter school is entitled to receive in June is equal to 20 percent of the balance due amount calculated as of the First Principal Apportionment.

C. I hereby certify that we have consulted the County Superintendent of Schools regarding this deferral exemption application and the statements, information, and documents provided in response to Sections A and B of this application are true and correct. (Fill in all blanks.)

_____	03-06-13
Charter School Governing Body Representative Signature	_____
_____	03-06-13
Charter School Director/Administrator Signature	_____
Eugene D. Straub	
_____	
Charter School Business Official/Designee Name (print/type)	03-06-13
_____	_____
Charter School Business Official/Designee Signature	Date
gene.straub@larchmontcharter.org	(213) 380-7893
_____	_____
E-mail Address of Charter School Business Official/Designee	Contact Phone (include area code)

D. Submittal Instructions

Charter schools must submit, in consultation with the county superintendent of schools, the completed and certified charter school application for exemption, cash flow statement, and any other supporting documents to both the CDE (copy) and Department of Finance (original), by **April 1, 2013**, at the addresses below. The CDE will accept a hard copy or a scanned copy of the original. A scanned copy of the original sent to the Department of Finance must be followed by the submission of the hard copy original. **A copy of this application must also be provided to the charter school's authorizer.**

Send copy to:

**California Department of Education**  
School Fiscal Services Division  
Attention: Arlene Matsuura  
1430 N Street, Suite 3800  
Sacramento, CA 95814  
Telephone: 916-327-0538  
Scan: [ab1200@cde.ca.gov](mailto:ab1200@cde.ca.gov)

Send original to:

**Department of Finance**  
Education Systems Unit  
Attention: Keith Nezaam  
915 L Street, 7<sup>th</sup> Floor  
Sacramento, CA 95814  
Telephone: 916-445-0328  
Scan: [keith.nezaam@dof.ca.gov](mailto:keith.nezaam@dof.ca.gov)

California Department of Education  
School Fiscal Services Division  
February 25, 2013

**Larchmont Charter**  
Monthly Cash Forecast  
As of most recent monthly close

	2012/13												Forecast	AP/AR
	Actual & Projected													
	Jul Actual	Aug Actual	Sep Actual	Oct Actual	Nov Actual	Dec Actual	Jan Actual	Feb Projected	Mar Projected	Apr Projected	May Projected	Jun Projected		
<b>Beginning Cash</b>	<b>600,660</b>	<b>517,662</b>	<b>1,187,856</b>	<b>1,340,661</b>	<b>777,819</b>	<b>533,977</b>	<b>496,503</b>	<b>432,782</b>	<b>252,150</b>	<b>202,982</b>	<b>21,064</b>	<b>163,298</b>		
<b>Revenue</b>														
General Block Grant	46,635	93,270	206,615	200,774	162,240	361,830	205,568	347,496	227,815	122,174	91,253	58,865	3,456,194	1,331,658
Federal Income	7,786	13,051	8,700	8,700	12,222	24,874	27,868	51,928	29,814	52,437	19,998	19,998	303,411	26,035
Other State Income	20,230	38,432	47,822	109,274	49,623	88,713	112,950	36,230	156,840	45,202	316,704	33,942	1,721,756	665,794
Local Revenues	2,800	4,162	20,776	23,986	11,761	13,760	17,280	23,101	15,470	15,059	15,059	15,470	178,686	-
Fundraising and Grants	166,319	6,598	32,381	97,374	132,851	91,460	51,799	2,355	98,286	43,774	49,782	54,029	862,000	34,992
<b>Total Revenue</b>	<b>243,770</b>	<b>155,513</b>	<b>316,294</b>	<b>440,109</b>	<b>368,697</b>	<b>580,638</b>	<b>415,465</b>	<b>461,111</b>	<b>528,225</b>	<b>278,646</b>	<b>492,797</b>	<b>182,304</b>	<b>6,522,047</b>	<b>2,058,479</b>
<b>Expenses</b>														
Compensation & Benefits	104,542	178,776	390,819	379,414	373,878	368,069	359,939	379,349	388,160	388,160	388,160	388,160	4,087,426	-
Books & Supplies	-	24,436	49,014	51,474	42,595	48,190	27,617	84,219	35,846	35,846	35,846	35,846	470,928	-
Services & Other Operating Expenses	143,388	160,697	118,574	192,037	152,944	167,298	147,171	178,173	153,388	131,558	131,558	143,483	1,830,173	9,905
Capital Outlay	-	-	-	92	7,478	11,975	-	-	-	-	-	-	19,545	-
<b>Total Expenses</b>	<b>247,931</b>	<b>363,910</b>	<b>558,407</b>	<b>623,017</b>	<b>576,895</b>	<b>595,531</b>	<b>534,727</b>	<b>641,742</b>	<b>577,394</b>	<b>555,563</b>	<b>555,563</b>	<b>567,488</b>	<b>6,408,072</b>	<b>9,905</b>
<b>Operating Cash Inflow (Outflow)</b>	<b>(4,160)</b>	<b>(208,397)</b>	<b>(242,112)</b>	<b>(182,908)</b>	<b>(208,197)</b>	<b>(14,894)</b>	<b>(119,262)</b>	<b>(180,631)</b>	<b>(49,168)</b>	<b>(276,918)</b>	<b>(62,766)</b>	<b>(385,184)</b>	<b>113,975</b>	<b>2,048,573</b>
Revenues - Prior Year Accruals	34,428	872,447	276,741	17,504	-	165	4,551	-	-	-	-	-	-	-
Expenses - Prior Year Accruals	(64,118)	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable - Current Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable - Current Year	(9,068)	15,685	118,060	(97,439)	3,356	(2,135)	50,989	-	-	-	-	-	-	-
Summerholdback for Teachers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans Payable (Current)	-	(10,100)	-	(300,000)	-	(21,000)	-	-	-	95,000	205,000	-	-	-
Loans Payable (Long Term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Leases Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Long Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Balance Sheet Changes	(40,079)	559	116	-	(39,000)	390	-	-	-	-	-	-	-	-
<b>Ending Cash</b>	<b>517,662</b>	<b>1,187,856</b>	<b>1,340,661</b>	<b>777,819</b>	<b>533,977</b>	<b>496,503</b>	<b>432,782</b>	<b>252,150</b>	<b>202,982</b>	<b>21,064</b>	<b>163,298</b>	<b>(221,886)</b>		