

## 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 \$68,902. (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.)

19-64733-0117929 and 1040

Larchmont Charter School – West Hollywood

\_\_\_\_\_  
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 does not have access to short-term borrowing from a line of credit or other source. The school already received and fully repaid the CDE revolving loan and is not eligible to reapply. June 2013 apportionment deferral would leave Larchmont Charter School West Hollywood with a negative cash balance of -\$68,902. 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*

---

<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.

be created, Larchmont Charter School West Hollywood will be unable to meet payroll and other financial obligations if the deferral exemption isn't granted.

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	
_____	03-06-13
Charter School Business Official/Designee Name (print/type)	_____
_____	Date
Charter School Business Official/Designee Signature	
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 - West Hollywood**  
 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>463,930</b>	<b>370,485</b>	<b>663,105</b>	<b>787,535</b>	<b>683,989</b>	<b>767,419</b>	<b>863,418</b>	<b>800,346</b>	<b>699,666</b>	<b>561,181</b>	<b>375,395</b>	<b>181,439</b>			
<b>Revenue</b>															
General Block Grant	22,482	44,964	119,604	95,944	228,007	185,249	(34,303)	158,505	99,485	53,153	40,396	27,034	1,633,580	593,061	
Federal Income	3,146	6,291	4,194	4,194	7,971	4,914	10,175	33,117	15,514	20,154	10,757	10,757	140,639	9,455	
Other State Income	9,145	18,290	26,537	37,348	29,388	43,699	60,237	4,705	56,244	41,718	31,583	16,897	688,823	313,033	
Local Revenues	785	19	29,999	14,759	15,330	11,422	20,191	30,893	19,771	19,771	19,771	19,771	202,483	-	
Fundraising and Grants	32,113	1,014	51,352	88,805	87,926	149,330	55,702	10,864	20,864	20,864	20,864	20,864	639,000	78,439	
<b>Total Revenue</b>	<b>67,671</b>	<b>70,578</b>	<b>231,686</b>	<b>241,050</b>	<b>368,622</b>	<b>394,612</b>	<b>112,001</b>	<b>238,083</b>	<b>211,879</b>	<b>155,660</b>	<b>123,371</b>	<b>95,323</b>	<b>3,304,525</b>	<b>993,988</b>	
<b>Expenses</b>															
Compensation & Benefits	71,084	82,301	188,095	189,621	177,943	178,754	165,906	173,098	170,164	167,164	167,164	170,164	1,901,459	-	
Books & Supplies	-	4,595	35,547	29,776	27,574	25,667	44,012	12,568	25,708	25,708	25,708	25,708	282,573	-	
Services & Other Operating Expenses	78,356	50,644	76,520	65,017	59,219	70,909	91,781	63,308	64,704	58,786	58,786	60,005	802,734	4,699	
Capital Outlay	-	1,060	-	-	7,055	-	-	89,788	89,788	89,788	89,788	89,788	457,055	-	
<b>Total Expenses</b>	<b>149,440</b>	<b>138,600</b>	<b>300,163</b>	<b>284,414</b>	<b>271,792</b>	<b>275,330</b>	<b>301,699</b>	<b>338,762</b>	<b>350,364</b>	<b>341,446</b>	<b>341,446</b>	<b>345,665</b>	<b>3,443,821</b>	<b>4,699</b>	
<b>Operating Cash Inflow (Outflow)</b>	<b>(81,770)</b>	<b>(68,022)</b>	<b>(68,477)</b>	<b>(43,364)</b>	<b>96,830</b>	<b>119,283</b>	<b>(189,697)</b>	<b>(100,680)</b>	<b>(138,485)</b>	<b>(185,786)</b>	<b>(218,075)</b>	<b>(250,342)</b>	<b>(139,296)</b>	<b>989,289</b>	
Revenues - Prior Year Accruals	9,023	360,787	126,542	6,288	-	274	17,304	-	-	-	24,119	-	-	-	
Expenses - Prior Year Accruals	(15,326)	-	-	-	-	-	93,634	-	-	-	-	-	-	-	
Accounts Receivable - Current Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Accounts Payable - Current Year	(13,076)	(127)	66,364	(66,480)	1,601	(707)	32,994	-	-	-	-	-	-	-	
Summerholdback for Teachers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans Payable (Current)	-	(17)	-	-	-	(10,200)	-	-	-	-	-	-	-	-	
Loans Payable (Long Term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Leases Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Long Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital Expenditure	-	-	-	-	(15,000)	(12,651)	(17,307)	-	-	-	-	-	-	-	
Other Balance Sheet Changes	7,704	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Ending Cash</b>	<b>370,485</b>	<b>663,105</b>	<b>787,535</b>	<b>683,989</b>	<b>767,419</b>	<b>863,418</b>	<b>800,346</b>	<b>699,666</b>	<b>561,181</b>	<b>375,395</b>	<b>181,439</b>	<b>(68,902)</b>			