

Larchmont Schools

Regular Meeting of the Board of Directors

January 13, 2015 – 6:30PM

Larchmont Charter School at La Fayette Park Place

Assembly Room

2801 W. 6th St. Los Angeles, CA 90057

AGENDA

The mission of Larchmont Schools is to provide a socio-economically, culturally and racially diverse community of students with an exceptional public education. We foster creativity and academic excellence; our students learn with and from each other in an experience-centered, inquiry-based learning environment. With participation from our entire community, we strive to instill in each student a dedication to improving the world we inhabit.

- I. Call to Order
- II. Public Comments
- III. Executive Director Report
- IV. Board Review and Approval of Minutes for December Board Meeting (ACTION)
- V. Board Review and Action on the Monthly Financials (ACTION)
- VI. Board Review and Acceptance of 2013-14 Audit (ACTION)
- VII. Academic Excellence Committee Update
- VIII. Nominating Committee Report - Board Candidate Nominations
- IX. Board Chair Comments
- X. Closed Session – Pursuant to section 54957: PUBLIC EMPLOYMENT
- VIII. Closing

THE ORDER OF BUSINESS MAY BE CHANGED WITHOUT NOTICE Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

REASONABLE LIMITATIONS MAY BE PLACED ON PUBLIC TESTIMONY The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony (typically 3 minutes per speaker and no more than 7 speakers per item) to ensure that the agenda is completed. The board holds its meetings and conducts the business of the school in public in compliance with the Brown Act. It welcomes community input during public

comment. Though the format of the meeting precludes discussion with the public, the board will refer items to staff for follow up.

SPECIAL PRESENTATIONS MAY BE MADE Notice is hereby given that consistent with the requirements of the Bagley-Keene Open Meeting Act, special presentations not mentioned in the agenda may be made at this meeting. However, any such presentation will be for information only.

REASONABLE ACCOMMODATION WILL BE PROVIDED FOR ANY INDIVIDUAL WITH A DISABILITY Pursuant to the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, any individual with a disability who requires reasonable accommodation to attend or participate in this meeting may request assistance.

FOR MORE INFORMATION Larchmont Schools, 444 N. Larchmont Blvd. #207, Los Angeles, CA 90004; telephone, 323-380-7893 www.larchmontcharter.org.



School-wide Performance Tracker

January 2015

Student Demographics

Total Enrollment	1,391
% Enrolled	97%
ADA (Current Month)	94%
ADA (Year to Date)	96%
Free & Reduced Lunch	40%
English Language Learners	7%
Special Education	11%
Hispanic/Latino	31%
Asian	17%
African American	5%
Caucasian	37%
Other/Unclassified	10%
Suspensions/Expulsions	15 S, 1 E

Instructional & Cultural Highlights

- ★ The high school is taking finals this week as their first semester ends.
- ★ At LFP the School Psychologist, Catherine Ogden is helping all of our students learn ways to reduce anxiety (discovering triggers and coping strategies) – this is a critical social emotional development skill for middle and high school students in particular
- ★ All 6th graders are traveling to Pali Mountain at the end of the month on a field trip as part of their year-long signature project on development and learning (the unfolding of life across all species, involving the interplay of creativity and mutual adaption, in which organisms and environment co-evolve). This reinforces their learning through experiential opportunities & helps to build community by bringing together our 6th grade students across our campuses.
- ★ Improvisation classes reinforcing social development skills are being taught k-5 at the Hollygrove campus and will be expanded.
- ★ The first jogathon occurred Friday 1/9 at Selma for 6th-8th graders and was a great success
- ★ Selma's community has organized an annual expedition on MLK Day to Eaton Canyon (fun community play/discovery day that complements the science unit on erosion)
- ★ Student council designed spirit week is happening at Fairfax this week!
- ★ Green campus and healthy eating initiatives are happening at Hollygrove.

Academic Data

All 10th and 11th graders took the PSAT this fall. 71% of students who took it last year improved their composite score. Overall average scores showed students approximating the national mean for performance in math, reading and writing with AP students scoring higher than both our school and national mean in all areas.

Operational Updates

- ★ We have had 1,246 applicants for the 2015-16 school year heavily concentrated at the TK/K level, 6th and 9th grades. Outreach for next year continues until the lottery.
- ★ Pledge Drive – 247 more pledges (99% of 250 goal) raising an additional \$330,000 (nearly 70% of the \$500,000 goal). We are continuing the drive in a targeted quieter fashion. We are beginning planning for the jogathons and spring auction event.

Upcoming Dates

- ★ January 21st - HS Open House for Prospective Families (tours for both the MS and HS are happening weekly)
- ★ February 28th - Lottery

Larchmont Schools
 Regular Meeting of the Board of Directors
 December 2nd, 2014 – 6:30 PM
 Larchmont Charter School at La Fayette Park Place
 Assembly Room, 2801 W. 6th St. Los Angeles, CA 90057

DRAFT MINUTES

The mission of Larchmont Schools is to provide a socio-economically, culturally and racially diverse community of students with an exceptional public education. We foster creativity and academic excellence; our students learn with and from each other in an experience-centered, inquiry-based learning environment. With participation from our entire community, we strive to instill in each student a dedication to improving the world we inhabit.

- I. The meeting was called to order by Alicia Lara, Chair.
 * Names with “X” indicates presence:

Board of Directors:			
Loeb, Gabi (Treasurer) (arrived late)	X	Baird, Ali	X
Grouf, Nick		Hsu, Bea	X
Patillo-Brownson, Kim		Jaeger, Nicole (Nicki) (Secretary)	
Sturman, Lindsay		Lara, Alicia (Chair)	X
Corwin, Danny (Vice-Chair)	X	Dunn, Alan	X
Furedi, Drew	X		
Hoge , Frances	X		
Amy Held (Executive Director):	X		
Catherine Belcher (Head of 9-12)	X		
Kristin Droege (Head of K-8)	X		

- II. Public Comments (Members of the public may choose to speak here or immediately preceding any action item on the agenda):
- LCS Parent Richard Taylor spoke again about privacy concerns.
 - LCS Teacher John McKiernan told the BOD he’s happy to help with Common Core privacy concerns.
- III. Approve November Minutes (ACTION ITEM): Danny Corwin moved, Alan Dunn seconded, approved by all except Drew Furedi who abstained as he wasn’t present at the November meeting.
- IV. Approve approval of monthly financials comprising the first interim report (ACTION

ITEM): Gabi Loeb moved, Danny Corwin seconded. Approved unanimously.

- V. Approval of Audit (ACTION ITEM)
Tabled to the next board meeting as it wasn't yet available to review
- VI. Board Discussion and Possible Action on Strategic Planning
- VII. Board Discussion and Possible Action on Authorizing Unsecured, Short Term Cash Flow Financing: BH moved, FH seconded. Approved unanimously.
 - John McKiernan told the BOD he has total confidence and is thankful for the balanced budget.
 - Richard Taylor spoke about cash flow issues in his own business and the importance of clear information.
- VIII. Governance/Nominating Committee Update
Olympia Ammon and Rachel Rogers have stepped off of the LCS BOD due to work and time obligations.
- IX. Academic Excellence Committee Update
Head of School for K-8, Kristin Droege shared the results of the first administration of Scholastic Reading Inventory (SRI) data.
- X. New Business
- XI. Closed Session - With respect to every item of business to be discussed in closed session pursuant to Section 54956.95. Report Out of Closed Session on Any Action Taken
 - a. Public Employee Employment Evaluation: Executive Director
No reportable action taken
- XII. Closing

This legislative body conducts business under the meeting requirements of the Ralph M. Brown Act.

MEETING AGENDA & RELATED MATERIALS

Agendas for regular board meetings as defined by the Brown Act will be posted at the meeting site and the legislative body's website, if applicable, 72 hours prior to the start of the meeting. Agendas for special meetings as defined by the Brown Act will be posted at the meeting site and the legislative body's website, if applicable, 24 hours prior to the start of the meeting. Materials relating to an agenda topic that is a matter of public record in open session, will be made available for public inspection 72 hours prior to the

start of the meeting, or, alternatively, when the materials are distributed to at least a majority of board members.

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FOR MORE INFORMATION

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Larchmont Schools DRAFT MINUTES
Board of Directors Meeting
Larchmont Charter School at La Fayette Park Place Assembly Room
2801 W. 6th St. Los Angeles, CA 90057
November 4, 2014

OPENSESSION

- I. The meeting was called to order by Alicia Lara, Chair.
 * Names with "X" indicates present:

Board of Directors:			
Amato, John		Baird, Ali	X
Rogers, Rachel	X	Hsu, Bea	X
Patillo-Brownson, Kim	X	Jaeger, Nicole (Nicki) (Secretary)	X
Cade, Carl	X	Lara, Alicia (Chair)	X
Corwin, Danny (Vice-Chair)	X	Dunn, Alan	X
Furedi, Drew		Loeb, Gabi (Treasurer)	
Ammon, Olympia	X	Sturman, Lindsay	X
Grouf, Nick			
Amy Held (Executive Director):	X		
Catherine Belcher (Head of 9-12)	X		
Kristin Droege (Head of K-8)	X		

- II. Public Comments (None)
- III. Review and Approval of Minutes for the October 7, 2014 and October 14, 2014 Meetings (Action Item) – 10/7/14: CC moved, AB seconded. Approved unanimously. 10/14/14: CC moved, DC seconded. Approved unanimously.
- IV. Approve September Financials (Action Item) – GL moved, AD seconded. Approved unanimously.
- V. Approve revisions to Conflict of Interest Policy and Bylaws (Action Item) – NJ moved, BH seconded. Approved unanimously.
 a. Public Comment: Richard Taylor asked the consequences for not approving the Conflict of Interest Policy and Bylaws.
- VI. Board Review of Independent Study Policies and Adoption – No Action Taken: Agenda Error
- VII. Title 1/LEA School wide Plan Update – No Action Taken: Agenda Error
- VIII. 1st Interim Report – No Action Taken: Agenda Error
- IX. IRS Form 990 – No Action Taken: Agenda Error

- X. Nominations: Election of new BOD member Frances Hoge (Action Item); Elect new members, Brian Kaplan and Adam Carr to Finance Committee (Action Item); Recognize Carl Cade for 4 years of outstanding service; Re- elect Drew Furedi for new 2 year term
 - a. DC moved, OA seconded to elect Frances Hoge to the LCS BOD. Approved unanimously.
 - b. AB moved, NJ seconded to re-elect Drew Furedi for a new 2-year term and elect Brian Kaplan and Adam Carr to the Finance Committee. Approved unanimously.
- XI. Review Annual Diversity Update (per LCS charter and requirement to LAUSD)
- XII. Enrollment Update
- XIII. Academic Excellence Committee Update
- XIV. Strategic Planning Update-Lindsay
- XV. Board Chair Comments
- XVI. New Business
- XVII. Closed Session- With respect to every item of business to be discussed in closed session pursuant to Section 54956.95. Report Out of Closed Session on Any Action Taken - No reportable action taken
 - a. Personnel Issues
 - b. Public Employment: Executive Director Performance Evaluation.
- XVIII. Closing



Larchmont Charter School

Financial Update for Finance Committee

Agenda



- 2014-15 Financials
 - Forecast Updates (Based on Actuals through 11/30/14)
 - Cash Flow & Financing

- Exhibits

2014-15 Financials

2014-15 Forecast Updates Summary: Revenues

The revenue forecast has remained the same since last month's update



Revenues	
General Block Grant: No Change	\$-
Federal Revenue: No Change	\$-
Other State Revenue: No Change	\$-
Other Local Revenue: No Change	\$-

Revenue Risks

- Tracking ADA
- After school program revenues will be tracked each month
- Fundraising: \$501.4k collected as of 11/30 (of \$2.1M forecast)

2014-15 ADA Recap: November Update

The current forecast for ADA is 1,332.50



	Per Latest Forecast	Current	Variance
Enrollment	1,388.00	1,384.00	(4.00)
ADA	1,332.50	1,313.78	(18.72)
ADA %	96.0%	94.9%	

As of end of Month 4 (12/12/14)

Cumulative ADA:

Month	Total Days Att	# Days	ADA	Enrollment
1	24,578	19	1,293.58	1349
2	22,446	17	1,320.35	1370
3	23,728	18	1,318.22	1384
4	23,840	18	1,324.44	1387
Total - Cum.	94,592	72	1,313.78	

- Current ADA and Current ADA % is lower than latest forecast
- **Please note:** Month 4 just ended on 12/12/2014, therefore the numbers are not final

2014-15 Afterschool Program

November YTD : \$98.8k collected as of 11/30 (of \$294k forecast)



		Nov	Actual YTD	Approved Budget (June '14)	Current Forecast	Variance (Budget vs. Current Forecast)	Budget Remaining	Forecast Remaining	% of Forecast Spent
SUMMARY									
Revenue									
8676	After School Program Revenue	29,530	98,889	50,000	294,552	244,552	(48,889)	195,663	34%
Expenses									
4352	After School Program	4,447	35,517	-	66,000	(66,000)	(35,517)	30,483	54%
Operating Income		25,083	63,372	50,000	228,552	178,552	(13,372)	165,180	28%

- Afterschool program revenue is tracking low, 34% of forecasted amount

2014-15 Forecast Updates Summary: Expenses

The expense forecast has slightly increased since last month's update



Expenses – Net Increase of \$11.7k	
Salaries & Compensation <ul style="list-style-type: none">▪ No change	\$-
Books & Supplies <ul style="list-style-type: none">▪ No change	\$-
Services & Other Operating Expenses <ul style="list-style-type: none">▪ \$1.2k increase for one time fingerprinting and fines & penalty expenses▪ \$10.5k increase for staff recruiting, and loan interest on \$250k parent loan	\$11.7k increase
Capital Outlay <ul style="list-style-type: none">▪ No change	\$-

Risk of continued spending in exhausted expense categories, though further analysis with school leadership may result in redistribution of other categories

2014-15 Current Forecast: Nov. YTD Update

The current forecast for Net Operating Income is \$517k including depreciation.



	Approved Budget (June 2014)	Previous Month's Forecast	Current Forecast	Variance (Previous vs. Current Forecast)	Variance (Budget vs. Current Forecast)	% of Forecast Spent
SUMMARY						
Revenue						
General Block Grant	9,254,793	8,975,571	8,975,571	-	(279,222)	28%
Federal Revenue	701,609	685,933	685,933	-	(15,676)	20%
Other State Revenues	1,941,890	1,980,287	1,980,287	-	38,397	19%
Local Revenues	309,728	684,321	684,321	-	374,593	51%
Fundraising and Grants	2,100,000	2,100,000	2,100,000	-	-	24%
Total Revenue	14,308,021	14,426,113	14,426,113	-	118,093	27%
Expenses						
Compensation and Benefits	9,832,256	9,471,571	9,471,571	-	360,684	41%
Books and Supplies	809,842	879,159	879,159	-	(69,316)	38%
Services and Other Operating Expenditures	3,014,632	3,359,771	3,371,569	(11,798)	(356,937)	41%
Capital Outlay	326,000	276,000	276,000	-	50,000	59%
Total Expenses	13,982,730	13,986,501	13,998,299	(11,798)	(15,568)	41%
Operating Income (excluding Depreciation & CapEx)	651,290	715,613	703,814	(11,798)	52,524	-247%
Depreciation	203,348	186,682	186,682	-	16,667	0%
Operating Income (including Depreciation)	447,942	528,931	517,133	(11,798)	69,191	-336%
Fund Balance						
Beginning Balance (Unaudited)	2,009,073	2,009,073	2,009,073			100%
Operating Income (including Depreciation)	447,942	528,931	517,133			-336%
Ending Fund Balance (including Depreciation)	2,457,015	2,538,004	2,526,206			11%
PacWest Net Income Target		431,144	431,144			0%
% Variance		23%	20%			0%

2014-15 Cash Flow & Financing



PacWest Line of Credit

- Due to the 13-14 year-end actuals, Larchmont was unable to rest the line for 30 days this summer. Larchmont must rest the line before August 2015 (renewal cycle)
- At the end of November, the line was fully drawn at \$750k

Parent Loan

- Larchmont received a \$250k loan from a school parent to be paid back at the end of the fiscal year (June 2015).

2014-15 Cash Flow

- Cash Flow forecast has been updated with most recent expectations for government revenues
- Cash will be closely monitored during the 2014-15 school year
- Paying off Aging AP by roughly \$80k per month until April 2015
- Depending on timing of uncertain cash flows (such as fundraising, food services, after school), Larchmont may have a cash need this year of \$200-300k

Exhibits

- 14-15 Cash Flow Forecast
- November 2014 YTD Financials

Larchmont Charter School
 Monthly Cash Forecast
 As of November 2014 monthly close

	2014/15													AP/AR
	Actual & Projected													
	Jul Actual	Aug Actual	Sep Actual	Oct Actual	Nov Actual	Dec Projected	Jan Projected	Feb Projected	Mar Projected	Apr Projected	May Projected	Jun Projected	Forecast	
Beginning Cash	\$340,469	1,068,648	461,664	127,915	198,899	190,525	(49,916)	472,390	205,220	323,961	695,290	836,093		
Revenue														
General Block Grant	104,048	444,438	236,342	1,163,209	569,616	521,204	981,353	553,699	811,854	1,164,285	680,287	680,287	8,975,571	1,064,949
Federal Income	13,832	27,664	31,426	39,975	23,624	59,129	57,926	52,341	121,704	64,972	59,388	92,406	685,933	41,547
Other State Income	39,091	77,942	-	204,770	54,010	26,355	455,127	97,904	164,911	64,976	311,473	94,106	1,980,287	389,622
Local Revenues	12,576	57,764	193,028	28,134	54,442	41,926	44,757	44,757	44,757	44,757	44,757	71,257	684,321	-
Fundraising and Grants	27,663	(6,680)	46,927	224,941	208,568	227,297	228,547	228,547	228,547	228,547	228,547	228,547	2,100,000	-
Total Revenue	197,211	601,127	507,723	1,661,030	910,260	875,911	1,767,710	977,248	1,371,773	1,567,538	1,324,452	1,166,603	14,426,113	1,496,118
Expenses														
Compensation & Benefits	360,581	804,903	932,215	916,001	871,353	798,204	798,695	797,731	797,731	798,695	797,731	797,731	9,471,571	-
Books & Supplies	10,100	90,846	85,116	103,963	40,646	71,292	79,533	79,533	79,533	79,533	79,533	79,533	879,159	-
Services & Other Operating Expenses	287,556	232,344	200,969	506,688	170,841	401,631	266,358	266,335	274,948	285,588	285,566	186,463	3,371,569	6,283
Capital Outlay	28,814	101,306	20,868	12,299	-	16,102	16,102	16,102	16,102	16,102	16,102	16,102	276,000	-
Total Expenses	687,051	1,229,400	1,239,169	1,538,951	1,082,839	1,287,229	1,160,687	1,159,701	1,168,314	1,179,917	1,178,931	1,079,828	13,998,299	6,283
Operating Cash Inflow (Outflow)	(489,840)	(628,272)	(731,446)	122,079	(172,579)	(411,319)	607,024	(182,452)	203,459	387,621	145,521	86,775	427,814	1,489,835
Revenues - Prior Year Accruals	1,243,786	68,240	(60,326)	197,602	(1)	5,596	-	-	-	-	-	92,326		
Expenses - Prior Year Accruals	(65,764)	(64,708)	44,149	(10,448)	(70,942)	-	-	-	-	-	-	-		
Accounts Receivable - Current Year	-	-	-	-	-	-	-	-	-	-	-	-		
Accounts Payable - Current Year	(151,733)	124,781	355,223	(230,843)	239,915	(80,000)	(80,000)	(80,000)	(80,000)	(11,573)	-	-		
Summerholdback for Teachers	-	-	-	-	-	-	-	-	-	-	-	-		
Loans Payable (Current)	(4,869)	(104,699)	95,279	(4,934)	(4,767)	245,282	(4,718)	(4,718)	(4,718)	(4,718)	(4,718)	(254,718)		
Due To Other Funds	-	-	-	-	-	-	-	-	-	-	-	-		
Current Loans	-	-	-	-	-	250,000	-	-	-	-	-	(250,000)		
Charter Asset Management	-	-	-	-	-	-	-	-	-	-	-	-		
Notes Payable Misc	-	-	-	-	-	-	-	-	-	-	-	-		
Notes Payable Misc.	-	-	-	-	-	-	-	-	-	-	-	-		
PacWest LOC	-	(100,000)	100,000	-	-	-	-	-	-	-	-	-		
PacWest Term Loan	(4,869)	(4,699)	(4,721)	(4,934)	(4,767)	(4,718)	(4,718)	(4,718)	(4,718)	(4,718)	(4,718)	(4,718)		
Notes Payable - Board Member	-	-	-	-	-	-	-	-	-	-	-	-		
Loans Payable (Long Term)	-	-	-	-	-	-	-	-	-	-	-	-		
Capital Leases Payable	-	-	-	-	-	-	-	-	-	-	-	-		
Other Long Term Debt	-	-	-	-	-	-	-	-	-	-	-	-		
Capital Expenditure & Depreciation	-	(2,325)	(36,628)	(2,471)	-	-	-	-	-	-	-	-		
Other Balance Sheet Changes	196,599	-	-	-	-	-	-	-	-	-	-	-		
Ending Cash	1,068,648	461,664	127,915	198,899	190,525	(49,916)	472,390	205,220	323,961	695,290	836,093	760,476		

Paying off Aging AP

Larchmont Charter School
 Budget vs. Actuals
 As of November 2014 monthly close

	Actual		Budget vs. Actual Timing			Budget / Forecast						
	Nov	Actual YTD	Budget YTD	Variance (YTD less Budget)	Approved Budget (June 2014)	Previous Month's Forecast	Current Forecast	Variance (Previous vs. Current Forecast)	Variance (Budget vs. Current Forecast)	Budget Remaining	Forecast Remaining	% of Forecast Spent
SUMMARY												
Revenue												
General Block Grant	569,616	2,517,653	2,675,628	(157,975)	9,254,793	8,975,571	8,975,571	-	(279,222)	6,737,140	6,457,918	28%
Federal Revenue	23,624	136,521	171,025	(34,504)	701,609	685,933	685,933	-	(15,676)	565,088	549,413	20%
Other State Revenues	54,010	375,813	758,196	(382,383)	1,941,890	1,980,287	1,980,287	-	38,397	1,566,077	1,604,475	19%
Local Revenues	54,442	345,944	92,919	253,026	309,728	684,321	684,321	-	374,593	(36,216)	338,377	51%
Fundraising and Grants	208,568	501,419	630,000	(128,581)	2,100,000	2,100,000	2,100,000	-	-	1,598,581	1,598,581	24%
Total Revenue	910,260	3,877,351	4,327,768	(450,417)	14,308,021	14,426,113	14,426,113	-	118,093	10,430,670	10,548,763	27%
Expenses												
Compensation and Benefits	871,353	3,885,054	3,715,063	(169,990)	9,832,256	9,471,571	9,471,571	-	360,684	5,947,202	5,586,518	41%
Books and Supplies	40,646	330,671	318,483	(12,188)	809,842	879,159	879,159	-	(69,316)	479,171	548,487	38%
Services and Other Operating Expenditures	170,841	1,398,398	1,239,877	(158,521)	3,014,632	3,359,771	3,371,569	(11,798)	(356,937)	1,616,235	1,973,171	41%
Capital Outlay	-	163,287	181,800	18,513	326,000	276,000	276,000	-	50,000	162,713	112,713	59%
Total Expenses	1,082,839	5,777,409	5,455,223	(322,186)	13,982,730	13,986,501	13,998,299	(11,798)	(15,568)	8,205,321	8,220,890	41%
Operating Income (excluding Depreciation & CapEx)	(172,579)	(1,736,772)	(945,655)	(791,117)	651,290	715,613	703,814	(11,798)	52,524	2,388,062	2,440,587	-247%
<i>Depreciation</i>	-	-	-	-	203,348	186,682	186,682	-	16,667	203,348	186,682	0%
<i>Operating Income (including Depreciation)</i>	(172,579)	(1,736,772)	(945,655)	(791,117)	447,942	528,931	517,133	(11,798)	69,191	2,184,714	2,253,905	-336%
Fund Balance												
Beginning Balance (Unaudited)	444,880	2,009,073	2,009,073		2,009,073	2,009,073	2,009,073					100%
Operating Income (including Depreciation)	(172,579)	(1,736,772)	(945,655)		447,942	528,931	517,133					-336%
Ending Fund Balance (including Depreciation)	272,301	272,301	1,063,418		2,457,015	2,538,004	2,526,206					11%
PacWest Net Income Target						431,144	431,144					0%
% Variance						23%	20%					0%

Larchmont Charter School
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Detail	Actual Nov	Budget vs. Actual Timing			Budget / Forecast							
		Actual YTD	Budget YTD	Variance (YTD less Budget)	Approved Budget (June 2014)	Previous Month's Forecast	Current Forecast	Variance (Previous vs. Current Forecast)	Variance (Budget vs. Current Forecast)	Budget Remaining	Forecast Remaining	% of Forecast Spent
Enrollment Breakdown												
K	Month 3:				114	115	115	-	1			0%
1					114	114	114	-	-			0%
2					114	114	114	-	-			0%
3					114	114	114	-	-			0%
4					116	116	116	-	-			0%
5					119	119	119	-	-			0%
6					162	157	157	-	(5)			0%
7					162	159	159	-	(3)			0%
8					162	167	167	-	5			0%
9					125	94	94	-	(31)			0%
10					64	67	67	-	3			0%
11					64	52	52	-	(12)			0%
12					-	-	-	-	-			0%
Enrollment Summary												
K-3					456	457	457	-	1			0%
4-6					397	392	392	-	(5)			0%
7-8					324	326	326	-	2			0%
9-12					253	213	213	-	(40)			0%
Total Enrolled					1,430	1,388	1,388	-	(42)			0%
ADA %												
K-3					96%	96%	96%					0%
4-6					96%	96%	96%					0%
7-8					96%	96%	96%					0%
9-12					96%	96%	96%					0%
Average					96%	96%	96%					0%
ADA												
K-3					437.8	438.7	438.7	-	1.0			0%
4-6					381.1	376.3	376.3	-	(4.8)			0%
7-8					311.0	313.0	313.0	-	1.9			0%
9-12					242.9	204.5	204.5	-	(38.4)			0%
Total ADA					1,372.8	1,332.5	1,332.5	-	(40.3)			0%

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	Actual				Budget vs. Actual Timing			Budget / Forecast				
	Nov	Actual YTD	Budget YTD	Variance (YTD less Budget)	Approved Budget (June 2014)	Previous Month's Forecast	Current Forecast	Variance (Previous vs. Current Forecast)	Variance (Budget vs. Current Forecast)	Budget Remaining	Forecast Remaining	% of Forecast Spent
REVENUE												
General Purpose Entitlement												
8011 Charter Schools General Purpose Entitlement - State Aid	425,416	1,425,608.00	1,654,756	(229,148)	5,909,843	5,445,677	5,445,677.48	-	(464,165)	4,484,235	4,020,069	26%
8012 Education Protection Account Entitlement	-	334,994.00	323,363	11,631	1,293,452	1,538,649	1,538,648.73	-	245,197	958,458	1,203,655	22%
8096 Charter Schools in Lieu of Prop. Taxes	144,200	757,051.41	697,510	59,542	2,051,499	1,991,245	1,991,244.79	-	(60,254)	1,294,447	1,234,193	38%
	569,616	2,517,653	2,675,628	(157,975)	9,254,793	8,975,571	8,975,571	-	(279,222)	6,737,140	6,457,918	28%
8100 Federal Revenue												
8181 Special Education - Entitlement	19,170	100,640.28	92,724.95	7,915.33	272,720.45	264,710.48	264,710.48	-	(8,010)	172,080	164,070	38%
8220 Child Nutrition Programs	4,455	4,454.58	78,299.92	(73,845.34)	260,999.74	253,334.01	253,334.01	-	(7,666)	256,545	248,879	2%
8291 Title I	-	31,426.00	-	31,426.00	153,928.00	153,928.00	153,928.00	-	-	122,502	122,502	20%
8292 Title II	-	-	-	-	5,684.00	5,684.00	5,684.00	-	-	5,684	5,684	0%
8293 Title III	-	-	-	-	8,277.00	8,277.00	8,277.00	-	-	8,277	8,277	0%
SUBTOTAL - Federal Income	23,624	136,521	171,025	(34,504)	701,609	685,933	685,933	-	(15,676)	565,088	549,413	20%
8300 Other State Revenues												
8319 Other State Apportionments - Prior Years	-	120.00	-	120.00	-	120.00	120.00	-	120	(120)	-	100%
8381 Special Education - Entitlement (State)	54,010	283,551.70	261,250.43	22,301.27	768,383.62	745,815.71	745,815.71	-	(22,568)	484,832	462,264	38%
8382 Special Education Reimbursement (State)	-	-	-	-	-	-	-	-	-	-	-	-
8520 Child Nutrition - State	-	-	5,965.71	(5,965.71)	19,885.69	19,301.64	19,301.64	-	(584)	19,886	19,302	0%
8545 School Facilities Apportionments	-	-	418,290.00	(418,290.00)	836,580.00	804,960.00	804,960.00	-	(31,620)	836,580	804,960	0%
8550 Mandated Cost Reimbursements	-	-	4,804.80	(4,804.80)	19,219.20	24,380.16	24,380.16	-	5,161	19,219	24,380	0%
8560 State Lottery Revenue	-	-	-	-	222,393.60	215,861.76	215,861.76	-	(6,532)	222,394	215,862	0%
8590 All Other State Revenue	-	92,141.22	-	92,141.22	-	92,141.22	92,141.22	-	92,141	(92,141)	-	100%
8593 Common Core	-	-	67,885.16	(67,885.16)	75,427.95	77,707.00	77,707.00	-	2,279	75,428	77,707	0%
SUBTOTAL - Other State Income	54,010	375,813	758,196	(382,383)	1,941,890	1,980,287	1,980,287	-	38,397	1,566,077	1,604,475	19%
8600 Other Local Revenue												
8634 Food Service Sales	24,872	97,096.52	66,368.51	30,728.01	221,228.35	214,730.73	214,730.73	-	(6,498)	124,132	117,634	45%
8660 Interest	0	0.20	-	0.20	-	0.14	0.14	-	0	(0)	(0.06)	143%
8676 After School Program Revenue	29,530	98,889.02	15,000.00	83,889.02	50,000.00	294,552.00	294,552.00	-	244,552	(48,889)	195,663	34%
8689 All Other Fees and Contracts	-	10.00	-	10.00	-	-	-	-	-	(10)	(10)	-
8699 All Other Local Revenue	-	148,538.43	-	148,538.43	-	148,538.43	148,538.43	-	148,538	(148,538)	-	100%
8701 COP SELPA Grant (Staff)	-	-	7,950.00	(7,950.00)	26,500.00	26,500.00	26,500.00	-	-	26,500	26,500	0%
8999 Uncategorized Revenue	40	1,410.24	-	1,410.24	-	-	-	-	-	(1,410)	(1,410)	-
SUBTOTAL - Local Revenues	54,442	345,944	92,919	253,026	309,728	684,321	684,321	-	374,593	(36,216)	338,377	51%
8800 Donations/Fundraising												
8802 Donations - Private	250	1,250	-	1,250	-	-	-	-	-	(1,250)	(1,250)	-
8803 Fundraising	772	2,053.760	630,000	(627,946)	2,100,000	2,100,000	2,100,000	-	-	2,097,946	2,097,946	0%
8813 FFX	26,890	64,853.140	-	64,853	-	-	-	-	-	(64,853)	(64,853)	-
8814 HGR	57,831	138,269.540	-	138,270	-	-	-	-	-	(138,270)	(138,270)	-
8815 SEL	37,444	89,421.520	-	89,422	-	-	-	-	-	(89,422)	(89,422)	-
8816 LFM	47,624	114,477.990	-	114,478	-	-	-	-	-	(114,478)	(114,478)	-
8817 LFH	37,757	90,093.020	-	90,093	-	-	-	-	-	(90,093)	(90,093)	-
8818 School Defined Revenue 8	-	1,000.000	-	1,000	-	-	-	-	-	(1,000)	(1,000)	-
SUBTOTAL - Fundraising and Grants	208,568	501,419	630,000	(128,581)	2,100,000	2,100,000	2,100,000	-	-	1,598,581	1,598,581	24%
TOTAL REVENUE	910,260	3,877,351	4,327,768	(450,417)	14,308,021	14,426,113	14,426,113	-	118,093	10,430,670	10,548,763	27%

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EXPENSES												
Compensation & Benefits												
1000 Certificated Salaries	-											
1100 Teachers Salaries	329,103	1,335,166	1,377,680	42,514	3,788,621	3,470,121	3,470,121	-	318,500	2,453,454	2,134,955	38%
1101 Teacher - Stipends	7,604	26,061	21,818	(4,243)	60,000	60,000	60,000	-	-	33,939	33,939	43%
1103 Teacher - Substitute Pay	6,080	21,734	-	(21,734)	-	-	-	-	-	(21,734)	(21,734)	
1111 Teacher - Elective	53,683	222,190	-	(222,190)	-	591,071	591,071	-	(591,071)	(222,190)	368,880	38%
1200 Certificated Pupil Support Salaries	90,962	355,845	305,622	(50,223)	840,459	936,071	936,071	-	(95,612)	484,615	580,227	38%
1300 Certificated Supervisor & Administrator Salaries	79,571	361,271.19	301,410	(59,861)	828,878	900,633	900,633	-	(71,755)	467,607	539,362	40%
1900 Certificated Other Salaries	7,227	37,264	85,354	48,090	234,723	81,800	81,800	-	152,923	197,459	44,536	46%
SUBTOTAL - Certificated Employees	574,230	2,359,532	2,091,884	(267,647)	5,752,681	6,039,696	6,039,696	-	(287,015)	3,393,150	3,680,164	39%
2000 Classified Salaries												
2100 Classified Instructional Aide Salaries	45,114	156,576.50	253,380.05	96,803.55	696,795.15	460,942.48	460,942.48	-	235,853	540,219	304,366	34%
2101 Classified - Electives	16,497	40,687.27	136,527.27	95,840.00	375,450.00	72,677.50	72,677.50	-	302,773	334,763	31,990	56%
2200 Classified Support Salaries	-	-	22,069.09	22,069.09	60,690.00	-	-	-	60,690	60,690	-	
2300 Classified Supervisor & Administrator Salaries	6,250	76,049.86	73,636.36	(2,413.50)	202,500.00	112,500.00	112,500.00	-	90,000	126,450	36,450	68%
2400 Classified Clerical & Office Salaries	62,280	292,473.97	322,163.38	29,689.41	885,949.30	759,063.79	759,063.79	-	126,886	593,475	466,590	39%
2905 Other Classified - After School	9,243	28,248.90	-	(28,248.90)	-	78,552.00	78,552.00	-	(78,552)	(28,249)	50,303	36%
2928 Other Classified - Food	9,238	29,800.38	-	(29,800.38)	-	72,272.38	72,272.38	-	(72,272)	(29,800)	42,472	41%
2930 Other Classified - Maintenance/grounds	9,456	48,572.95	41,043.32	(7,529.63)	112,869.12	112,870.00	112,870.00	-	(1)	64,296	64,297	43%
2935 Other Classified - Substitute	677	1,002.00	-	(1,002.00)	-	-	-	-	-	(1,002)	(1,002)	
SUBTOTAL - Classified Employees	158,755	673,412	848,819	175,408	2,334,254	1,668,878	1,668,878	-	665,375	1,660,842	995,466	40%
3000 Employee Benefits												
3100 STRS	47,294	198,973	183,822	(15,151)	505,510	534,268	534,268	-	(28,758)	306,537	335,295	37%
3200 PERS	-	-	-	-	-	-	-	-	-	-	-	
3300 OASDI-Medicare-Alternative	21,348	86,835	109,853	23,018	302,095	251,369	251,369	-	50,726	215,260	164,534	35%
3400 Health & Welfare Benefits	55,209	448,588	419,528	(29,060)	839,055	883,315	883,315	-	(44,260)	390,467	434,727	51%
3500 Unemployment Insurance	356	1,473	2,022	548	4,043	3,854	3,854	-	189	2,570	2,381	38%
3600 Workers Comp Insurance	7,311	81,041	59,136	(21,905)	94,617	90,190	90,190	-	4,427	13,576	9,149	90%
3700 Retiree Benefits	6,850	35,200	-	(35,200)	-	-	-	-	-	(35,200)	(35,200)	
SUBTOTAL - Employee Benefits	138,368	852,110	774,360	(77,751)	1,745,321	1,762,997	1,762,997	-	(17,676)	893,211	910,887	48%

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4000 Books & Supplies												
4100 Approved Textbooks & Core Curricula Materials	-	55,073	50,667	(4,406)	60,000	60,000	60,000	-	-	4,927	4,927	92%
4200 Books & Other Reference Materials	-	5,372	6,333	961	7,500	-	-	7,500	2,128	(5,372)		
4300 Materials & Supplies	-	34	-	(34)	-	-	-	-	(34)	(34)		
4315 Custodial Supplies	990	8,416	10,000	1,584	24,000	24,000	24,000	-	-	15,584	15,584	35%
4320 Educational Software	1,495	4,501	6,756	2,255	8,000	8,000	8,000	-	-	3,499	3,499	56%
4325 Instructional Materials & Supplies	2,696	18,035	1,500	(16,535)	5,000	13,519	13,519	-	(8,519)	(13,035)	(4,516)	133%
4326 HS Fine Arts	27	2,922	3,000	79	10,000	10,000	10,000	-	-	7,079	7,079	29%
4330 Office Supplies	1,461	15,594	25,000	9,406	60,000	60,000	60,000	-	-	44,406	44,406	26%
4335 HS PE Supplies	-	2,054	3,000	946	10,000	10,000	10,000	-	-	7,946	7,946	21%
4340 Professional Development Supplies	-	369	720	351	2,400	2,400	2,400	-	-	2,031	2,031	15%
4345 Non Instructional Student Materials & Supplies	450	2,541	-	(2,541)	-	1,673	1,673	-	(1,673)	(2,541)	(867)	152%
4346 Teacher Supplies	1,773	14,729	21,000	6,271	70,000	66,000	66,000	-	4,000	55,271	51,271	22%
4350 Uniforms	-	644	240	(404)	800	800	800	-	-	156	156	81%
4351 Yearbook	-	130	-	(130)	2,500	2,500	2,500	-	-	2,370	2,370	5%
4352 After School Program	4,447	35,517	-	(35,517)	-	66,000	66,000	-	(66,000)	(35,517)	30,483	54%
4410 Classroom Furniture, Equipment & Supplies	3,847	36,345	16,889	(19,456)	20,000	29,893	29,893	-	(9,893)	(16,345)	(6,452.28)	122%
4420 Computers (individual items less than \$5k)	-	24,332	12,667	(11,665)	15,000	24,332	24,332	-	(9,332)	(9,332)	-	100%
4430 HS Non Classroom Related Furniture, Equipment & Supp	6,672	18,417	8,444	(9,973)	10,000	10,000	10,000	-	-	(8,417)	(8,417)	184%
4710 Student Food Services	16,497	82,357	149,143	66,786	497,142	482,541	482,541	-	14,601	414,785	400,184	17%
4720 Other Food	291	3,290	3,125	(165)	7,500	7,500	7,500	-	-	4,210	4,210	44%
SUBTOTAL - Books and Supplies	40,646	330,671	318,483	(12,188)	809,842	879,159	879,159	-	(69,316)	479,171	548,487	38%
5000 Services & Other Operating Expenses												
5210 Conference Fees	-	120	750	630	2,500	-	-	-	2,500	2,380	(120)	
5215 Travel - Mileage, Parking, Tolls	6	30	300	270	1,000	1,000	1,000	-	-	970	970	3%
5220 Travel and Lodging	-	-	1,350	1,350	4,500	-	-	-	4,500	4,500	-	
5223 Facility & Staff Parking	-	9,720	7,200	(2,520)	24,000	30,000	30,000	-	(6,000)	14,280	20,280	32%
5225 Travel - Meals & Entertainment	-	-	360	360	1,200	-	-	-	1,200	1,200	-	
5305 Dues & Membership - Professional	3,435	4,324	1,500	(2,824)	5,000	5,000	5,000	-	-	676	676	86%
5310 Subscriptions	-	665	300	(365)	1,000	1,000	1,000	-	-	335	335	67%
5450 Insurance - Other	9,954	57,080	74,653	17,573	119,445	119,445	119,445	-	-	62,365	62,365	48%
5500 Operations & Housekeeping	-	-	-	-	-	-	-	-	-	-	-	
5510 Utilities - Gas and Electric	1,439	11,688	27,083	15,395	65,000	65,000	65,000	-	-	53,312	53,312	18%
5515 Janitorial, Gardening Services & Supplies	250	6,573	19,688	13,115	47,250	30,000	30,000	-	17,250	40,677	23,427	22%
5520 Security	3,256	13,267	22,917	9,650	55,000	47,240	47,240	-	7,760	41,733	33,973	28%
5525 Utilities - Waste	984	3,511	-	(3,511)	-	-	-	-	-	(3,511)	(3,511)	
5530 Utilities - Water	732	1,157	-	(1,157)	-	-	-	-	-	(1,157)	(1,157)	
5535 Utilities - All Utilities	-	981	-	(981)	-	-	-	-	-	(981)	(981)	
5605 Equipment Leases	3,712	20,067	31,250	11,183	75,000	75,000	75,000	-	-	54,933	54,933	27%
5610 Rent	(506)	463,005	617,655	154,650	1,235,311	1,235,311	1,235,311	-	-	772,306	772,306	37%
5615 Repairs and Maintenance - Building	170	27,842	7,500	(20,342)	25,000	28,000	28,000	-	(3,000)	(2,842)	158	99%
5616 Repairs and Maintenance - Computers	-	855	-	(855)	-	260	260	-	(260)	(855)	(595)	329%
5617 Repairs and Maintenance - Other Equipment	-	686	1,080	394	3,600	3,600	3,600	-	-	2,914	2,914	19%
5618 Repairs & Maintenance - Auto	-	-	-	-	-	-	-	-	-	-	-	
5625 Storage	-	-	564	564	1,353	1,353	1,353	-	-	1,353	1,353	0%
5631 Other Rentals, Leases and Repairs 1	-	-	22,500	22,500	54,000	-	-	-	54,000	54,000	-	
5699 Other Rentals, Leases and Repairs 6	-	16,838	-	(16,838)	-	54,000	54,000	-	(54,000)	(16,838)	37,162	31%
5800 Other Services & Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	
5803 Accounting Fees	-	-	2,000	2,000	8,000	8,000	8,000	-	-	8,000	8,000	0%
5809 Banking Fees	2,699	8,165	750	(7,415)	1,800	1,800	1,800	-	-	(6,365)	(6,365)	454%
5810 Service 4	-	-	-	-	-	-	-	-	-	-	-	
5812 Business Services	11,662	58,310	64,583	6,273	155,000	155,000	155,000	-	-	96,690	96,690	38%
5816 Data Director	-	-	1,250	1,250	5,000	5,000	5,000	-	-	5,000	5,000	0%

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5820 Consultants - Non Instructional - Custom 1	-	1,580	1,500	(80)	5,000	5,825	5,825	-	(825)	3,420	4,245	27%
5824 District Oversight Fees	5,789	30,392	31,466	1,074	92,548	89,756	89,756	-	2,792	62,156	59,364	34%
5830 Field Trips Expenses	4,698	5,337	-	(5,337)	100,000	98,000	98,000	-	2,000	94,663	92,663	5%
5833 Fines and Penalties	117.23	711	-	(711)	-	593	711	(117)	(711)	(711)	-	100%
5834 Service 11	-	-	-	-	-	-	-	-	-	-	-	-
5836 Fingerprinting	162	5,179	1,667	(3,513)	4,000	4,000	5,179	(1,179)	(1,179)	(1,179)	-	100%
5839 Fundraising Expenses	2,853	13,130	20,833	7,703	50,000	50,000	50,000	-	-	36,870	36,870	26%
5841 Party Expense	-	-	-	-	-	-	-	-	-	-	-	-
5842 Grant Writer	-	-	-	-	-	-	-	-	-	-	-	-
5843 Interest - Loans Less than 1 Year	9,461	44,046	39,770	(4,275)	95,449	109,420	113,941	(4,521)	(18,492)	51,403	69,896	39%
5845 Legal Fees	1,986	14,594	-	(14,594)	50,000	50,000	50,000	-	-	35,406	35,406	29%
5846 Loan and Financing Fees	-	-	-	-	-	-	-	-	-	-	-	-
5848 Licenses and Other Fees	3,000	150,553	3,000	(147,553)	10,000	157,633	157,633	-	(147,633)	(140,553)	7,079	96%
5851 Marketing and Student Recruiting	(100)	700	450	(250)	1,500	1,500	1,500	-	-	800	800	47%
5852 Receivable Sale Fees	-	98	-	(98)	-	-	-	-	-	(98)	(98)	-
5853 Service 14	-	-	-	-	-	-	-	-	-	-	-	-
5854 Consultants - Other 1	-	-	-	-	-	-	-	-	-	-	-	-
5855 Consultants - Other 2	50	10,570	-	(10,570)	-	15,000	15,000	-	(15,000)	(10,570)	4,430	70%
5856 Consultants - Other 3	-	-	-	-	-	-	-	-	-	-	-	-
5857 Payroll Fees	1,473	11,708	7,500	(4,208)	18,000	18,000	18,000	-	-	6,292	6,292	65%
5860 Printing and Reproduction	-	-	-	-	-	-	-	-	-	-	-	-
5861 Prior Yr Exp (not accrued)	-	42,988	-	(42,988)	-	42,988	42,988	-	(42,988)	(42,988)	-	100%
5863 Professional Development	-	885	1,500	615	5,000	5,000	5,000	-	-	4,115	4,115	18%
5864 Professional Development - Other	-	-	-	-	-	-	-	-	-	-	-	-
5865 Service 16	-	-	-	-	-	-	-	-	-	-	-	-
5866 Service 17	-	-	-	-	-	-	-	-	-	-	-	-
5869 Special Education Contract Instructors	33,132	72,660	97,350	24,690	324,500	381,000	381,000	-	(56,500)	251,840	308,340	19%
5872 Special Education Encroachment	14,636	78,077	70,795	(7,282)	208,221	202,105	202,105	-	6,116	130,143	124,028	39%
5874 Sports	-	495	-	(495)	-	-	-	-	-	(495)	(495)	-
5875 Staff Recruiting	5,981	28,333	5,250	(23,083)	17,500	22,352	28,333	(5,981)	(10,833)	(10,833)	-	100%
5877 Student Activities	75	315	1,500	1,185	5,000	5,000	5,000	-	-	4,685	4,685	6%
5878 Student Assessment	-	3,761	1,080	(2,681)	3,600	3,600	3,600	-	-	(161)	(161)	104%
5880 Student Health Services	-	-	450	450	1,500	1,500	1,500	-	-	1,500	1,500	0%
5881 Student Information System	2,300	28,980	4,500	(24,480)	15,000	30,375	30,375	-	(15,375)	(13,980)	1,395	95%
5883 Service 18	-	-	-	-	-	-	-	-	-	-	-	-
5884 Substitutes	17,236	59,501	22,500	(37,001)	75,000	65,000	65,000	-	10,000	15,499	5,499	92%
5885 Tutor	-	-	-	-	-	-	-	-	-	-	-	-
5887 Technology Services	-	9,340	-	(9,340)	-	4,990	4,990	-	(4,990)	(9,340)	(4,350)	187%
5890 Transcript	-	-	-	-	-	-	-	-	-	-	-	-
5893 Transportation - Student	-	-	-	-	-	16,625	16,625	-	(16,625)	-	16,625	0%
5896 Internet/Website consulting	2,000	8,000	-	(8,000)	-	22,000	22,000	-	(22,000)	(8,000)	14,000	36%
5898 Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-
5899 Miscellaneous Operating Expenses	24,425	36,343	-	(36,343)	-	-	-	-	-	(36,343)	(36,343)	-
5900 Communications	-	-	25,000	25,000	60,000	60,000	60,000	-	-	60,000	60,000	0%
5905 Communications - Cell Phones	281	2,304	-	(2,304)	-	-	-	-	-	(2,304)	(2,304)	-
5910 Communications - Internet / Website Fees	2,650	14,586	10,000	(4,586)	24,000	24,000	24,000	-	-	9,414	9,414	61%
5915 Postage and Delivery	60	2,238	3,125	887	7,500	7,500	7,500	-	-	5,262	5,262	30%
5920 Communications - Telephone & Fax	783	16,110	-	(16,110)	-	-	-	-	-	(16,110)	(16,110)	-
5999 5000 series 1099 reimbursable expenses	-	-	-	-	-	-	-	-	-	-	-	-
0000 Reductions (Staffing Timing & Step/Column)	-	-	(29,593)	(29,593)	(98,644)	-	-	-	(98,644)	(98,644)	-	-
0000 Larchmont Council Directed Expenditures	-	-	15,000	15,000	50,000	-	-	-	50,000	50,000	-	-
SUBTOTAL - Services & Other Operating Exp.	170,841	1,398,398	1,239,877	(158,521)	3,014,632	3,359,771	3,371,569	(11,798)	(356,937)	1,616,235	1,973,171	41%
6000 Capital Outlay												
6200 Buildings & Improvement of Buildings	-	151,825	61,800	(90,025)	206,000	206,000	206,000	-	-	54,175	54,175	74%
6410 Computers (capitalizable items)	-	7,830	120,000	112,170	120,000	70,000	70,000	-	50,000	112,170	62,170	11%
SUBTOTAL - Capital Outlay	-	163,287	181,800	18,513	326,000	276,000	276,000	-	50,000	162,713	112,713	59%
TOTAL EXPENSES	1,082,839	5,777,409	5,455,223	(322,186)	13,982,730	13,986,501	13,998,299	(11,798)	(15,568)	8,205,321	8,220,890	41%
6900 Total Depreciation (includes Prior Years)	-	-	-	-	203,348	186,682	186,682	-	16,667	203,348	186,682	0%
TOTAL EXPENSES including Depreciation	1,082,839	5,614,123	5,273,423	(340,700)	13,860,079	13,897,182	13,908,980	(11,798)	(48,902)	8,245,956	8,294,858	40%

LARCHMONT SCHOOLS

ANNUAL FINANCIAL REPORT

JUNE 30, 2014

LARCHMONT SCHOOLS

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INDEPENDENT AUDITORS' REPORT

Governing Board
Larchmont Schools
(A California Non-Profit Public Benefit Corporation)
Los Angeles, California

Report on the Financial Statements

We have audited the accompanying financial statements of Larchmont Schools (A California Non-Profit Public Benefit Corporation), which are comprised of the statement of financial position as of June 30, 2014, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *Standards and Procedures for Audits of California K-12 Local Education Agencies 2013-2014*, issued by the California Education Audit Appeals Panel as regulations. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Larchmont Schools' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Larchmont Schools' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Larchmont Schools as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Larchmont Schools' basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information as referenced in the previous paragraph is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2014, on our consideration of Larchmont Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Larchmont Schools' internal control over financial reporting and compliance.

Varrink, Tin, Day & Co., LLP

Rancho Cucamonga, California
December 15, 2014

LARCHMONT SCHOOLS

STATEMENT OF FINANCIAL POSITION JUNE 30, 2014

ASSETS

Current Assets

Cash	\$	340,468
Accounts receivable		1,703,408
Prepaid expenses and other current assets		196,599
Security deposits		68,750
Total Current Assets		<u>2,309,225</u>

Non-Current Assets

Fixed assets		2,671,932
Less: accumulated depreciation		485,283
Total Non-Current Assets		<u>2,186,649</u>
Total Assets	\$	<u><u>4,495,874</u></u>

LIABILITIES

Current Liabilities

Accounts payable	\$	612,958
Accrued vacation		51,319
Current portion of term note payable		68,162
Line of credit		750,000
Total Current Liabilities		<u>1,482,439</u>

Long-Term Obligations

Long term note payable		1,198,755
Total Liabilities		<u>2,681,194</u>

NET ASSETS

Designated		20,000
Unrestricted		1,794,680
Total Net Assets		<u>1,814,680</u>

Total Liabilities and Net Assets	\$	<u><u>4,495,874</u></u>
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The accompanying notes are an integral part of these financial statements.

LARCHMONT SCHOOLS

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS FOR THE YEAR ENDED JUNE 30, 2014

REVENUES

Local Control Funding Formula	\$ 7,117,608
Federal revenue	360,774
State revenue	1,781,038
Local revenues	2,805,428
Total Revenues	<u>12,064,848</u>

EXPENSES

Program services	
Teacher salaries and benefits	6,855,894
Student transportation	403
Other student services	104,595
Educational programs	814
Occupancy	1,113,571
Student supplies	226,508
Student nutrition	304,129
Special education fee	472,751
Depreciation	153,048
Capital outlay	227,488
Subtotal	<u>9,459,201</u>
Management and general	
Clerical salaries and benefits	1,967,892
District supervisory fee	71,631
Insurance	98,071
Operating expenses	1,309,037
Subtotal	<u>3,446,631</u>
Total Expenses	<u>12,905,832</u>

DECREASE IN NET ASSETS	(840,984)
NET ASSET, BEGINNING OF YEAR	2,655,664
NET ASSETS, END OF YEAR	<u><u>\$ 1,814,680</u></u>

The accompanying notes are an integral part of these financial statements.

LARCHMONT SCHOOLS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2014

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (840,984)
Adjustments to reconcile increase in net assets to net cash used by operating activities	
Depreciation expense	153,048
Changes in operating assets and liabilities	
Decrease in accounts receivable	1,004,859
Increase in prepaid expenses	(160,278)
Decrease in accounts payable	510,145
Decrease in deferred revenue	(145,000)
Net Cash Provided by Operating Activities	<u>521,790</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Capital expenditures	<u>(1,563,531)</u>
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CASH FLOWS FROM FINANCING ACTIVITIES

Loan repayments	(433,020)
Loan proceeds	<u>1,266,917</u>
Net Cash Provided by Financing Activities	<u>833,897</u>

NET DECREASE IN CASH (207,844)

CASH BEGINNING OF YEAR 548,312

CASH END OF YEAR \$ 340,468

The accompanying notes are an integral part of these financial statements.

LARCHMONT SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014

NOTE 1 - ORGANIZATION AND MISSION

Larchmont Schools

Larchmont Schools (formerly known as Larchmont Charter School) was formed during 2004 as a non-profit public benefit corporation and the purpose of this corporation is to develop, manage, operate, guide, direct and promote charter schools. Larchmont Charter School officially became Larchmont Schools on September 18, 2012.

The mission of Larchmont Schools is to provide a socio-economically, culturally and racially diverse community of students with an exceptional public education. We foster creativity and academic excellence; our students learn with and from each other in an experience-centered, inquiry-based learning environment. With participation from our entire community, we strive to instill in each student a dedication to improving the world we inhabit.

Larchmont Charter School

Larchmont Charter School petitioned through Los Angeles Unified School District (LAUSD) for a charter and was approved by the State of California Department of Education on September 25, 2005, and renewed on February 16, 2010, for a period of five years ending in 2020.

Charter School number authorized by the State: 0717

Larchmont Charter School, located at 1265 North Fairfax Ave., West Hollywood, California, opened in September 2005, and currently serves approximately 1,200 students in grades kindergarten through twelve during the 2013-2014 school year. Larchmont Charter strives to have the essential combination of a research-based, innovative curriculum, parent involvement in school governance and academic excellence. It emphasizes constructivism in student learning.

Other Related Entities

Joint Powers Agency and Risk Management Pools - Larchmont Schools are associated with the California Charter Schools Association Joint Powers Authority (CCSA-JPA). The CCSA-JPA does not meet the criteria for inclusion as a component unit of Larchmont Schools. Additional information is presented in Note 12 to the financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies followed by Larchmont Schools are described below to enhance the financial statements.

Financial Statement Presentation

Larchmont Schools is required to report information about its financial position and activities in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets. Larchmont Schools had no temporarily or permanently restricted net assets, as of June 30, 2014. In addition, Larchmont Schools is required to present a Statement of Cash Flows.

LARCHMONT SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014

Accounting Method - Basis of Accounting

The financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported on the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied. Larchmont Schools uses the accrual basis of accounting. Revenues are recognized when they are earned and expenditures are recognized in the accounting period in which the liability is incurred.

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending upon the existence and/or nature of any donor restrictions.

All donor-restricted contributions are recorded as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, either by the passage of time or the purpose is satisfied, the temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as "net assets released from restrictions." Larchmont Schools had no temporarily or permanently restricted assets as of June 30, 2013.

Income Taxes

Larchmont Schools is a non-profit public benefit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation and qualifies for deductible contributions as provided in Section 170(b) (1) (A) (vi). It is also exempt from State franchise and income taxes under Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for income taxes has been reflected in these financial statements. Income tax returns for 2010 and forward may be audited by regulatory agencies; however, Larchmont Schools is not aware of any such actions at this time.

Larchmont Schools has adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 740 that clarifies the accounting for uncertainty in tax positions taken or expected to be taken on a tax return and provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if, based on its merits, the position is more likely than not to be sustained on audit by the taxing authorities. Management believes that all tax positions taken to date are highly certain, and, accordingly, no accounting adjustment has been made to the financial statements.

Cash

For purposes of the Statement of Cash Flows, Larchmont Schools considers all cash on hand and in banks.

LARCHMONT SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from the outstanding balance. Management provides an analysis of the probable collection of the accounts through a provision for bad debt expense and an adjustment to a valuation allowance. At June 30, 2014, management had determined that all accounts receivable are fully collectible, and no allowance for bad debts has been established.

Prepaid Expenses

Prepaid expenses represent amounts paid in advance of receiving goods or services. Larchmont Schools has reported prepaid items either when purchased or during the benefiting period.

Fixed Assets

It is Larchmont Schools' policy to capitalize individual property and equipment purchases over \$5,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Furniture and equipment are depreciated using the straight-line method, over 3 to 5 years. Depreciation expense for the year ended June 30, 2014, depreciation expense was \$153,048.

Donated Services, Goods, and Facilities

A substantial number of volunteers have donated their time and experience to Larchmont Schools' program services and fundraising campaigns during the year. However, these donated services are not reflected in the financial statements since there is no readily determined method of valuing the services.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Unrestricted/Designated Net Assets

Designations of the ending net assets indicate tentative plans for financial resource utilization in a future period. As of June 30, 2014, Larchmont Schools had \$20,000 designated for educational programs.

LARCHMONT SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014

NOTE 3 - CASH

Cash at June 30, 2014, consisted of the following:

	<u>Reported Amount</u>	<u>Bank Balance</u>
Deposits		
Cash on hand and in banks	\$ 340,468	\$ 561,504

Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). At June 30, 2014, Larchmont Schools had \$204,716 balance in excess of FDIC insured limits. Management believes Larchmont Schools is not exposed to any significant risk related to cash.

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2014, consisted of the following:

Local Control Funding Formula	\$ 1,143,772
Federal receivable	25,777
State receivable	288,963
Lottery	126,158
Other local	118,738
Total Accounts Receivable	<u>\$ 1,703,408</u>

NOTE 5 PREPAID EXPENSES

Prepaid expenses at June 30, 2014, consisted of the following:

Insurance and rent	<u>\$ 196,599</u>
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LARCHMONT SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014

NOTE 6 - FIXED ASSETS

Fixed assets at June 30, 2014, consisted of the following:

Improvement of sites	\$ 2,310,661
Equipment	<u>361,271</u>
Subtotal	2,671,932
Less: accumulated depreciation	<u>(485,283)</u>
Total Fixed Assets	<u><u>\$ 2,186,649</u></u>

During the year ended June 30, 2014, \$153,048 was charged to depreciation expense.

NOTE 7 - ACCOUNTS PAYABLE AND ACCRUED VACATION

Accounts payable at June 30, 2014, consisted of the following:

Local Control Funding Formula	\$ 84,192
Vendor payables	95,041
Salaries and benefits	144,576
Due to Los Angeles Unified School District	11,398
Due to grantor	<u>277,751</u>
Total Accounts Payable	<u><u>\$ 612,958</u></u>

As of June 30, 2014, Larchmont Schools accumulated \$51,319 for vacation accruals.

NOTE 8 - LINE OF CREDIT

Larchmont Schools has entered into a line of credit (the LOC) from Pacific Western Bank. As of June 30, 2014, the line of credit balance is \$750,000. The LOC has an aggregate principal limit of \$750,000 and expires July 2014. Larchmont Schools was in compliance with the LOC's covenant through June 30, 2014. During fiscal year 2014, the daily outstanding principal balance has an interest rate of 5.5 percent.

LARCHMONT SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014

NOTE 9 - LONG-TERM OBLIGATIONS NOTE PAYABLE

On May 1, 2013 Larchmont Schools obtained a term loan with Pacific Western Bank in the amount of \$1,300,000. The note has an interest rate of 5.5 percent with a maturity date through November 2020. As of June 30, 2014, Larchmont Schools had a remaining balance of 1,266,917.

The following payments reflect the full-term loan that will begin 2014 fiscal year:

Fiscal Year Ended June 30,	Principal	Interest	Total Principal and Interest
2015	\$ 68,162	\$ 59,954	\$ 128,116
2016	64,780	63,336	128,116
2017	61,204	66,908	128,112
2018	57,433	70,683	128,116
2019	53,446	74,669	128,115
2020	961,892	110,093	1,071,985
Total	<u>\$ 1,266,917</u>	<u>\$ 445,643</u>	<u>\$ 1,712,560</u>

NOTE 10 - OPERATING LEASE

Larchmont Charter School entered into an agreement on June 1, 2010, with Immanuel Presbyterian Church for its campus location at 688 South Catalina Street, Los Angeles. The term commences on August 1, 2010, and expired July 31, 2013. As of June 30, 2014, there is no remaining balance.

On April 25th of 2005, Larchmont Schools entered into a lease agreement with Archdiocese of Los Angeles Education & Welfare Corporation for the benefit of St. Ambrose Parish located at 1265 N. Fairfax Avenue, Los Angeles. An additional amendment was made on July 30, 2012 commencing September 1, 2012, and extended through August 31, 2015. The lease expense for 2013-2014 was \$213,072.

Fiscal Year Ended June 30,	Payments
2015	<u>\$ 220,812</u>

LARCHMONT SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014

Larchmont Charter School entered into an agreement on May 5, 2006, with Eastfield Ming Quong, Inc. for its campus location at 815 North El Centro Avenue, Los Angeles. An amendment was made in August 2011, in which the amount of rent due is \$1.99 per square foot. An additional amendment was made on to commence August 1, 2012, and extended through July 31, 2017. The lease expense for fiscal year 2013-2014 was \$383,061.

The future minimum annual payments for the long-term lease agreement as of June 30, 2014, are as follows:

Fiscal Year Ended June 30,	Payments
2015	\$ 390,475
2016	32,591
Total	<u>\$ 423,066</u>

On November 9, 2012, Larchmont Schools entered into a lease agreement with Jamison Properties, Inc. for its campus location at 2801 West 6th Street, Los Angeles. The term commenced September 1, 2013, with monthly rent increasing by three percent every year through August 31, 2033. The lease expense for 2013-2014 was \$370,500.

The future minimum annual payments for the long-term lease agreement as of June 30, 2014, are as follows:

Fiscal Year Ended June 30,	Payments
2015	\$ 482,040
2016	496,500
2017	511,392
2018	526,740
2019	542,544
2020-2024	2,966,832
2025-2029	3,439,392
2030-2033	3,153,924
Total	<u>\$ 12,119,364</u>

NOTE 10 - EMPLOYEE RETIREMENT SYSTEMS

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS).

LARCHMONT SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

CalSTRS

Plan Description

Larchmont Schools contributes to the CalSTRS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and survivor benefits to beneficiaries. As a result of the Public Employee Pension Reform Act of 2013 (PEPRA), changes have been made to the defined benefit pension plan effective January 1, 2013. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 100 Waterfront Place, West Sacramento, CA 95605.

Funding Policy

Due to the implementation of the Public Employee Pension Reform Act of 2013 (PEPRA), new members must pay at least 50 percent of the normal costs of the plan, which can fluctuate from year to year. For 2013-2014, the required contribution rate for new members is 8.0 percent. "Classic" plan members are also required to contribute 8.0 percent of their salary. Larchmont Schools is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2013-2014 was 8.25 percent of annual payroll. The contribution requirements of the plan members are established by State statute.. Larchmont Schools' contributions to CalSTRS for the fiscal years ending June 30, 2014, 2013 and 2012, were \$419,296, \$288,632, and \$239,326, and equal 100 percent of the required contributions for each year.

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of Larchmont Schools. These payments consist of State General Fund contributions to CalSTRS in the amount of \$87,703 (5.541 percent of salaries subject to CalSTRS). Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

NOTE 11 - CONTINGENCIES

Larchmont Schools has received State and Federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, it is believed that any reimbursement, if required, would not be material.

Litigation

Larchmont Schools is not currently a party to any legal proceedings.

LARCHMONT SCHOOLS

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014

NOTE 12 - PARTICIPATION IN JOINT POWERS AUTHORITY

Larchmont Schools is a participant in the California Charter Schools Association Joint Powers Authority (CCSA-JPA) for risk management services for workers' compensation insurance and charter school liability insurance. The relationship between Larchmont Schools and the CCSA-JPA is such that the CCSA-JPA is not considered a component unit of Larchmont Schools for financial reporting purposes.

The CCSA-JPA has budgeting and financial reporting requirements independent of member units and the CCSA-JPA's financial statements are not presented in these financial statements; however, transactions between the CCSA-JPA and Larchmont Schools are included in these statements. Audited financial statements for CCSA-JPA were not available for fiscal year 2013-2014 at the time this report was issued. However, financial statements should be available from the respective agency.

During the year ended June 30, 2014, Larchmont Schools made a payment of \$478,611 to CCSA-JPA for services received. At June 30, 2014, Larchmont Schools had no recorded accounts receivable or accounts payable to the CCSA-JPA.

NOTE 13 - SUBSEQUENT EVENTS

Larchmont Schools' management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements from the balance sheet date through December 15, 2014, which is the date the financial statements were available to be issued. Management has determined that there were subsequent events or transactions that would have a material impact on the current year financial statements.

SUPPLEMENTARY INFORMATION

LARCHMONT SCHOOLS

LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE JUNE 30, 2014

ORGANIZATION

Larchmont Charter School's charter was granted on February 8, 2005, and renewed on February 16, 2010, by the Los Angeles Unified School District.

Larchmont Charter operates one elementary school (K-5), one middle school (6-8) and one high school (grade 9 for the 2012-2013 school year, but 9-12 by the 2015-2016 school year).

GOVERNING BOARD

<u>MEMBER</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Alicia Lara	Chair	January 15, 2015
Danny Corwin	Vice Chair	March 1, 2015
Gabi Loeb	Treasurer	March 1, 2015
Nicole Jaeger	Secretary	March 1, 2015
Ali Baird	Member	January 14, 2016
Kim Patillo Brownson	Member	February 4, 2016
Alan Dunn	Member	February 4, 2016
Drew Furedi	Member	November 4, 2016
Nick Grouf	Member	February 4, 2016
Beatrice Hsu	Member	January 14, 2016
Lyndsay Sturman	Member	March 11, 2016

ADMINISTRATION

Gene Straub	Executive Director
Catherine Belcher, Ph.D.	Head of School, 9-12
Kristin L. Droege, Ph.D.	Head of School, K-8

See accompanying note to supplementary information.

LARCHMONT SCHOOLS

**SCHEDULE OF AVERAGE DAILY ATTENDANCE
FOR THE YEAR ENDED JUNE 30, 2014**

	Final Report	
	Second Period Report	Annual Report
CHARTER SCHOOL		
Regular ADA		
Transitional kindergarten through third	442.47	442.13
Fourth through sixth	370.30	370.57
Seventh and eighth	241.70	241.70
Ninth through twelfth	106.10	105.23
Total Regular ADA	<u>1,160.57</u>	<u>1,159.63</u>
Classroom based ADA		
Transitional kindergarten through third	440.02	439.66
Fourth through sixth	368.86	369.31
Seventh and eighth	240.82	240.98
Ninth through twelfth	105.88	104.85
Total Classroom Based ADA	<u>1,155.58</u>	<u>1,154.80</u>

Larchmont Schools operated a non-classroom based instruction program.

See accompanying note to supplementary information.

LARCHMONT SCHOOLS

SCHEDULE OF INSTRUCTIONAL TIME FOR THE YEAR ENDED JUNE 30, 2014

Grade Level	1986-87	Reduced	2013-14 Actual Minutes	Number of Days		Status
	Minutes Requirement	1986-87 Minutes Requirement		Traditional Calendar	Multitrack Calendar	
Kindergarten	36,000	34,971	57,100	175	N/A	Complied
Grades 1 - 3	50,400	48,960				
Grade 1			57,900	175	N/A	Complied
Grade 2			57,900	175	N/A	Complied
Grade 3			57,900	175	N/A	Complied
Grades 4 - 6	54,000	52,457				
Grade 4			59,500	175	N/A	Complied
Grade 5			59,500	175	N/A	Complied
Grade 6			63,200	175	N/A	Complied
Grades 7 - 8	54,000	52,547				
Grade 7			67,425	175	N/A	Complied
Grade 8			67,375	175	N/A	Complied
Grades 9 - 12	64,800	62,949				
Grade 9			64,810	175	N/A	Complied
Grade 10			64,810	175	N/A	Complied
Grade 11			64,810	175	N/A	Complied
Grade 12			64,810	175	N/A	Complied

See accompanying note to supplementary information.

LARCHMONT SCHOOLS

RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH AUDITED COMBINED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

Summarized below are the fund balance reconciliations between the Unaudited Actual Financial Report and the audited financial statements.

Balance, June 30, 2014, Unaudited Actuals	\$	2,010,427
Increase in:		
Accounts payables		(42,988)
Fixed Assets		36,551
Decrease in:		
Accounts receivable		(189,310)
Balance, June 30, 2014, Audited Financial Statement	\$	<u>1,814,680</u>

See accompanying note to supplementary information.

LARCHMONT SCHOOLS

NOTE TO SUPPLEMENTARY INFORMATION JUNE 30, 2014

NOTE 1 - PURPOSE OF SUPPLEMENTARY SCHEDULES

Local Education Agency Organization Structure

This schedule provides information about the schools operated, members of the governing board, and members of the administration.

Schedule of Average Daily Attendance

This schedule presents information on the amount of instructional time offered by Larchmont Schools and whether Larchmont Schools complied with provisions of *Education Code* Sections 46200 and 46206. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds are made through the Los Angeles County Office of Education to Larchmont Schools.

Schedule of Instructional Time

This schedule presents information on the amount of instructional time offered by Larchmont Schools and whether Larchmont Schools complied with the provisions of *Education Code* Sections 46200 through 46206, if applicable.

Larchmont Schools must maintain their instructional minutes at the 1986-87 requirements, as required by *Education Code* Section 46201.

Reconciliation of Annual Financial Report With Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Unaudited Actual Financial Report to the audited financial statements.

INDEPENDENT AUDITORS' REPORTS



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Governing Board
Larchmont Schools
(A California Non-Profit Public Benefit Corporation)
Los Angeles, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Larchmont Schools (the Charter School) (A California Non-Profit Public Benefit Corporation) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Larchmont Schools' basic financial statements, and have issued our report thereon dated December 15, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Larchmont Schools' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Larchmont Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of Larchmont Schools' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Charter School's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Larchmont Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Charter School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Charter School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Varrinck, Tim, Day & Co., LLP

Rancho Cucamonga, California
December 15, 2014



INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Governing Board
Larchmont Schools
(A California Non-Profit Public Benefit Corporation)
Los Angeles, California

Report on State Compliance

We have audited Larchmont Schools' compliance with the types of compliance requirements as identified in the *Standards and Procedures for Audit of California K-12 Local Educational Agencies 2013-2014* that could have a direct and material effect on each of the Larchmont Schools' State government programs as noted below for the year ended June 30, 2014.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State's programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance of each of the Larchmont Schools' State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Standards and Procedures for Audits of California K-12 Local Educational Agencies 2013-2014*. These standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the applicable government programs noted below. An audit includes examining, on a test basis, evidence about Larchmont Schools' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinions. Our audit does not provide a legal determination of Larchmont Schools' compliance with those requirements.

Unmodified Opinion

In our opinion, Larchmont Schools complied, in all material respects, with the compliance requirements referred to above that are applicable to the government programs noted below that were audited for the year ended June 30, 2014.

Other Matters

In connection with the audit referred to above, we selected and tested transactions and records to determine the Larchmont Schools' compliance with the State laws and regulations applicable to the following items:

	Procedures in Audit Guide	Procedures Performed
Attendance Accounting:		
Attendance Reporting	6	Not Applicable
Teacher Certification and Misassignments	3	Not Applicable
Kindergarten Continuance	3	Not Applicable
Independent Study	23	Not Applicable
Continuation Education	10	Not Applicable
Instructional Time:		
School Districts	10	Not Applicable
Instructional Materials:		
General Requirements	8	Not Applicable
Ratios of Administrative Employees to Teachers	1	Not Applicable
Classroom Teacher Salaries	1	Not Applicable
Early Retirement Incentive	4	Not Applicable
Gann Limit Calculation	1	Not Applicable
School Accountability Report Card	3	Not Applicable
Juvenile Court Schools	8	Not Applicable
Local Control Funding Formula Certification	1	Yes
California Clean Energy Jobs Act	3	No, see below
After School Education and Safety Program:		
General Requirements	4	Not Applicable
After School	5	Not Applicable
Before School	6	Not Applicable
Education Protection Account Funds	1	Yes
Common Core Implementation Funds	3	Yes
Unduplicated Local Control Funding Formula Pupil Counts	3	Yes
Charter Schools:		
Contemporaneous Records of Attendance	8	Yes
Mode of Instruction	1	Yes
Non Classroom-Based Instruction/Independent Study	15	No, see below
Determination of Funding for Non Classroom-Based Instruction	3	Not Applicable
Annual Instruction Minutes Classroom-Based	4	Yes
Charter School Facility Grant Program	1	Not Applicable

We did not perform testing for Non Classroom-Based Instruction/Independent Study because ADA was below the threshold required for testing. Additionally, we did not perform testing for California Clean Energy Jobs Act because Larchmont Schools did not have expenditures during the 2013-2014 fiscal year.

Varinck, Tein, Day & Co., LLP

Rancho Cucamonga, California
December 15, 2014

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

LARCHMONT SCHOOLS

**SUMMARY OF AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2014**

FINANCIAL STATEMENTS

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness identified?	<u>No</u>
Significant deficiency identified?	<u>Yes</u>
Noncompliance material to financial statements noted?	<u>No</u>

STATE AWARDS

Type of auditor's report issued on compliance for programs:	<u>Unmodified</u>
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LARCHMONT SCHOOLS

FINANCIAL STATEMENT FINDINGS FOR THE YEAR ENDED JUNE 30, 2014

The following findings represent significant deficiencies, material weaknesses, and/or instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*. The findings have been coded as follows:

<u>Five Digit Code</u>	<u>AB 3627 Finding Type</u>
30000	Internal Control

Financial Accounting Control

2014-001 30000

Criteria or Specific Requirements

Industry standards and best business practices related to accounting and internal control require that an entity adopt, implement, and monitor procedures that will allow for timely reporting of financial information to management and those charged with governance.

Condition

We identified the following deficiencies in internal controls over the Charter School's internal control procedures for reimbursement claims:

- Monthly reimbursement claims for the Child Nutrition Program were not prepared for the periods of August 2013 – April 2014.
- There was no evidence of proper review over the reimbursement claim procedures.

Questioned costs

A total of \$202,196 was adjusted for as a result of the lack of internal controls over filing and monitoring monthly Child Nutrition reimbursement claims.

Context

The conditions identified were determined through analysis and testing of internal controls over the Charter School processes.

Effect

A lack of proper review and implementation increases the likelihood of misstatement due to error or fraud and increases the likelihood of accurate financial reporting.

Cause

Changes in Fiscal Services staffing as noted previously have impacted the ability to maintain adequate internal controls.

LARCHMONT SCHOOLS

FINANCIAL STATEMENT FINDINGS FOR THE YEAR ENDED JUNE 30, 2014

Recommendation

We recommend the Charter School strengthen its internal controls by implementing adequate review and preparation over reimbursement claims on a monthly basis.

Corrective Action Plan

These are the fundamental reasons that LCS was unable to ultimately receive full reimbursement of Child Nutrition reimbursement claims for the 2013-2014 fiscal year:

- 1) At the beginning of the 2013-2014 school year, staff responsible for the CNIPS application and reimbursement submission were overwhelmed by compliance related to the merger of the former Larchmont Charter West Hollywood charter with the existing Larchmont Charter School charter. This led to inadvertently delaying the filing of the annual application to participate in CNIPS. After some back and forth with the State, the completed application was submitted in March and approved by CDE in May 2014.
- 2) Conversations with CDE management over the course of the year led LCS staff to understand that they could obtain a one-time exemption to file all of the claims for the 2013-2014 school year (beyond the normal 60 day timeline to do so).
- 3) Subsequently, CDE refused to reimburse for claims that pre-dated when the annual application was processed/approved in May, resulting in LCS only being reimbursed for meal claims for June 2014 (and not for any of the preceding months August 2013-May 2014).

As it relates to the corrective actions, the new Executive Director has assigned a senior staff member to prioritize the submission of the annual application and the monthly reimbursement claims. For the 2014-2015 school year, all monthly claims have been submitted correctly and on time and LCS has already received monthly reimbursements.

LARCHMONT SCHOOLS

**STATE AWARDS FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

None reported.

LARCHMONT SCHOOLS

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2014**

There were no audit findings reported in the prior year's schedule of financial statement findings.

Melissa Geiger Schrift

Melissa Geiger Schrift is a veteran TV producer of nearly 25 years who helped to create *The Ellen DeGeneres Show*. She most recently served as co-executive producer until leaving the show this past June to spend more time with her family.

During her eleven years at *The Ellen DeGeneres show*, Melissa earned eight Daytime Emmy Awards, a Genesis Award, and two PGA nominations.

In addition to her day to day production responsibilities and creative input, she also generated and oversaw fundraising efforts including the show's annual breast cancer awareness campaign, "Ellen for the Cure," which has raised nearly \$3.5 million to date, as well as Brad Pitt's "Make it Right," campaign which raised over \$1.6 million to help rebuild New Orleans' lower 9th ward in the wake of the destruction left by Hurricane Katrina.

Prior to *Ellen*, she spent three years as a senior associate producer at *The Oprah Winfrey Show*, where she was nominated for an NAACP Award for a special episode about Martin Luther King Jr.

Melissa is currently serving on the board of the LA based non-profit organization, *Big Sunday*, and this past October she was the top fundraiser for *Southern California's Special Olympics*, "We Run the City" campaign. She resides in the Hollywood Hills with her husband, three children, and two dogs.

Melissa Geiger Schrift

323.422.5118

melissa.schrift@gmail.com

“The Ellen DeGeneres Show” (aug 2003-july 2014) co-executive producer

Eight time Emmy Award winner for Outstanding Daytime Talk Show

Genesis Award winner (2010) for episode raising awareness about inhumane treatment of factory farm animals.

- Briefed host daily prior to show.
- Pre-interviewed, wrote segment content, briefed celebrities, and high profile guests, including President Barack Obama, President Bill Clinton, Hillary Clinton, Michelle Obama, etc.
- Responsible for creative content and overall production of show.
- Oversaw *Breast Cancer Awareness Month* every October, which included recruiting major companies for sponsorships and soliciting donations for fundraising campaign on behalf of the show, which has raised millions of dollars for *Ellen for the Cure* over the past decade.
- Supervised, produced, and managed major production episodes.
- Oversaw show's fundraising efforts in aftermath of Hurricane Katrina for Brad Pitt's *Make it Right* campaign.

The Oprah Winfrey Show (aug 2000-july 2003) senior associate producer

Nominated for an NAACP Image Award as a team member responsible for producing an episode on Martin Luther King Jr. in 2002.

- Pre-interviewed, booked, and briefed guests, as well as host.
- Conducted interviews with guests for taped packages, which I directed, wrote and edited.

COMMUNITY INVOLVEMENT

The Hollywood Dell Association (Hollywood Hills)

Played an integral part in the neighborhood campaign for additional street lights, street resurfacing, and removal of trash/graffiti, as well as participating in various fundraising events.

Big Sunday

Nominated as a board member by David Levinson, founder and executive director. Participate in yearly fundraising events with family.

The Special Olympics of Greater California

"We Run The City" 5k race and fundraising campaign between UCLA and USC fans, students, and alumni. Placed 2nd for most money raised by a participant.

The Willows Community School (Culver City)

Lunch and gardening volunteer.

Christopher Robin Preschool (West Hollywood)

Gardening volunteer, committee head for annual end-of-year school picnic for past 7 years.

Citizens of the World Charter School (Hollywood)

Founding parent, fundraiser, and donor.

****Personal and professional references available upon request.***