

**PALISADES CHARTER HIGH SCHOOL
2012-2013 BUDGET
INDEX**

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SPECIAL MEETING MINUTES
BUDGET/FINANCE COMMITTEE
Monday, June 4, 2012
8:30 AM – 2:30 PM
Aldersgate Retreat Center
925 Haverford Ave.
Pacific Palisades, CA 90272

I. In Attendance:

Voting Members: Robert King, Olivia Castro, Nancy Simon, Mystic Thompson, Cheryl Onoye, Mary Bush, David Shabbouei, Flor Contreras, Karyn Newbill, Ellen Pfahler, Rick Steil, Dick Held

Non-Voting Members: Greg Wood, Pamela Magee, Nikki Washington, Kevin Olson, Stephanie Inyama

Guests: Hailey Biscow, Tim Henderson, Andrea King, Susan Frank

II. Old Business:

A. Budget Overview/History

1. We're using the hope for the best/plan for the worst model. Just a reminder.

B. May Revised "Budget": CCSA projects ADA w/out initiatives at \$5,650; SSC projects ADA w/out initiatives at \$5,747. To be conservative, G. Wood recommends using the \$5,650 number to follow our "plan for the worst" scenario. We discussed having a late November/early December (as early as possible) meeting to adopt a revised budget for second semester.

III. New Business:

A. Budgeting Goals:

1. Balanced Budget (pool loan requires that we show/pass a balanced budget)
 2. Consider Salary and Benefit Levels (including keep number of auxiliary cuts low (class size impact) (parents, kids, teachers))
-

B. Overall Budget Review

1. Budget uses an estimated ADA level of \$5,650 ADA with a projected 2802 students next year (including a 40 increase w/distance learning, independent study, enrollment, and improved in-seat).
2. Motion (Robert King) for the Budget/Finance Committee to recommend the attached overall budget with a \$22,203 addition to the General Fund at the end of 2012-13. Seconded by Karyn Newbill.
3. Motion (Robert King) to a) transfer 2011-2012 unaudited actuals surplus to Lifetime Health Benefits designated reserves in 2012-2013 and b) adjust 2012-2013 Lifetime Health Benefits contribution to allow the

General Fund access to the equivalent of that surplus, particularly to IMA and textbooks at the fall Revised Budget Meeting. Seconded by Karyn Newbill.

Motion carries.

4. Balance Sheet vs. Cash Flow: Audited Financials show unrestricted net reserves \$2.7 million for lifetime benefits; ~\$2.5 million unrestricted excluding lifetime benefits (liquid reserves – includes cash, accounts receivable, other current assets less current liabilities - on balance sheets); deferred funding to be received over July, August, September. \$5 -6 million in deferrals (puts our cash at a premium, makes us conscience of cash flow). Current cash balance 4.5 million (includes the \$2.7 lifetime benefits). Payroll is *approximately* \$1.2 million a month.
-
- C. Update on this Year's Process
1. keep track of "motions" we plan, but don't vote on them until we see the end
- D. Capital and Technology
1. Motion (Mystic Thompson)to approve the capital budget at \$260,000 for technology, \$10,000 for school-wide furniture, \$25,000 for school-wide building improvements. Seconded by Ellen Pfahler.
Motion carries unanimously.
- E. Textbooks
1. Motion (Dick Held) to approve textbook budget at \$53,614 for worst case, with \$42,357 for Econ books to be automatically approved if the initiatives pass in November. Seconded by Mary Bush.
Motion carries.
- F. PD (Conferences)/Field Trips
1. Motion (Karyn Newbill) to fund PD (Conferences) at \$11,717 (matching anticipated federal funding) and then reassess in November if more funds become available. Seconded by Flor Contreras.
Motion carries.
- G. IMA
1. Motion (Olivia Castro) to approve IMA Budget of \$110,000 to be allocated by Administration in conjunction with department chairs and program coordinators; IMA will be one of the key items to revisit at the November Revised Budget meeting. Seconded by Mary Bush.
Motion carries 6-4.
- H. Consulting
1. Motion (Dick Held) to a) request that Dr. Magee verify the need and reach of services offered by consultant Elizabeth Lesan, and b) cut UCLA Center X AP Readiness for a savings of \$4,250 for a total of \$642,459 under Professional Consulting Services. Seconded by Olivia Castro.
 2. Motion (Olivia Castro) to approve LAUSD Consulting line item at \$1,145,886. Seconded by Nancy Simon.

Motion carries.

I. Other Operating Expenses

1. Motion (Robert King) to approve copy paper budget at \$18,002; this decrease in funding must come with a call for staff education about copy usage, a stronger copy policy, and strict management of that policy.

Seconded by Cheryl Onoye.

Motion carries.

2. Motion (Karyn Newbill) to approve \$165,243 in "Communications other"

Seconded by Nancy Simon.

Motion carries.

3. The extra pool costs under "Comunications - other" mostly lead to savings in utilities, ultimately see the \$70,000 permit surplus to be added to general fund.

J. Salaries and Benefits

1. Motion (Robert King) to approve the following Administrative Proposals to Salary Savings for a total compensation cost (Salaries & Benefits) of \$17,487,890 pending successful negotiations. Seconded by Mary Bush.

Motion carries.

- AVID program suspension \$85,464 (\$44,462 certificated; \$41,002 classified)
- Parent Liaison position absorbed \$41,000 (classified)
- LAUSD custodial overtime cut for \$35,000 savings (classified)
- ACADEC program suspension (\$22,079 certificated)
- Teacher Retirement - not replacing to save \$85,730
- EL Assistant reduction/reassigning to save a net \$9,000 (classified salaries)
- Reduction of 8 auxiliary periods (\$75,150)
- Replace 11 auxiliary periods w/2 L-T subs and aux shifts (to less expensive teachers) \$19,000.
- Executive Director Aide savings \$8,600 (classified)
- Part-time teacher not retained \$24,525 (certificated)
- Retired classified position absorbed \$27,000 (classified)
- Add distance learning cost to generate up to 40 ADA in revenue \$55,600
- 5 furlough days administration \$19,748 (\$13,191 certificated; \$6,557 classified)
- 5 furlough days certificated - pending negotiations (\$186,809)
- fund health benefits with an average 6.1902% increase of \$124,965

K. Transportation -

1. Please reflect all transportation costs (including salary

costs) on transportation sheet next year so that we can see ultimate costs (has been requested previously); next year we'd like to roll the salary cost into the program's costs/fees, too.

L. Rentals:

1. Perhaps charge graduation chairs to permit account (since income from Revere for splitting them goes there) – savings of \$5,596 to general fund.

M. Summary Review/Budget Finance Recommendations to the Board for
Monday, June 18th Meeting

N. Procedure to be developed for the contingency of increase in funds

Date of Next Meeting: Monday, June 11th, 2012 @ 3:30 PM (if necessary) in Library.

**PALISADES CHARTER HIGH SCHOOL
2011-2012 Budget Updates and 2012-2013 Budget-
Approved Budget and Finance Committee 06/4/12**

PALISADES CHARTER HIGH SCHOOL

Revenue Limit Sources

ADA Estimate	ADA per Apportionment/At Risk of Retention/ Low STAR, Grades Supp or Reimbursement
ADA	Summer School - Current Year
	Summer School - PY adjustments
	General Purpose Entitlement - State Aid - Current Year
	General Purpose Entitlement - State Aid - PY adjustments
	Summer School Reclassifications

Other Revenues

NCLB:11, Basic School Support	194.65 Special Ed. IDEA Basic Local Assistance Entitlement
NCLB:11, Teacher Quality	NCLB:11, Enhancing Ed Thru Tech, Formula Grts
NCLB:11, Ld English Prof (LEP)	Child Nutrition Program

Other State Revenues

Charter School Categorical Block Grant- PY adjustments	Economic Impact Aid (EIA)	State Lottery/Non Prop 20 - Current Year	State Lottery/Non Prop 20 - PY adjustments	Child Nutrition: School Programs	Mandated Costs Reimbursement	State Lottery/Prop 20 Instructional Materials-PY adjustments	State Lottery/Prop 20 Instructional Materials-PY adjustments	Special Education-	Special Education- PY adjustments	Targeted Instructional Improvement Block Grant (TIIBG)	Arts and Music Block Grant	Supplemental School Counseling Program	All other State Revenues:	CAHSEE Intensive Instruction	Reg. Teachers Salary (BTSa)	Student ID	Summer School Reclassification
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Board of Trustees 2011-2012 Budget	2011-2012 Updates (05/28/2012)	2012-2013 Worst Case	Comments
Funding per ADA	\$ 6,116	\$ 5,650	2012/13 Funding level based upon May Revise Information from CCSA
2,747.0	2,762.0	2,802.0	[2011/12 Month 7 Enrollment P-2 Funding (Revised 04/12)]-PCHS to increase ADA by 40 either by: Distance Learning/ADA% or higher enrollment.
29,772	29,760	29,760	
28,037	58,024	58,024	See ADA Funding Levels above 2011/12 Prior Year Adjustment
	4,899		
	13,012,759	12,079,689	3% Projected Growth of Cafeteria Meals- '12/13
	(57,809)	0	
	(87,784)	(87,784)	
	13,141,395	12,079,689	
	254,278	254,278	
	520,208	545,411	
	25,810	11,717	Updated Funding 12/11
	2,300	2,300	
	11,886	10,353	
	534,926	459,424	
	1,345,405	1,283,484	
	1,126,270	1,120,804	Block goes back to \$400 from \$385 2012/2013
	0	0	Similar Funding
	177,060	256,650	
	304,917	311,023	
	0	0	3% Increase-2012/2013
	46,978	43,960	Similar Funding Levels
	0	0	
	48,073	48,073	
	0	0	
	1,613,863	1,550,156	Decl. in 2011-2012 Funding from Proj. Amounts/2012/13 Rate Up 1.2%.
	0	0	
	217,734	72,050	Revised LAUSD Funding 04/12- 50% TIG Funding 2012/2013
	36,286	35,388	Lowered Funding Levels by 5%-Est. Worse Case
	147,486	144,282	Lowered Funding Levels by 5%-Est. Worse Case
	0	0	
	21,747	22,038	BTSa Rec'd 05/2012
	0	0	
	57,809	722	
	87,784	87,784	
	3,678,368	3,692,919	



**PALISADES CHARTER HIGH SCHOOL
2011-2012 Budget Updates and 2012-2013 Budget-
Approved Budget and Finance Committee 06/4/12**

PALISADES CHARTER HIGH SCHOOL

Other Local Revenues

Food Service Sales	164,716
Leases & Rentals	804,744
Interest	58,658
C/S Funding in Lieu of PropTax -	3,787,893
C/S in Lieu of Property Taxes- FY adjustments	300,000
Fundraising	5,116,011
Total Revenue	23,272,398

ADJUSTED REVENUE Loan Proceeds

2011-2012 Budget	23,272,398
2011-2012 Updates (09/29/2012)	23,127,889
2012-2013 Worst Case	22,144,687

Certificated Salaries

Teachers	8,973,666	9,141,374	9,141,374
School Admin	595,737	589,490	589,490
Librarians	98,478	102,020	102,020
Guidance/Welfare	582,464	535,665	535,665
Physical/Mental	160,955	177,862	177,862
Impact of Step and Column	300,000	125,000	125,000
Salary Savings Options-All categories	83,168	(415,346)	(415,346)
Certificated Salaries	10,794,458	10,545,211	10,255,885

Classified Salaries

Instrl Aides	580,239	610,945	610,945
Admin. Sal	295,239	222,459	301,250
Clincal/Office	1,074,968	1,165,032	1,165,032
Maint/Oper	31,000	34,837	17,419
Food Services	175,296	36,114	36,114
Other Classified	663,750	628,057	628,057
Impact of / Step and Column	65,000	37,000	25,000
Salary Savings Options-All categories	(18,430)		(168,159)
Classified Salaries	2,767,023	2,734,444	2,615,657
Total Salaries	13,561,491	13,280,655	12,871,522

Employee Benefits

STRS - Certificated	833,289	833,289	810,348
PERS - Classified	262,777	247,777	260,715
OASDI Regular - Certificated	2,500	4,500	4,376
OASDI Regular - Classified	177,554	159,889	159,889
OASDI Medicare - Certificated	144,629	144,629	140,647
OASDI Medicare - Classified	40,093	40,093	38,351
Health & Welfare Benefits - Certificated	1,449,991	1,413,630	1,492,019
Health & Welfare Benefits - Classified	621,425	605,110	651,686
Unemployment Insurance - Certificated	21,235	53,088	71,781
Unemployment Insurance - Classified	11,789	29,472	33,192
Workers Compensation - Certificated	178,535	185,180	184,984
Workers Compensation - Classified	46,041	70,241	77,781
Other Benefit FUTA Tax Refunds	0	(11,652)	0
Other Employment Benefits - Certificated	483,000	483,000	483,000
Other Employment Benefits - Classified	208,000	208,000	208,000
Employee Benefits	4,480,858	4,466,245	4,615,368

Board of Trustees 2011-2012 Budget	2011-2012 Updates (09/29/2012)	2012-2013 Worst Case	Comments
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11% Sales Increase for 2012/13 (# & Price Increase)
Higher estimates for 2012/2013-\$80,000

Prior Year Adjustment Coordinated w/ GP PY
Note: \$150,000 of Fundraising is Restricted in 2011/2012 Column-Used for 2012/13

Auxy Program Analysis: Efficiencies/Furnough Cert & Admin Days (negotiable)

Full Year Salaries for 2 partial positions in 2012/13

30% Reduce 2012/2013/50% if worse case

Salary Negotiations settlement 2011/2012

Salary Efficiencies/Overtime Reductions/Furnough Days Class & Admin(Negotiable)

PERS Rates for 2012/13 Est. to increase 10%

6.2% 2012/13 Medical Benefit Increase Estimated-No Dental/Vision Increase
6.2% 2012/13 Medical Increase Estimated
Updated for New SUI Rates
Total Work Comp Est.-+8.5% 2012/13
Total Work Comp Est.-+8.5% 2012/13

**PALISADES CHARTER HIGH SCHOOL
2011-2012 Budget Updates and 2012-2013 Budget-
Approved Budget and Finance Committee 06/4/12**

PALISADES CHARTER HIGH SCHOOL

	Board of Trustees 2011-2012 Budget	2011-2012 Updates (05/28/2012)	2012-2013 Worst Case	
Books & Supplies				
Total Salary & Benefits	18,042,349	17,746,900	17,487,990	
Textbooks	43,345	23,666	53,614	
Instructional Materials	224,595	181,996	110,000	Meets Textbook Needs Forwarded by Sub-Committee(Other Budget Ideas) Shift 11/12 Excess
Other Supplies	92,225	96,179	93,472	Worse Case Scenario -Hold for November Election Results (110k)Program/Dept Alloc In Progress
Pupil Transportation	900,460	708,693	494,402	Move HR Budget to Other Supplies 2012/13
Food Service Supplies	296,627	364,959	383,596	Updated 11/12 Projection and 12/13 Transp. Budget
Books & Supplies	1,557,252	1,375,893	1,135,083	2.4% Overall Price Increase-Remaining % for Volume Increases
Services, Other Operating Exp				
Personnel Services-Mileage	0	150	150	
Travel/Conference	26,810	26,810	11,717	Level of Expense Meets Title II Funding level (see above)
Dues/Memberships	17,377	31,538	26,282	
Insurance	175,265	151,656	166,822	10% Increase Est. (per Broker)
Operation and Housekeeping Services	377,013	417,013	417,013	
Rentals/Leases/Repairs&Noncapitalized Improvements	108,589	109,819	100,939	
Consulting Services-LAUSD	1,326,009	1,421,009	1,145,886	2012/13- \$50 k LAUSD reduced Misc. Consulting and lower Custodial-2 yrs Police not pd. In 12/13
Professional Consulting Services& Operating Exp	487,037	749,659	642,459	Reclass Sodexo Mgt. Exp. \$77.8k to Food Exp from Prior 11/12 Projections
Communications	136,500	134,010	165,243	
Services, Other Operating Exp	2,652,600	3,040,665	2,676,511	
Capital Outlay				
Sites & Improvement	0	25,100	25,000	
Bidds & Improvement	25,100	115,000	280,000	Meets Initial Tech Needs Identified by Sub-Committee
Equipment-Technology	115,000	10,000	10,000	
Equipment Replacement	10,000	10,000	10,000	
Capital Outlay	150,100	150,100	295,000	144,900
Other Outgo				
Debt Service: RESTRICTED FUNDS-IPool				
Interest	96,267	102,487	80,499	Extend Loan Terms on R. Gilbert Loan 2012/2013
Principal	324,194	336,230	279,606	Extend Loan Terms on R. Gilbert Loan 2012/2013
Direct Support/Indirect Costs/All Other Financing Uses	449,618	179,018	167,895	
Indirect Cost (total charter school supervisory oversight fees only)	449,618	179,018	167,895	1% Current Oversight Fees Used for Funding levels
Operating Addition/(Reduction)	23,272,381	22,931,293	22,122,484	
Less: Restricted Revenue	16	196,596	22,203	Rose Gilbert Scholarship Donation-Restricted (included in Fundraising Revenue for 2011/2012)
Net General Fund Addition/Reduction	0	(150,000)	0	Net Facility Operations included above
	16	46,596	22,203	

Comments

**PCHS
TEXTBOOKS
2012-2013 BUDGET**

rank	Department	Type	Cost	Comment
1	Foreign Lang.	Azulejo: New Spanish AP textbook- 40 copies	2,400	Need-change in curriculum
2	Soc. Studies	Cultural Landscape: New AP Human Geography class- 40 copies	5,242	Need- New AP class
	Soc. Studies	Enrollment spike	6,500	Econ/AP Euro/Gov/ WH (10th) -- requested 21,837.44
	Math	Enrollment spike	6,500	Alg2/ Precal-- requested 7,500.00
	Science	Enrollment spike	6,500	requested 8,000
	Foreign Lang.	Enrollment spike	6,500	requested 6,500
	English	Enrollment spike	6,500	Ap lit/novels
		Subtotal	40,142	
	Library	Fiction	3,000	keep up with new fiction (and student request) Non-Fiction purchases deferred
		Subtotal-Incl. Library	43,142	
		Replacements-Worse Case		
	Science	AP Chemistry-35 copies	6,272	Replacement- books beyond repair
	TechEd	Teen Living	3,200	Replacement- outdated
	SpecEd	Random Textbooks for IEP 2nd sets	1,000	shortage in some areas/required 2nd set in IEP
		Subtotal-Replacements	10,472	
		Textbook Budget Proposed-Worse Case	53,614	
		Replacements-Best Case Additions		
	Soc. Studies	Economics- 450 copies (comes w/350 comp copies)	42,357	Replacement- outdated
		Textbook Budget Proposed-Best Case	95,971	
		Textbook Requests Deferred		
	VAPA	AP Art History 20 copies	4,000	I absolutely want a book on how to wrtie about art for them. Some never had an art class before.
	VAPA	2D/3 Studio Art- 32 copies	3,200	want- no title given
	VAPA	Advanced Drawing and Painting	3,960	want- no title given
	VAPA	9th grade Art pod	3,960	want- no title given
	TechEd	AP computers	900	Replacements - cover w/ this years unspent \$
	Science	Enrollment spike	8,000	
	Science	New Biology Books		WANT
	Science	New Chemistry Books		WANT
	Math	Algebra 2 (enrollment spike)	2,500	Apporx. Cost must buy used books
	Math	Precalculus with Trig (enrollment spike)	5,000	50 books @ 100 each
	English	Subsription to Upfront magazine	400	Ask Booster
	English	Waiting for Godot		40 to 200 copies- List this book at the upcoming Barnes and Nobel book fair- Parents donation
	English	Othello-- 10 copies		List this book at the upcoming Barnes and Nobel book fair- Parents donation
	English	AP Literature class		Possible need if add additional section
	English	3 new novels		WANT
	English	Additional Novels for PLC common assessments	10,000	more than 200 copies of 4-5 novels
	SS	American Government- 60	6,154	cover enrollment spike
	SS	AP Euro - 40 copies	6,480	to cover enrollment spike and opening additional class
	SS	World History (10th) --40 copies	3,446	to cover enrollment spike
	SS	Siddhartha- 20 copies	317	Replacement- books beyond repair// List this book at the upcoming Barnes and Nobel book fair- Parents donation
	SS	Economics- 60 copies	5,767	Enrollment spike
	FL	Replace missing books	6,500	
	FL	Navegando Replacements		The old books are falling apart and need a lot of the librarians' time to repaired. The teachrs of Spanish don't seem to have a lot of respect for the book's content.
	Library	Fiction and Non-Fiction	9,000	This amount will enable us to fulfill student request, keep our fiction section current and update a few of our outdated non-fiction materials.
		Total Deferred	79,584	***No forms turned in for Business Institute Academy, AVID, Health, Temescal

PCHS
IMA Requests
2012-2013

Reduction Factor -58.0%

2012-2013 IMA

Sch/Loc Description	Requested	Approved Worst Case	Amounts Under Review	Comments under consideration by Administration
ACADEC	15,900	-		Suspended in Worse Case
Assistant Principals Offices	3,000	1,261		
Athletic Director	2,500	1,051		
Athletics	3,000	1,261		
Attendance Office	23,790	9,998		
AVID Program	7,410	-		Suspended in Worse Case
Business Institute Academy	500	50		
CAHSEE Prep	3,000	2,550		Include On-Line Test Prep Needs (and \$50 per 1 teacher)
Career Center	3,000	600		
Committees of the Board	2,000	841		
Counseling Department	10,250	4,308		
Data Management	10,672	10,472	10,472	Includes needed Mastery Manager Needs(\$300 for supplies for MM)
Dean's Office	6,000	2,522		
English Department	2,000	1,000		1,200 New teachers
ESL	450	450	450	Meets Strategic Plan
Foreign Language	2,556	500	500	10 Teachers (Possible addional amt needed)
Health	400	50	50	1 Teachers (Possible addional amt needed)
HR Department	8,000	-		Incl.-Other Supplies Budget
Library	3,000	2,000	2,000	Needs more but requests priority consideration if November Revise
Literacy Program	4,000	1,000	1,000	2,000
Magnet Program	2,400	600		Only 25 % (One Grade level) 500
Main Office	6,000	2,522		
Math Department	1,500	1,000	1,000	
MESA Program	2,575	900	900	
Nurses Office	3,000	1,261		
Physical Education	3,850	1,618	250	\$50 per teacher but may need more for Allergy issues
Science Department	65,350	27,465	800	\$50 per Teacher but wants additional Alloc.
Social Studies	3,000	700	700	\$50 per Teacher (but wants additional Alloc. If available)
Special Education	11,950	11,950		Required for Restricted Funding-Mary to update with lower request
Student Information System	11,000	4,623		
Technical Education	9,025	50	250	5 Teachers (Possible addional amt needed)
Temescal	5,000	250	2,500	\$50 per tacher/remainder for Program needs (Office/coordinator)
Testing	6,800	-		No Reimbursements-worse Case
Tutoring Program	360	151	100	
Visual & Performing Arts	40,356	16,961	500	(Assumes \$50 per teacher)Needs more but requests priority consideration if November Revise
		109,964		3,700
Totals	275,594	110,000	Budget Approved	

Palisades Charter High School
2011-2012 YTD Actuals vs. Budget
Textbooks/IMA
4/30/2012

(10)

Sch/Loc Description	Budgeted Amt	Expended Amt	Enc Amt	Remaining Amt
Textbook				
Undistributed	-12,000.00	-10,897.63	0.00	-1,102.37
English Department	4,000.00	3,654.41	519.38	-173.79
Science Department	8,000.00	7,077.64	941.23	-18.87
Foreign Language	6,500.00	1,912.86	883.38	3,703.76
Social Studies	13,740.00	0.00	0.00	13,740.00
Technical Education	9,905.00	3,991.86	2,244.92	3,668.22
Visual & Performing Arts	4,100.00	3,597.76	0.00	502.24
Health/Life Skills	100.00	98.95	0.00	1.05
Library	9,000.00	3,267.31	2,259.76	3,472.93
Temescal Academy	0.00	3,581.53	0.00	-3,581.53 From Temescal IMA
ESL	0.00	732.80	0.00	-732.80 Emergency Needs
Totals	43,345.00	17,017.49	6,848.67	19,478.84

Sch/Loc Description	Budgeted Amt	Expended Amt	Enc Amt	Remaining Amt
IMA				
Undistributed	-24,955.00	0.00	0.00	-24,955.00
English Department	2,100.00	653.65	318.50	1,127.85
Math Department	1,500.00	657.13	549.16	293.71
Science Department	35,950.00	10,888.78	10,858.88	14,202.34
Foreign Language	3,127.00	816.37	182.27	2,128.36
Social Studies	3,020.00	1,269.39	165.65	1,584.96
Technical Education	6,475.00	5,055.82	1,071.22	347.96
Business Institute Academy	500.00	0.00	0.00	500.00
Visual & Performing Arts	35,229.00	23,785.27	6,263.38	5,180.35
Physical Education	3,000.00	2,237.42	86.12	676.46
Athletic Director	5,000.00	137.28	0.00	4,862.72
Counseling Department	10,250.00	4,830.57	3,978.26	1,441.17
Special Education	12,950.00	9,289.32	1,663.11	1,997.57
Health/Life Skills	400.00	357.57	0.00	42.43
Attendance Office	23,233.00	21,813.38	108.75	1,310.87
Emergency Supplies	15,000.00	0.00	10,570.54	4,429.46
Student Information System	11,000.00	10,435.00	0.00	565.00
Study Center	2,900.00	2,432.00	0.00	468.00
Main Office	6,000.00	5,290.13	566.77	143.10
Nurses Office	3,641.00	1,570.33	502.96	1,567.71
Magnet	2,400.00	777.33	471.34	1,151.33
MESA Program	1,400.00	870.36	0.00	529.64
AVID Program	1,250.00	250.00	0.00	1,000.00
Library	3,000.00	1,656.06	435.80	908.14
Assistant Principals Offices	3,000.00	0.00	963.10	2,036.90
Deans	6,000.00	6,228.13	308.20	-536.33
Temescal Academy	5,000.00	21.35	0.00	4,978.65
Technology	5,000.00	1,001.86	0.00	3,998.14
Small Learning Communities	500.00	0.00	0.00	500.00
Data Management	10,310.00	9,609.60	0.00	700.40
ACADEMIC DECATHLON	6,900.00	2,627.36	0.00	4,272.64
CAHSEE PREP	1,000.00	24.34	0.00	975.66
Committees of the Board	2,000.00	1,497.67	0.00	502.33
Literacy Program	4,000.00	1,758.55	0.00	2,241.45
Professional Development	500.00	0.00	0.00	500.00
Parent Center	1,000.00	0.00	0.00	1,000.00
Tutoring Program	360.00	207.64	0.00	152.36
Testing	8,800.00	71.54	0.00	8,728.46 Not all Expenses Submitted
WASC Program	5,355.00	1,956.92	4,400.00	-1,001.92 Unbudgeted
ESL	500.00	295.20	158.18	46.62
Totals To Date	224,595.00	130,373.32	43,622.19	50,599.49

(10)

(11)

PCHS
2011-2012 Update and 2012-2013 Budget
OTHER SUPPLIES

	2011-2012 budget	2011-12 Actual 4/30/12	2011-2012 Projection	2012-2013 Budget	Notes
Other Supplies					
<u>Copy Paper</u>		19,079	21,179	\$ 18,002	Improved Copy Paper Oversight thro
Other Supplies-Incl LAUSD		77,355	83,855	75,469	10% Reduction- LAUSD purchases
Total Estimated	97,580	96,434	105,034	93,472	Use for 2012/2013 Budget
Less HR IMA	(5,355)	(6,438)	(8,855)	(8,000)	
<u>Total Budget</u>	<u>92,225</u>	<u>89,996</u>	<u>96,179</u>	<u>85,472</u>	

PCHS
2012-2013
CONFERENCES and PD Acct. 5220

Sch/Loc Description	2012-2013 Professional Development			
	Requested	Approved	Not Approved	Adjusted
Math Department	12,000			
Science Department	4,500			
Visual & Performing Arts	1,250			
Totals	17,750	11,717	14,093	

2012-13 Allocation Estimate

Note: PD/Conferences Approved by ED/Prin. Funding Partial Offset by Title II Funding (est, \$11,717)

PCHS
 2012-2013 Budget
 Subscriptions-Account 5310

Vendor	Budget 2011/2012	Actuals to 04/30/12	Projected 2011-12	2012-2013 Budget	Notes
ACCREDITING COMMISSION FOR SCHOOLS Total		756		-	WASC
BUSINESS CONTROLS INC. Total		1,500		1,500	My Safe School Subscription
California Charter Schools Association Total		13,900		6,950	Membership to 12/31/12
CENTER FOR EDUCATION AND EMPLOYMENT LAW Total		738		738	Newsletter for Education Updates
CONSTANT CONTACT, INC. Total		264		264	fundrasing Subscription
EBSICO ACCOUNTS RECEIVABLE Total		98		98	Library Subscriptions
FOLLETT SOFTWARE COMPANY Total		1,240		1,240	Library Subscriptions
Gale Group Total		10,521		10,521	Library Subscriptions
OXFORD UNIVERSITY PRESS Total		1,150		1,150	Library Subscriptions
PACIFIC PALISADES CHAMBER OF COMMERCE Total		175		175	Annual Membership
PALISADIAN-POST Total		65		65	Annual Membership
PAMELA MAGGEE Total		859		859	Prof. Assoc. Member (ASCD/ACSA)
STUDENTMAGS Total		272		272	Library Subscriptions
EDJOIN				600	HR Applicant Tracking
HR CODE SP				1,850	HR Testing/Hiring Resources
Grand Total	31,377	31,538	31,538	26,282	

**PALISADES CHARTER HIGH SCHOOL
PUPIL TRANSPORTATION**

2011-2012

UPDATES and 2012/13 Budget

	2010-2011	2011-2012	2011-2012	2012-2013	Notes
	Unaudited Actuals	Approved Budget	Updates	Budget	
AUSD-MOU Payment	\$ 509,000				
Global Transportation	318,600				
Unblewheed Transportation		\$ 872,960	\$ 808,480	\$ 672,000	12 Buses AM /12 PM \$320 per bus (2012/13)
ate Buses	184,750	75,000	49,140	44,352	3 Late Buses (Cost Est. \$84 per bus)
athletic Buses	100,473	100,000	75,773	100,000	No Change
pecial Ed Buses	55,000	55,000	60,500	75,000	Add'l SPED Busing Need for new SPED Students
ield Trips	34,415	-			None Budgeted
AUSD-Misc. Bus Services	4,775				
Transportation Pmts Received/Budgeted	(54,783)	(202,500)	(285,000)	(396,950)	Reduction of Transportation for Collections (see below)
Total Transportation Expenses	\$ 1,152,230	\$ 900,460	708,893	494,402	
Total Students using Busing-Paid & Unpaid			872	650	
of 9th-12th Grade Students riding bus needing to pay	135	270	39	467	
re-payment rate			\$ 900		
ost per student	\$ 800	\$ 1,000	\$ 315	\$ 1,000	
0 Payment plan rate					
otal Potential Student Reimbursable Amount	\$ 108,000	\$ 270,000	\$ 350,500	\$ 467,000	
Potential Uncollected Busing Budget Amount (including service fees) 15% for 2012/13	(54,783)	(202,500)	(43,000)	(70,050)	Net Collections Budgeted (reduces Trans. Costs above)
Total Budgeted Collected Transportation -Net	\$ 53,217	\$ 67,500	\$ 285,000	\$ 396,950	
	Collections to 04/30/12		\$ 281,000		

PCHS
2011/12 Update and 2012/2013 Budget
Rentals-Account 5610

Vendor	Budget 2011/12	Amount YTD 04/30/12	Projected 2011/12	Budget 2012/13	Notes
CITY OF LOS ANGELES Total	1,740	6,740	6,740	6,740	Tennis Court Rentals
Complete Business Systems Total	1,500	1,500	1,500	1,500	Duplo Machines
EDLIO Total	2,400	2,400	2,400	0	Web Site
Gym Floor Repairs Total	5,525	5,525	5,525	0	Gym Floor
HASLER INC. Total	445	445	445	445	Postage Machines maintenance
IPARADIGMS, LLC Total	5,121	5,121	5,121	5,121	Turn It In
KONICA MINOLTA BUSINESS SOLUTIONS Total	6,950	9,266	9,266	9,266	Copier Machines-Quarterly Usage
KONICA MINOLTA PREMIER FINANCE Total	5,612	7,482	7,482	7,482	Copier Machines-Monthly
MONICA IANNESSA Total	204	204	204	204	Survey Monkey
PICO PARTY RENTS & SELLS Total	5,596	5,596	5,596	5,596	Graduation Chair Rentals
PRIORITY MAILING SYSTEMS, INC. Total	1,295	1,295	1,295	1,295	Mailing Machines Rentals
RAYNE WATER CONDITIONER Total	1,460	1,752	1,752	1,752	Water filter rentals
Refrigerator Repairs Total	955	955	955	0	Cafeteria Refrigerators
TAMCO CAPITAL CORP. Total	21,143	25,371	25,371	25,371	Shoretel Phone System Rentals
TCS NETWORK CONSULTING, INC. Total	32,100	32,100	32,100	32,100	Network Consultants upgrades
TEACHERWEB, INC. Total	4,066	4,066	4,066	4,066	Teacher Web
Grand Total	118,189	96,112	109,819	100,939	

**PCHS
Consultants/Legal
A/C 5810 and 5821 and
Total Professional Services Summary**

Vendor	2011-2012	YTD	2011-2012	2012/2013	COMMENTS
	Budget	4/30/2012	Projection	Budget	
HESS AND ASSOCIATES, INC. Total	4,110	3,939	5,252	5,252	STRS/PERS consultants
LOS ANGELES UNIFIED SCHOOL DISTRICT Total	500				Misc. Program Fees
MICROS & BUSINESS SOLUTIONS Total	1,800	1,800	2,400	2,400	Payroll Tax consultants
SODEXO, INC & AFFILIATES Total	138,177	154,824	274,685	288,712	Sodexo Staff/Oversight Fees-
EPLER COMPANY Total	7,500		7,000		Actuarial Review-Every 2 year review
ELIZABETH LESAN Total	5,700	5,700	5,700	5,700	Student College Counseling Prep Services/Verify
THE COSCA GROUP Total		1,000	1,000		PCAO Search Contract-Approved by Board
Total	157,787				
Sodexo Labor Reclassified from PCHS Payroll (Post Aldersgate Budget)	120,000				
JESSICA THIELE Total		3,889	3,889		Transportation Temp during open period
HORIZON SOFTWARE INTERNATIONAL, LLC Total		190	190	190	Software Consultant
CECELIA L. HALE Total		10,000	10,000		HR consultant during open period
CARLA LEVENSON Total		2,565	4,000	4,000	Fundraising Consultant
CRAIN & ASSOCIATES Total		3,000	3,000		Facilities Consultants
DAVID RICCARDI Total		697	697		Non-Employee Consultant (prior to hire)
CONSULTING, LLC. Total		2,000	2,000	2,000	Lottery Consultant
APPLEONE EMPLOYMENT SERVICES Total		5,944	5,944	2,378	Temps to fill in for Employees out
LA County Office of Education		2,600	2,600	2,600	BTSA Program
AXIOM, INC Total		450	450	450	SARC Report
310 Total	277,787	198,598	328,807	313,681	General Consulting

Note: Infinite Campus Consulting Expenditures will be covered by Grant Funds Received 2011/12

SUMMARY

	2011-2012	2011-2012	2011-2012	2012/2013	Notes
	Budget	Actuals 4/30/12	Revised Projection	Budget	
300 Other Contracted Services	24,000	14,882	24,000	29,000	LACOE-Financial Software/STRS & PERS Increase 2012/13
310 Total Budget-General Consulting	277,787	198,598	328,807	313,681	See above
310 Total Budget-Special Ed Consulting	180,750	110,610	150,000	150,000	See 5810.65000 tab
350 Total Budget-Instructional Consulting	34,500	38,485	72,962	61,131	See 5850 Tab
Total Consulting	517,037	362,575	575,769	553,812	
Accounting	14,600	4,000	14,600	14,600	
Legal Settlement	75,400	65,244	65,244	-	
Legal	90,000	78,372	94,046	74,046	Lower Legal Charter Renewal/Negotiations
3821 Legal & Accounting	607,037	147,616	173,890	88,646	
Total Professional Services	607,037	510,191	749,659	642,459	

**PCHS
CONSULTANTS-SpED
2011/12 YTD and 2012/13 BUDGET**

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Vendor	Budget 2011/12	YTD 04/30/12 Amount	Projected 2011/12	Budget 2012/13	
AUGMENTATIVE COMMUNICATION THERAPIES Total		850			
CENTER FOR BEHAVIORAL, EDUCATIONAL & Total		791			
CHILD COUNSELING & BEHAVIOR Total		22,465			
INCLUSIVE EDUCATION AND COMMUNITY Total		3,054			
KARLA MARIA HERNANDEZ CASTRO Total		1,174			
MAXIM HEALTHCARE SERVICES, INC. Total		41,989			
PAULA MCNAMARA Total		563			
SPEECH, LANGUAGE AND EDUCATIONAL Total		34,978			
THERAPY WEST, INC Total		2,125			
VERDUGO HILLS AUTISM PROJECT Total		1,704			
Grand Total	<u>180,750</u>	<u>109,692</u>	<u>150,000</u>	<u>150,000</u>	Maintain Current level (per M. Bush)

**Palisades Charter High School
2011-2012 and 2012/13 Budget and YTD
LAUSD Fees**

	SP Ed	Transition	Custodial	Other-Misc	Police	Total
2010-2011 Budget						
2011-2012 YTD (04/30/12)	677,134	57,879	592,193	121,228	99,100	1,547,534
	363,193	41,250	300,655	110,739	181,500 (a)	997,337
2011-2012 (21% SPED Oversight Budget) Projection	442,692	55,000	609,217	120,000	194,100	1,421,009
2012-2013 Budget	419,113	33,000	520,772	70,000	103,000	1,145,886

COMMENTS

(a)-Two years of School Police billed to PCHS in 2011-2012
 LAUSD SPed Fee's from at 20% in 2012-13
 LAUSD Custodial reduced for Add'l furlough days 2012-2013 & one less FTE
 Transition Cost reduced by 40% for fewer days at PCHS in 2012-2013
 Ops Mgr to find Savings of \$50,000 in "Other LAUSD fees"

**PCHS
Instructional Consultants
Budget
2011/12 and 2012/13**

A/c 5850

Vendor	2011-2012	2011-2012	2011-2012	2012-2013	NOTES
	Budget	Actuals 4.30.12	Projection	Budget	
MURTIS M. SHAW Total	2,500	2,220	2,220		Business Academy
ELIZABETH BUTLER Total	2,500	3,150	3,150	3,150	Testing Business Academy--Not funded by WLA
KEVIN B. DUNGEY, II Total	2,500	3,108	4,108	8,216	College in 2012/13
TEACHERS ON RESERVE, LLC Total					Sub Teachers (Savings for no coverage for Field Trips, unless funded)
THE VILLAGE NATION Total	15,000	20,358	24,429	20,765	TVN Program Support
BRETT SHIBATA Total	5,000	5,000	5,000	5,000	Class Scheduling Assistance
OF EDUCATIONAL RESOURCES Total		4,450	4,450	-	Teacher Assessments
MERYL KOSTELNIK Total		4,000	4,000	4,000	Adult Ed
MALISADES-MALIBU YMCA Total		180	180	-	Community Service--Replaces Retiree
ERIC CARTER Total		10,000	20,000	20,000	Class Scheduling Assistance
JCLA-CENTER X Total		1,174	1,174	0	AP Readiness--continue?
		4,250	4,250	-	
Grand Total	34,500	57,890	72,962	61,131	

Note

a): Substitutes on Payroll (approx. \$400k in 2012/13) included in Teacher Compensations line on Budget

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PCHS
2011/12 2012/13 BUDGET AND YTD

COMMUNICATIONS OTHER

Communications

2011-12 Budget	YTD 4/30/2012	Projected 2011-2012	Budget 2012-2013
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Notes

5910 Telephone

35,000	32,235	38,682	29,012	PCHS controls Phone Exp. 2012/13-lower 25%
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5920 Postage

39,000	32,197	38,636	34,773	10% Postage Savings
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5910-20 Postage & Tele

74,000	64,432	77,318	63,784
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Other Charges

5830 Advertising

5,000	306	806	1,800	HR /Pool Ads
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New Web Design/Software

5860 Fingerprinting

3,000	2,630	3,156	3,000	Web Facilities
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LACOE delivery fee's, Bank

5890 Other Charges

11,000	11,464	13,757	14,000	Fee's, Filing Fees
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5890 Pool Supplies

42,500	34,342	38,973	68,832	Pool Supplies
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Total Other

61,500	48,742	56,692	101,459
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Communications & Other Total

135,500	113,174	134,010	165,243
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**PCHS
2012-2013 BUDGET
CAPITAL**

School Wide Bldg Improvements

25,000

Equipment-Technology

Department

	2012-2013 Capital Budget				Notes
	Requested	Approved Best Case	Approved Worst Case	Not Approved	
Data Management	2,700		-		(Reviewed by Ops and Facilities)
Foreign Language	2,100				
Library	68,989				
Math Department	7,862		-		
Science Department	4,340		-		
Special Education	22,400		-		
Technical Education	50,150		2,650		
Visual & Performing Arts	43,671		2,400		
Totals	202,211		5,050		(Reviewed by Ops and Facilities)

2012-2013 Budget FORECAST

Description	Requested	Approved Best Case	Approved Worst Case	Booster	Notes
TONER	10,000		10,000		
CITRIX SERVER LICENSE	4,142		4,142		
THIN CLIENTS (20)	9,000		9,000		
SERVER UPDATE/UPGRADE	28,053		28,053		ADD NEW SWITCH, NEW SERVER/VIRTUALIZE
SCHOOL WIDE ANTIVIRUS	2,998		2,998		TO BE RAN ON THE SERVER FOR ALL COMPUTERS
LAB REFRESH (3)					SCHEDULED LAB REFRESH PER TECH PLAN
MR.SIMON	48,000			48,000	NEW IMACS FOR THE CLASS
EAST LAB	10,000			10,000	REPLACE 10YR OLD PC
LIBRARY	68,989		68,989		REPLACE 4YR OLD LAPTOPS
TECH SUPPLIES	20,000		20,000		PARTS,BULBS,AV,SOFTWARE,PRINTERS,ETC...
SERVER MAINTENACE	30,000		30,000		POSSIBLE RENEGOTIATE/RECLASS
OFFICES-COMPUTERS	6,000		6,000		CLASSIFIED SUPPORT COMPUTER
Total	237,182		179,182		

DEPT. REQUESTS

Description	Requested	Approved Worst Case	Booster	Notes
SPECIAL ED.	2,200	2,200		NEW TEACHER COMPUTERS-School Wide
SCIENCE	TECH			2 REPLACEMENT COMPUTERS/PRINTER
TECH ED.	3,000	-	-	Included in Dept Capital Budget
VAPA	500	500		SCANNER/COPIER/PRINTER FOR B101/MERCER
FOREIGN LANG.	TECH			REPLACE COMPUTER FOR MS.G
OTHER	62,691	62,691		SCHOOLWIDE WIFI
OTHER	14,000			SHORETEL SUPPORT (NEW SUBSCRIPTION) Tamco
Miscellaneous	10,377	10,377		School Wide Contingency
Total	92,768	75,768		
Total Equipment/Technology		260,000		

Furniture School-Wide

10,000

PCHS
MEDICAL BENEFITS 2012-2013 PLAN OPTIONS
AND TOTAL HEALTH BENEFITS

Medical Increase Analysis

3 mos: 12/13 9mos: 12/13

Enrollees	Plan Type	2010-2011 Prior	2011-2012 Current	2012-2013 Proposed	% Increase	Plan Option Types	\$ Increase 2012/13
57	PPO	\$ 802	\$ 785	855	8.9%		\$ 33,003
73	HMO	\$ 801	\$ 807	863	6.9%		\$ 38,106
51	Kaiser	\$ 798	\$ 898	982	9.4%		\$ 53,856
9	Retirees		Various				
Summary Increase- All Options							
							Overall Increase
							190

Total Medical Benefit Increase **\$ 124,965** 6.2%
 Current Budget for 2011-2012 Health Benefits **\$ 2,018,740**
 Projected 2012-2013 Health Benefits Budget **\$ 2,143,705**

70% Certificated \$ 1,492,019
 30% Classified 651,686
\$ 2,143,705

SUMMARY

Medical	Up 6.2%	\$ 1,892,389
Dental	(No Rate change)	201,528
Vision	(No Rate change)	49,788
		\$ 2,143,705

Note Policy Period Ends on September 30th. Budget uses 3mos. Prior yr. & 9mos. Current yr.

PCHS
SALARY SAVINGS PROPOSALS
2012-2013 BUDGET

Distance Learning Program			
Revenue:	# of Students	per ADA	
ADA Increase	40	\$ 6,250	\$ 250,000
Costs:			
Course Cost	40	\$ 60	\$ 2,400
Staffing:			
	Retired Teacher to Oversee Program		31,000
	L-T Sub English-Temescal (To fill vacant Teacher position)	22,200	\$ 55,600
	Net Added Revenue-Distance Learning		\$ 194,400

SALARY	Certificated	Classified	Consulting
			(Included in Consulting Tab)

<u>Salary Savings-Administrative Proposed</u>				
AVID Program Suspension (includes 4 Auxiliaries)	\$ (85,464)	\$ (44,462)	\$ (41,002)	\$ -
Parent Liaison position absorbed	(41,000)		(41,000)	
Transition Position Reduced by 40%-LAUSD	(18,333)			(18,333)
LAUSD 1 FTE Savings-Custodial	(56,571)			(56,571)
LAUSD Furlough Savings-Custodial	(31,874)			(31,874)
Custodial OT Savings	(35,000)		(35,000)	
ACADEC Program Suspension (incl. 1 Aux)	(22,079)	(22,079)		
Teacher Retirement-Not replaced	(85,730)	(85,730)		
EL Assistant reduction (Net)	(9,000)		(9,000)	
Reduction of 8 Auxiliary Periods	(75,150)	(75,150)		
Replacement of 11 Auxiliary Periods with 2 L-T Sub Positions & Aux. Shifts	(19,000)	(19,000)		
Exec Director Aide Savings	(8,600)		(8,600)	
Part-Time Teacher not retained	(24,525)	(24,525)		
Retired Classified Position absorbed	(27,000)		(27,000)	
Add: Distance Learning Cost to Generate 40 ADA in Revenue (see above)	55,600	55,600		
5 Furlough Days Administration	\$ (19,748)	\$ (13,191)	\$ (6,557)	\$ -
Total Salary Savings-Admin. Proposed	\$ (503,475)	\$ (228,537)	\$ (168,159)	\$ (106,779)
<u>Salary Savings-Negotiations Proposed</u>				
5-Furlough Days Certificated Union Employees(Proposal in Negotiations)	\$ (186,809)	\$ (186,809)	\$ -	\$ -
Total Potential Salary Savings	\$ (690,284)	\$ (415,346)	\$ (168,159)	\$ (106,779)

PALISADES CHARTER HIGH SCHOOL
CAFETERIA
PROFIT AND LOSS
2011-2012 and 2012-13 BUDGET

(24)

	2010-2011 Unaudited Act.	2011-2012 Budget	Year To Date 04/30/12	Projection 2011-2012	Budget 2012/2013
Revenue					
In-Transit			\$ 2,300	\$ -	
Adult			\$ 7,641		
A La carte			\$ 88,625		
Reduced & Paid			\$ 71,946		
Total Cash Sales	\$ 180,144	\$ 189,106	\$ 170,512	\$ 213,192	\$ 236,557
Catering Revenue	\$ 4,245	\$ 5,360	\$ 14,105	\$ 20,277	\$ 17,958
State Reimbursements	\$ 42,544	\$ 46,978	\$ 33,433	\$ 42,602	\$ 43,960
Federal Reimbursements	\$ 431,594	\$ 487,948	\$ 347,298	\$ 441,754	\$ 455,833
Total Revenue	\$ 658,527	\$ 729,392	\$ 565,348	\$ 717,825	\$ 754,308

Expenses					
Total Salaries	\$ 205,892	\$ 28,000			
Total Benefits	\$ 132,159	\$ 12,500			
Total Salaries & Benefits	\$ 338,051	\$ 40,500	55,916	66,246	52,000
Sodexo Management	\$ 141,565	\$ 367,876	\$ 214,754	\$ 274,685	\$ 288,712
Food Expense	\$ 273,852	\$ 288,378	285,330	364,959	383,596
Total Expenses	\$ 753,468	\$ 696,754	556,001	705,890	724,308
Net Income/(Loss)	\$ (94,941)	\$ 32,638	\$ 9,348	\$ 11,935	\$ 30,000
				Profit w/o Benefit Payments in Summer 2011	\$ 26,335

Cost Per Meal:	2011/12	2012/13	Increase
Food	1.682	\$ 1.757	
Mgt	1.266	\$ 1.261	
	\$ 2.948	\$ 3.018	2.4%
# of Meals Billed (Sodexo basis)	208,199	222,796	7.0%

- 2012/13 Assumptions**
- Assumes an increase in commodity entitlement to \$0.2225
 - Assumes State reimbursement at \$0.2195
 - Assumes 3% increase in Federal Reimbursement
 - Assumes \$0.06 additional HHKFA lunch funds starting October 1
 - Lunch price \$3.50, breakfast \$2.25
 - Fixed Price per meal includes \$10,000 investment in School Equipment needs (\$.01).

PCHS
FACILITY/POOL
2012-2013 BUDGET

	2011-12 Budget-Approved		Total	Updated Budget 1/12	Projection to 6/30/2012		Total	Pool
	Pool	Other Facilities			Pool	Other Facilities		
Income								
Fundraising	\$ -	\$ -	\$ -	\$ 150	\$ 150	\$ -	\$ 150	\$ 32,736
Leases & Rentals	464,240	340,504	804,744	744,238	322,613	342,600	665,213	371,300
				744,388	322,763	342,600	665,363	404,036
Expenses								
Salary	165,660	64,616	230,276		147,435	64,616	212,051	140,560
Benefits	34,394	10,142	44,536		21,762	9,692	31,455	21,084
Total Salary & Benefits	200,054	74,758	274,812	274,812	169,197	74,308	243,506	161,644
Custodial Support		12,000	12,000			6,000	6,000	-
Utilities	40,000		40,000		40,000	-	40,000	28,000
Insurance	4,000		4,000		3,000	-	3,000	3,500
Other Supplies	42,000	10,000	52,000		40,000	8,000	48,000	58,832
Advertising/PR	700		700			-	-	800
Total Expenses	86,700	22,000	108,700	108,700	83,000	14,000	97,000	91,132
Operating Profit/(Loss)	177,486	243,746	421,232	360,876	70,565	254,292	324,857	151,260
Debt Service								
Interest	84,303	11,965	96,267		84,303	11,965	96,268	80,145
Principal	212,506	#####	324,194		#####	111,688	324,194	154,745
Total Debt Service	296,809	123,653	420,462	420,462	296,809	123,653	420,462	234,890
Net Permit Reserve Add/(Reduct)	\$ (119,323)	\$ 120,093	\$ 770	\$ (59,586)	\$ (226,244)	\$ 130,639	(95,605)	(83,630)

FUNDING
OPTION 1

(26)

Below is our latest estimate of charter school funding rates based on the May Revision.

2011-12 Estimate Block Grant Rates				
	K-3	4-6	7-8	9-12
General Purpose Block Grant	5,043	\$ 5,120	\$5,273	\$6,101
Categorical Block Grant	\$ 385	\$ 385	\$ 385	\$ 385
Total estimate for 2011-12	\$ 5,428	\$ 5,505	\$ 5,658	\$ 6,486
Economic Impact Aid (per eligible pupil)	\$ 326	\$ 326	\$ 326	\$ 326
Categorical Block Grant supplement for schools starting in 2008-09 and later	\$127	\$127	\$127	\$127
2012-13 Governor's May Revision Estimate Block Grant Rates				
	K-3	4-6	7-8	9-12
General Purpose Block Grant (Assuming New Revenues)	\$ 5,084	\$ 5,161	\$5,315	\$6,149
<i>Alternate General Purpose Block Grant (Assuming Initiative Fails and Trigger Cuts Are Imposed)</i>	\$ 4,670	\$ 4,741	\$4,883	\$5,650
Categorical Block Grant	\$ 400	\$ 400	\$ 400	\$ 400
Economic Impact Aid (per eligible pupil)	\$ 326	\$ 326	\$ 326	\$ 326
Categorical Block Grant supplement for schools starting in 2008-09 and later	\$127	\$127	\$127	\$127
2012-13 Governor's May Revision Weighted Student Formula Simulation				
	K-3	4-6	7-8	9-12
Formula Base Rate per ADA (K-3 rate includes K-3 CSR)	\$ 5,466	\$ 4,934	\$ 5,081	\$ 5,887
20% Weight Per English Learner or Pupil Eligible Free and Reduced Price Meals (no double count)	\$ 1,093	\$ 987	\$ 1,016	\$ 1,177
4% Concentration Grant per pupil for each 10% of population over 50% FRP eligible	\$ 219	\$ 197	\$ 203	\$ 235
2.5% Accountability Grant starting in 2013-14 for school meeting targets yet to be defined	\$ 137	\$ 123	\$ 127	\$ 147

(27)

FUNDING
OPTION 2

SSC School District and County Office Financial Projection Dashboard 2012-13 May Revision

This version of SSC's Financial Projection Dashboard is based on the Governor's 2012-13 May Revision. The statutory COLA, CPI, and ten-year T-bill planning factors reflect economic forecasts as of the Governor's May Revision release. We rely on various state agencies and outside sources in developing these factors, but we assume responsibility for them with the understanding that they are, at best, general guidelines.

Factor	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Statutory COLA (applies to K-12 and COE Revenue Limits)	2.24%	3.24%	2.50%	2.70%	2.80%	3.00%
K-12 Revenue Limit Deficit %	20.602%	22.272%	22.272%	22.272%	22.272%	22.272%
COE Revenue Limit Deficit %	20.889%	22.549%	22.549%	22.549%	22.549%	22.549%
SSC Planning COLA if tax initiative passes	—	0.00%	2.50%	2.70%	2.80%	3.00%
Trigger cuts	Included in deficit factor ¹	-\$441 per ADA (ongoing) ²	2.50%	2.70%	2.80%	3.00%
Net Revenue Limit Change: K-12 COEs	-1.06%	1.08%	2.50%	2.70%	2.80%	3.00%
Special Education COLA (on state and local share only)	0.00%	0.00%	2.50%	2.70%	2.80%	3.00%
State Categorical Funding (including adult education and ROC/P)						
Tier I	0.00%	0.00%	2.50%	2.70%	N/A	N/A
Tier II	0.00%	0.00%	2.50%	2.70%	N/A	N/A
Tier III	0.00%	0.00%	2.50%	2.70%	N/A	N/A
California CPI	2.50%	2.30%	2.40%	2.60%	2.70%	2.90%
California Lottery						
Base	\$118.00	\$118.00	\$118.00	\$118.00	\$118.00	\$118.00
Proposition 20	\$23.75	\$23.75	\$23.75	\$23.75	\$23.75	\$23.75
Interest Rate for Ten-Year Treasuries	2.00%	2.30%	2.70%	3.00%	3.10%	3.20%

ESTIMATED STATEWIDE AVERAGE BASE REVENUE LIMITS PER ADA "UNDEFICITED"

Year	Elementary	High School	Unified
2011-12 Statewide Average (est.)	\$6,247	\$7,504	\$6,535
2012-13 Inflation Increase @ 3.24% COLA	\$203	\$243	\$212
2012-13 Statewide Average (est.)	\$6,450	\$7,747	\$6,747

2012-13 BUDGET ACT ESTIMATED CHARTER SCHOOL RATES

	K-3	4-6	7-8	9-12
General Purpose Block Grant (will change at each apportionment)	\$5,117	\$5,193	\$5,346	① \$6,188
Categorical Block Grant (est.) ³	\$410	\$410	\$410	\$410
Total	\$5,527	\$5,603	\$5,756	\$6,598

① 6,188
② <441>
5,747
Net Funding if Triggers Pulled

¹The 2011-12 revenue limit trigger cut was contained in the 2011-12 Budget Act and was contingent upon the midyear revenue forecast from the Department of Finance (DOF). The actual cut was 0.198% of a district's undeficated base revenue limit, or about \$13 per ADA for the average unified school district. SB 81 shifted the pupil transportation trigger cut to the revenue limit—increasing the deficit factor for revenue limits by an additional 0.65%.

²The Governor's May Revision provides for trigger reductions of \$441 per ADA if the 2012 tax initiative fails.

³The Charter School Categorical Block Grant rates do not include Economic Impact Aid funding, which is provided separately. In addition, for charter schools that began operation in or after 2008-09, there is an additional amount per ADA in supplemental categorical block grant funding.

P. Robert Wilkinson, CPA
Brian K. Hadley, CPA



Aubrey W. King, CPA
Richard K. Savage, CPA

June 13, 2012

Dr. Pam McGee

Greg Wood

Palisades Charter High School

Re: Review of Associated Student Body

We have been asked to comment on the responses provided by Mr. Kevin Olson to our report of findings in conjunction with our review of the ASB as detailed in our March 15, 2012 letter. (For your reference I have attached our letter and Kevin's responses to this letter.)

Both my audit manager, Mike Mears who assisted me in this review, and myself have reviewed and discussed Kevin's responses to our findings. In our discussions with Kevin, and review of his responses, we do recognize there has been some disruption, due to illness, in the normal operating procedures of the ASB. We believe Kevin's responses have adequately addressed our findings. You can see his responses attached and we believe, based on his remarks, that he acknowledges that there are some areas that need to be reviewed to ensure controls are sufficient to safeguard the assets of the ASB.

As you are aware our review of the controls over the ASB were prompted due to the ASB not being included in the audit of the School in previous years, which we believe should be as the School and its students benefit 100% from the activities of the ASB, and the school board has ultimate control over the ASB. We believe this should be part of the audit in 2012 and all subsequent years.

You will note many of our findings are questions we had about controls, review of accounts, and concerns about discrepancies in documentation. Kevin has addressed these and we have accepted his responses. We anticipate that, based on our questions and findings, those weaknesses we noted will be improved and the areas we had concerns about will be addressed.

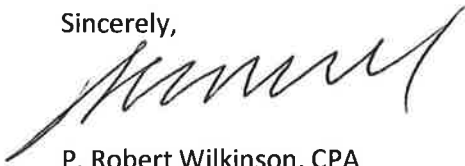
We look forward to reviewing the ASB accounts during our 2012 audit and following up on the areas noted in our letter. We also believe our review will assist Kevin and those working with the ASB in preparing for an audit and give them an idea what we look for.

As you know, the activities of the ASB (and related booster clubs), are a concern to the State. With the ACLU lawsuit still in the works a review of ASB and the policies in place for the so called "pay to play" are a big deal. Although nothing has been officially included in the 2011-12 "Audit Guide" we have been told to expect something in the 2012-13 guide. Our firm has taken the position that even though a review of these policies are not a requirement this year we are performing the review to ensure our clients are in line with the requirements the State indicates must be in place. We believe it is better to be prepared and in compliance early and not have to deal with any possible problems in the future.

We appreciate the opportunity to work with you, the School and the ASB to ensure the controls and operations of all aspects of the School are strong and provide the best safeguard of all the assets possible. We look forward to reviewing the activities of the ASB in our 2012 audit and will provide you with an update upon our completion.

Greg has mentioned that you may want me in attendance at the board meeting on June 18. We will be there working that day and I will be happy to attend should you and the board desire. Please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Robert Wilkinson", written in a cursive style.

P. Robert Wilkinson, CPA



Wilkinson Hadley King & Co. LLP
CPAs and Advisors

P. Robert Wilkinson, CPA
Brian K. Hadley, CPA

218 W. Douglas Avenue • El Cajon, CA 92020
Tel. (619) 447-6700 • Fax (619) 447-6707

Aubrey W. King, CPA
Richard K. Savage, CPA

March 15, 2012

Dr. Pam McGee
Chief Administrative Officer/Principal
Palisades Charter High School

At your request, we performed a review of the internal financial and administrative controls of the Palisades Charter High School Associated Student Body (ASB). Our review was for the period July 1, 2010 through December 31, 2011. We applied the procedures and standards had this review been part of an audit of the financial statements of the ASB for the period noted.

In planning and performing our review of the ASB's internal controls, we applied the same auditing standards generally accepted in the United States of America as if this had been an audit to determine the effectiveness of the ASB's internal controls. The purpose of our review was not to express an opinion on the financial statements of the ASB but to identify areas in the internal controls that might be significant deficiencies or material weaknesses.

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 combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses; however, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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. We consider the following deficiencies in the ASB's internal control to be significant deficiencies:

Cash/Bank Statements

1. In review of bank statements, we noted bank reconciliations are not being done on a regular basis. As an example, the July 2010 statement was not reconciled until December 20, 2011 and the June 2011 reconciliation was not completed until February 21, 2012, the day we arrived for our review.
2. As of February 22, 2012 none of the bank statements for July 2011 through December 2011 had been reconciled.

Cash Receipts/Deposits

1. We selected 35 deposits for the test period and noted some deposits were not being made to the bank on a timely basis. One example was the receipts for the November 19, 2011 football game which not deposited to the bank until December 1, 2011.
2. In our review of deposits containing ticket sales for football games, we noted for a majority of these sales, there was not a ticket reconciliation as supporting documentation for the sales attached. We were told that these reconciliations are prepared but we were only provided one, dated November 19, 2011. The "Ticket Salesman Report" for that game was signed by the seller and the doorman for the home side sales; however, for the visitors side there were no signatures. We also noted for that game, according to the report, the number of tickets for the home side and visitor side were the same.
3. There was a receipt dated October 7, 2010 that noted it was for "Ticket Sales-Home Coming" The receipts totaled \$6,658 yet the deposit was for \$6,075 which resulted in a shortage of \$583. When asked about the shortage, we were told that the actual deposit was for the money in the registers for that day even though sales appeared to be higher. There was no indication that the shortage had been investigated.
4. For a deposit dated August 27, 2010 (\$29,803) the notes to the deposit indicate a shortage of \$345. When we inquired about the shortage, we were told they were not sure why this happened.
5. We requested the deposits for the football games for the 2011-12 fiscal year. We were provided three of the four as they were unable to locate the fourth one. We had some concerns with the October 26, 2011 ticket sales. The report provided indicated that for the home side 1,460 tickets were sold @ \$5 per ticket for \$7,300 and for the visitors side 145 were sold @ \$5 per ticket for \$725. In review of other games there were tickets sold to "adults" other than students for \$7 and student tickets were \$5. For the October 26, 2011 game this would mean that there were 1,605 students present and no adults. This is not consistent with other game receipts reviewed where both adult and student tickets were sold. In reviewing the other two game receipts we received the average tickets sold were 396 adults and 184 students for the home side and 151 adults and 48 students for the visitor side. The sales for the October 26, 2011 game seemed to be inconsistent with other games.
6. In our review of the 3 game receipts provided we noted for the third game that the total revenue dropped off significantly. The average revenue for the home side for the other 2 games was \$6,672 and for the third game total home side revenues were shown as \$1,347 a drop of of \$5,325. The average receipts for both the home and visitors gates for the two other games was \$8,165 and total receipts for game 3 were \$1,681, a drop of \$6,484.
7. In review of the February 9, 2012 deposit, it included ticket sales for basketball admissions. There was a total of \$2,742 noted as income from the basketball game but there was no ticket reconciliation form attached and no indication anywhere of how many tickets were sold or for what price.

Cash Disbursements

1. We noted a significant number of check requests did not have the proper approval signatures listed. Three signatures are required for approval; however, in many instances only one or two signatures are evident. In addition, the check requests have a preparer signature that requests the expense; however, there is no reference that this signature is valid as one of the approvals required.
2. In our review of check requests, we noted some instances where the date of the check request was after the actual invoice date. It appears that purchase order/check requests are being completed after the initial purchase has been made.

3. In our review of invoice payments, we noted some instances where the payment was not timely. An invoice for the 2009-10 caps and gowns in the amount of \$23,762.50 was dated July 1, 2010 and subsequently paid October 26, 2010 which is over ninety days past due. In the subsequent year, the invoice for the 2010-11 caps and gowns in the amount of \$22,412.00 was dated July 6, 2011 and subsequently paid December 9, 2011, which is over five months past due from the date of the invoice. Also, reimbursement of 2009-10 payroll expenses to the charter school fund in the amount of \$27,499.01 were not paid until March 31, 2011 which is over nine months from the date the costs were incurred.
4. In review of actual invoice support, we noted two instances where the invoice total did not reconcile to the detailed charges listed. The catering invoice dated October 9, 2010 for homecoming totaled \$1,750; however, the total detail charges listed amounted to \$1,050 with no explanation to the \$700 variance. In addition, an invoice for CIF fees dated October 1, 2010 totaled \$7,910; however, the detail charges amounted to \$8,110 which resulted in a discrepancy of \$200. It appears that vendor invoices are not being footed for accuracy on a consistent basis.
5. In review of paid invoices, we noted they were not being defaced with a paid stamp. A copy of the check stub was stapled to the check request and invoice; however, the actual invoice was not stamped or defaced as being paid.
6. We noted one expenditure for the winter formal dance event in the amount of \$7,000 had a fabricated hand written budget sheet as support for the expense instead of an official vendor invoice that reconciled to the amount paid.
7. Canceled checks reviewed all had two signatures for payment; however, one of the signatures was from the ASB accountant that reconciles the bank account. This results in a weakness over the internal controls and segregation of duties over the account.

Review of Financial Statements

1. In review of the June 30, 2011 financial statements provided, we noted there were trust/club accounts for Class of 2007 and Class of 2009. The ASB should account for activities of students who are in school and should not be used to hold money for graduated students. These accounts should be closed and the funds deposited into the general ASB account.
2. We noted an expenditure account titled "Bad Debt" with a charge of \$11,738. This amount seemed high for an ASB's bad debt. When we inquired about the account we were told it was to write off bad receivables. From our review of several other high school ASB's this amount seemed significantly high.
3. We selected four club/trust accounts to review the financial transactions for the year. In our review of the baseball account, we noted deposits described as "fees". When we inquired about this, we were told that each player is to pay \$300 for uniforms, etc. It would appear this money could be construed as "pay-to-play" which would be in conflict with state law regarding fees. We have a concern that baseball and other sports may be charging players to play. We believe this needs to be reviewed by administration to ensure you are in compliance with state law. It is very likely that the 2012-13 state Audit Guide will contain a requirement that these types of receipts be reviewed for state compliance.

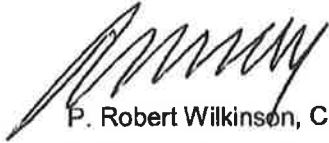
Summary

We believe the above correctly identifies the areas of concern we had with our review of the financial information provided us for the period July 1, 2010 through December 31, 2011. We would welcome the opportunity to meet with you and your staff to discuss appropriate controls that should be implemented to increase the internal accounting and administrative controls over the ASB. We recognize some of the above findings are minor; however, we believe some are of a significant nature and need to be addressed immediately.

As noted, I will be happy to meet and discuss our findings with you, your staff and/or your board to ensure proper controls are implemented as soon as possible. Please let me know when a convenient time for you is and we can arrange a meeting.

We appreciate the help and assistance we received from the staff at the ASB office. Please let them know as we realize it was an inconvenience for them and whenever there is an unannounced review it throws everyone's normal routine out of whack. The staff was very cooperative and were helpful in getting us the information requested.

Sincerely,



P. Robert Wilkinson, CPA

Wilkinson Hadley King & Co. LLP

Cash/Bank Statements

- 1) The Finance Office has had periods of backup in the last two years due to personnel issues. We are an office of only two employees. Over the course of the last 18 months one of those employee's has been out for close to 10 months. Under normal circumstances it is standard operating procedure to do our reconciliations in a timely manner.

Cash Receipts/Deposits

- 1) Our bank deposits are picked up on Tuesdays and Thursdays by Dunbar Armored. Normally any money dropped off with the Finance Office on Thursday, Friday and Monday is goes out on the Tuesday pickup, and monies from Tuesday and Wednesday goes out on Thursday. Sometimes there are holidays or other circumstantial reasons why deposits do not go out with the first possible Dunbar pickup. Example given spans the Thanksgiving holiday, this is why the deposit was a week late
- 2) The current Finance Manager created the Ticket Report form that did not exist before he came to PCHS as a means of improving controls in this area. It is standard procedure for us to use our Ticket Report forms and for sellers to fully complete it for each event. For some of the requested forms from the prior year, during the two day ASB review, the employee who filed them away was not present during the audit and is still out on a medical leave. We did provide forms for the period in which present employee's were responsible for getting them completed. It was not brought to my attention that one of the game forms provided had unusual sales recorded. I would like a chance to go over that form and provide insight as to why it was completed the way it was.
- 3) For dance ticket sales such as Homecoming tickets we use the new Quickbooks Point of Sale system in the student store. Only verified sales are posted to our financial software and deposited into the bank. Leadership students sell most of the tickets using the computers system. Sometimes students make mistakes entering tickets into the computer, either double selling tickets, entering checks as cash, or sometimes forgetting to get payment. When we find these entry problems they are removed from the POS and the amount recorded is reduced. In the end only the amount in the cash drawer, that has been reviewed and verified by the ASB staff is deposited and recorded. The new system is much better than the old system, but only as perfect as the students using them.
- 4) This particular deposit was for a one day event where most of the students taking PE purchase their uniforms and many new 9th grade students buy the "Freshman Package". Sales on that day are about 300 times more than the average day's sales in the student store. This kind of volume and the shortage in the deposit is an exception to our normal routine. Every day in the student store where there are merchandise sales, an end of day "Z" report is produced and matched to the deposit. Most of the time sales are around \$100 rather than the \$29,803 in this example. All overages and shortage are investigated to the point where the Finance Manager is satisfies that the shortage was related to the POS system rather than a financial shortage.
- 5) We had special pricing at this game for our Homecoming event. Food trucks before, and lower "one price for all" in order to get more people to 50th Anniversary Homecoming

- 6) The first two games had significantly high sales because of the food truck events and for our homecoming game. We lost both of those games, so going into this third home game we had not won a game yet, and it was raining that day. That is why sales were considerably lower.
- 7) It is standard procedure for our ticket sellers to complete forms on how many tickets they sell of each price. In this instance we had a new person doing the selling and they did not complete the form; therefore the finance manager had no idea how to allocate the sales. We could not make up the numbers after the event. Ticket Sellers are supervised by Admin on site and/or the staff responsible for event supervision. Chances of theft are minimal; this was simply a mistake by someone who had never done the job before.

Cash Disbursements

- 1) All forms do have signatures from the coach/club sponsor, an administrator, and the Finance Manager. Many coaches and club sponsors sign the requestor side of the form rather than the approved side. I pointed this out later in the day as the auditors were going through the Purchase Order "bluies". They said we simply need to indicate that on the form. All of our checks require two signatures and those signers have close knowledge of the coaching staff and club sponsors in order to identify who is signing the "bluie". Check signors are aware of the authority level of the authorizers of each bluie before signing the check to release payment.
- 2) It is standard procedure for the finance office to issue PO's to order items and have approval forms before invoices. However if we end up with an invoice without an approval form we will not process a check without the form. In that instance we will create a new form and have it signed off with the appropriate approvals in order to pay the vendor.
- 3) The vast majority of payments are made within a few days of receiving signed check request forms and invoices. In this instance we have had trouble with our cap and gown vendor giving us invoices from both his personal Herff Jones business and corporate Herff Jones. Therefore we have waited until they figured out who needs to be paid before we cut the check. In these instances we are not liable for interest on these amounts as shown by the payments made. The issue noted was as a result of an internal vendor issue that ASB needed resolved before payment was rendered.
- 4) All of our cash disbursements require three signatures on our request form and two signatures on the checks. Signatures on the request form are for the coach or club sponsor to approve the amount of the disbursement, the Administrative signature who makes sure that the purchase follows the guidelines for allowable purchase with the funds, and the finance manager who makes sure that the funds are available. All people signing the forms should be checking to make sure amounts add up, and the two people signing the check review the forms for correctness. It should be noted that for the fiscal year 2010-11 the ASB processed 1,354 checks, given the current controls in place, an error of this type would be considered an isolated exception not the rule.
- 5) Stapling the check stub to the invoice provides us with a record of the fact that we have already cut a check for that invoice. Additional controls exist in Quickbooks which identify invoices which have previously been entered and paid. If defacing the invoice with a "paid" stamp is more appropriate then we can move to that method.

- 6) Normally for dances we sign a larger, initial contract that outlines the costs, rules and regulations involved in the venue. A copy of the contract is included in the disbursements, in this case the contract might have been moved to the last discernment that we issued to the Annenberg. The finance manager also keeps a copy of contracts. A copy of the contract could be made available upon request.
- 7) This was necessary because of administrator turnover and was previously approved by the PCHS Board of Trustees since two signatures have always been required on all checks issued. Now that we have consistent administration in place, in March 2012, the PCHS Board of Trustees added two Administrators as signatories card and removed the Finance Manager. It should also be noted that the ASB Accountant (Finance Manager) was not always the person reconciling the account. Sometimes it was the ASB Clerk, but due to turnover that duty changed hands.

Review of Financial Statements

1) Those accounts were marked as inactive in our Quickbooks financial and therefore do not show up on the normal chart of accounts. Since they still had a balance they came up in the detailed balance sheet. It is standard practice for us to close inactive accounts and deposit the monies in the ASB General Funds. Those accounts have been cleared of funds.

2) The large amount of "bad debt" for that year was the result of three write offs for AR accounts in order to reflect a more accurate balance sheet. 1) Invoices created to other organizations that had not been cleared (many were paid but not cleared from the AR account). I've since trained the ASB clerk on how to correctly post payments against invoices in Quickbooks. 2) In the fiscal year 10-11 we had a significant number of uncollected bounced checks. Normally our process for collecting bounced checks is very effective, however due to the economy and the illness of one of the permanent employees of the finance office, many went uncollected. 3) The clearing of deposited checks that were still "in the drawer" from our POS. Some deposits were made directly to income accounts without clearing the checks that the new POS had put in a new AR account called "Cash Drawer". This was the first full year that we used the new Quickbooks Point of Sale system and we were still finishing training on the software and how it integrated with our financial software. Now we are fully aware of how they two software's interact and we post sales out of the "cash drawer" in order to keep it at the correct balance.

3) I described how they have suggested donations to cover consumed items on the athletic teams. They also have very elaborate "scholarship" systems where they determine who cannot afford to make the donation and provide the items for free. I agree that Administration needs to always keep an eye on athletic teams to make sure that coaches know the laws regarding "pay for play". At this point I do not believe any of our teams are breaking these laws.

Human Resources Report June 18, 2012



A CALIFORNIA DISTINGUISHED SCHOOL

Elections:

Name	Classification	Department	Effective Date
Ann Powell	Temp Office Assistant	Health Office	6/7/12-6/30/12
Jean Maninger	Temp Office Clerk	Counseling Office	6/18/12-6/30/12
Ramona Bostic	Office Assistant	<i>Temp Summer Work</i> Main Office	6/29/12 and 7/9/12 -7/20/12
Delia Morales	Office Assistant	<i>Temp Summer Work</i> Main Office	7/2/12-7/6/12 and 7/23/12-7/27/12

Change in Classification:

Name	Old Classification	New Classification	Department	Effective Date
Carrick Inzunza	Lifeguard	Senior Lifeguard	Maggie Gilbert Aquatic Center	5/1/12
Emily Augustine	Special Education Trainee	Special Education Assistant	Special Education	8/13/12

Resignation:

Name	Classification	Department	Effective Date
Ray Marsden	Head Coach Girls Varsity Softball	Physical Education	6/22/12
Chris Forrest	Head Coach Varsity Volleyball	Physical Education	6/22/12

Administrative Team 2012/2013 Contracts (Closed Session):

1. Monica Iannessa
2. Kimberly Theard
3. Mary Bush
4. David Riccardi
5. Nikki Washington
6. Russel Howard
7. Greg Wood

PALISADES HIGH SCHOOL STUDENT TRANSPORTATION

This Agreement (this "Agreement") is made and entered into as of this 29th day of May, 2012 by and between Palisades Charter High School, a California public school, hereinafter called the "School," and Tumbleweed Educational Enterprises, Inc., a California corporation, hereinafter called the "Contractor." The parties do hereby contract and agree as follows:

Scope of Work

Contractor shall furnish transportation services for the School, including daily transportation for pupils and other persons designated within established boundaries, plus academic and athletic field trips to and from other points as directed. Said transportation shall be furnished at such times and places as specified by the School's Operations Manager or the duly authorized representative in charge of transportation.

Period of Contract

This Agreement replaces all prior agreements, will commence on August 15, 2012 and conclude on the last day of school in June, 2013.

Equipment

The Contractor shall provide school buses with a maximum capacity of 56 passengers throughout the period of this Agreement. Additional vehicles shall be made available for the school's use, with charges for same as set forth in the Section entitled "Contract Prices" set forth below, if the School provides at least 180 days advance written notice to the Contractor that additional equipment is required. Contractor reserves the right to substitute vehicles as necessary due to maintenance and equipment requirements, including using vehicles of a smaller capacity if a given route has fewer than 56 passengers respectively.

All vehicles supplied under this Agreement shall be approved school buses as defined by applicable statutory or administrative codes, and must in addition meet with the approval of the School. The Contractor shall practice regular preventive maintenance as approved by the vehicle manufacturer on all vehicles. The Contractor shall clean all vehicles inside and out as necessary and make repairs to visible body damage inside or out immediately after such damage occurs.

The Contractor shall maintain spare vehicles of appropriate sizes which meet all of the above requirements so they may be substituted for regularly assigned vehicles if needed with minimal delay. Because breakdowns and unexpected events do occur in the transportation field, the Contractor cannot be held responsible if unexpected events or circumstances beyond its control result in the late arrival of students to school or home. The Contractor will maintain continuous contact with each vehicle through two-way radios and will notify the school promptly if such events occur.

The School shall have the option of inspecting the condition of the Contractor's vehicles used for the School at any time during the term of the contract. Any expenses of this inspection shall be borne by the School. Should an inspection reveal, in the School's opinion, that repairs of the vehicles are needed for safety or other

reasons, the School reserves the right to reject this equipment for the School's use and require the Contractor to provide replacement equipment until the required repairs and/or service have been completed. Cost of such repairs and service and re-inspection of vehicles shall be the responsibility of the Contractor. At times requested by the School, the Contractor shall submit evidence satisfactory to the School that all vehicles used by the Contractor receive regular inspections, programmed preventive maintenance, and safety services.

Vehicles and all appurtenances must comply in all respects whether specifically mentioned or not with the Motor Vehicle Code of the State of California, regulations of the City and County of Los Angeles, California pertaining to passenger vehicles and buses, regulations of the California Highway Patrol pertaining to school buses, and with the provisions of the California State Board of Education regulations governing pupil transportation as published and in effect at the time of execution of this Agreement and thereafter.

Permits and Licenses

The Contractor, its employees, and its agents shall secure and maintain valid permits and licenses as required by law for the execution and performance of this Agreement.

Insurance

The Contractor shall maintain at its own expense automobile insurance as set forth below during the contract period. Upon request, the Contractor shall furnish Certificates of Insurance to the School. At all times, Contractor shall maintain liability insurance to protect the Contractor, and as additional insureds, the School, its Board, Officers, Agents, and Employees from any claims for damages for personal injury or death and from damage to property which may arise from Contractor's operations under this Agreement. Such insurance shall have a combined single limit of not less than \$5 Million. Worker's Compensation Insurance shall be maintained as required by law to protect the Contractor from claims which may arise from operations under this Agreement.

Hold Harmless Agreement

The Contractor hereby assumes liability for, and agrees to pay, protect, defend, indemnify and hold harmless the School, its Board, its Officers, its Agents, and its Employees (hereinafter "Releasees") from and against any and all Costs (as defined below) which may be imposed upon, incurred by or asserted or awarded against the Releasees arising directly or indirectly from:

- A. Any injury to person or property sustained by Contractor or by any person, firm, or corporation employed directly or indirectly by Contractor or in connection with its performance under the contract however caused.

- B.** Any injury to person or property sustained by any Person caused in whole or in part by: (i) any negligence, willful misconduct, default, or act of omission or commission of Contractor, (ii) any negligence, willful misconduct, default, or act of omission or commission of any person directly or indirectly employed by or directly or indirectly controlled by Contractor (collectively, “Contractor’s Affiliates”), or (iii) in any way arising out of, in connection with, or relating to Contractor’s performance or non-performance under this Agreement. For purposes of this Agreement, the term “Person” shall mean and refer to any individual, corporation, partnership, joint venture, estate, trust, limited liability company, unincorporated association, any federal, state, county or municipal government or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing, and any of the heirs, executors, legal representatives, successors and assigns of any of the foregoing, as applicable.

For purposes of this Agreement, the term “Costs” shall mean, collectively, all liens, damages, losses, fines, liabilities, obligations, settlements, penalties, assessments, citations, directives, claims, litigations, demands, defenses, judgments, suits, proceedings, costs, disbursements and expenses of any kind or nature whatsoever (including, without limitation, reasonable attorneys’, consultants’ and experts’ fees and disbursements).

The Contractor at its own expense and risk shall defend any legal proceeding that may be brought against the School or the Board of the School for any such claim or demand and satisfy any judgment that may be rendered against the School or the Board of the School based thereon.

Safety Program

The Contractor shall provide at its own expense regular and continuous formal safety instruction for all of its operating personnel assigned to this Agreement. Said personnel shall attend regularly scheduled safety meetings not less than two (2) times per year, or such greater amount as Contractor shall determine in its reasonable discretion.

Assignments or Sub-contracting

The Contractor shall not assign, transfer, or subcontract any of its rights, burdens, duties, or obligations under this Agreement without the School’s written consent, which shall not be unreasonably withheld. Notwithstanding the foregoing, the School hereby consents to the Contractor’s assigning its rights hereunder for the purposes of obtaining business financing; *provided however*, that Contractor is not released from its obligations under this Agreement; and *provided further*, that in the event any such assignee forecloses on this Agreement or any third party assumes the rights and obligations of Contractor under this Agreement, the School reserves its termination rights as described below in the Section entitled “Termination of Contract.”

Independent Contractor

While engaged in carrying out and complying with the terms and conditions of this Agreement, the Contractor is an independent contractor and not an officer, agent, or employee of the School.

School Closing

Contractor shall not be obligated to perform services for the School on days when the School is closed.

Routing and Scheduling

Prior to the start of any service hereunder, the School and Contractor shall cooperatively establish routes (which includes schedules) conforming to the needs of the School. No route shall have more than five (5) stops. The School shall provide completed transportation forms to the Contractor not later than August 1 prior to each contract year so that the School and Contractor may establish routes and rider lists. The School shall make no changes to the routes between September 1 and October 1 of each contract year.

Not less than two (2) weeks prior to the start of each school year, the Contractor will provide the School with a detailed information letter, including each child's route number, driver's name, and safety information, for distribution at the School's expense to participating families.

If at any time during the term of the contract except for the first two (2) weeks of school it is determined that service may be improved by revisions to routing, scheduling, or vehicle assignment, the School and Contractor shall plan and institute such changes jointly. Any revisions so adopted shall be deemed an ordinary part of this Agreement. All routes, schedules, and bus stops must be approved by the School and may not be revised without the School's authorization. Increased vehicle capacities or services necessitated by program changes may be authorized by the School, which increases shall be charged at the rates set forth in more detail in the Section of this Agreement entitled "Contract Prices."

Transportation shall be organized into routes Monday through Friday exclusive of school holidays. Pick-up in the morning shall be at such times as necessary to arrive at school prior to the scheduled start of the school day. Vehicles will be available for afternoon transportation at the school not less than five (5) minutes prior to the scheduled end of the school day. Routes will begin and end at the points farthest from the school.

Travel Time

It is understood and agreed upon by the Contractor that students will not be on a vehicle for more than seventy five (75) minutes excepting incidents beyond the Contractor's control while being transported between home and school. In addition, both parties shall make every effort to structure the routes so that riding time can be kept to less than sixty (60) minutes.

Academic, Athletic, and Event Trips

While the needs of the School shall have priority over other uses, the Contractor may use the vehicles for other uses as it deems necessary while the School does not require them. In addition, any class field trips or event transportation shall be provided according to the following criteria:

- A. The Contractor must receive at least one (1) week's advance written notice for all trip requests.
- B. Additional time beyond that specified hereof shall be charged at an hourly rate.

- C. Additional mileage beyond fifty (50) miles shall be charged on a "per mile" basis.
- D. If the School requires additional vehicles, the Contractor will charge a reduced rate as described in Paragraph "B." in the Section entitled "Contract Prices" set forth below.

Contractor's Representative and Personnel

The Contractor shall designate one person to act as supervisor of operations relative to this Agreement. This person shall be available during all working hours of school days for the purpose of handling routing, assignments, and discipline problems. All personnel assigned to perform under this Agreement shall be subject to approval by the mutual agreement of the School and the Contractor.

Excused Performance

Each of the Contractor and the School shall be excused from performance hereunder during the time and to the extent that it is prevented from performing or requiring the services hereunder, as the case may be, in the customary manner by acts of God, earthquake, fire, strike, lockout, civil disorder, war, commandeering by the government, or events beyond its control such as natural disasters. Satisfactory evidence thereof will be presented to the Contractor or the School, as the case may be, upon request. Notwithstanding the foregoing provisions of this paragraph, (i) Contractor's excused performance shall not reduce the payments Palisades Charter High School is required to make under this Agreement (including for services that were excused), and (ii) Palisades Charter High School shall not be excused from making all payments required to be made under this Agreement in a manner, and at such times, as are required by this Agreement.

Record Keeping and Accident Reports

Upon request the Contractor shall provide daily or other operational records the School deems necessary. The Contractor shall notify the School of any reportable accidents, as defined by law, involving the Contractor's equipment or personnel while operating for the School. Injuries to students not involving acceleration, deceleration, or movement of the bus shall also be reported to the School.

Contract Prices

This Agreement covers AM and PM student transportation between the designated meeting points and the School. Students authorized to participate in the transportation program shall be designated by the School, and transportation shall be furnished on such days as school is in session to/from points along and over routes scheduled by the School. Once all students have been assigned to each vehicle, the School shall provide the Contractor with each student's name, home address and telephone number, plus an emergency name and telephone number.

A. Base Rate for Route Service during the 2012-13 – 1 AM run and 1 PM run

Bus Capacity: 14 Passengers
Daily Rate: \$285.00 per bus (Includes 4 hours and 75 miles per day)

Bus Capacity: 32 Passengers
Daily Rate: \$305 per bus (Includes 4 hours and 75 miles per day)

Bus Capacity: 3 Wheelchairs/10 Passengers
Daily Rate: \$310 per bus (Includes 4 hours and 75 miles per day)

Bus Capacity: 48 Passengers
Daily Rate: \$310 per bus (Includes 4 hours and 75 miles per day)

Bus Capacity: 56 Passengers
Daily Rate: \$315 per bus (Includes 4 hours and 75 miles per day)

Options: Below are vehicle option prices:
Cost to Add 2nd Afternoon Run for Any Route: \$89 per route per day

B. Trip Service using additional vehicles for field trips and athletic events

Fees for academic field trips including events using the vehicles designated for purposes hereof shall accumulate according to the price structure listed above. Excess fees shall only be charged once the 5 hour/50 mile limits have been met. Waiting time during all trips is included in the total trip time for billing purposes, and at all times, operating hours and miles begin and end at Palisades High School. The price structure for additional vehicles referred to in Paragraph "D." in the Section entitled "Academic, Athletic, and Event Trips" set forth above is as follows:

Capacity: 20 Passengers (12 High School Students)
Trip Rate: \$285.00 per bus (Includes 5 hours and 50 miles per day)
Rate per Hour: \$ 45.00 per hour over 5 hours each day
Rate per Mile: \$ 1.50 per mile over 50 miles each day

Capacity: 48 Passengers (32 High School Students)
Trip Rate: \$305.00 per bus (Includes 5 hours and 50 miles per day)
Rate per Hour: \$ 45.00 per hour over 5 hours each day
Rate per Mile: \$ 1.50 per mile over 50 miles each day

Capacity: 72 Passengers (48 High School Students)
Trip Rate: \$310.00 per bus (Includes 5 hours and 50 miles per day)
Rate per Hour: \$ 45.00 per hour over 5 hours each day
Rate per Mile: \$ 1.50 per mile over 50 miles each day

Capacity: 84 Passengers (56 High School Students)
Trip Rate: \$333.00 per bus (Includes 5 hours and 50 miles per day)
Rate per Hour: \$ 48.00 per hour over 5 hours each day
Rate per Mile: \$ 1.50 per mile over 50 miles each day

Payment for Service

On or about the fifth day of each month, the Contractor shall submit invoices in duplicate for all services performed during the previous month under this Agreement. Payment of invoices shall be made within fifteen (15) days of billing. All fees are due within 15 days of invoice generation.

Termination of Contract

Except as otherwise set forth in this Agreement, neither party may terminate this Agreement prior to June 30, 2013. Prior to March 31, 2013, the School shall notify the Contractor in writing if it desires to renew this Agreement effective after June, 2013. If notice is provided after March 31, 2013, the Contractor shall not be obligated to extend the term of the contract but will make every effort to do so.

Notwithstanding the foregoing, in the event the rights and obligations of the Contractor under this Agreement are assumed by any third party, whether by foreclosure, assignment, or otherwise, then the School shall have the right to terminate this Agreement, without premium or penalty, at any time thereafter, by providing such third party with not less than thirty (30) days prior written notice.

Special Considerations

The School shall maintain sole responsibility for filling each route bus to capacity. Both parties understand and agree that each route vehicle shall run whether or not it is full.

General Provisions

In the event of any legal action arising out of this Agreement, or any portion thereof, the prevailing party therein shall be entitled to reasonable attorney's fees. This Agreement represents the entire agreement between the parties and replaces all prior written agreements. Any modification of this Agreement will be effective only if it is in writing and signed by both parties.

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, the remaining provisions shall nevertheless continue in full force. Failure of either party to insist on strict compliance with any of the terms and conditions hereof in one instance shall not be deemed a waiver of such term or condition thereafter. This Agreement shall be governed by and construed under the laws of the State of California.

Executed as of June 12, 2012 at Los Angeles, California.

SCHOOL:

Palisades Charter High School,
a California Public Charter School

By: _____

CONTRACTOR:

Tumbleweed Educational Enterprises, Inc.,
a California corporation

By: _____

Erin L. Benfield,
President