



REACH Leadership STEAM Academy

science | technology | engineering | art | math

Board of Directors Regular Meeting

Monday, February 22, 2016 - 7:00 PM

This meeting will be held at: 1085 Linden Street, Riverside, CA 92507

Conference Call

Participant Access Code: 185543#

Conference Dial-in Number: (712) 432-1500

Subscriber PIN Code: 1069689#

1. Call to Order & Roll Call

Meeting is called to order at:

Member	Present	Absent
Carla Crow		
Trayci Nelson		
Jennifer Boren		
Beverly Saffold		
Frederica Bush		
Totals:		

Introduction of Guests:

- 1.
- 2.
- 3.
- 4.

2. Review & Approval of Agenda

Motion: Second: Vote:

3. Invitation to the Public to Address the Board

4. Reports

- a. Director's Report
- b. Financial Report

5. Action Items

a. Approval of Board Meeting Minutes: January 23, 2016

Motion: Second: Vote:

Member	Aye	Nay	Abstain	Absent
Carla Crow				
Trayci Nelson				
Jennifer Boren				
Beverly Saffold				
Frederica Bush				
Totals:				

b. Approval of Check Register: January 2015

Motion: Second: Vote:

Member	Aye	Nay	Abstain	Absent
Carla Crow				
Trayci Nelson				
Jennifer Boren				
Beverly Saffold				
Frederica Bush				
Totals:				

c. Approval of 2nd Interim Report

Motion: Second: Vote:

Member	Aye	Nay	Abstain	Absent
Carla Crow				
Trayci Nelson				
Jennifer Boren				
Beverly Saffold				
Frederica Bush				
Totals:				

d. Approval of Auditor RFP for the 2015-16 School Year

Motion: Second: Vote:

Member	Aye	Nay	Abstain	Absent
Carla Crow				
Trayci Nelson				
Jennifer Boren				
Beverly Saffold				
Frederica Bush				
Totals:				

e. Approval of Schoolwide Plan for Title Funding

Motion: Second: Vote:

Member	Aye	Nay	Abstain	Absent
Carla Crow				
Trayci Nelson				
Jennifer Boren				
Beverly Saffold				
Frederica Bush				
Totals:				

f. Approval of REACH Leadership Academy to submit letter of intent to exit RUSD Special Ed SELPA as of 6/30/16

Motion: Second: Vote:

Member	Aye	Nay	Abstain	Absent
Carla Crow				
Trayci Nelson				
Jennifer Boren				
Beverly Saffold				
Frederica Bush				
Totals:				

6. Board Comments

7. Adjournment

Meeting is adjourned at:

Motion: Second:

Next board meeting date:

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

MEETING AGENDA & RELATED MATERIALS

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

THE ORDER OF BUSINESS MAY BE CHANGED WITHOUT NOTICE

Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

REASONABLE LIMITATIONS MAY BE PLACED ON PUBLIC TESTIMONY

The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed.

SPECIAL PRESENTATION MAY BE MADE

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

REASONABLE ACCOMMODATION WILL BE PROVIDED FOR ANY INDIVIDUAL WITH A DISABILITY

Pursuant to the *Rehabilitation Act of 1973* and the *Americans with Disabilities Act of 1990*, any individual with disability who requires reasonable accommodation to attend or participate in this meeting may request assistance by contacting REACH Leadership STEAM Academy at 4850 Jurupa Ave., Riverside, CA 92506; (951) 275-8850; (951) 275-8829 fax.

FOR MORE INFORMATION

For more information concerning this agenda or for materials relating to this meeting please contact REACH Leadership STEAM Academy at 4850 Jurupa Ave., Riverside, CA 92506; (951) 275-8850; (951) 275-8829 fax.

REACH Leadership Academy

January 2016 Financials

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February 22, 2016

Amita Parikh

Agenda

- ❖ ADA Forecast Update
- ❖ Financial Update
- ❖ Cash Flow Forecast
- ❖ Risks

ADA Forecast

ADA is forecasted at 379.5, 26.6 lower than Approved Budget and 1.8 lower than Previous Forecast



	Month 5			Year-End				
	Previous Forecast	Actuals	Variance (Previous vs. Actuals)	Approved Budget	Previous Forecast	Current Forecast	Variance (Budget vs. Current)	Variance (Previous vs. Current)
Enrollment	405	395	(10.00)	423	396	395	(28)	(1)
ADA	388.8	374.0	(14.8)	406.1	381.3	379.5	(26.6)	(1.8)
ADA%	96%	95%	-1%	96%	96%	96%	0%	0%

- **Decrease in ADA is driven by reduced enrollment & lower attendance rate than projected**
 - Forecast continues to assume 405 students through the End of the School Year @ 96 % Attendance rate
 - Each ADA equals \$7.8k in LCFF revenue. If ADA stays at 374 for the rest of the year, REACH could see a drop of 5 ADA by P-2 (about \$39k in decreased revenue).

REACH needs to meet ADA targets to avoid further decreases in Operating Income

Financial Summary

Forecasted Operating Income is \$457,692 after depreciation,
\$80,535 higher than Approved Budget



	Actual YTD	Approved Budget	Previous Forecast	Current Forecast	(Previous vs. Current Forecast)	(Budget vs. Current Forecast)	Forecast Remaining
Revenue							
General Block Grant	1,143,147	3,124,786	2,936,247	2,921,910	(14,337)	(202,875)	1,778,763
Federal Revenue	48,725	78,144	71,721	71,721	-	(6,423)	22,996
Other State Revenues	178,958	383,445	499,388	502,520	3,132	119,075	323,562
Local Revenues	16,486	42,418	43,319	43,857	538	1,439	27,371
Fundraising and Grants	21,143	60,000	59,590	59,052	(538)	(948)	37,909
Total Revenue	1,408,460	3,688,793	3,610,266	3,599,061	(11,205)	(89,732)	2,190,601
Expenses							
Compensation and Benefits	1,000,699	1,758,891	1,839,773	1,840,637	(863)	(81,745)	839,938
Books and Supplies	178,216	148,894	189,100	196,727	(7,626)	(47,833)	18,511
Services and Other Operating Expenditures	651,713	1,063,934	1,113,185	1,102,530	10,655	(38,596)	450,816
Capital Outlay	9,520	1,600,000	9,520	9,520	-	1,590,480	-
Total Expenses	1,840,149	4,571,719	3,151,579	3,149,413	2,165	1,422,306	1,309,264
Operating Income (excluding Depreciation)	(431,689)	(882,927)	458,687	449,648	(9,039)	1,332,574	881,337
<i>Operating Income (including Depreciation)</i>	<i>(422,169)</i>	<i>377,157</i>	<i>466,731</i>	<i>457,692</i>	<i>(9,039)</i>	<i>80,535</i>	<i>879,861</i>
Fund Balance							
Beginning Balance (Audited)	27,162	30,869	27,162	27,162			
Operating Income (including Depreciation)	(422,169)	377,157	466,731	457,692			
Ending Fund Balance (including Depreciation)	(395,008)	408,026	493,893	484,854			

Fund balance at 15% of expenses

Operating Income after depreciation is \$9k lower than Previous Forecast due to lower ADA

Revenue Changes

Forecasted Revenue decreased by \$11k to \$3.60M
since Previous Forecast



LCFF Entitlement	Federal Funding	Other State Funding	Local Revenues & Fundraising
<ul style="list-style-type: none">• Decreased \$14k• P-2 ADA lower than projected due to Month 5 ADA lower than projected	<ul style="list-style-type: none">• No Change	<ul style="list-style-type: none">• Increased \$3k• Received Prior Year Lottery Revenue of \$3.5k• Current Year Lottery projected \$0.5k lower with decrease in ADA	<ul style="list-style-type: none">• No Change• As of 1/31/16 – REACH has raised ~\$22k of the \$60k fundraising goal (40% of Goal)

REACH needs to meet ADA forecast & Fundraising target to avoid drops in Revenue

Expense Changes

Forecasted Expenses decreased by \$2k to \$3.15M
since Previous Forecast



Compensation & Benefits

- **Increased \$1k**
- Adjustments Classified Clerical & Office Salaries based on actuals

Books & Supplies

- **Increased \$7k**
- Office Supplies exceeded budget. Increased forecast \$7k based on current trend.

Services & Operating

- **Decreased \$10k**
- Savings of \$22k found mainly in Receivable Sale Fees (\$10k), SIS (\$6k), Repairs & Maint (\$2.5k), Fines & Penalties (\$2k)
- Savings of \$2k in SpEd Encroachment, District Oversight & Business Services due to lower ADA
- Added budget to Fundraising Expenses (\$2.5k), Substitutes (\$2.5k), Tech Services (\$6k), and Printing & Postage (\$1k) based on current need

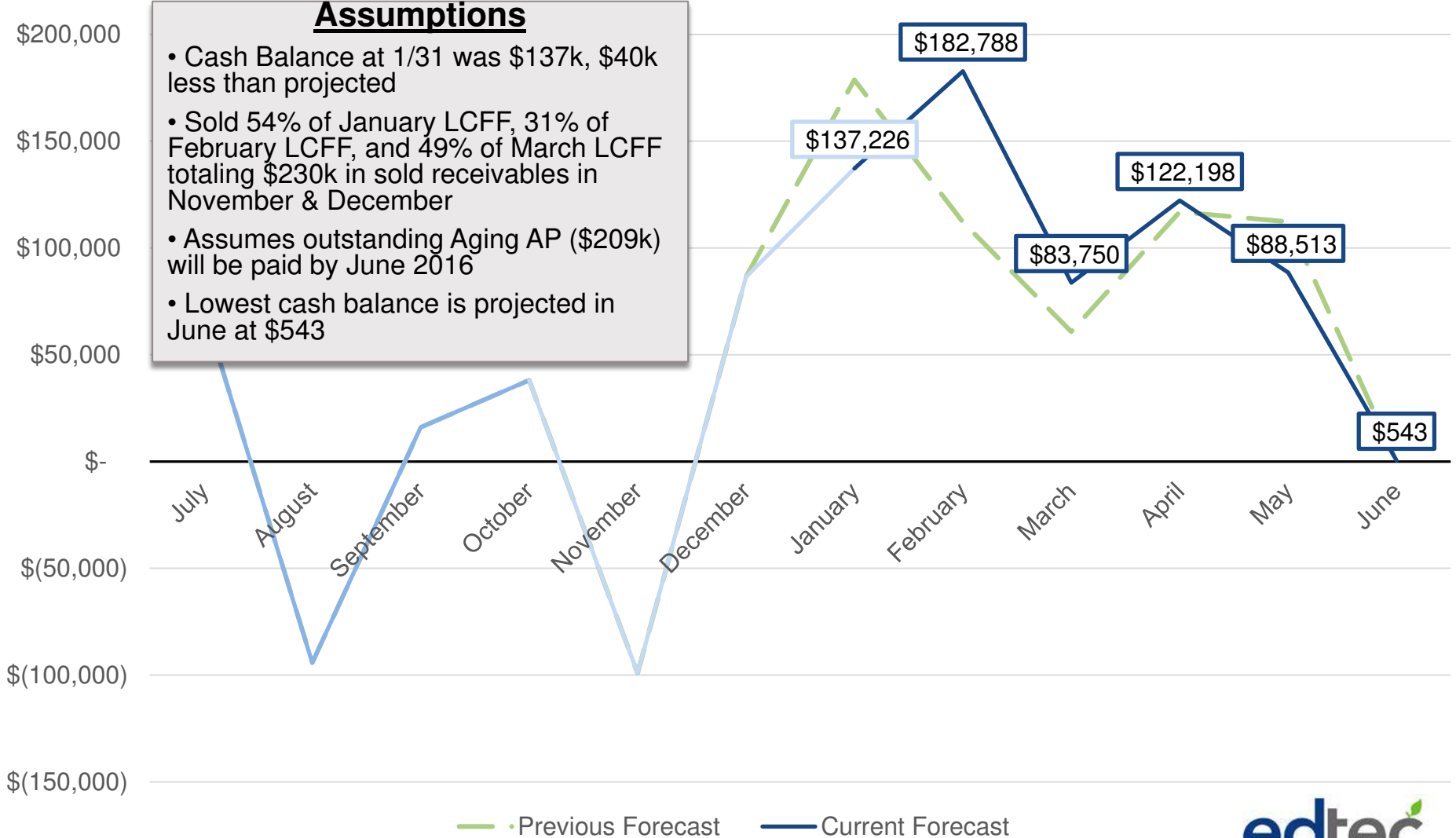
Capital Outlay

- **No Change**
- Depreciation Expense forecasted at \$1.5k

Savings in expenses are offsetting decreased revenue due to lower enrollment

Cash Flow Forecast

With careful management of expenses, REACH could avoid further receivable sales through the end of the fiscal year



Risks

Without meeting budget assumptions, forecast & cash flow could significantly change



Assumption	Potential Impact on Budget & Cash Flow
Enrollment is 405 with 96% attendance (P-2 ADA = 379.5)	<ul style="list-style-type: none">• Lower enrollment or attendance rate will reduce revenue• Cash flow will be impacted after P-2 in June
Local Revenue & Fundraising Goals are met (\$27k After school and \$60k fundraising)	<ul style="list-style-type: none">• Without this revenue, operating income would decrease \$65k
State & Federal revenue sources are funded as currently projected	<ul style="list-style-type: none">• Changes in rates (e.g. Title funding rates) could impact both operating income and cash flow
Expenses stay within the current forecast	<ul style="list-style-type: none">• Exceeding budget will increase expenses & create a larger cash need during the year
No Deferrals	<ul style="list-style-type: none">• Economic conditions in California could change quickly and necessitate deferrals at some point in year

REACH needs to manage cash flow carefully and meet ADA target to prepare for facility expansion in future years

Exhibits

January Financials
Cash Flow Forecast

REACH Leadership Academy

Budget vs. Actuals

As of most recent monthly close

	Actual		Budget					
	Jan	Actual YTD	Approved Budget	Previous Forecast	Current Forecast	(Previous vs. Current Forecast)	(Budget vs. Current Forecast)	Forecast Remaining
Revenue								
General Block Grant	266,724	1,143,147	3,124,786	2,936,247	2,921,910	(14,337)	(202,875)	1,778,763
Federal Revenue	717	48,725	78,144	71,721	71,721	-	(6,423)	22,996
Other State Revenues	174,384	178,958	383,445	499,388	502,520	3,132	119,075	323,562
Local Revenues	3,008	16,486	42,418	43,319	43,857	538	1,439	27,371
Fundraising and Grants	4,578	21,143	60,000	59,590	59,052	(538)	(948)	37,909
Total Revenue	449,411	1,408,460	3,688,793	3,610,266	3,599,061	(11,205)	(89,732)	2,190,601
Expenses								
Compensation and Benefits	190,013	1,000,699	1,758,891	1,839,773	1,840,637	(863)	(81,745)	839,938
Books and Supplies	8,930	178,216	148,894	189,100	196,727	(7,626)	(47,833)	18,511
Services and Other Operating Expenditures	83,523	651,713	1,063,934	1,113,185	1,102,530	10,655	(38,596)	450,816
Capital Outlay	7,379	9,520	1,600,000	9,520	9,520	-	1,590,480	-
Total Expenses	289,845	1,840,149	4,571,719	3,151,579	3,149,413	2,165	1,422,306	1,309,264
Operating Income (excluding Depreciation)	159,566	(431,689)	(882,927)	458,687	449,648	(9,039)	1,332,574	881,337
<i>Operating Income (including Depreciation)</i>	166,945	(422,169)	377,157	466,731	457,692	(9,039)	80,535	879,861
Fund Balance								
Beginning Balance (Audited)		27,162	30,869	27,162	27,162			
Operating Income (including Depreciation)	166,945	(422,169)	377,157	466,731	457,692			
Ending Fund Balance (including Depreciation)	(409,711)	(395,008)	408,026	493,893	484,854			

REACH Leadership Academy

Budget vs. Actuals

As of most recent monthly close

Detail	Actual		Budget					
	Jan	Actual YTD	Approved Budget	Previous Forecast	Current Forecast	(Previous vs. Current Forecast)	(Budget vs. Current Forecast)	Forecast Remaining
Enrollment Summary								
K-3			359	335	334	(1)	(25)	
4-6			64	61	61	0	(3)	
Total Enrolled			423	396	395	(1)	(28)	
ADA %								
K-3			96%	96%	96%			
4-6			96%	96%	96%			
Average			96%	96%	96%			
ADA								
K-3			344.6	322.4	320.5	-1.9	24.1	
4-6			61.4	58.9	59.0	0.0	2.5	
Total ADA			406.1	381.33	379.5			

REACH Leadership Academy

Budget vs. Actuals

As of most recent monthly close

		Actual		Budget					
		Jan	Actual YTD	Approved Budget	Previous Forecast	Current Forecast	(Previous vs. Current Forecast)	(Budget vs. Current Forecast)	Forecast Remaining
REVENUE									
LCFF Entitlement									
8011	Charter Schools LCFF - State Aid	167,296	818,023	2,162,293	1,930,741	1,921,275	(9,466)	(241,018)	1,103,252
8012	Education Protection Account Entitlement	99,428	198,856	455,640	502,273	499,840	(2,433)	44,200	300,984
8096	Charter Schools in Lieu of Property Taxes	-	126,201	506,853	503,166	500,728	(2,438)	(6,125)	374,527
SUBTOTAL - LCFF Entitlement		266,724	1,143,147	3,124,786	2,936,247	2,921,910	(14,337)	(202,875)	1,778,763
8100 Federal Revenue									
8291	Title I	-	47,770	77,256	70,766	70,766	-	(6,490)	22,996
8292	Title II	717	955	888	955	955	-	67	-
SUBTOTAL - Federal Income		717	48,725	78,144	71,721	71,721	-	(6,423)	22,996
8300 Other State Revenues									
8319	Other State Apportionments - Prior Years	3,475	3,638	-	164	3,638	3,475	3,638	-
8545	School Facilities Apportionments	-	-	158,109	240,962	240,962	-	82,853	240,962
8550	Mandated Cost Reimbursements	140,581	144,992	159,551	168,711	168,703	(8)	9,152	23,711
8560	State Lottery Revenue	13,903	13,903	65,785	69,020	68,685	(334)	2,900	54,782
8590	All Other State Revenue	16,425	16,425	-	20,531	20,531	-	20,531	4,106
SUBTOTAL - Other State Income		174,384	178,958	383,445	499,388	502,520	3,132	119,075	323,562
8600 Other Local Revenue									
8634	Food Service Sales	2,470	15,047	15,418	15,418	15,418	-	-	371
8639	All Other Sales	538	948	-	410	948	538	948	-
8676	After School Program Revenue	-	-	27,000	27,000	27,000	-	-	27,000
8699	All Other Local Revenue	-	491	-	491	491	-	491	-
SUBTOTAL - Local Revenues		3,008	16,486	42,418	43,319	43,857	538	1,439	27,371
8800 Donations/Fundraising									
8802	Donations - Private	4,477	21,038	-	12,290	21,038	8,748	21,038	-
8803	Fundraising	101	105	60,000	47,301	38,014	(9,286)	(21,986)	37,909
SUBTOTAL - Fundraising and Grants		4,578	21,143	60,000	59,590	59,052	(538)	(948)	37,909
TOTAL REVENUE		449,411	1,408,460	3,688,793	3,610,266	3,599,061	(11,205)	(89,732)	2,190,601

REACH Leadership Academy

Budget vs. Actuals

As of most recent monthly close

		Actual		Budget					
		Jan	Actual YTD	Approved Budget	Previous Forecast	Current Forecast	(Previous vs. Current Forecast)	(Budget vs. Current Forecast)	Forecast Remaining
EXPENSES									
Compensation & Benefits									
1000	Certificated Salaries	-							
1100	Teachers Salaries	77,933	405,801	756,000	760,888	760,888	-	(4,888)	355,087
1300	Certificated Supervisor & Administrator Salaries	19,967	132,633	240,000	227,167	227,167	-	12,833	94,533
	SUBTOTAL - Certificated Employees	97,900	538,435	996,000	988,055	988,055	-	7,945	449,620
2000	Classified Salaries								
2100	Classified Instructional Aide Salaries	22,261	143,266	206,676	281,155	281,155	-	(74,479)	137,888
2400	Classified Clerical & Office Salaries	18,090	112,244	128,000	209,722	210,510	(788)	(82,510)	98,266
2900	Classified Other Salaries	-	-	69,000	-	-	-	69,000	-
	SUBTOTAL - Classified Employees	40,351	255,510	403,676	490,877	491,664	(788)	(87,989)	236,154
3000	Employee Benefits								
3100	STRS	10,505	60,323	106,871	106,018	106,018	-	853	45,695
3300	OASDI-Medicare-Alternative	4,551	27,502	45,540	52,152	52,212	(60)	(6,672)	24,710
3400	Health & Welfare Benefits	14,344	82,268	163,020	156,750	156,750	-	6,270	74,482
3500	Unemployment Insurance	5,829	10,623	12,915	16,567	16,567	-	(3,652)	5,944
3600	Workers Comp Insurance	16,534	26,038	30,869	29,354	29,370	(16)	1,499	3,332
	SUBTOTAL - Employee Benefits	51,762	206,754	359,215	360,841	360,917	(76)	(1,702)	154,163

REACH Leadership Academy

Budget vs. Actuals

As of most recent monthly close

	Actual		Budget					
	Jan	Actual YTD	Approved Budget	Previous Forecast	Current Forecast	(Previous vs.	(Budget vs.	Forecast Remaining
						Current Forecast)	Current Forecast)	
4000	Books & Supplies							
4100	-	70,309	38,000	70,309	70,309	-	(32,309)	-
4325	1,318	17,399	20,000	19,897	19,897	-	103	2,499
4330	2,467	14,971	14,163	14,163	21,500	(7,338)	(7,338)	6,529
4410	1,253	29,435	30,250	28,250	29,435	(1,185)	815	-
4420	-	35,904	26,950	36,950	36,054	896	(9,104)	150
4710	3,892	9,295	17,132	17,132	17,132	-	-	7,837
4720	-	903	2,400	2,400	2,400	-	-	1,497
	8,930	178,216	148,894	189,100	196,727	(7,626)	(47,833)	18,511
5000	Services & Other Operating Expenses							
5210	100	137	12,000	37	137	(100)	11,864	-
5220	-	13,494	5,000	16,964	16,864	100	(11,864)	3,370
5225	-	215	2,000	2,000	2,000	-	-	1,785
5305	(30)	143	2,115	2,115	2,115	-	-	1,972
5450	1,127	11,238	14,060	23,777	23,777	-	(9,717)	12,539
5515	947	5,368	24,000	8,500	8,500	-	15,500	3,132
5535	839	4,547	42,000	12,697	12,697	-	29,303	8,150
5605	3,600	16,332	16,068	22,800	22,800	-	(6,732)	6,468
5610	27,310	204,543	210,812	321,283	321,283	-	(110,471)	116,740
5615	250	10,560	21,081	13,081	10,560	2,522	10,522	-
5803	-	4,706	9,270	9,270	9,270	-	-	4,564
5805	-	-	2,000	2,000	2,000	-	-	2,000
5809	15	301	618	618	618	-	-	317
5812	12,797	89,615	152,421	149,063	148,586	476	3,834	58,972
5824	-	4,258	21,623	19,307	19,213	95	2,410	14,955
5830	-	979	-	979	979	-	(979)	-
5833	42	1,749	6,000	6,000	4,020	1,980	1,980	2,271
5839	1,016	8,173	1,200	7,500	10,000	(2,500)	(8,800)	1,827
5843	19	210	80,147	1,459	1,459	-	78,688	1,249
5845	-	858	8,622	8,622	8,622	-	-	7,765
5848	-	506	481	506	506	-	(25)	-
5852	-	19,348	36,000	36,000	26,000	10,000	10,000	6,652
5857	719	2,355	3,863	3,863	3,863	-	-	1,507
5860	1,377	1,577	941	941	1,577	(636)	(636)	-
5861	23	(2,075)	-	(2,098)	(2,075)	(23)	2,075	-

REACH Leadership Academy

Budget vs. Actuals

As of most recent monthly close

		Actual		Budget					
		Jan	Actual YTD	Approved Budget	Previous Forecast	Current Forecast	(Previous vs. Current Forecast)	(Budget vs. Current Forecast)	Forecast Remaining
5863	Professional Development	-	20,066	10,000	21,316	21,316	-	(11,316)	1,250
5872	Special Education Encroachment	30,046	172,936	311,790	340,996	339,344	1,652	(27,554)	166,408
5875	Staff Recruiting	-	-	618	618	618	-	-	618
5878	Student Assessment	-	3,778	9,584	3,778	3,778	-	5,806	0
5880	Student Health Services	-	59	1,230	1,230	1,230	-	-	1,171
5881	Student Information System	-	-	-	5,806	-	5,806	-	-
5884	Substitutes	1,537	46,575	28,583	57,183	59,683	(2,500)	(31,100)	13,108
5887	Technology Services	-	-	1,584	-	5,806	(5,806)	(4,222)	5,806
5896	Internet/Website consulting	-	135	1,384	135	135	-	1,249	-
5899	Miscellaneous Operating Expenses	-	479	-	-	-	-	-	(479)
5910	Communications - Internet / Website Fees	623	685	1,200	750	750	-	450	65
5915	Postage and Delivery	268	1,571	1,640	2,090	2,500	(410)	(860)	929
5920	Communications - Telephone & Fax	899	6,296	24,000	12,000	12,000	-	12,000	5,704
SUBTOTAL - Services & Other Operating Exp.		83,523	651,713	1,063,934	1,113,185	1,102,530	10,655	(38,596)	450,816
6000	Capital Outlay								
6100	Sites & Improvement of Sites	7,379	8,879	1,600,000	8,879	8,879	-	1,591,121	-
6200	Buildings & Improvement of Buildings	-	641	-	641	641	-	(641)	-
SUBTOTAL - Capital Outlay		7,379	9,520	1,600,000	9,520	9,520	-	1,590,480	-
TOTAL EXPENSES		289,845	1,840,149	4,571,719	3,151,579	3,149,413	2,165	1,422,306	1,309,264
6900	Total Depreciation (includes Prior Years)	-	-	339,916	1,476	1,476	-	338,441	1,476
TOTAL EXPENSES including Depreciation		282,466	1,830,629	3,311,636	3,143,534	3,141,369	2,165	170,267	1,310,740

REACH Leadership Academy

Monthly Cash Forecast

As of most recent monthly close

	2015/16													Forecast	AP/AR
	Actual & Projected														
	Jul Actual	Aug Actual	Sep Actual	Oct Actual	Nov Actual	Dec Actual	Jan Actual	Feb Projected	Mar Projected	Apr Projected	May Projected	Jun Projected			
Beginning Cash	\$186,034	71,278	(94,183)	16,026	38,062	(99,109)	86,465	137,226	182,788	83,750	122,198	88,513			
Revenue															
LCFF Entitlement	-	79,115	145,928	336,872	142,407	172,101	266,724	270,186	269,975	389,734	229,976	229,976	2,921,910	388,917	
Federal Income	-	-	-	13,849	238	33,921	717	-	-	17,692	-	-	71,721	5,305	
Other State Income	87	-	-	76	4,411	-	174,384	112,778	4,106	61,975	30,655	-	502,520	114,048	
Local Revenues	7	-	7,400	(2,749)	4,442	4,378	3,008	5,474	5,474	5,474	5,474	5,474	43,857	-	
Fundraising and Grants	461	2	1,304	925	8,798	5,075	4,578	399	11,053	10,000	5,000	11,457	59,052	0	
Total Revenue	555	79,117	154,632	348,973	160,296	215,475	449,411	388,837	290,608	484,875	271,105	246,907	3,599,061	508,270	
Expenses															
Compensation & Benefits	51,914	143,605	147,577	163,173	148,777	155,640	190,013	154,486	164,711	163,883	163,883	192,975	1,840,637	-	
Books & Supplies	2,030	23,392	40,658	15,340	77,900	9,965	8,930	3,822	3,672	3,672	3,672	3,672	196,727	0	
Services & Other Operating Expenses	60,393	86,304	115,962	115,186	31,041	159,304	83,523	48,544	89,006	84,027	85,105	96,566	1,102,530	47,569	
Capital Outlay	-	2,389	(1,748)	1,500	-	-	7,379	-	-	-	-	-	9,520	-	
Total Expenses	114,337	255,690	302,450	295,199	257,718	324,909	289,845	206,852	257,389	251,582	252,660	293,212	3,149,413	47,569	
Operating Cash Inflow (Outflow)	(113,782)	(176,573)	(147,818)	53,774	(97,422)	(109,434)	159,566	181,985	33,219	233,292	18,445	(46,305)	449,648	460,701	
Revenues - Prior Year Accruals	228,925	-	61,257	72,913	9,757	(4,092)	13,222	-	-	-	-	-	-	-	
Expenses - Prior Year Accruals	(37,837)	-	(858)	-	-	2	(205)	-	(12,949)	(12,949)	(24,171)	(24,171)	(24,171)	(24,171)	
Accounts Payable - Current Year	(158,558)	26,633	17,477	21,473	70,696	65,079	(36,294)	(52,330)	(52,330)	(52,330)	(31,398)	(20,932)	(20,932)	(20,932)	
Summerholdback for Teachers	(33,504)	890	3,879	2,489	3,245	2,545	2,889	3,438	3,438	3,438	3,438	3,438	3,438	3,438	
Loans Payable (Current)	-	(33,000)	136,273	(120,000)	(113,031)	241,890	(78,000)	(77,114)	(60,000)	(93,004)	-	-	-	-	
Loans Payable (Long Term)	-	-	40,000	(10,416)	(10,416)	(10,416)	(10,416)	(10,417)	(10,417)	(40,000)	-	-	-	-	
Other Long Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ending Cash	71,278	(94,183)	16,026	38,062	(99,109)	86,465	137,226	182,788	83,750	122,198	88,513	543			



REACH Leadership STEAM Academy

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Board of Directors Special Retreat Minutes

Saturday, January 23, 2016 - 10:30 AM

This meeting will be held at: Marriott Riverside at the Convention Center, 3400 Market Street, Riverside, CA 92501

Conference Call

Participant Access Code: 185543#

Conference Dial-in Number: (712) 432-1500

Subscriber PIN Code: 1069689#

1. Call to Order & Roll Call

2.

Meeting is called to order at: 11:10 a.m.

Member	Present	Absent
Carla Crow	X	
Trayci Nelson	X	
Jennifer Boren	X	
Beverly Saffold		X
Frederica Bush	X	
Totals:	4	1

Introduction of Guests:

1. Chris Rentie
2. Camille Kearl
3. Cherishea Coats & Avery

3. Review & Approval of Agenda

Motion: CC Second: FB Vote: Motion Carries

4. Invitation to the Public to Address the Board

No public comment.

5. Reports

- a. Director's Report
 - Introduction of Joanna, New Operations Manager
 - Permanent 2nd grade teacher at Linden Site now hired
 - School presently has openings in Kinder & 3rd grades @ jurupa site, and 3rd grade and 2nd & 3rd openings at Linden
 - Open enrollment begins this month. Re-enrollment for existing students begins in February
 - New wrought iron fence installed at Rustin for safety. Cameras to be installed soon.
 - After school program began at Rustin campus. Low enrollment could cause the program to close.
 - Construction for new school site due to start in May. Need to secure loan beforehand.
- b. Financial Report by Edtec
- c. Board Discussion:
 - Renewal (working w/ Young, Mlnney, & Corr)
 - Middle School Task Force
 - WASC Accreditation
 - Health Fair
 - Director Evaluation
 - CCSA Conference Attendance
 - Spring Fundraiser

6. Action Items

a. Approval of Board Meeting Minutes – 11/30/15 and 12/8/15:

Motion: FB Second: CC Vote: Motion Carries

Member	Aye	Nay	Abstain	Absent
Carla Crow	X			
Trayci Nelson	X			
Jennifer Boren	X			
Beverly Saffold				X
Frederica Bush	X			
Totals:	4			1

b. Approval of Check Register – November and December 2015:

Motion: JB Second: CC Vote: Motion Carries

Member	Aye	Nay	Abstain	Absent
Carla Crow	X			
Trayci Nelson	X			
Jennifer Boren	X			
Beverly Saffold				X
Frederica Bush	X			
Totals:	4			1

c. Approval of 2014-15 School Accountability Report Card (SARC):

Motion: CC Second: FB Vote: Motion Carries

Member	Aye	Nay	Abstain	Absent
Carla Crow	X			
Trayci Nelson	X			
Jennifer Boren	X			
Beverly Saffold				X
Frederica Bush	X			
Totals:	4			1

d. Approval of 2015-16 Education Protection Account (EPA) Spending Plan:

Motion: JB Second: CC Vote: Motion Carries

Member	Aye	Nay	Abstain	Absent
Carla Crow	X			
Trayci Nelson	X			
Jennifer Boren	X			
Beverly Saffold				x
Frederica Bush	X			
Totals:	4			1

7. Board Comments

8. Adjournment

Meeting is adjourned at: 12:14 p.m.

Motion: CC Second: FB

Next board meeting date: February 22nd - Rustin Site

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

MEETING AGENDA & RELATED MATERIALS

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

THE ORDER OF BUSINESS MAY BE CHANGED WITHOUT NOTICE

Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

REASONABLE LIMITATIONS MAY BE PLACED ON PUBLIC TESTIMONY

The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed.

SPECIAL PRESENTATION MAY BE MADE

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

REASONABLE ACCOMMODATION WILL BE PROVIDED FOR ANY INDIVIDUAL WITH A DISABILITY

Pursuant to the *Rehabilitation Act of 1973* and the *Americans with Disabilities Act of 1990*, any individual with disability who requires reasonable accommodation to attend or participate in this meeting may request assistance by contacting REACH Leadership STEAM Academy at 4850 Jurupa Ave., Riverside, CA 92506; (951) 275-8850; (951) 275-8829 fax.

FOR MORE INFORMATION

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REACH Leadership STEAM Academy

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Board of Directors Regular Meeting

Monday, November 30, 2015 - 7:00 PM

This meeting will be held at: 1085 Linden Street, Riverside, CA 92507

Conference Call

Participant Access Code: 185543#

Conference Dial-in Number: (712) 432-1500

Subscriber PIN Code: 1069689#

1. Call to Order & Roll Call

Meeting is called to order at: 7:06pm

Member	Present	Absent
Carla Crow	X	
Tracy Nelson	X	
Jennifer Boren	X	
Beverly Saffold	X	
Frederica Bush	X	
Totals:	5	0

Introduction of Guests:

1. Chance Boren
2. Chris Rentie
3. Brandi Williams

2. Review & Approval of Agenda

Motion: FB Second: CC Vote: Motion carries

3. Invitation to the Public to Address the Board

No comments.

4. Reports

- a. Director's Report
 - Staff assignments - New office manager started today, previous manager no longer here. Highly qualified, there will be a difference in budget (Amita will speak on that)
 - 2nd grade long term sub finally replaced by exceptional qualified teacher (Linden Site).
 - 3rd grade teacher at Jurupa Site left and was replaced by a fabulous teacher.
 - Enrollment continues to fluctuate. We need to recruit more students. Might add after school program in January.
- b. Financial Report
- c. Board Discussion
 - i. Special Ed Encroachment
 - We will vote in January to change SELPA
 - Will also have to do special meeting for audit.
 - ii. Board Retreat
 - Possibly December 13th 12:30**

5. Action Items

a. Approval of Board Meeting Minutes - October 26, 2015:

Motion: CC Second: BSS Vote: Motion Carries

Member	Aye	Nay	Abstain	Absent
Carla Crow	X			
Trayci Nelson	X			
Jennifer Boren	X			
Beverly Saffold	X			
Frederica Bush	X			
Totals:	5			

b. Approval of Check Register - October 2015:

Motion: JB Second: FB Vote: Motion Carries

Member	Aye	Nay	Abstain	Absent
Carla Crow	X			
Trayci Nelson	X			
Jennifer Boren	X			
Beverly Saffold	X			
Frederica Bush	X			
Totals:	5			

c. Approval of the 1st Interim Report

Motion: JB Second: FB Vote: Motion Carries

Member	Aye	Nay	Abstain	Absent
Carla Crow	X			
Trayci Nelson	X			
Jennifer Boren	X			
Beverly Saffold	X			
Frederica Bush	X			
Totals:	5			

d. Resolution No. 10-26-15_1- Resolution of the Board of Education of REACH Leadership STEAM Academy approving Educator Effectiveness Expenditure Report.

Requesting approval of the Educator Effectiveness Expenditure Report allocating funds received from the Educator Effectiveness Block Grant.

Motion: FB Second: CC Vote: Motion Carries

Member	Aye	Nay	Abstain	Absent
Carla Crow	X			
Trayci Nelson	X			
Jennifer Boren	X			
Beverly Saffold	X			
Frederica Bush	X			
Totals:	5			

6. Board Comments

We would like to discuss starting middle school at retreat.

7. Adjournment

Meeting is adjourned at: 8:16 pm

Motion: JB Second: FB

Next board meeting date: Special Meeting December 8th at 7pm

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

MEETING AGENDA & RELATED MATERIALS

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REACH Leadership STEAM Academy

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Board of Directors Special Meeting Minutes

Tuesday, December 7, 2015 - 7:00 PM

This meeting will be held at: 4850 Jurupa Ave., Riverside, CA 92504

Conference Call

Participant Access Code: 185543#

Conference Dial-in Number: (712) 432-1500

Subscriber PIN Code: 1069689#

1. Call to Order & Roll Call

Meeting is called to order at 7:10PM.

Member	Present	Absent
Carla Crow	X	
Tracy Nelson	X	
Jennifer Boren	X	
Beverly Saffold		X
Frederica Bush	X	
Totals:	4	1

Introduction of Guests: NO GUESTS

2. Reports

a. Audit Report – EdTec

3. Action Items

- a. Approval of REACH Audit Report for Fiscal Year Ended June 30, 2015:

It is recommended that the REACH Leadership STEAM Academy School Board approve the REACH Audit Report for fiscal year ended June 30, 2015. REACH Leadership present in Internal Controls and had no findings.

Motion: JB Second: CC Vote: Motion Carries

Member	Aye	Nay	Abstain	Absent
Carla Crow	X			
Trayci Nelson	X			
Jennifer Boren	X			
Beverly Saffold				X
Frederica Bush	X			
Totals:	4			1

4. Board Comments

- a. When is board retreat?
 - i. To be held in January

5. Adjournment

Meeting is adjourned at 7:15PM

Motion: FB Second: JB

Next Board Meeting Date: January 25th – Jurua Location

Check Register



REACH Leadership Academy
January

2016

Grand Total 247,659.43

Vendor	Check Number	Date	Description	Check Amount
Grace United Methodist Church	4175	1/4/2016	Monthly Lease	4,810.00
Charter Asset Management Fund, L.P.	DB010816	1/8/2016	DB010816	78,000.00
Amazon Marketplace	DB010816-1	1/8/2016	DB010816-1	46.69
Amazon Marketplace	DB010816-2	1/8/2016	DB010816-2	46.69
Amazon Marketplace	DB010816-3	1/8/2016	DB010816-3	5.98
Costco	DB011116	1/11/2016	DB011116	194.17
Amazon Marketplace	DB011116-1	1/11/2016	DB011116-1	79.00
Amazon Marketplace	DB011116-2	1/11/2016	DB011116-2	33.79
Grace United Methodist Church	4176	1/12/2016	Monthly Lease	4,810.00
Arturo Perez	4177	1/12/2016	Custodial Services	752.50
Riverside Community SDA Church	4178	1/12/2016	Monthly Lease	22,500.00
Barney & Barney	4179	1/12/2016	Policy#BBWWK00108391: Workers Compensation Group ID: 00 504056; Coverage: 1/1/16 - 1/31/16 &	2,376.00
Guardian	4180	1/12/2016	Previous balance	3,477.40
IMAGE SOURCE	4181	1/12/2016	Acct# RL08: Contract base rate charge: 10/1 - 10/31/15	327.28
Emily Quach	4182	1/12/2016	Reimb: Classroom Supplies	300.00
Virgie Rentie	4183	1/12/2016	Reimb: First Place Winner- Fundraising	100.00
Ross Fence Inc.	4184	1/12/2016	Site Fence Installation	7,379.00
Uribe Printing	4185	1/12/2016	REACH Folders	120.24
U.S.Bank Equipment Finance	4186	1/12/2016	INV# 292312451; Cust# 1374034; Copier Lease due	1,145.95
Verizon	4187	1/12/2016	Acct#572411451-00001; Phone Svc: 11/19/15 - 12/18/15	522.48
Verizon	4188	1/12/2016	Acct#420009114300; Phone Svc due 1/10/16	21.84
Costco	DB011216	1/12/2016	DB011216	103.95
Amazon Marketplace	DB011216-1	1/12/2016	DB011216-1	47.20
Walmart	DB011216-2	1/12/2016	DB011216-2	294.69
Walmart	DB011416	1/14/2016	DB011416	90.72
Cambium Learning Inc.	4191	1/25/2016	Cust# 619614: Step Up to Writing Training	5,328.53
CM School Supply	4193	1/25/2016	Cust# 2527; Materials & Supplies	5,936.94
Houghton Mifflin Harcourt Publishing Co.	4196	1/25/2016	Cust# 662703: HMH MIF WKBK BNDL A&B	3,218.90
Pearson Education Inc.	4199	1/25/2016	Cust#91-2556996: Student Books & Supplies	13,651.29
Renaissance Learning, Inc.	4200	1/25/2016	Cust#3416295: Annual Subscriptions: RP Hosting, Accelerated Math, Star 360 and Hourly Implementation & Data Coaching	11,711.00

Note: Multiple expenses or "Itemized/Invoice Amounts" may be paid by one check. The total "Check Amount" will appear for each "Itemized/Invoice Amount" paid by the check.
Payroll checks are not included on this register.

Vendor	Check Number	Date	Description	Check Amount
Riverside Unified School District	4201	1/25/2016	Special Education Encroachment: December 2015	30,046.00
Riverside Unified School District	4202	1/25/2016	Breakfast & Lunch: October '15	4,958.75
AT&T	4189	1/26/2016	Acct#951 275 8820 131 6; Monthly Svc: 12/23/15 - 01/22/16 Group# 44293; Employee Benefits: February 2015 &	233.90
California Choice	4190	1/26/2016	Adjustments	13,731.38
Clean Sport, Inc	4192	1/26/2016	Order#1943; Janitorial Supplies	94.77
Grace United Methodist Church	4194	1/26/2016	Utilities: December 2015	839.09
Hanover Insurance Group	4195	1/26/2016	Cust.# 15111499729-001-000; Commercial Package & Umbrella Policy: 07/01/15 - 07/01/16	1,126.65
Institute for Multi-Sensory Education	4197	1/26/2016	PO#08212015-IMSE03; 30-Hour Comprehensive Training - Includes Materials	975.00
One Call Now	4198	1/26/2016	GroupID#254466: Parent Broadcast for Schools	622.55
Staples Advantage	4203	1/26/2016	Cust# AL 10025177: Supplies	1,519.35

Note: Multiple expenses or "Itemized/Invoice Amounts" may be paid by one check. The total "Check Amount" will appear for each "Itemized/Invoice Amount" paid by the check.
Payroll checks are not included on this register.

**CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
Second Interim Report - Detail**

Charter School Name: REACH Leadership Academy
(continued)
CDS #: 33-67215-0126128
Charter Approving Entity: Riverside Unified
County: Riverside
Charter #: 1409
Fiscal Year: 2015/16

This charter school uses the following basis of accounting:

- Accrual Basis** (Applicable Capital Assets / Interest on Long-Term Debt / Long-Term Liabilities objects are 6900, 7438, 9400-9499, and 9660-9669)
 Modified Accrual Basis (Applicable Capital Outlay / Debt Service objects are 6100-6170, 6200-6500, 7438, and 7439)

Description	Object Code	1st Interim Budget			Actuals thru 01/31			2nd Interim Budget		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
A. REVENUES										
1. Revenue Limit Sources										
State Aid - Current Year	8011	1,935,304.12	-	1,935,304.12	818,023.00	-	818,023.00	1,921,274.89	-	1,921,274.89
Education Protection Account State Aid - Current Year	8012	503,644.96	-	503,644.96	198,856.00	-	198,856.00	499,839.96	-	499,839.96
Charter Schools Gen. Purpose Entitlement - State Aid	8015	-	-	-	-	-	-	-	-	-
State Aid - Prior Years	8019	-	-	-	67.48	-	67.48	67.48	-	67.48
Tax Relief Subventions	8020-8039	-	-	-	-	-	-	-	-	-
County and District Taxes	8040-8079	-	-	-	-	-	-	-	-	-
Miscellaneous Funds	8080-8089	-	-	-	-	-	-	-	-	-
LCFF/Revenue Limit Transfers:										
PERS Reduction Transfer	8092	-	-	-	-	-	-	-	-	-
Charter Schools Funding in Lieu of Property Taxes	8096	504,539.91	-	504,539.91	126,201.00	-	126,201.00	500,728.15	-	500,728.15
Other LCFF/Revenue Limit Transfers	8091, 8097	-	-	-	-	-	-	-	-	-
Total, LCFF/Revenue Limit Sources		2,943,489.00	-	2,943,489.00	1,143,147.48	-	1,143,147.48	2,921,910.48	-	2,921,910.48
2. Federal Revenues										
No Child Left Behind	8290	-	78,144.00	78,144.00	-	48,725.00	48,725.00	-	71,721.00	71,721.00
Special Education - Federal	8181, 8182	-	-	-	-	-	-	-	-	-
Child Nutrition - Federal	8220	-	-	-	-	-	-	-	-	-
Other Federal Revenues	8110, 8260-8295	-	-	-	-	-	-	-	-	-
Total, Federal Revenues		-	78,144.00	78,144.00	-	48,725.00	48,725.00	-	71,721.00	71,721.00
3. Other State Revenues										
Charter Schools Categorical Block Grant (8480 N/A thru 14/15-SBX3)	N/A thru 14/15	-	-	-	-	-	-	-	-	-
Special Education - State	StateRevSE	-	-	-	-	-	-	-	-	-
All Other State Revenues	StateRevAO	237,679.27	261,493.44	499,172.70	162,533.23	16,425.00	178,958.23	241,026.69	261,493.44	502,520.13
Total, Other State Revenues		237,679.27	261,493.44	499,172.70	162,533.23	16,425.00	178,958.23	241,026.69	261,493.44	502,520.13
4. Other Local Revenues										
All Other Local Revenues	LocalRevAO	102,418.35	-	102,418.35	37,628.85	-	37,628.85	102,909.35	-	102,909.35
Total, Local Revenues		102,418.35	-	102,418.35	37,628.85	-	37,628.85	102,909.35	-	102,909.35
5. TOTAL REVENUES		3,283,586.62	339,637.44	3,623,224.05	1,343,309.56	65,150.00	1,408,459.56	3,265,846.52	333,214.44	3,599,060.96
B. EXPENDITURES										
1. Certificated Salaries										
Certificated Teachers' Salaries	1100	760,888.04	-	760,888.04	405,801.36	-	405,801.36	760,888.21	-	760,888.21
Certificated Pupil Support Salaries	1200	-	-	-	-	-	-	-	-	-
Certificated Supervisors' and Administrators' Salaries	1300	227,166.67	-	227,166.67	132,633.29	-	132,633.29	227,166.67	-	227,166.67
Other Certificated Salaries	1900	-	-	-	-	-	-	-	-	-
Total, Certificated Salaries		988,054.71	-	988,054.71	538,434.65	-	538,434.65	988,054.88	-	988,054.88
2. Non-certificated Salaries										
Non-certificated Instructional Aides' Salaries	2100	174,900.00	87,066.67	261,966.67	96,978.58	46,287.87	143,266.45	194,088.00	87,066.67	281,154.67
Non-certificated Support Salaries	2200	-	-	-	-	-	-	-	-	-
Non-certificated Supervisors' and Administrators' Sal.	2300	-	-	-	-	-	-	-	-	-
Clerical and Office Salaries	2400	228,909.92	-	228,909.92	112,243.56	-	112,243.56	210,509.83	-	210,509.83
Other Non-certificated Salaries	2900	-	-	-	-	-	-	-	-	-
Total, Non-certificated Salaries		403,809.92	87,066.67	490,876.58	209,222.14	46,287.87	255,510.01	404,597.83	87,066.67	491,664.49
3. Employee Benefits										
STRS	3101-3102	106,018.27	-	106,018.27	60,323.00	-	60,323.00	106,018.29	-	106,018.29
PERS	3201-3202	-	-	-	-	-	-	-	-	-
OASDI / Medicare / Alternative	3301-3302	51,390.45	761.38	52,151.83	25,932.53	1,569.44	27,501.97	49,139.97	3,072.16	52,212.13
Health and Welfare Benefits	3401-3402	169,290.00	-	169,290.00	82,268.44	-	82,268.44	156,750.00	-	156,750.00
Unemployment Insurance	3501-3502	16,344.12	222.75	16,566.87	9,993.42	629.60	10,623.02	15,592.08	974.79	16,566.87
Workers' Compensation Insurance	3601-3602	29,354.36	-	29,354.36	26,038.00	-	26,038.00	29,370.00	-	29,370.00
OPEB, Allocated	3701-3702	-	-	-	-	-	-	-	-	-
OPEB, Active Employees	3751-3752	-	-	-	-	-	-	-	-	-
PERS Reduction (for revenue limit funded schools)	3801-3802	-	-	-	-	-	-	-	-	-
Other Employee Benefits	3901-3902	-	-	-	-	-	-	-	-	-
Total, Employee Benefits		372,397.21	984.13	373,381.34	204,555.39	2,199.04	206,754.43	356,870.34	4,046.96	360,917.29
4. Books and Supplies										
Approved Textbooks and Core Curricula Materials	4100	70,206.31	-	70,206.31	70,309.00	-	70,309.00	70,309.00	-	70,309.00
Books and Other Reference Materials	4200	-	-	-	-	-	-	-	-	-
Materials and Supplies	4300	34,162.50	-	34,162.50	32,370.05	-	32,370.05	41,397.31	-	41,397.31
Noncapitalized Equipment	4400	65,200.00	-	65,200.00	65,338.92	-	65,338.92	65,488.95	-	65,488.95
Food	4700	19,531.50	-	19,531.50	10,198.21	-	10,198.21	19,531.50	-	19,531.50
Total, Books and Supplies		189,100.31	-	189,100.31	178,216.18	-	178,216.18	196,726.76	-	196,726.76
5. Services and Other Operating Expenditures										
Subagreements for Services	5100	-	-	-	-	-	-	-	-	-
Travel and Conferences	5200	19,000.00	-	19,000.00	13,845.37	-	13,845.37	19,000.00	-	19,000.00
Dues and Memberships	5300	2,115.00	-	2,115.00	142.85	-	142.85	2,115.00	-	2,115.00
Insurance	5400	23,777.15	-	23,777.15	11,237.83	-	11,237.83	23,777.15	-	23,777.15
Operations and Housekeeping Services	5500	27,590.23	2,909.77	30,500.00	7,005.11	2,909.77	9,914.88	18,287.67	2,909.77	21,197.44
Rentals, Leases, Repairs, and Noncap. Improvements	5600	114,955.58	235,476.87	350,432.45	18,016.72	213,417.78	231,434.50	141,225.10	213,417.78	354,642.88
Professional/Consulting Services and Operating Expend.	5800	667,293.14	1,950.00	669,243.14	374,426.54	1,950.00	376,376.54	664,597.11	1,950.00	666,547.11
Communications	5900	6,590.40	11,250.00	17,840.40	6,756.62	1,794.74	8,551.36	11,957.73	3,292.27	15,250.00
Total, Services and Other Operating Expenditures		861,321.50	251,586.64	1,112,908.14	431,431.04	220,072.29	651,503.33	880,959.76	221,569.82	1,102,529.58

**CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
Second Interim Report - Detail**

Charter School Name: REACH Leadership Academy
(continued)
CDS #: 33-67215-0126128
Charter Approving Entity: Riverside Unified
County: Riverside
Charter #: 1409
Fiscal Year: 2015/16

This charter school uses the following basis of accounting:

- Accrual Basis** (Applicable Capital Assets / Interest on Long-Term Debt / Long-Term Liabilities objects are 6900, 7438, 9400-9499, and 9660-9669)
 Modified Accrual Basis (Applicable Capital Outlay / Debt Service objects are 6100-6170, 6200-6500, 7438, and 7439)

Description	Object Code	1st Interim Budget			Actuals thru 01/31			2nd Interim Budget		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
6. Capital Outlay (Objects 6100-6170, 6200-6500 for modified accrual basis only)										
Land and Land Improvements	6100-6170	-	-	-			-			-
Buildings and Improvements of Buildings	6200	-	-	-			-			-
Books and Media for New School Libraries or Major Expansion of School Libraries	6300	-	-	-			-			-
Equipment	6400	-	-	-			-			-
Equipment Replacement	6500	-	-	-			-			-
Depreciation Expense (for accrual basis only)	6900	1,000.00	-	1,000.00	860.77	-	860.77	1,475.80	-	1,475.80
Total, Capital Outlay		1,000.00	-	1,000.00	860.77	-	860.77	1,475.80	-	1,475.80
7. Other Outgo										
Tuition to Other Schools	7110-7143	-	-	-			-			-
Transfers of Pass-through Revenues to Other LEAs	7211-7213	-	-	-			-			-
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	-	-	-			-			-
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO	-	-	-			-			-
All Other Transfers	7281-7299	-	-	-			-			-
Debt Service:										
Interest	7438	149.00	-	149.00	192.00	-	192.00			-
Principal (for modified accrual basis only)	7439	-	-	-	18.00	-	18.00			-
Total, Other Outgo		149.00	-	149.00	210.00	-	210.00			-
8. TOTAL EXPENDITURES		2,815,832.64	339,637.44	3,155,470.08	1,562,930.17	268,559.20	1,831,489.37	2,828,685.36	312,683.44	3,141,368.80
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		467,753.98	0.00	467,753.98	(219,620.61)	(203,409.20)	(423,029.81)	437,161.16	20,531.00	457,692.15
D. OTHER FINANCING SOURCES / USES										
1. Other Sources	8930-8979	-	-	-			-			-
2. Less: Other Uses	7630-7699	-	-	-			-			-
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999	-	-	-			-			-
4. TOTAL OTHER FINANCING SOURCES / USES		-	-	-	-	-	-	-	-	-
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		467,753.98	0.00	467,753.98	(219,620.61)	(203,409.20)	(423,029.81)	437,161.16	20,531.00	457,692.15
F. FUND BALANCE, RESERVES										
1. Beginning Fund Balance										
a. As of July 1	9791	(37,963.47)	50,422.00	12,458.53	(37,963.47)	50,422.00	12,458.53	(37,963.47)	50,422.00	12,458.53
b. Adjustments to Beginning Balance	9793, 9795	-	-	-	14,703.00	-	14,703.00	14,703.00	-	14,703.00
c. Adjusted Beginning Balance		(37,963.47)	50,422.00	12,458.53	(23,260.47)	50,422.00	27,161.53	(23,260.47)	50,422.00	27,161.53
2. Ending Fund Balance, June 30 (E + F.1.c.)		429,790.51	50,422.00	480,212.51	(242,881.08)	(152,987.20)	(395,868.28)	413,900.69	70,953.00	484,853.68
Components of Ending Fund Balance :										
a. Nonspendable										
Revolving Cash (equals object 9130)	9711	-	-	-			-			-
Stores (equals object 9320)	9712	-	-	-			-			-
Prepaid Expenditures (equals object 9330)	9713	-	-	-			-			-
All Others	9719	-	-	-			-			-
b. Restricted	9740	-	50,422.00	50,422.00		(152,987.20)	(152,987.20)	70,953.00		70,953.00
c. Committed										
Stabilization Arrangements	9750	-	-	-			-			-
Other Commitments	9760	-	-	-			-			-
d. Assigned										
Other Assignments	9780	-	-	-			-			-
e. Unassigned/Unappropriated										
Reserve for Economic Uncertainties	9789	-	-	-			-			-
Unassigned/Unappropriated Amount	9790	429,790.51	-	429,790.51	(242,881.08)	-	(242,881.08)	415,400.69	-	415,400.69



Squar Milner LLP
Certified Public Accountants
And Financial Advisors

**Proposal for
REACH Leadership Academy
For the Fiscal Years Ended
June 30, 2016
June 30, 2017 and
June 30, 2018**

February 2016

February 17, 2016

The Board of Directors
c/o Dr. Virgie Rentie, Executive Director
REACH LEADERSHIP ACADEMY
231 East Alessandro Boulevard
Riverside, California 92508

Re: Audit for the years ending June 30, 2016, 2017, and 2018

Dear Members of the Board of Directors:

We are pleased to confirm our understanding of the services we are to provide for REACH Leadership Academy (the “Organization”) as of and for the years ending June 30, 2016, 2017, and 2018. The following is a detailed description of the services that we will provide to the Organization as well as our estimated professional fees that relate to such services. This engagement letter (which is sometimes hereinafter referred to as the “Agreement”) is subject to completion of our acceptance or continuance procedures in accordance with professional standards and the policy of Squar Milner LLP (“Squar Milner,” or the “Firm”).

Audit Services

We will audit the balance sheet of the Organization as of June 30, 2016, 2017, and 2018, and the related statements of activities, functional expenses and cash flows, for the year then ended in accordance with auditing standards generally accepted in the United States of America (“GAAS”). Also, the following additional information accompanying the basic financial statements will be subjected to the auditing procedures applied in our audit of such financial statements and certain additional procedures, including: comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America

The objective of our audit is the expression of an opinion about whether such financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (“GAAP”). Our audit will be conducted in accordance with GAAS, and will include tests of your accounting records and such other procedures as we consider necessary to enable us to form an opinion. If our opinion is other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to



complete an audit of the Organization's financial statements, or are unable to form or have not formed an opinion, we will not issue any report on such financial statements as a result of this engagement.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation (as deemed appropriate in our professional opinion) of cash, receivables and certain other assets and liabilities by correspondence with selected funding sources, creditors and banks. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from management about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Also, we will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of misstatements that, in our judgment, could have a material effect on the financial statements, whether from errors, fraud or other illegal acts. However, because of the concept of reasonable assurance (together with the inherent limitations of internal control) and since we will not perform a detailed examination of all transactions, there is an unavoidable risk that material misstatements of the financial statements (whether caused by error, fraud, or other illegal acts) and significant deficiencies and/or material weaknesses in internal control may exist and not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. However, we will inform you of any material errors and any fraud that comes to our attention. We will also inform you of any other illegal acts that come to our attention, unless they are clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

By your signature below, you acknowledge that you are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Organization that involves management, employees who have significant roles in internal control, or others where the fraud could have a material effect on the financial statements. You are also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, management is responsible for identifying and ensuring that the Organization complies with all applicable laws and regulations. You agree to confirm your understanding of your responsibilities defined in this Agreement to us in the management representation letter.

We will use audit risk and materiality to identify and assess the risk of known and likely material misstatement of the Organization's financial statements. As required by GAAS, the risk of known and likely material misstatements will be assessed at both the financial statement and relevant assertion levels. Financial statement assertions are management's implicit or explicit representations regarding the recognition, measurement, presentation and disclosure of



information in the financial statements and related disclosures. (Examples of assertions are rights/obligations, existence, valuation and completeness.) As part of assessing the risk of material misstatement - whether due to error or fraud - and to design the nature, timing and extent of further audit procedures, our audit will include obtaining an understanding of the entity and its environment, including its internal control. This understanding will encompass an evaluation of the design of controls, and determining whether they have been implemented by the Organization and are adequately documented. We will also determine whether any of the assessed risks are significant risks; as defined by GAAS, “significant risks” are those that require special audit consideration.

As noted above, an audit of financial statements in accordance with GAAS is not designed to provide any assurance on internal control, or to identify significant deficiencies or material weaknesses in the design or operation of internal control. However, we will communicate to you and to management any significant deficiencies or material weaknesses which become known to us while performing the audit.

We are also responsible for communicating with the Board of Directors about certain other matters related to our audit, including (1) our responsibilities under the standards of the American Institute of Certified Public Accountants (“AICPA”); (2) the Organization’s significant accounting policies; (3) the quality of the Organization’s accounting principles; (4) management’s judgments and sensitive accounting estimates; (5) significant audit adjustments; (6) any disagreements with management about matters that could be significant to the Organization’s financial statements or our audit report; (7) any consultations management made with other accountants; (8) any issues discussed with management prior to our retention; (9) any significant difficulties encountered in performing the audit; (10) other information in documents containing audited financial statements, such as the Organization’s annual report; and (11) other matters as considered necessary. Further, we are responsible for ensuring that the Board of Directors receives copies of certain written communications between us and management, including management representation letters and written communications on accounting, auditing, internal control or other matters.

Management is responsible for the financial statements, for making all financial records and related information available to us, and for the accuracy and completeness of that information. As used in the immediately preceding sentence, “related information” includes all information of which management is aware that is relevant to the preparation and fair presentation of the Company’s financial statements (such as records, documentation and other matters), and any additional information that we may request from management for audit purposes. Management also agrees to provide unrestricted access to all persons within the Company from whom we determine it necessary to obtain audit evidence.

We may advise you about appropriate accounting principles and their application, but the responsibility for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework selected by management (GAAP, in this case) remains with the board of directors and management. This responsibility includes the design,



implementation and maintenance of adequate records and effective internal controls over financial reporting (relevant to the preparation and fair presentation of the Company's financial statements that are free from material misstatement, whether due to fraud or error), the selection and application of accounting principles and the safeguarding of assets.

Management is also responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means of distributing information. Therefore, we are not required to read the information contained in these websites or to consider the consistency of other information in the electronic site with the original document.

We understand that Organization employees will prepare the schedules and confirmations we will request under separate cover, and will locate the documentation selected by us for testing. If any of the required records are incomplete or initially unavailable, we will compile a list of such information and present it to management for review and direction.

Non-Attest Services

During the course of our work, you may request our assistance with certain non-attest services such as income tax services and/or matters relating to complex accounting requirements which could impact the Organization's financial statements. We will be pleased to provide the requested assistance, provided that the non-attest services do not violate independence guidelines established by the AICPA and such services are approved in advance by the Organization's audit committee, board of directors or management, as appropriate. Regarding any non-attest services, the Organization agrees to be responsible for (a) making all management decisions and performing all management functions; (b) designating an individual who possesses suitable skill, knowledge and/or experience (preferably within senior management) to oversee the services; (c) evaluating the adequacy and results of the services performed; and (d) accepting responsibility for the results of the services.

The fees for non-attest services, which are not included in the fee estimate set forth below, will be billed on an hourly basis.

Reporting Deadline

We will work diligently to meet any financial reporting deadline that the Organization may have. However, due to the nature of our work, we cannot be responsible for any late reports that result from factors beyond our control.



As discussed herein, the engagement contemplated by this Agreement anticipates a certain level of assistance and cooperation by Organization personnel. This is an essential condition to our completion of the engagement, and will permit us to conduct our work effectively and efficiently. Failure by your personnel to do so on a timely and accurate basis could result in the Organization being unable to meet the deadline referenced in the preceding paragraph, prevent us from completing the engagement, and/or may be grounds for suspension of our services or the Firm's withdrawal from this engagement.

Professional Fees

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing. Our fees for the services will be based on the actual time spent at our standard hourly rates and out-of-pocket costs. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our professional fee for the audit of the financial statements is:

- 1. One Year Contract:**
\$8,995 for the period July 1, 2015 through June 30, 2016; **OR**
- 2. Two Year Contract:**
\$8,495 for the period July 1, 2015 through June 30, 2016; and
\$8,995 for the period July 1, 2016 through June 30, 2017; **OR**
- 3. Three Year Contract:**
\$ 7,995 for the period July 1, 2015 through June 30, 2016;
\$ 8,495 for the period July 1, 2016 through June 30, 2017; and
\$ 8,995 for the period July 1, 2017 through June 30, 2018.

The fee estimate is based on anticipated cooperation from your personnel and the assumption that all records needed to complete the audit are at the school or management company site, and that unexpected circumstances will not be encountered during the audit. For multi-year contracts, if significant additional time is required to perform the audit of the contract year due to unforeseen circumstances, such as a substantial increase in size or volume of transactions, or if applicable, additional school(s) added, we will discuss with you whether a new fee estimate is warranted, before we incur the additional costs.

This agreement may be cancelled on 30 days written notice by either you or our firm. Any unpaid fees for any services provided through the date of cancellation are due immediately upon cancellation. For multi-year agreements cancelled early, a termination fee equal to the difference in the multi-year discounted fee paid versus the shorter term higher fee quoted above is due upon termination. For example, if a three year contract is signed and you cancel after the first year's audit, an additional \$1,000 would be due at cancellation (\$8,995 - \$7,995).



The billing will be staggered for three different payments in the amount of:

- 1/3 of the total contract amount upon scheduling the preliminary audit fieldwork.
- 1/3 of the total contract amount upon scheduling the financial audit fieldwork.
- 1/3 of the total contract amount upon release of final audit report.

If a multi-year engagement is entered into, all outstanding invoices for work performed during any prior engagement will be paid in full before work commences on the current engagement.

As stated above, our invoices for services are due when rendered, but in no case are the fees for audit services payable any later than the following: one-third of the above fee estimate upon acceptance of this engagement letter, one-third of the then-current estimate of the total fees upon initiation of our field work, and the balance of all fees incurred prior to the issuance of our audit report. If our fees are not paid in full, Squar Milner reserves the right to not issue any report as a result of this engagement. In the event that our fieldwork is never completed and/or our audit report is not issued (for any reason), all invoiced fees are nevertheless payable by the Organization.

You may terminate our services at any time, with or without cause, provided only that our invoices for services rendered through the date of termination shall be paid. We may terminate or suspend our services for nonpayment of our fees or by reason of professional considerations which in our judgment make it inappropriate to continue the engagement. As referenced in the preceding sentence, “professional considerations” include the condition of the Organization’s accounting and other business records, the availability of sufficient, competent evidential matter, and any indications of a significant risk of undetected material misstatements which prevent us from completing the engagement.

Tax Services

We will also prepare the federal exempt organization return; our fee will be \$1,195 per year.

Disputes

With the sole exception of a fee dispute of less than \$50,000 (referenced below), any dispute, claim, controversy, complaint or cross-complaint in any manner arising from or related to, or asserted as an off-set against amounts charged under, this Agreement, shall be submitted to resolution by arbitration before the San Diego County, California office of JAMS/Endispute. Arbitration shall be binding and final. The arbitration shall be governed by JAMS’ Comprehensive Arbitration Rules and Procedures. In agreeing to arbitration, we both acknowledge that in the event of a dispute over fees in excess of \$50,000, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury, as well as any right to appeal, and instead are accepting the use of binding arbitration for resolution. The arbitrator may, in the award, allocate in whole or in part the fees and costs of the arbitration, including the fees of the arbitrator, and order in whole or in part recovery of the reasonable attorneys’ fees of the prevailing party. The arbitrator shall not have authority to award punitive damages, any claim for which is hereby waived. The



arbitrator may not award non-monetary or equitable relief of any sort. In no event, even if any other portion of these provisions is held to be invalid or unenforceable, shall the arbitrator have power to make an award or impose a remedy that could not be made or imposed by a court deciding the matter in the same jurisdiction. All aspects of the arbitration shall be treated as confidential. Neither the parties nor the arbitrator may disclose the existence, content or results of the arbitration, except as necessary to comply with legal or regulatory requirements. Before making any such disclosure, a party shall give written notice to all other parties and shall afford such parties a reasonable opportunity to protect their interests. Judgment on the award may be entered by any court having appropriate jurisdiction.

For a dispute involving solely a dispute of fees of \$50,000 or less, we agree to resolve the matter in the Superior Court of San Diego County, California or Small Claims Court, whichever is appropriate (this exception shall not affect the fact that any other or additional dispute, claim, controversy, complaint or cross-complaint shall be arbitrated in accordance with the terms set forth above).

Other Limitation of Liability

The Organization and Squar Milner agree that no claim arising out of the services rendered pursuant to this Agreement shall be filed more than two years after the date of the audit or other report issued by Squar Milner or the date of this engagement letter if no report has been issued. Squar Milner's liability for any and all claims, damages and costs (including legal fees) of the Organization arising from this engagement is limited to the amount of fees paid by the Organization to Squar Milner for the services rendered under this engagement letter. In addition, without limiting the punitive damages waiver set forth in the "Disputes" section of this Agreement, the Organization expressly agrees to waive (among other damages) any and all punitive and exemplary damages in any proceeding.

During the course of providing the services described in this Agreement, Squar Milner will utilize information developed from the Organization's records. We will rely upon management for the accuracy and completeness of such records, as well as all other information supplied by management including verbal and written representations by management and their representatives. The Organization agrees to release, indemnify and hold Squar Milner, its partners, principals, heirs, executors, personal representatives, successors and assigns harmless from any liability for any and all damages or costs (including legal fees) resulting from, in whole or in part, fraud caused by or participated in and/or from knowing misrepresentations by the Organization and/or its representatives.

Record Retention and Ownership of/Access to Workpapers

It is our Firm's policy to retain the workpapers (as defined below) related to this engagement for seven years after the related services have been performed. Squar Milner does not retain any original client records; so we will return such records (including any "supporting records," as defined below) to you at the completion of the services rendered under this engagement. We may request a signed itemized receipt in connection with delivering the records described in the



preceding sentence. When such records are returned to you, it is the Organization's responsibility to retain and protect its accounting and other business records for future use, including potential review by any government or other regulatory agencies. By your signature below, you acknowledge and agree that upon the expiration of the seven-year period Squar Milner shall be free to destroy our workpapers related to this engagement.

As defined by the AICPA, "workpapers" include (but are not limited to) audit programs, analytical audit/review schedules, and statistical sampling results, analyses and schedules prepared by Organization personnel at our request. The term workpapers also includes "audit documentation" as defined by the California State Board of Accountancy (the "State Board"). Based on the State Board's regulations, "workpapers" do not include records which would ordinarily constitute part of your books and records and that are not otherwise available to the Organization. An example of the records described in the preceding sentence are "supporting records," which are defined by the AICPA as information not reflected in the Organization's books and records that is otherwise not available to you, with the result that the Organization's financial information is incomplete without such documents. [For example, supporting records include adjusting journal entries (and the computations supporting such entries) proposed by the Firm in relation to this engagement.] It is the responsibility of management to determine that all supporting records are properly reflected in the Organization's books and records.

Engagement workpapers are the property of Squar Milner, and will not be provided to any third parties unless the Firm is required to do so by state or federal law and/or contractual agreement. In our sole discretion, upon your request, we may provide the Organization with copies of certain engagement workpapers (some or all of which may be redacted) if the Firm is reasonably compensated for the time and expenses incurred to retrieve and copy such documents. We are also entitled to charge a reasonable fee for accessing and copying Organization-provided records before returning them to you, and for copying supporting records before providing those documents to the Organization.

Subpoena or Summons for Information in Squar Milner's Possession

If, in relation to pending or possible litigation, a regulatory investigation/informal inquiry, or an administrative, arbitration or similar proceeding to which the Firm is not a party, we receive a validly issued and enforceable subpoena or summons requesting that we (1) produce any of our workpapers or other documents in our possession relating to this (or a prior or future) engagement, (2) provide other information about any such engagement, and/or (3) testify about any such engagement, we will notify the Organization prior to responding to it if we are legally allowed to do so. If management does not take any legal action within the time permitted for us to respond, or if such action does not result in a judicial order protecting us from providing the requested documents and/or information, we may construe the inaction or failure as the Organization's consent to comply with such request. Under these circumstances, we will release the requested documents and/or provide the requested information. In certain proceedings, an accountant-client privilege may exist. However, you agree that we are not under any obligation to assert such privilege to prevent the release of Organization information.



If the above occurs, our efforts in complying with such demands or requests will be deemed a separate engagement and accordingly we shall be entitled to compensation for our time and reimbursement of our reasonable out-of-pocket expenses (including any legal fees) in complying with any such demand or request. However, nothing discussed herein is intended to relieve us of our duty (except as otherwise provided by applicable law) to observe the confidentiality requirements of the public accounting profession in the United States of America.

Other Matters

This letter shall serve as the Organization's authorization for the use of e-mail and other electronic methods to send and receive information, including confidential information, between the Firm and the Organization and between the Firm and any outside specialists or other entities/persons engaged by either the Organization or the Firm. The Organization acknowledges that e-mail travels over the public Internet, which is not a secure means of communication; thus, the confidentiality of the transmitted information could be compromised through no fault of the Firm. The Firm will employ commercially reasonable efforts and take appropriate precautions to protect the privacy and confidentiality of the transmitted information described in this paragraph.

The Organization recognizes that Squar Milner has incurred a great deal of time and expense in acquiring and training its staff. In the event that the Organization hires (either as an employee or as an independent contractor) any Squar Milner employee who has worked on this engagement in the six-month period prior to the Organization's employment of that individual, the Organization agrees to pay Squar Milner 60% of that individual's projected first-year compensation with the Organization.

Squar Milner is a limited liability partnership comprised of both certified public accountants and certain partners and/or principals who are not currently licensed as CPAs. Such partners and principals may participate in the engagement to provide the services described in this engagement letter.

Squar Milner is a legally independent member of Allinial Global, an association of over 100 independent accounting and consulting firms. Allinial Global (formerly PKF North America) offers international support by connecting its member firms to providers and global networks of accounting firms worldwide. Neither the other member firms nor Allinial Global are responsible or accept any liability for the work or advice which Squar Milner provides to its clients. In signing and returning to us this engagement letter, you acknowledge and accept that such other member firms and Allinial Global do not owe the Company any duty in relation to the work or advice which we will from time to time provide to the Company or are required to provide to the Company.

Any provision of this Agreement that could otherwise impair the Firm's independence under the current rules of the AICPA is null and void. If any of the provisions in this Agreement are determined to be invalid or unenforceable, the remaining provisions shall remain in effect and binding on the parties to the fullest extent permitted by law.



Except as expressly provided herein, this Agreement does not modify the terms or provisions of any other engagement letter for professional services issued by the Firm which was agreed to by the Organization before the date noted below.

We are available to meet with you and/or other members of management to discuss current business, operational, accounting and auditing matters affecting the Organization. Whenever you feel such meetings are desirable, please let us know. Subject to the independence requirements of our profession, we are prepared to provide services to assist you in any of these areas.

We appreciate this opportunity to be of service to you, and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed duplicate original and return it to us.

Sincerely,

SQUAR MILNER LLP

James A. Rotherham, CPA
Partner
Audit Services

Enclosure

RESPONSE:

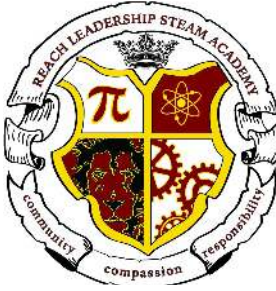
This letter correctly sets forth the understanding of **REACH Leadership Academy:**

Signature

Date

Name

Title



REACH LEADERSHIP ACADEMY

SCIENCE | TECHNOLOGY | ENGINEERING | ART | MATH

18 February 2015

Mr. Tim Walker
Executive Director Pupil Service/SELPA
Riverside Unified School District SELPA
3380 14th Street, Riverside CA 92501

CC: Alexa Slater, California Department of Education at ASlater@cde.ca.gov
Gina Plate, California Charter Schools Association at GPLate@calcharters.org

Dear Mr. Walker

Please accept this letter as a formal notification that **REACH LEADERSHIP ACADEMY** intends to exit the the Riverside Unified School District SELPA effective school year 2016-2017. We are requesting that the Riverside Unified School District waive the requisite one year notification thus allowing REACH Leadership Academy to exit the Riverside Unified School District Selpa a year earlier than otherwise stipulated.

In order to ensure that **REACH LEADERSHIP ACADEMY** is best equipped to meet the needs of its special needs students, it is considering membership in an alternate SELPA. It also remains open to formulating revised agreements with the Riverside Unified School District SELPA and welcomes any related correspondence. If REACH LEADERSHIP ACADEMY finds that it does not make sense to exit at this time, it retains the right to rescind this notification and remain with the Riverside Unified School District for the 2016-2017 school year.

Please let me know if you require further information.
Sincerely,

Virgie Rentie, EdD
Executive Director/CEO
REACH Leadership Academy
CDE Charter School Number: 1409
CDE County-District-School (CDS) Code: 33-67215
Phone: 951-275-8820