



SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item 8.2

Meeting Date: August 16, 2018

Subject: Approve Resolution No. 3021 or 3022: Material Revision of the Charter Petition for Gateway Community Charters: Sacramento Academic and Vocational Academy-SCUSD

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated: _____)
- Conference/Action
- Action
- Public Hearing

Division: Academic Office

Recommendation: To take action to approve or deny the Material Revision of the Charter Petition for Gateway Community Charters: Sacramento Academic and Vocational Academy-SCUSD (SAVA-SCUSD).

Background/Rationale: SAVA-SCUSD is a Sacramento City Unified School District authorized independent charter school. The Charter Petition was approved on November 2, 2017 for a five-year term effective July 1, 2018 through June 30, 2023. The charter school's request on May 3, 2018 to add a resource center in collaboration with WIND Youth Center at 815 S Street in Sacramento is a material revision to the Charter Petition.

Pursuant to Education Code 47607 (a) (1), a material revision of the provisions of a charter petition may be made only with the approval of the authority that granted the charter; (a) (2), renewals and material revisions of charters are governed by the standards and criteria in Section 47605. The Charter Department and the Budget Services Department conducted a comprehensive review of the information related to the material revision request with an emphasis on fiscal viability. The staff's analysis will be presented for Board Action on August 16, 2018.

Financial Considerations: The financial considerations are outlined within the Executive Summary.

LCAP Goal(s): Family and Community Empowerment

Documents Attached:

1. Executive Summary
2. Amendment 1
3. Resolutions 3021 and 3022
4. Material Revision Information (9 pages)
5. Charter Petition: <http://www.scusd.edu/charter-petitions>

Estimated Time of Presentation: 5 minutes

Submitted by: Iris Taylor, Chief Academic Officer

Jack Kraemer, Innovative Schools and Charter Oversight, Director

Approved by: Jorge A. Aguilar, Superintendent

Board of Education Executive Summary

Academic Office

Approve Resolution No. 3021 or 3022: Material Revision of the Charter Petition for Gateway Community Charters: Sacramento Academic and Vocational Academy-SCUSD
August 16, 2018



I. Overview/History:

Gateway Community Charters: Sacramento Academic and Vocational Academy-SCUSD ("SAVA-SCUSD") is a Sacramento City Unified School District authorized independent charter school. The Charter Petition was approved on November 2, 2017 for a five-year term effective July 1, 2018 through June 30, 2023. The charter school's request on May 3, 2018 to add a resource center in collaboration with WIND Youth Center ("WIND") at 815 S Street in Sacramento is a material revision to the Charter Petition. The District held a Public Hearing on June 21, 2018, so that the District's Governing Board ("Board") could consider the level of support for the Material Revision of the Charter Petition for SAVA-SCUSD. (Ed. Code § 47605, subd. (b).)

II. Driving Governance:

Pursuant to Education Code 47607 (a) (1), a material revision of the provisions of a charter petition may be made only with the approval of the authority that granted the charter; (a) (2), renewals and material revisions of charters are governed by the standards and criteria in Section 47605.

Results of Material Revision Information Review:

The evaluation that follows summarizes the consensus of the Charter Department and the Budget Services Department with respect to the overall program and fiscal soundness of the proposed resource center, pursuant to the material revision review process.

With due consideration of the added resource center in collaboration with WIND utilizing the same curriculum as proposed in the recently approved SAVA-SCUSD charter petition, the educational aspects were not evaluated.

Additionally, due consideration was also provided for operational aspects since the procedures and home office management of the WIND location will be vastly the same as the two existing SAVA-SCUSD locations.

Given the above, the main focus of the review and evaluation was the impact to the fiscal soundness and viability of SAVA-SCUSD due to the addition of the WIND location. The results are as follows.

1. SAVA-SCUSD (CIA Program): This report projects a 2018-19 enrollment of 100 students, revenues of \$1,286,255, expenses of \$1,054,737, and a net increase to the fund balance

Board of Education Executive Summary

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of \$231,518. This does not negatively affect the fiscal soundness and viability of SAVA-SCUSD.

2. GCC Combined Adopted Budget (General Funds): This adopted 2017-18 budget of all GCC general funds projects revenues of \$50,467,844, expenses of \$50,236,314, net increase to the fund balance of \$231,530, and an ending June 30 balance of \$25,635,256. This does not negatively affect the fiscal soundness and viability of SAVA-SCUSD.
3. GCC Combined Adopted Budget (Building Funds): This adopted 2017-18 budget of all GCC building funds projects an ending June 30 balance of \$2,850,724. The revenues for the building funds are generated and posted separately from the general funds. This does not negatively affect the fiscal soundness and viability of SAVA-SCUSD.
4. GCC Second Interim Combined Projections (General Funds): This update to the 2017-18 approved budget of all GCC general funds projects revenues of \$51,404,453, expenses of \$53,560,024, net decrease to the fund balance of \$2,155,571, and an ending June 30 balance of 25,592,963. Despite the decrease to the fund balance, this does not negatively affect the fiscal soundness and viability of SAVA-SCUSD.
5. GCC Second Interim Combined Projections (Building Funds): This update to the 2017-18 approved budget of all GCC building funds projects an ending June 30 balance of \$0. This does not negatively affect the fiscal soundness and viability of SAVA-SCUSD.
6. GCC Combined Adopted Budget (General Funds): This adopted 2018-19 budget of all GCC general funds projects revenues of \$57,015,828, expenses of \$57,964,383, net decrease to the fund balance of \$5,138,740, and an ending June 30 balance of \$22,784,099. Despite the decrease to the fund balance, this does not negatively affect the fiscal soundness and viability of SAVA-SCUSD.

This budget of all GCC general funds projects SAVA-SCUSD revenues of \$6,276,256, expenses of \$6,180,656, net increase to the fund balance of \$928,140, and an ending June 30 balance of \$928,140. This does not negatively affect the fiscal soundness and viability of SAVA-SCUSD.

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7. GCC Combined Adopted Budget (Building Funds): This adopted 2018-19 budget of all GCC building funds projects an ending June 30 balance of \$0. This does not negatively affect the fiscal soundness and viability of SAVA-SCUSD.

Upon review and evaluation of the fiscal information provided for Gateway Community Charters, SAVA-SCUSD, and the addition of the resource center in collaboration with WIND, the impact of adding a new location does not negatively affect the fiscal soundness and viability of SAVA-SCUSD and Gateway Community Charters. District staff notes that Gateway Community Charters has substantial reserves in relationship to its revenues.

III. Budget:

State income and various other income sources to the District are reduced when students living in District boundaries enroll at a charter school. Under Education Code section 47604, subdivision (c), a school district that grants a charter to a charter school to be operated by, or as, a nonprofit public benefit corporation is not held liable for the charter school's debts or obligations as long as the school district complies with all oversight responsibilities. The District will continue to have monitoring and oversight responsibility for charter school finances, as specified in the Charter Schools Act.

IV. Goals, Objectives and Measures:

Not Applicable.

V. Major Initiatives:

Not Applicable.

VI. Results:

District Staff recommends that the Board approve Resolution 3021 to approve the Material Revision or approve Resolution 3022 and adopt these written Findings of Fact as its own to deny the Material Revision under the California Charter Schools Act.

VII. Lessons Learned/Next Steps:

If the Material Revision is approved by the Board, the District, as the charter authorizer, will provide continued oversight and compliance.

Gateway Community Charters: Sacramento Academic and Vocational Academy-SCUSD Amendment 1 (August 16, 2018)

Gateway Community Charters: Sacramento Academic and Vocational Academy-SCUSD may operate a resource center in collaboration with WIND Youth Center at 815 S Street, Sacramento, CA 95814 beginning August 16, 2018 and expiring on June 30, 2023. This amendment is subject to all charter school commitments, terms, and conditions of its charter petition including student enrollment.

**SACRAMENTO CITY UNIFIED SCHOOL DISTRICT
RESOLUTION NO. 3021
RESOLUTION TO APPROVE THE MATERIAL REVISION OF THE CHARTER
PETITION FOR GATEWAY COMMUNITY CHARTERS: SACRAMENTO
ACADEMIC AND VOCATIONAL ACADEMY-SCUSD**

WHEREAS, Gateway Community Charters: Sacramento Academic and Vocational Academy-SCUSD (“SAVA-SCUSD”) is a Sacramento City Unified School District authorized independent charter school established July 1, 2018; and

WHEREAS, the District’s Governing Board held a public hearing on June 21, 2018 and took board action on August 16, 2018; and

WHEREAS, the Governing Board has considered the level of public support for the Material Revision of the Charter Petition for SAVA-SCUSD and has reviewed all information received with respect to the Material Revision, including all supporting documentation; and

WHEREAS, the District staff reviewed and analyzed all information with respect to the Material Revision, including all supporting documentation for legal, programmatic, and fiscal sufficiency; and

NOW, THEREFORE, BE IT RESOLVED that the Sacramento City Unified School District Board of Education hereby approves the Material Revision of the Charter Petition for SAVA-SCUSD as set forth in Amendment 1.

BE IT FURTHER RESOLVED the term of the charter will remain June 30, 2023.

PASSED AND ADOPTED by the Sacramento City Unified School District Board of Education on this 16th day of August, 2018, by the following vote:

AYES: ____
NOES: ____
ABSTAIN: ____
ABSENT: ____
ATTESTED TO:

Jorge A. Aguilar
Secretary of the Board of Education

Jessie Ryan
President of the Board of Education

**SACRAMENTO CITY UNIFIED SCHOOL DISTRICT
RESOLUTION NO. 3022
RESOLUTION TO DENY THE MATERIAL REVISION OF THE CHARTER
PETITION FOR GATEWAY COMMUNITY CHARTERS: SACRAMENTO
ACADEMIC AND VOCATIONAL ACADEMY-SCUSD**

WHEREAS, Gateway Community Charters: Sacramento Academic and Vocational Academy-SCUSD (“SAVA-SCUSD”) is a Sacramento City Unified School District authorized independent charter school established July 1, 2018; and

WHEREAS, the District’s Governing Board held a public hearing on June 21, 2018 and took board action on August 16, 2018; and

WHEREAS, the Governing Board has considered the level of public support for the Material Revision of the Charter Petition for SAVA-SCUSD and has reviewed all information received with respect to the Material Revision, including all supporting documentation; and

WHEREAS, the District staff reviewed and analyzed all information with respect to the Material Revision, including all supporting documentation for legal, programmatic, and fiscal sufficiency; and

NOW, THEREFORE, BE IT RESOLVED that the Sacramento City Unified School District Board of Education hereby adopts the written Staff Report.

BE IT FURTHER RESOLVED that the Sacramento City Unified School District Board of Education hereby denies the Material Revision of the Charter Petition for SAVA-SCUSD as set forth in Amendment 1.

BE IT FURTHER RESOLVED the term of the charter will remain June 30, 2023.

PASSED AND ADOPTED by the Sacramento City Unified School District Board of Education on this 16th day of August, 2018, by the following vote:

AYES: ____
NOES: ____
ABSTAIN: ____
ABSENT: ____
ATTESTED TO:

Jorge A. Aguilar
Secretary of the Board of Education

Jessie Ryan
President of the Board of Education

SAVA-SCUSD: Information for Material Revision – May 16, 2018
(**BOLD: SCUSD request information/Italicize: SAVA-SCUSD Response**)

- **Enrollment**
 - **Current and the prior four years** - *As previously communicated, Wind Youth Project is currently not a site of SAVA - SCUSD. When Wind Youth was a resource center of Community Collaborative Charter School at its previous location the average annual enrollment was 28*
 - **Breakdown by grade and student groups for the current year** - *Please see previous comments there is no current program physically at the Wind Youth site due to their move and building/renovation of their new site. We anticipate moving with them to their new location at 815 Street.*
- **Enrollment, proposed:**
 - **How many will be from the former site** - *We expect approximately 20 to 25 students from the current Sacramento Academic and Vocational Academy and Community Collaborative Charter School to be served at the proposed new site.*
 - **How many will be new** - *We are projecting that approximately 75 additional students may enroll who are not currently served at a GCC location.*
 - **What is the five year enrollment projection** - *Our current thoughts are 75 - 100 Year 1; 120 to 145 Year 2; 145 - 155 Year 3; approx. 150 - 175 Years 4 and 5.*
 - **What SCUSD schools will be affected** - *These students are generally students who are disenfranchised, homeless, receiving social services and case management by Wind Youth. We believe that many of these students will; not be currently enrolled in schools, not be in comprehensive SCUSD schools; come from areas where they can walk or ride public transit to the center.*
- **Educational program: Please provide a link or attachment for a comprehensive description of the educational program** - *Per our previous communication, the academic/educational program will fall within the comprehensive description in the approved charter found on pages 21 - 75. An enhancement to the academics as described, is that the center will provide high interest engagement through intentional social justice topics and projects.*
- **Financial reports and information related to the program** – *Please see attached 3 year budget*
- **Staffing: Current and projected staff by position and FTE** - *Please reference the financial report and assumptions above.*
- **Agreement/MOU with Wind: Please provide** - *Please see draft agreement attached.*

Multi-Year Projection									
FISCAL YEAR 2018/19 ADOPTED BUDGET									
Combined / Unrestricted / Restricted									
SAVA-SCUSD (CIA Program)									
	COMBINED			UNRESTRICTED			RESTRICTED		
	2018-2019	2019-2020	2020-2021	2018-2019	2019-2020	2020-2021	2018-2019	2019-2020	2020-2021
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
GENERAL FUND BEGINNING BALANCE	0	231,518	459,194	0	231,519	459,193	0	(0)	0
A. REVENUE AND OTHER FINANCING SOURCES									
1. 8010-8299 LCFF Sources	1,186,524	1,458,471	1,624,293	1,186,524	1,458,471	1,624,293			
2. 8100-8299 Federal Revenues	31,605	50,526	56,207				31,605	50,526	56,207
NCLB Grants							31,605	50,526	56,207
IDEA (Federal Special Education)								12,600	15,120
3. 8300-8399 State Revenues	19,379	27,765	30,605	14,584	22,011	24,372	4,795	5,754	6,233
0000									
1100 Lottery				14,584	17,501	18,960			
0000 Mandated Cost					4,510	5,412			
6300 Lottery							4,795	5,754	6,233
4. 8600-8799 Local Revenues	48,748	60,175	67,128				48,748	60,175	67,128
6500 Special Education							48,748	60,175	67,128
5. 8780-8799 Other Transfers In from County									
6. 8900-8999 Other Financing Sources				(82,804)	(99,080)	(139,053)	82,804	99,080	139,053
7. TOTAL REVENUES	1,286,255	1,596,937	1,778,242	1,118,304	1,381,402	1,509,612	167,951	215,535	268,631
B. EXPENDITURES AND OTHER FINANCING USES									
1. 1000-1999 Certificated Salaries	335,096	433,119	539,369	276,180	371,523	474,970	58,916	61,597	64,399
Teachers Salaries				235,664	307,983	386,396	58,916	61,597	64,399
Administrator Salary				40,516	63,939	84,574			
2. 2000-2999 Classified Salaries	124,494	187,994	237,015	89,175	101,240	136,080	55,319	86,754	120,935
Paraprofessionals				27,660	57,836	90,701	55,319	86,754	120,935
Clerical				41,515	43,404	45,379			
3. 3000-3999 Employee Benefits	214,545	287,277	385,002	160,828	220,093	301,705	53,717	67,184	83,297
STRS				44,962	67,357	90,719	9,592	11,167	12,300
PERS				12,494	20,248	30,890	9,992	17,351	27,452
SS Class				4,289	6,277	8,437	3,430	5,379	7,498
MC				5,008	6,855	8,860	7,656	2,151	2,687
HW Cent				62,106	84,111	108,540	13,800	14,628	15,506
HW Class				27,600	29,256	46,517	13,800	14,628	15,506
UI				173	236	306	57	74	93
WC				4,203	5,753	7,436	1,390	1,805	2,253
4. 4000-4999 Books and Supplies	129,860	160,570	179,065	129,860	160,570	179,065			
5. 5000-5999 Services, Other Operating Exp.	164,242	193,388	211,650	164,242	193,388	211,650			
Travel / Conferences				9,960	12,316	13,734			
Dues				1,498	1,853	2,066			
Insurance				4,395	5,435	6,061			
Rent/Lease/Repairs				46,320	47,710	49,141			
Prof/Consulting Svcs/Operating Exp.				84,209	104,083	116,139			
SCUSD Oversight Fee				11,865	14,585	16,243			
Communication				5,994	7,408	8,266			
9. GCC Central Office Allocation	86,500	106,914	119,298	86,500	106,914	119,298			
10. TOTAL EXPENSES/SOURCES/USES	1,054,737	1,369,262	1,691,399	886,785	1,153,728	1,422,768	167,952	215,534	268,632
C. NET INCREASE (DECREASE) IN FUND BALANCE	231,518	227,675	86,843	231,519	227,674	86,844	(0)	1	(1)
GENERAL FUND ENDING BALANCE	231,518	459,194	546,037	231,519	459,193	546,037	(0)	0	(0)
Other Assignments - Economic Uncertainties	52,737	64,463	84,370						
Other Assignments - Reserve for Sustainability	178,782	390,730	461,468						
Unassigned / Unappropriated			(0)						
Assumptions:	2018-2019	2019-2020	2020-2021						
Enrollment, ADA, Revenue, Reserves and Other:									
Statutory COLA	2.71%	2.41%	2.80%						
Enrollment (CBEDS)	100.00	100.00	130.00						
P-2 ADA	99.89	119.87	129.86						
P-Annual ADA	99.89	119.87	129.86						
LCFF Rate Per P-2 ADA	\$ 11,878	\$ 12,167	\$ 12,506						
NCLB Grants Per P-2 ADA	\$ 316.05	\$ 316.05	\$ 316.05						
Federal Special Ed Funding per PY Enrollment	\$ 126.00	\$ 126.00	\$ 126.00						
Lottery S/ADA - Unrestricted	\$146.00	\$146.00	\$146.00						
Lottery S/ADA - Restricted	\$48.00	\$48.00	\$48.00						
State Special Ed Funding per P-2 ADA	\$488.00	\$592.00	\$377.00						
Salary Increase - step/colum	2.50%	2.50%	2.50%						
Salary Increase - Salary Schedule	2.00%	2.00%	2.00%						
Economic Uncertainty Reserve	1.00%	1.00%	1.00%						
California CPI	2.22%	3.04%	2.94%						
Certificated Salaries:	2018-2019	2019-2020	2020-2021						
Teachers FTE	5	6	7						
Average Teacher Salary	\$ 58,916	\$ 61,597	\$ 64,399						
Administrator FTE	0.5	0.75	1						
Administrator Salary	\$ 81,032	\$ 84,719	\$ 88,574						
Classified Salaries:									
Paraprofessional Salary	\$ 27,660	\$ 28,918	\$ 30,234						
Paraprofessional FTE	2	3	4						
Clerical Salary	\$ 41,515	\$ 43,404	\$ 45,379						
Clerical FTE	1	1	1						
Benefits:									
State Teachers Retirement	16.280%	18.130%	19.100%						
Medicare	1.450%	1.450%	1.450%						
Annual Health Insurance (Maximum)	\$ 13,800.00	\$ 14,628.00	\$ 15,505.68						
Unemployment Insurance	0.050%	0.050%	0.050%						
Workers' Compensation	1.217%	1.217%	1.217%						
Public Employees Retirement	18.062%	20.000%	22.700%						
Social Security	6.200%	6.200%	6.200%						
Books and Supplies:	2018-2019	2019-2020	2020-2021						
Books and Supplies per P-2 ADA	\$ 1,300.00	\$ 1,339.52	\$ 1,378.90						
Services and Other:	2018-2019	2019-2020	2020-2021						
Travel and Conferences per P-2 ADA	\$ 100.00	\$ 103.04	\$ 106.07						
Dues and Memberships per P-2 ADA	\$ 15.00	\$ 15.46	\$ 15.91						
Insurance per P-2 ADA	\$ 44.00	\$ 45.34	\$ 46.67						
Utilities (Included with Rent) per P-2 ADA	\$ -	\$ -	\$ -						
Annual Rent	\$ 46,320	\$ 47,710	\$ 49,141						
Services and Other per P-2 ADA	\$ 843.00	\$ 868.29	\$ 894.34						
Overhead Fee % of LCFF Revenue	1%	1%	1%						
Communications per P-2 ADA	\$ 60.00	\$ 61.80	\$ 63.65						
Central Office Allocation per Student Enrolled	\$ 865.00	\$ 890.95	\$ 917.68						

Gateway Community Charters 2017-18 Second Interim Combined Projections (General Funds)

								
Revenues								
Revenue Limit Sources	\$ 43,930,104	\$ 5,266,385	\$ 14,877,782	\$ 4,273,245	\$ 9,011,739	\$ 1,920,036	\$ 5,087,026	\$ 3,493,891
Federal Revenue	2,199,874	294,295	705,135	191,246	272,316	125,391	438,936	172,555
Other State Revenue	4,197,689	222,682	1,841,608	201,891	646,642	291,894	557,008	435,964
Other Local Revenue	1,076,786	89,964	248,659	94,135	110,255	44,027	290,918	200,828
Total Revenues	\$ 51,404,453	\$ 5,873,326	\$ 17,671,184	\$ 4,760,517	\$ 10,040,952	\$ 2,381,348	\$ 6,373,888	\$ 4,303,238
Expenditures								
Certificated Salaries	\$ 18,684,035	\$ 2,423,637	\$ 6,152,571	\$ 1,703,345	\$ 4,068,250	\$ 912,493	\$ 2,209,225	\$ 1,214,514
Classified Salaries	6,909,380	660,127	2,753,845	599,964	1,041,644	442,384	779,428	631,988
Employee Benefits	8,151,466	896,225	2,953,776	747,247	1,557,051	422,776	939,778	634,613
Books and Supplies	5,146,107	541,555	1,818,202	465,802	1,331,404	135,645	573,651	279,848
Services and Other Operating Expenses	12,260,944	1,469,864	4,165,627	1,009,871	2,621,571	566,499	1,150,004	1,277,508
Capital Outlay	2,357,341	143,663	1,209,494	71,004	327,168	52,804	395,856	157,352
Other Outgo (excluding Transfers of Indirect Costs)	50,751	-	-	-	-	-	-	50,751
Other Outgo (Transfers of Indirect Costs)	-	-	-	-	-	-	-	-
Total Expenditures	\$ 53,560,024	\$ 6,135,071	\$ 19,053,515	\$ 4,597,233	\$ 10,947,088	\$ 2,532,601	\$ 6,047,942	\$ 4,246,574
Excess (Deficiency) Of Revenues over Expenditures before other Financing Sources and Uses	\$ (2,155,571)	\$ (261,745)	\$ (1,382,331)	\$ 163,284	\$ (906,136)	\$ (151,253)	\$ 325,946	\$ 56,664
Interfund Transfers								
Transfers Out								
Other Sources								
Sources	\$ -							
Uses								
Contributions								
Total other Financing Sources/Uses	\$ -							
Net Increase (Decrease) in Fund Balance	\$ (2,155,571)	\$ (261,745)	\$ (1,382,331)	\$ 163,284	\$ (906,136)	\$ (151,253)	\$ 325,946	\$ 56,664
Fund Balance, Reserves								
Beginning Fund Balance								
As of July 1 - Unaudited	\$ 27,718,663	\$ 2,963,153	\$ 8,392,261	\$ 8,445,877	\$ 4,986,531	\$ 1,542,851	\$ 1,071,255	\$ 316,735
Audit Adjustments	29,871	3,476	12,264	3,217	6,817	1,944	1,445	708
As of July 1 Audited	27,748,534	2,966,629	8,404,525	8,449,094	4,993,348	1,544,795	1,072,700	317,443
Other Restatements	-	-	-	-	-	-	-	-
Adjust Beginning Balance	27,748,534	2,966,629	8,404,525	8,449,094	4,993,348	1,544,795	1,072,700	317,443
Ending Balance, June 30	\$ 25,592,963	\$ 2,704,884	\$ 7,022,194	\$ 8,612,378	\$ 4,087,212	\$ 1,393,542	\$ 1,398,646	\$ 374,107
Fund Balance, Reserves								
Nonspendable								
Revolving Cash	\$ 1,142							\$ 1,142
Prepaid Expenditures	51,130							51,130
Total Nonspendable	\$ 52,272	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,272
Restricted	\$ 4,601	\$ 3,533	\$ -	\$ -	\$ -	\$ -	\$ -	1,068
Committed								
Facility Acquisition and Maintenance	\$ 15,587,861	\$ 2,048,132	\$ 5,708,056	\$ 6,705,761	\$ -	\$ 1,125,912	\$ -	\$ -
Investment Loss Mitigation	-	-	-	-	-	-	-	-
Total Other Commitments	\$ 15,587,861	\$ 2,048,132	\$ 5,708,056	\$ 6,705,761	\$ -	\$ 1,125,912	\$ -	\$ -
Assignments								
Deferred Revenue Reserve	\$ 1,406,418	\$ 200,000	\$ 739,000	\$ 151,418	\$ 175,000	\$ 141,000	\$ -	\$ -
Reserve for Sustainability	4,546,894	150,000	-	1,535,000	1,722,731	-	1,030,728	108,435
Facility Acquisition and Maintenance	1,768,127	-	-	-	1,842,127	-	126,000	-
Total Other Assignments	\$ 7,721,439	\$ 350,000	\$ 739,000	\$ 1,686,418	\$ 3,539,858	\$ 141,000	\$ 1,156,728	\$ 108,435
Unassigned/unappropriated								
Reserve for Economic Uncertainties	\$ 2,190,477	\$ 306,752	\$ 571,605	\$ 183,889	\$ 547,354	\$ 126,630	\$ 241,918	\$ 212,329
Unassigned/Unappropriated Amount	\$ 36,313	\$ -	\$ -	\$ 36,310	\$ -	\$ -	\$ -	\$ 3

Gateway Community Charters 2018-19 Fiscal Year Combined Adopted Budget (Building Funds)

	TOTAL	Futures High	Higher Learning Academy
Revenues			
Revenue Limit Sources	\$ -		
Federal Revenue	-		
Other State Revenue	-		
Other Local Revenue	5,000	5,000	
Total Revenues	\$ 5,000	\$ 5,000	\$ -
Expenditures			
Certificated Salaries	\$ -		
Classified Salaries	-		
Employee Benefits	-		
Books and Supplies	-		
Services and Other Operating Expenses	45,606	45,606	
Capital Outlay	6,805,020	6,805,020	
Other Outgo (excluding Transfers of Indirect Costs)	-		
Other Outgo (Transfers of Indirect Costs)	-		
Total Expenditures	\$ 6,850,626	\$ 6,850,626	\$ -
Excess (Deficiency) Of Revenues over Expenditures before other Financing Sources and Uses			
	\$ (6,845,626)	\$ (6,845,626)	\$ -
Interfund Transfers			
Transfers In	\$ 4,190,184	\$ 4,190,184	
Transfers Out	\$ -		
Other Sources / Uses			
Sources	\$ -		
Uses	\$ -		
Contributions	\$ -		
Total other Financing Sources/Uses	-		
Net Increase (Decrease) in Fund Balance	\$ (2,655,442)	\$ (2,655,442)	\$ -
Fund Balance, Reserves			
Beginning Fund Balance			
As of July 1 - Unaudited	\$ 2,655,442	\$ 2,655,442	
Audit Adjustments			
As of July 1 Audited	\$ 2,655,442	\$ 2,655,442	\$ -
Other Restatements			
Adjust Beginning Balance	\$ 2,655,442	\$ 2,655,442	\$ -
Ending Balance, June 30	\$ -	\$ -	\$ -
Fund Balance, Reserves			
Restricted	\$ -	\$ -	\$ -
Committed			
Facility Acquisition and Maintenance	\$ -		
Investment Loss Mitigation	-		
Total Other Commitments	\$ -	\$ -	\$ -
Assignments			
Deferred Revenue Reserve	\$ -		
Reserve for Sustainability	-		
Facility Acquisition and Maintenance	-		
Total Other Assignments	\$ -	\$ -	\$ -
Unassigned/unappropriated			
Reserve for Economic Uncertainties	\$ -		
Unassigned/Unappropriated Amount	\$ -	\$ -	\$ -

COMMERCIAL LEASE AGREEMENT

Date (For reference only): _____

Wind Youth Services ("Landlord") and
Gateway Community Charter ("Tenant") agree as follows:

1. **PROPERTY:** Landlord rents to Tenant and Tenant rents from Landlord, the real property and improvements described as: That certain portions of 815 S Street, Sacramento, CA, described in Exhibit A ("Premises").

2. **TERM:** The term begins on (date) July 1, 2018 ("Commencement Date"), Lease: and shall terminate on (date) June 30, 2019 at 12 AM PM. Any holding over after the term of this agreement expires, with Landlord's consent, shall create a month-to-month tenancy that either party may terminate by giving written notice to the other at least 30 days prior to the intended termination date. Rent shall be at a rate equal to the rent for the immediately preceding month, payable in advance. All other terms and conditions of this agreement shall remain in full force and effect.

3. BASE RENT:

- A. Tenant agrees to pay Base Rent at the rate of (1) \$3,850 per month, for the term of the agreement.
- B. Base Rent is payable in advance on the 1st (or) day of each calendar month, and is delinquent on the next day.
- C. If the Commencement Date falls on any day other than the first day of the month, Base Rent for the first calendar month shall be prorated based on a 30-day period. If Tenant has paid one full month's Base Rent in advance of Commencement Date, Base Rent for the second calendar month shall be prorated based on a 30-day period.

4. RENT:

- A. Definition: ("Rent") shall mean all monetary obligations of Tenant to Landlord under the terms of this agreement, except security deposit.
- B. Payment: Rent shall be paid to Wind Youth Services at 8001 Folsom Blvd, Sacramento, CA 95826.
- C. Timing: Base Rent shall be paid as specified in paragraph 3. All other Rent shall be paid within 30 days after Tenant is billed by Landlord.

5. SECURITY DEPOSIT:

- A. Tenant agrees to pay Landlord \$0 as a security deposit. If Base Rent increases during the term of this agreement, Tenant agrees to increase security deposit by the same proportion as the increase in Base Rent.
- B. All or any portion of the security deposit may be used, as reasonably necessary, to: (i) cure Tenant's default in payment of Rent, late charges, non-sufficient funds ("NSF") fees, or other sums due; (ii) repair damage, excluding ordinary wear and tear, caused by Tenant or by a guest or licensee of Tenant; (iii) broom clean the Premises, if necessary, upon termination of tenancy; and (iv) cover any other unfulfilled obligation of Tenant. **SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH'S RENT.** If all or any portion of the security deposit is used during tenancy, Tenant agrees to reinstate the total security deposit within 5 days after written notice is delivered to Tenant. Within 30 days after Landlord receives possession of the Premises, Landlord shall: (i) furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its disposition, and (ii) return any remaining portion of security deposit to Tenant. However, if the Landlord's only claim upon the security deposit is for unpaid Rent, then the remaining portion of the security deposit, after deduction of unpaid Rent, shall be returned within 14 days after the Landlord receives possession.
- C. No interest will be paid on security deposit, unless required by local ordinance.

6. PAYMENTS:

	<u>TOTAL DUE</u>	<u>PAYMENT RECEIVED</u>	<u>BALANCE DUE</u>	<u>DUE DATE</u>
A. Rent: From _____ To _____ Date Date	\$ _____	\$ _____	\$ _____	_____
B. Security Deposit	\$ _____	\$ _____	\$ _____	_____
C. Other: _____ Category	\$ _____	\$ _____	\$ _____	_____
D. Other: _____ Category	\$ _____	\$ _____	\$ _____	_____
E. Total:	\$ _____	\$ _____	\$ _____	

7. **PARKING:** Tenant is entitled to 0 unreserved and 2 reserved vehicle parking spaces. The right to parking is included in the Base Rent charged pursuant to paragraph 3. Parking space(s) are to be used for parking operable motor vehicles, except for trailers, boats, campers, buses or trucks (other than pick-up trucks). Tenant shall park in assigned space(s) only as indicated in Exhibit B. Parking space(s) are to be kept clean. Vehicles leaking oil, gas or other motor vehicle fluids shall not be parked in parking spaces or on the Premises. Mechanical work or storage of inoperable vehicles is not allowed in parking space(s) or elsewhere on the Premises. No overnight parking is permitted.

8. **LATE CHARGE; INTEREST; NSF CHECKS:** Tenant acknowledges that either late payment of Rent or issuance of a NSF check may cause Landlord to incur costs and expenses, the exact amount of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on Landlord. If any installment of Rent due from Tenant is not received by Landlord within 5 calendar days after date due, or if a check is returned NSF, Tenant shall pay to Landlord, respectively, \$35 as late charge, plus 10% interest per annum on the delinquent amount and \$25.00 as a NSF fee, any of which shall be deemed additional Rent. Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the costs Landlord may incur by