

Orange County Educational Arts Academy
A California Public Charter School

BOARD OF DIRECTORS
MEETING AGENDA

Regular Meeting

December 14, 2022

6:30 p.m. – Closed Session

7:00 p.m. – Open Session

Teleconference

Zoom Meeting: <https://bit.ly/33DU6Mz>

Meeting ID: 998 0701 0685

Password: oceaaboard

Reference Materials: <https://bit.ly/3VGP5vZ>

MINUTES

I. Call to Order: 7:01

A. Roll Call

Board Members

Dr. Alfonso Bustamante

Valerie Sullivan

Scott Overpeck, Chair

Ben Stanphill, Secretary

Boris Molina

Carmen Aparicio

Jessica Reyes

Staff/Other

Pedro Llorente, School Director

Rocio Cervantes, Controller

Mike Limon, President/Executive Director

Present

Absent

X

X

X

X

X

X

X

X

X

X

B. Approval of Agenda

II. Approve OCEAA Board Meeting Delivery to Virtual Platform

The Charter School Board of Directors determines, in accordance with Government Code Section 54953(e)(1)(B), that meeting in person would present imminent risks to the health or safety of attendees. Pursuant to Government Code Section 54953(e)(3), the Board has also reconsidered the circumstances of the State of Emergency declared by the Governor on March 4, 2020, and finds the State of Emergency continues to directly impact the ability of the Directors to meet safely in person and/or that State or local officials continue to impose or recommend measures to promote social distancing.

Action: Approve Virtual Meeting	Motion: BS Second: JF
	Vote: BM, BS, JR, SO, CA for 0 against

III. Public Comment on Closed Session Items, If Any

Opportunity for members of the public to address the Board on closed session items

IV. Adjourn to Closed Session

- A. Conference with Legal Counsel – Existing Litigation, §54956.9
Case No. 30-2019-01069196-CU-MC-WJC
- B. Staff Evaluations/Discipline/Privacy or Other Confidential Issues (Gov. Code Section 54957(b))

V. Reconvene to Open Session and Report of Action from Closed Session, If Any

With respect to the Closed Session Agenda item of September 21, 2022, pursuant to Paragraphs (2) to (5) of Subdivision (D) (E) of Government Code Section 54956.9,

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION, *NOVA Academy, et al. v. Santa Ana Unified School District*, Orange County Superior Court Case No. 30-2019-01069196-CU-MC-WJC, the Board voted to authorize settlement of the lawsuit and for legal counsel to negotiate the finalized settlement agreement and for the Executive Director to sign the formal settlement agreement with the District.

The Board voted as follows: In favor of the motions: Ben Stanphill, Jessica Reyes, Boris Molina, Carmen Aparicio, Scott Overpeck, Valerie Sullivan;
Opposed to the motions: None;
Abstaining from voting on the motions: None

VI. Public Comment

Opportunity for members of the public to address the Board on agenda items and/or on non-agenda items during regular meetings only

VII. Board and Staff Reports

- A. Staff Reports
 - 1. Executive Director – Mike Limon
 - (a) California Community Schools Partnership Program Grant

Opportunity

- 2. School Director – Pedro Llorente
 - (a) Proposed Reclassification Criteria for English Learners
- B. Operations Report –Rocio Cervantes
- C. Board of Directors Report
 - 1. Budget Committee – Carmen Aparicio

VIII. Items for Consent

Action on the items below will be made in one motion unless removed from Consent by a Board member. Items removed from Consent will be considered in the original agenda order immediately following action on Consent.

- A. Approval of Minutes from November 2022 Board Meeting
- B. Ratification of October 2022 Check Register

Action: Approve Consent Items Listed Above	Motion: _____ Second: _____
	Vote: _____ for _____ against

IX. Review and Approve 2021-2022 Annual Financial Audit

Action: Approve 2021-22 Financial audit	Motion: SO Second: BS
	Vote: BS, BM, JR, SO, CA for 0 against

X. Approve 2022-2023 First Interim Budget Submission

Action: Approve 2022-2023 First Interim Budget Submission	Motion: SO Second: CA
	Vote: BS, BM, JR, SO, CA for 0 against

XI. Review and Approve Arts, Music, and Instructional Materials Discretionary Block Grant: \$338,780 Plan

Action: Approve Block Grant \$338,780 Plan	Motion: BS Second: JR
	Vote: BS, BM, JR, SO, CA for 0 against

XII. Items for Future Meetings

The next regularly scheduled meeting is on January 11, 2023.

XIII. Adjournment

The meeting was adjourned at 8:40 PM.



December 14, 2022 Executive Director Board Report

Staffing: Current Openings

- 2 for Nutritional Services
- 2 for KEDS
- 1 Speech Pathologist (currently contracting out, same as prior years)
- 1 SLA Aide
- 1 HR/Accounting Aide
- 1 PT Ed. Specialist due to increased caseload



Enrollment, Waitlist and Planning Ahead

Current Enrollment:

- Currently at 610 enrolled

Waitlist:

- 55 students

23/24 Prospective Family Overview Sessions:

- Dates: 12/2 (hosted), 1/11, 2/3, 3/15
- Time Slots: 9:00-10:10am English, 10:15-11:30am Spanish
- Lottery date: March 17, 2023
- Website updated: <https://oceaa.org/enrollment/>
- New OCEAA Colleague: Joselyn Monrroy @ jmonrroy@oceaa.org



The California Community Schools Partnership Act is an equity driven initiative that **prioritizes** schools whose unduplicated count exceeds 80 percent of the overall enrolled student body:

Award Amount up to \$200,000; application due Dec 20th

A Qualifying Entity is an entity that is any of the following:

1. **An LEA** or a consortium that meets **any** of the following criteria, as applied to the entire population of pupils enrolled in the LEA or consortium:

- **Fifty percent or more of the enrolled pupils at the LEA or the consortium are unduplicated pupils.**
- The LEA or the consortium has higher than state average dropout rates.
- The LEA or the consortium has higher than state average rates of suspension and expulsion.
- The LEA or the consortium has higher than state average rates of child homelessness, foster youth, or justice-involved youth.

2. An LEA or consortium, on behalf of one or more schools within the LEA or consortium that satisfy any of the criteria listed above.

Vision: Hire an employee for two years to be a parent liaison to organize parent trainings and be a point of contact of family resources.

Only if we get a grant awarded.



California Community Schools Partnership Program Grant

- **Covid-19 Reported Cases to date:**
 - Students: 27
 - Staff: 11
- **Committee Updates:**
 - Safety: Fire Evacuation/ Drill will be in Jan 2023
 - PA System: Orange Crew has a few bids in the works and there is a grant opportunity but that would be announced in June
 - School Coordinating Council: 3 so far, discuss funding, accountability and recommendations for final board approvals (thank you members!)
 - Wellness Committee: First meeting will be 1/19/23 3:30pm-4:30pm, new holistic approach, looking for a board member to join.
 - Budget: Have met 3 times so far, and have engaged our partner to come up with a few concepts for the credentialed employee compensation plan.
- **OCEAA Staff Holiday Dinner** - Friday, Dec 16th, 5:30pm @ The Green Parrot



Operations Updates



California
Charter Schools
Association



**Santa Charter leaders Convening- Meet and Greet with OCDE
(Orange County Dept of Education) Trustee Area 1 Board member George Valdes**

FREE HOLIDAY GIFT

PROVIDED BY SUPPORTERS OF FSO



FSO

**TICKET IS NON-TRANSFERABLE
AND FOR OCEAA STUDENTS ONLY**

PLEASE PRESENT THIS TICKET IN EXCHANGE FOR A GIFT
GIFTS SUBJECT TO AVAILABILITY AND WHILE SUPPLIES LAST



HOLIDAY GIFT

JANUARY 7, 2023
825 N. BROADWAY,
SANTA ANA, CA 92701

GIFT PICK UP ACCORDING
TO LAST NAME

FIRST COME, FIRST SERVED

A-G | 9AM-10AM
H-M | 10AM - 11AM
N-S | 11AM-12PM
T-Z | 12PM-1PM

DIA DE REYES

FOR SANTA ANA TEENS (AGES 12-17)

BENEFITING:



SATURDAY, JANUARY 7, 2023

9:30AM - 12:30PM

AT OCEAA PARKING LOT

825 N BROADWAY, SANTA ANA, CA 92701

- Mental health workshops for Parents
- Gifts for teens (12-17 years old)*
- Light refreshments*

*while supplies last

REGISTER [HERE](#)



Brought to you by:

DCO Lawncare



Delhi Center



Concept for Expanded Learning Opportunities

Pacific Symphony's Class Act Program



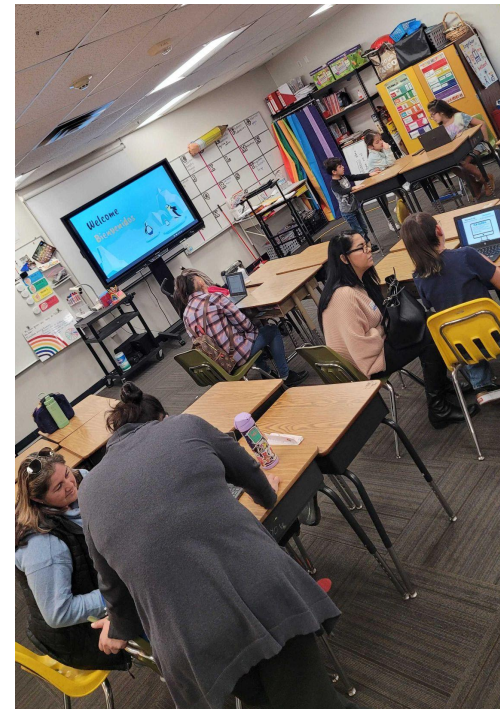
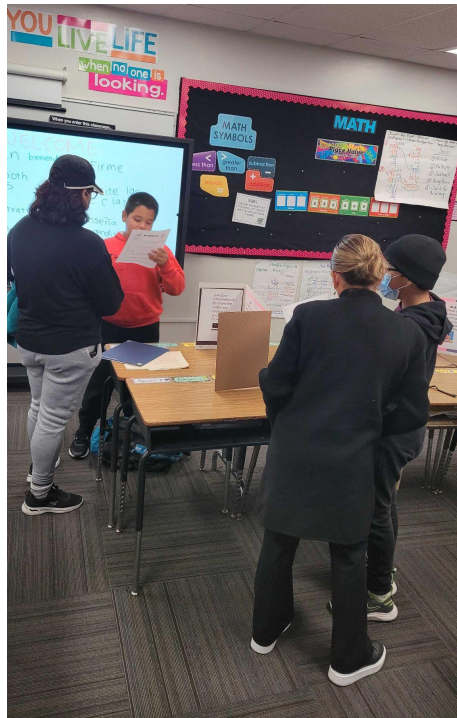
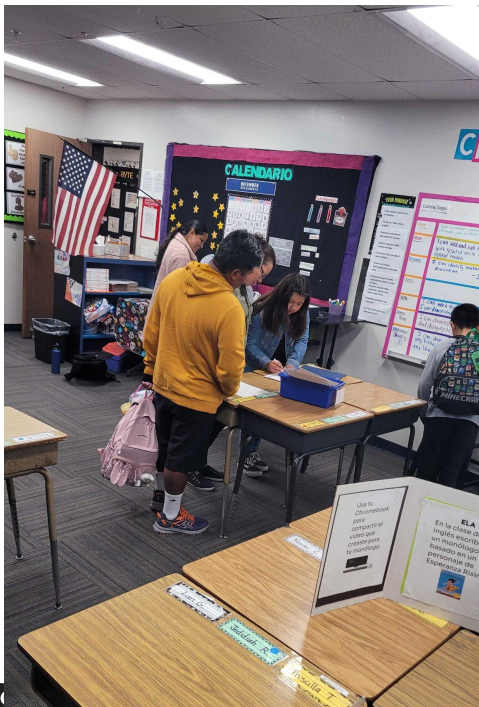
[More Information](#)

[OCEAA Schedule](#)



Gabby & Monica

Student-Led Conferences (SLCs) Updates



Q&A



School Director Board Update

December 14, 2022

Presented by

Pedro Llorente

LCAP Goal 1: *OCEAA ensures student access to qualified teachers, Special Education, a broad course of study, facilities in good standing, standards-aligned instructional materials, technology and physical wellness that supports their success.*

❖ Academic Leadership Team Update:

- Student-Led Conferences
- Middle School staffing update
- Learning Walks ongoing in “What I Need” Time
- Planning for January 5th and 6th PD with Sarah Purdy of EL Education
- Linda Hardman Greene, Monica Bennett Gee, and Pedro Llorente are vetting phonemic awareness and phonics programs to integrate in Academic English Language Development (AELD) lessons

❖ MTSS:

- Looking at STAR data as baseline, grade level. What is it telling us? What do teachers need?

LCAP Goal 2: *OCEAA teachers effectively use data, student engaged assessment, and language acquisition strategies to ensure students achieve academic excellence in Spanish and English.*

❖ Assessment & Intervention Coordinator Report

➤ Interventions

- Readjusting the Literacy intervention now that we have a second paraeducator

➤ Assessments

- STAR Math (1st-3rd Span, 4th-8th Eng)
 - First grade - 82.6% of the 63 students tested are above the 50th percentile
 - Second grade - 62.2% of the 80 students tested are above the 50th percentile
 - Third grade - 67.6% of the 68 students tested are above the 50th percentile
 - Fourth grade - 39.2% of the 74 students tested are above the 50th percentile
 - Fifth grade - 56% of the 66 students tested are above the 50th percentile
 - Sixth grade - 44.6% of the 56 students tested are above the 50th percentile
 - Seventh grade - 40% of the 30 students tested are above the 50th percentile
 - Eighth grade - 23.3% of the 30 students tested are above the 50th percentile
- STAR Reading
 - Third grade - 40% of the 70 students tested are above the 50th percentile
 - Fourth grade - 36.5% of the 74 students tested are above the 50th percentile
 - Fifth grade - 38.3% of the 73 students tested are above the 50th percentile

- Sixth grade - 47.6% of the 61 students tested are above the 50th percentile
- Seventh grade - 18.2% of the 33 students tested are above the 50th percentile
- Eighth grade - 20% of the 30 students tested are above the 50th percentile
- **STAR Spanish**
 - First grade - 54.2% of the 48 students tested are above the 50th percentile
 - Second grade - 53.9% of the 78 students tested are above the 50th percentile
 - Third grade - 52.3% of the 67 students tested are above the 50th percentile
 - Fourth grade - 41.9% of the 74 students tested are above the 50th percentile
 - Fifth grade - 45.2% of the 73 students tested are above the 50th percentile
 - Sixth grade - 41% of the 61 students tested are above the 50th percentile
 - Seventh grade - 54.3% of the 35 students tested are above the 50th percentile
 - Eighth grade - 50% of the 30 students tested are above the 50th percentile

❖ **EL Coordinator Report:**

- ❖ Ellevation platform
 - One more training on compliance documents for D. Gómez, E. Bausman, P. Lorente and M. Bennett Gee began this morning outstanding
- ❖ Proposal for Revision of Reclassifications Criteria:
 - [Slides](#)
 - [One-Pager](#)

LCAP Goal 3: *All OCEAA students create complex, authentic work that demonstrates a high level of craftsmanship.*

❖ **Dual Language Immersion Curriculum & Instruction Coordinator Update:**

- The next High-Quality Work PD is on 1/5/23 and will cover the development of standards-based rubrics across content areas for the culminating product of each grade's Case Study.
- Case Studies have begun in 2nd, 3rd, 5th, and 6th grades and will begin in February in Kinder and 1st, and in 4th grade in February.

LCAP Goal 4: *All OCEAA students develop strong character and crew spirit to become effective learners, ethical people and culturally competent leaders who contribute to a better world.*

❖ **School Culture and Character Coordinator update:**

- Crew Theory of Action will lead OCEAA's school character and culture work for the school year
 - TK - 8 crew scope and sequence lessons begin with goal setting
 - Jocelyn Vargas working with Sarah Purdy to create Crew Case Studies to be implemented in T3 in all grade levels
- Restorative Circles - 8
- Behavior SST - 3 SST's, 1 will be exiting, 1 will continue, 1 just began
- Teacher Support for Behavior Concerns: 6 teachers
- Training Opportunities

- Upcoming recalibration training for all staff scheduled for 1/5 and 1/6 PD centered around tips for
- Panorama Survey
 - Second survey in progress for TK - 2
 - Grades 3 - 8 will take second survey after winter break
- Habits of Character Recognitions: scheduled for November 17th/18th
- Student Leadership Team
 - Students will help lead their first assembly 11/17 and 11/18
 - Students preparing to support with Winterfest and Literacy Night

LCAP Goal 5: OCEAA staff engage families in the life of the school, developing strong partnerships that support the well being of students and prepare them for entering a college preparatory high school program.

❖ **School Culture and Character Coordinator update:**

- Program offerings -
 - Museum of Tolerance Field Work for Middle School Crew
 -
 - Literacy Night
 -

❖ **EL Coordinator Report:**

- ELAC Meeting on [December 6, 2022](#) covered:
 - [OCEAA Dual Language English Learner Master Plan](#), Monica Bennett Gee
 - [Updates on the Local Control and Accountability Plan \(LCAP\)](#), Mike Limón y Pedro Llorente
 - [Services available to OCEAA Students](#), Pedro Llorente
- Next ELAC Meeting on February 9, 2023

❖ **Counseling Corner**

- Staff Student Referrals: Around 20 teacher referrals.
- Student Self Referrals/Walk -ins: More than 200 visits.
- CA Healthy Youth Act (Sexual Health Education) Instruction 4 meetings

Attendance

Orange County Educational Arts Academy
08/10/2022 to 10/12/2022 = 44 school days

Grade Level	Carry Fwd	Gain	Mult Gain	Loss	Ending	Actual Days	OffTrack	Days N/E	Days Absent	Days Attd	ADA	ADA %
-1	0	22	0	0	22	968	0	0	72.00	877.00	19.93	90.60%
0	1	90	1	3	88	3960	0	91	335.00	3324.00	75.55	85.91%
Subtotal	1	112	1	3	110	4928	0	91	407.00	4201.00	95.48	86.85%
1	0	77	0	1	76	3388	0	62	189.00	3009.00	68.39	90.47%
2	0	82	0	0	82	3608	0	0	169.00	3275.00	74.43	90.77%
3	0	72	0	0	72	3168	0	17	159.00	2783.00	63.25	88.32%
Subtotal	0	231	0	1	230	10164	0	79	517.00	9067.00	206.07	89.91%
4	0	74	0	0	74	3256	0	0	150.00	2946.00	66.95	90.48%
5	0	75	0	2	73	3300	0	84	111.00	2969.00	67.48	92.32%
6	0	62	0	1	61	2728	0	35	130.00	2443.00	55.52	90.72%
Subtotal	0	211	0	3	208	9284	0	119	391.00	8358.00	189.95	91.19%
7	0	35	0	0	35	1540	0	0	100.00	1340.00	30.45	87.01%
8	0	30	0	0	30	1320	0	0	81.00	1136.00	25.82	86.06%
Subtotal	0	65	0	0	65	2860	0	0	181.00	2476.00	56.27	86.57%
Grand Total	1	619	1	7	613	27236	0	289	1496.00	24102.00	547.77	89.44%

August/September/ October attendance rate is 89.44%

DRAFT Proposed Reclassification Criteria Revised in December 2022

DRAFT Presented for Board Approval by Monica Bennett Gee
On December 14, 2022



What Does it Mean to “Reclassify”?

- Identification as an “English Learner” is retired
- Student does on record with the state as “Reclassified Fluent English Proficient” (RFEP)
- Extra English-language supports (including ELD classes) are halted
- Student’s academic progress continues to be monitored for 4 years



We consider various measures in identifying whether an English Learner is ready to reclassify.



California State Requirements for Reclassification

1. English Language Proficiency Assessments for California (ELPAC)
(Overall Performance Level of 4)
2. Evidence of English proficiency comparable to that of native English speakers of the same age
(No guidance on the measures to be considered)
3. Teacher recommendation
4. Consultation with parent/guardian



PRIOR CRITERIA for Reclassification at OCEAA

1. English Language Proficiency Assessments for California (ELPAC) (Overall Performance Level of 4)
2. Evidence of English proficiency comparable to that of native English speakers of the same age
 - a. CAASPP (3-4* in ELA)
 - b. Trimester Report Card (3-4's in ELA)
 - c. Grade-Level Writing Sample (3-4)
 - d. Reading Test (3-4)
3. Teacher recommendation
4. Consultation with parent/guardian



NEWLY **PROPOSED** CRITERIA for Reclassification at OCEAA (Dec. 2022)

1. English Language Proficiency Assessments for California (ELPAC) (Overall Performance Level of 4)
2. Evidence of English proficiency comparable to that of native English speakers of the same age by demonstrating **two of more of the following**
 - a. Proficient (3) or advanced (4) trimester grades **in four or more** of the domains of English Language Arts and **English Language Development** and no Below (1) in these domains
 - b. Standard Met (3) or Above Standard (4) score on CAASPP ELA*
 - c. Proficient (3) or advanced (4) score on a grade-Level Writing Sample in English
 - d. Reading at or above grade level in English as measured by **Star Reading Test** or Developmental Reading Assessment (DRA)
3. Teacher recommendation
4. Consultation with parent/guardian



It is most common for students to demonstrate these competencies in 3rd-8th grades.

Based on our 90/10 dual immersion model, it is rare for students in kindergarten to 2nd grade to demonstrate these proficiencies.



English Language Proficiency Assessments for California (ELPAC)

Overall Score



Fort's overall score is Level 3. More information on Fort's score is provided on page 2.

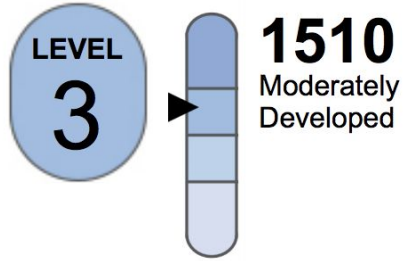


Overall Performance Level Score: 4

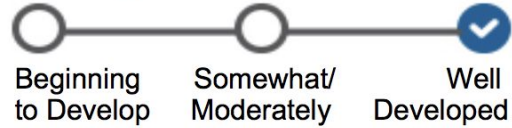
English Language Proficiency Assessments for California (ELPAC)

Oral Language

The Oral Language Score includes Listening and Speaking.



Listening

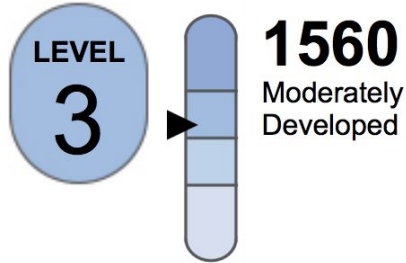


Speaking



Written Language

The Written Language Score includes Reading and Writing.



Reading



Writing



2. Evidence of English proficiency comparable to that of native English speakers of the same age



Most Recent Trimester Progress Report

Score of Proficient (3) or Advanced (4) in **at least four of the domains** of the English Language Arts and English Language Development:

- Reading - Literature/Informative Text
- Reading - Foundational Skills
- Language
- Writing
- Speaking and Listening
- English Language Development

And no scores of Below 1 in any of the domains above.



California Assessment of Student Performance and Progress (CAASPP)

Sophia's Overall
ELA Level for 2020–21



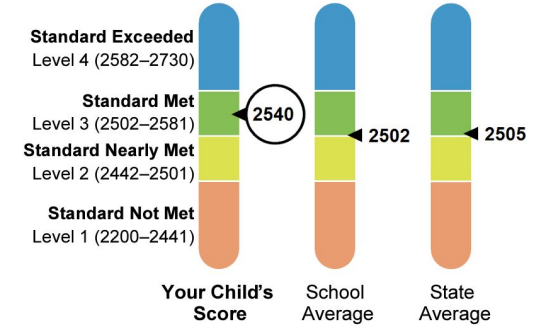
LEVEL 3 Standard Met





English Language Arts/Literacy (ELA)

LEVEL
3

Standard Met

Sophia met the grade five standard for ELA.



 <p>Reading: How well does your child understand written stories and information?</p>	<input checked="" type="checkbox"/> Below Standard <input type="checkbox"/> Near Standard <input type="checkbox"/> Above Standard
 <p>Writing: How well does your child communicate in writing?</p>	<input checked="" type="checkbox"/> Below Standard <input type="checkbox"/> Near Standard <input type="checkbox"/> Above Standard
 <p>Listening: How well does your child understand spoken information?</p>	<input type="checkbox"/> Below Standard <input checked="" type="checkbox"/> Near Standard <input type="checkbox"/> Above Standard
 <p>Research/Inquiry: How well can your child find and present information about a topic?</p>	<input type="checkbox"/> Below Standard <input checked="" type="checkbox"/> Near Standard <input type="checkbox"/> Above Standard



English Language Arts Performance Level Score: 3 or 4

*** Students who have an Individualized Education Plan (IEP)**

While a student who has an IEP has the same requirements to reclassify as a student who does not have an IEP, to fluently read, write, understand and speak English, we take into account that a student who has an IEP has a special need. Therefore, for these students, a scaled score of 2 (Approaching Proficiency) in the ELA section of the CAASPP can be considered for reclassification.



NOTE: This is specific to OCEAA.

**Proficient (3) or Advanced (4) Scores
in Writing (content) and
Language (conventions of spelling and grammar)
on a Grade-Level Writing Sample in English**



**Reading at or above grade-level
as measured by the Star Reading Test
or the Developmental Reading Assessment (DRA)**



3. Teacher recommendation

4. Consultation with parent/guardian



BORRADOR de Criterios para reclasificación propuestos en diciembre 2022

BORRADOR Presentado para aprobación de la Junta por Monica Bennett Gee
El 14 de diciembre del 2022



¿Qué significa “reclasificarse”?

- Identificación como “Aprendiz de inglés” se retira
- Alumno se registra con el estado como Reclasificado con fluidez en inglés (*Reclassified Fluent English Proficient*; RFEP)
- Se retira el apoyo adicional en inglés (incluyendo las clases de ELD)
- Se sigue monitoreando el progreso académico del estudiante durante los próximos 4 años



Para identificar cuáles aprendices de inglés están listos para reclasificarse, vemos varias medidas.



Los requisitos del estado para reclasificarse

1. Las pruebas de suficiencia en el idioma inglés de California (ELPAC) (Nivel de desempeño general de 4)
2. Evidencia de proficiencia en inglés igual a la de hablantes nativos de la misma edad

(No hay orientación sobre las medidas a considerar)

3. Recomendación de la/el maestra/o
4. Consulta con el padre/tutor

Los criterios para reclasificarse en OCEAA

PREVIAMENTE

1. Las pruebas de suficiencia en el idioma inglés de California (ELPAC) (Nivel de desempeño general de 4)
2. Evidencia de proficiencia en inglés igual a la de hablantes nativos de la misma edad
 - a. CAASPP (3-4* en ELA)
 - b. Boletín de progreso (3-4 en ELA)
 - c. Muestra de escritura a nivel del grado (3-4)
 - d. Prueba de lectura (3-4)
3. Recomendación de la maestra
4. Consulta con el padre/tutor



Los criterios para reclasificarse en OCEAA **PROPUESTA** en diciembre del 2022

1. Las pruebas de suficiencia en el idioma inglés de California (ELPAC) (Nivel de desempeño general de 4)
2. Evidencia de proficiencia en inglés igual a la de hablantes nativos de la misma edad con **dos o más de los siguientes**
 - a. Calificaciones trimestrales Alcanza (3) o Supera (4) **en cuatro o más y ningún Por debajo (1)** en los dominios de Artes del lenguaje inglés (ELA) y **Desarrollo del idioma inglés (ELD)**
 - b. Puntaje Norma lograda (3) o Sobre la norma (4) en CAASPP ELA *
 - c. Puntaje Alcanza (3) o Supera (4) en una muestra de escritura de nivel de grado en inglés
 - d. Lectura a nivel de grado o superior en inglés según lo medido por **Star Reading Test** o Developmental Reading Assessment (DRA)
3. Recomendación de la maestra
4. Consulta con el padre/tutor



Es más común que los alumnos demuestren su competencia dentro de estos requisitos cuando llegan a los grados superiores (3ero-8vo).

Por cuestiones del modelo 90-10 de doble inmersión, es menos común que los alumnos en los grados primarios (por debajo de 3er grado) lleguen a demostrar estas proficiencias.



Las pruebas de suficiencia en el idioma inglés de California (ELPAC)

Puntuación global



1550

Moderadamente
desarrollado

El puntaje global de Fort es de nivel 3. En la página 2 se proporciona más información sobre el puntaje de Fort.



Nivel de rendimiento general: 4

Las pruebas de suficiencia en el idioma inglés de California (ELPAC)

Expresión oral

El puntaje de expresión oral incluye comprensión auditiva y producción oral.

NIVEL
4

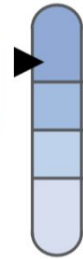


1690
Bien desarrollado

Expresión escrita

El puntaje de expresión escrita incluye lectura y escritura.

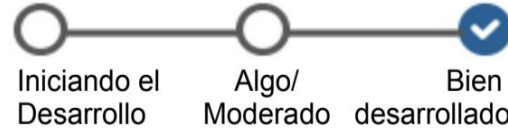
NIVEL
4



1624
Bien desarrollado



Comprensión auditiva



Iniciando el Desarrollo Algo/Moderado Bien desarrollado



Producción oral



Iniciando el Desarrollo Algo/Moderado Bien desarrollado



Lectura



Iniciando el Desarrollo Algo/Moderado Bien desarrollado



Escritura



Iniciando el Desarrollo Algo/Moderado Bien desarrollado

2. Evidencia de proficiencia en inglés igual a la de hablantes nativos de la misma edad



Boletín de progreso de OCEAA más reciente

Calificación Alcanza (3) o Supera (4) **en por lo menos cuatro de los dominios** de Artes del lenguaje en inglés (ELA) y Desarrollo del idioma inglés (ELD) y **ningún Por debajo (1)** en:

- Lectura - Literatura/texto informativo
- Lectura - Destrezas fundamentales
- Lenguaje
- Escritura y redacción
- Audición y expresión oral
- Desarrollo del idioma inglés (ELD)



Pruebas de Aprovechamiento y Progreso Académico de los Estudiantes de California (CAASPP)

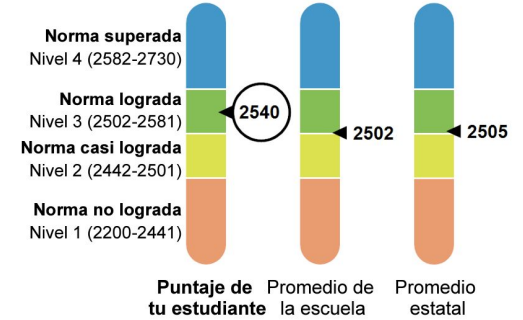
Nivel global de Artes del lenguaje de inglés (ELA, por sus siglas en inglés) de Sophia del 2020-21

NIVEL
3 Norma lograda

Artes del lenguaje de inglés y la lectoescritura (ELA, por sus siglas en inglés)

NIVEL
3 Norma lograda

Sophia logró la norma del grado quinto para Artes del lenguaje de inglés (ELA, por sus siglas en inglés).



Rendimiento del área de Artes del lenguaje de inglés (ELA, por sus siglas en inglés)



Lectura: ¿Qué tan bien puede tu estudiante comprender historias escritas e información?



Escritura: ¿Qué tan bien puede tu estudiante comunicarse por escrito?



Comprensión auditiva: ¿Qué tan bien puede tu estudiante comprender la información hablada?



Investigación/Exploración: ¿Qué tan bien puede tu estudiante encontrar y presentar información sobre un tema?



Nivel de rendimiento de Artes de lenguaje en inglés: 3 o 4

*** Estudiantes que tienen Planes Educativos Individualizados (IEP)**

Mientras la meta de reclasificar estudiantes que tienen un IEP es igual a los que no tienen un IEP, leer, escribir, hablar y entender inglés con fluidez, tomamos en cuenta que estos alumnos tienen necesidades especiales. Por lo tanto, para estos alumnos, un nivel de 2 (acercándose a la proficiencia) en la prueba CAASPP se puede considerar para reclasificación.



Ojo: Este criterio es específico a OCEAA.

**Muestra de escritura en inglés de nivel del grado
con una calificación de 3 o 4 en áreas generales
que incluyen contenido (“Escritura”) y
las convenciones de ortografía y gramática (“Lenguaje”).**



**Lectura al nivel o por encima del nivel del grado
según lo medido por la
Evaluación del desarrollo de la lectura en inglés (DRA)
o la prueba de lectura Star**



3. Recomendación de la maestra

4. Consulta con el padre/tutor



**Comuníquese con
Maestra Bennett Gee con sus dudas
mbennettgee@oceaa.org**



Reclassification Criteria at OCEAA

Proposed for Board approval in December 2022

In keeping with guidance from the [California Department of Education](#), we consider various measures in identifying whether an English Learner is ready to reclassify:

1. An “Overall Performance Level” of 4 on the English Language Proficiency Assessments for California (ELPAC)
2. Evidence of English proficiency comparable to that of native English speakers of the same age on the following assessments:
At OCEAA, this is demonstrated when 2 or more of the following criteria are met
 - a. Proficient or advanced trimester grades in four or more of the domains of English Language Arts and English Language Development (Scores of 3-4 in at least 4 of the following: ELA Reading Foundational Skills, ELA Reading Literature/Informational Text, ELA Writing, ELA Speaking & Listening, ELA Language, and/or ELD) and no score of Below (1) in any of these domains
 - b. Standard Met or Above Standard score on CAASPP ELA (Score of 3-4*)
 - c. Proficient or advanced score on a grade-Level Writing Sample in English (Score of 3-4)
 - d. Reading at or above grade level in English as measured by Star Reading or Developmental Reading Assessment (DRA)
3. Teacher recommendation
4. Consultation with parent/guardian

* While a student who has an Individualized Education Plan (IEP) has the same requirements to reclassify as a student who does not have an IEP, to fluently read, write, understand and speak English, we take into account that a student who has an IEP has a special need. Therefore, for these students, a scaled score of 2 (Approaching Proficiency) in the ELA section of the CAASPP can be considered for reclassification. NOTE: This adaptation of the requirements is specific to OCEAA.



December 12, 2022

To the Governing Board
Orange County Educational Arts Academy
Santa Ana, California

We have audited the financial statements of Orange County Educational Arts Academy as of and for the year ended June 30, 2022, and have issued our report thereon dated December 12, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards* and our Compliance Audit under the Uniform Guidance

As communicated in our letter dated February 22, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and to express an opinion on whether the Orange County Educational Arts Academy complied with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Orange County Educational Arts Academy major federal programs. Our audit of the financial statements and major program compliance does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Orange County Educational Arts Academy solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Our responsibility, as prescribed by professional standards as it relates to the audit of Orange County Educational Arts Academy major federal program compliance, is to express an opinion on the compliance for each of Orange County Educational Arts Academy major federal programs based on our audit of the types of compliance requirements referred to above. An audit of major program compliance includes consideration of internal control over compliance with the types of compliance requirements referred to above as a basis for designing audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, as a part of our major program compliance audit, we considered internal control over compliance for these purposes and not to provide any assurance on the effectiveness of the Orange County Educational Arts Academy's internal control over compliance.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated December 12, 2022. We have also provided our comments regarding compliance with the types of compliance requirements referred to above and internal controls over compliance during our audit in our Independent Auditor’s Report on Compliance with Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance dated December 12, 2022.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

As stated in our auditor’s report, professional standards require us to design our audit to provide reasonable assurance that the financial statements are free of material misstatement whether caused by fraud or error. In designing our audit procedures, professional standards require us to evaluate the financial statements and assess the risk that a material misstatement could occur. Areas that are potentially more susceptible to misstatements, and thereby require special audit considerations, are designated as “significant risks”. We have identified the following as significant risks.

- Management Override of Controls – Professional standards require auditors to address the possibility of management overriding controls. Accordingly, we identified as a significant risk that management of the entity may have the ability to override controls that the entity has implemented. Management may override the entity’s controls in order to modify the financial records with the intent of manipulating the financial statements to overstate the Entity’s financial performance or with the intent of concealing fraudulent transactions.
- Revenue Recognition – We identified revenue recognition as a significant risk due to financial and operational incentives for the Entity to overstate revenues.

Qualitative Aspects of the Entity’s Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Orange County Educational Arts Academy is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during fiscal year ended June 30, 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the

methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. No such significant accounting estimate were identified.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. There were no financial statement disclosures that we consider to be particularly sensitive or involve significant judgement.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify and circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated December 12, 2022.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with Orange County Educational Arts Academy, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Orange County Educational Arts Academy's auditors.

This report is intended solely for the information and use of the governing board and management of Orange County Educational Arts Academy and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, California



Consolidated Financial Statements
June 30, 2022

Orange County Educational Arts
Academy and OCEAA Facilities, LLC
Charter No. 0701



Orange County Educational Arts Academy and OCEAA Facilities, LLC

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Independent Auditor's Report

Governing Board
Orange County Educational Arts Academy and OCEAA Facilities, LLC
Santa Ana, California

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Orange County Educational Arts Academy and OCEAA Facilities, LLC (the Organization) (a California Nonprofit Public Benefit Corporation), which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information such as the consolidated schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and other supplementary information on pages 20-28 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with

auditing standards generally accepted in the United States of America. In our opinion, the consolidated schedule of expenditures of federal awards and other supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2022 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, California
December 12, 2022

Orange County Educational Arts Academy and OCEAA Facilities, LLC

Consolidated Statement of Financial Position

June 30, 2022

Assets	
Current assets	
Cash and cash equivalents	\$ 3,054,022
Receivables	1,699,257
Prepaid expenses	<u>91,571</u>
Total current assets	<u>4,844,850</u>
Non-current assets	
Security deposit	18,466
Restricted cash	1,001,118
Property and equipment, net	<u>6,057,136</u>
Total non-current assets	<u>7,076,720</u>
Total assets	<u><u>\$ 11,921,570</u></u>
Liabilities	
Current liabilities	
Accounts payable	\$ 359,084
Accrued liabilities	102,946
Accrued compensated absences	15,343
Interest payable	146,843
Refundable advance	699,023
Deferred rent	(5,729)
Current portion of notes payable	144,177
Current portion of bonds payable	255,000
Current portion of settlement agreement	<u>335,146</u>
Total current liabilities	<u>2,051,833</u>
Long-term liabilities	
Notes payable, less current portion	274,232
Bonds payable, less current portion and net of unamortized bond issuance costs and bond discount	7,902,478
Settlement agreement	<u>1,340,585</u>
Total long-term liabilities	<u>9,517,295</u>
Total liabilities	<u>11,569,128</u>
Net Assets	
Without donor restrictions	<u>352,442</u>
Total liabilities and net assets	<u><u>\$ 11,921,570</u></u>

Orange County Educational Arts Academy and OCEAA Facilities, LLC

Consolidated Statement of Activities

Year Ended June 30, 2022

Support and Revenues	
Local Control Funding Formula	\$ 6,397,759
Federal revenue	1,875,681
Other state revenue	1,595,763
Local revenues	457,680
Interest income	8,078
Fundraising revenue	113,294
Total revenues	10,448,255
Expenses	
Program services	8,516,299
Management and general	2,735,522
Fundraising and development	61,426
Total expenses	11,313,247
Change in Net Assets	(864,992)
Net Assets, Beginning of Year	1,217,434
Net Assets, End of Year	\$ 352,442

Orange County Educational Arts Academy and OCEAA Facilities, LLC
Consolidated Statement of Functional Expenses
Year Ended June 30, 2022

	Program Services	Management and General	Fundraising and Development	Total Expenses
Salaries	\$ 2,783,285	\$ 1,658,412	\$ -	\$ 4,441,697
Employee benefits	1,145,530	236,143	-	1,381,673
Payroll taxes	220,792	57,084	-	277,876
Fees for services	947,296	223,165	-	1,170,461
Advertising and promotions	17,662	10,524	-	28,186
Office expenses	133,312	60,954	-	194,266
Information technology	61,070	29,716	-	90,786
Occupancy	174,522	104,819	-	279,341
Conferences and meeting	37,285	1,990	-	39,275
Interest	627,165	12,954	-	640,119
Depreciation and amortization	381,762	70,984	-	452,746
Insurance	63,691	37,951	-	101,642
Other expenses	79,319	64,364	61,426	205,109
Capital outlay	27,159	13,448	-	40,607
Special education	1,131,579	-	-	1,131,579
Instructional materials	460,229	130,592	-	590,821
Nutrition	189,099	1,244	-	190,343
District oversight fees	35,542	21,178	-	56,720
	<u>\$ 8,516,299</u>	<u>\$ 2,735,522</u>	<u>\$ 61,426</u>	<u>\$ 11,313,247</u>

Orange County Educational Arts Academy and OCEAA Facilities, LLC

Consolidated Statement of Cash Flows

Year Ended June 30, 2022

Operating Activities	
Change in net assets	\$ (864,992)
Adjustments to reconcile change in net assets to net cash from (used for) operating activities	
Depreciation and amortization expense	452,746
Interest expense attributable to the amortization of bond issuance costs and discount on bonds	9,994
Changes in operating assets and liabilities	
Receivables	599,174
Prepaid expenses	(70,010)
Accounts payable	(697,366)
Accrued liabilities	47,729
Interest payable	(4,029)
Refundable advance	474,517
Deferred rent	(5,729)
Settlement agreement	1,675,731
Net Cash from (used for) Operating Activities	<u>1,617,765</u>
Investing Activities	
Purchases of property and equipment	<u>(152,475)</u>
Financing Activities	
Principal payments on notes	(131,554)
Principal payments on bonds	<u>(240,000)</u>
Net Cash from (used for) Financing Activities	<u>(371,554)</u>
Net Change in Cash, Cash Equivalents, and Restricted Cash	1,093,736
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	<u>2,961,404</u>
Cash, Cash Equivalents, and Restricted Cash, End of Year	<u>\$ 4,055,140</u>
Cash and Cash Equivalents	\$ 3,054,022
Cash Restricted to Bond Repair and Replacement Fund and Series 2008A Bonds	<u>1,001,118</u>
Total Cash, Cash Equivalents, and Restricted Cash	<u>\$ 4,055,140</u>
Supplemental Cash Flow Disclosure	
Cash paid during the year in interest	<u>\$ 644,147</u>

Note 1 - Principal Activity and Significant Accounting Policies

Organization

Orange County Educational Arts Academy (the Organization) was incorporated in the State of California in 2008 as a nonprofit public benefit corporation that is organized under the Nonprofit Public Benefit Corporation Law exclusively for charitable and educational purposes within the meaning of 501(c)(3) of the Internal Revenue Code of 1954. The Organization was approved by the State of California Department of Education on May 11, 2005. The Organization opened in 2005 and currently serves approximately 614 students in grades kindergarten through eighth. On October 15, 2019, the Organization was renewed by Santa Ana Unified School District for five years ending 2025. Assembly Bill 130 approved on July 9, 2021 extends the terms of all charter schools whose terms expire on or between January 1, 2022 and June 30, 2025, inclusive, by two years. No action is required of charter authorizers or charter schools for this extension. The Governing Board has taken action through a resolution to recognize the legislative extension of the charter term by two years pursuant to *Education Code 47607.4*.

Charter school number authorized by the State: 0701

OCEAA is located on 825 N. Broadway Street, Santa Ana, California, 92701. The mission of OCEAA is to nurture all learners to become creative, critical thinkers by providing high quality standards-based instruction through the arts, technology, language, and culture.

Other Related Entity

OCEAA Facilities, LLC

During 2008, Orange County Educational Arts Academy (the Organization), a separate 501(c)(3) corporation, formed OCEAA Facilities, LLC (LLC) (exclusively for charitable purpose solely related to property and assets of the Orange County Educational Arts Academy). It is also exempt from the payment of income taxes under *Internal Revenue Code Section 501(c)(3)* and *California Revenue and Taxation Code Section 23701(d)*. Additionally, OCEAA Facilities, LLC is exempt from State income taxes under *California Revenue and Taxation Code Section 23701h*. OCEAA and the LLC make lease payments to OCEAA Facilities, LLC, in accordance with the lease agreement.

Principles of Consolidation

The consolidated financial statements include accounts of the Organization and the LLC because the Organization has controlling financial interest in the LLC. All significant intra-entity accounts and transactions have been eliminated in consolidation. Unless otherwise noted, these consolidated entities are hereinafter referred to as the Organization.

Basis of Accounting

The accompanying consolidated financial statements were prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as applicable to nonprofit organizations. Revenues are recognized as discussed below, and expenditures are recognized in the accounting period in which the liability is incurred.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions. The Governing Board has designated, from net assets without donor restrictions, net assets for an operating reserve.

Net Assets with Donor Restrictions – Net assets subject to donor (or certain grantor) restrictions. Some donor imposed (or grantor) restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Cash and Cash Equivalents

The Organization considers all cash including cash in County Investment Pool and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects or other long-term purposes are excluded from this definition.

Restricted Cash

Non-current restricted cash in the amount of \$1,001,118 relates to the debt service reserve requirements related to the Charter School Revenue Bonds and is held as non-current to satisfy the long-term obligation.

Receivables and Credit Policies

Receivables consist primarily of noninterest-bearing amounts due for educational programs. Management determines the allowance for uncollectable receivables based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Receivables are written off when deemed uncollectable. No allowance for doubtful accounts has been established, as the Organization deems all amounts to be fully collectible. Substantially all outstanding receivables as of June 30, 2022 are due from state and/or federal sources related to grant contributions and are expected to be collected within a period of less than one year.

Intra-Entity Transactions

Intra-entity transactions results from a net cumulative difference between resources provided by the charter school account to the LLC and reimbursement for those resources from the LLC to the charter school account. Intra-entity transfers include certain costs of shared liabilities and shared assets between the Organization.

Property and Equipment

Property and equipment additions over \$5,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included in the consolidated statement of activities. Cost of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2022.

Deferred Rent

The Organization recognizes escalating rent provisions on a straight-line basis over the lease term. The difference between the rent expense and the required lease payments is reflected as deferred rent in the accompanying consolidated statement of financial position.

Revenue and Revenue Recognition

Operating funds for the Organization are derived principally from state and federal sources. The Organization receives state funding based on each of the enrolled student's average daily attendance (ADA) in its school. Contributions are recognized when cash or notification of an entitlement is received.

A portion of the Organization's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the consolidated statement of financial position. Consequently, at June 30, 2022, conditional contributions approximating \$859,180, for which no amounts had been received in advance, have not been recognized in the accompanying consolidated financial statements.

Debt Issuance Costs

Debt issuance costs are amortized over the period the related obligation is outstanding using the straight-line method. Debt issuance costs are included within bonds payable in the consolidated statement of financial position. Amortization of debt issuance costs is included in interest expense in the accompanying consolidated financial statements.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. Donated professional services are recorded at the respective fair values of the services received. No significant contributions of such goods or services were received during the year ended June 30, 2022.

Functional Allocation of Expenses

The consolidated financial statements report categories of expenses that are attributed to program service activities or supporting services activities such as management and general activities and fundraising and development activities. The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimates. The expenses that are allocated include occupancy, depreciation and amortization, salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other, which are allocated on the basis of estimates of time and effort.

Income Taxes

The Organization is organized as a California nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3), and qualifies for the charitable contribution deduction. It is also exempt from State franchise and income taxes under Section 23701(d) of the California Revenue and Taxation Code. The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Organization determined that it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Management believes that the Organization has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the consolidated financial statements. The Organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Estimates

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

Financial Instruments and Credit Risk

Deposit concentration risk is managed by placing cash, money market accounts, and certificates of deposit with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, no losses have been experienced in any of these accounts. Credit risk associated with accounts receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies supportive of the Organization’s mission.

Recent Accounting Pronouncements

In February 2016, FASB issued Accounting Standards Update (ASU) 2016-02, *Leases*. ASU 2016-02 requires a lessee to recognize a lease asset representing its right to use the underlying asset for the lease term, and a lease liability for the payments to be made to lessor, on its consolidated statement of financial position for all operating leases greater than 12 months. Although the full impact of this update on the Organization’s consolidated financial statements has not yet been determined, the future adoption of this guidance will require the Organization to record assets and liabilities on its consolidated statement of financial position relating to facility and other leases currently being accounted for as operating leases. The ASU is effective for the Organization for the year ended June 30, 2023. Management is evaluating the impact of the adoption of this standard.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following:

Cash and cash equivalents	\$ 3,054,022
Receivables	<u>1,699,257</u>
Total	<u><u>\$ 4,753,279</u></u>

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

Note 3 - Property and Equipment

Property and equipment consist of the following at June 30, 2022:

Land	\$	1,430,000
Building improvements		2,261,249
Building		7,251,614
Computer and equipment		287,543
Work in progress		152,475
		11,382,881
Less accumulated depreciation and amortization		(5,325,745)
Total	\$	6,057,136

Note 4 - Notes Payable

Notes payable consist of the following at June 30, 2022:

Note payable, due in variable monthly installments with principal and interest at 7%, collateralized by security interest in all of Borrower's right, title and interest in and to the property with a carrying value of \$1,200,000; maturing in 2025.

	\$	422,019
Less capitalized loan origination cost		(3,610)
	\$	418,409

Future maturities of notes payable are as follows:

Year Ending June 30,		Principal
2023	\$	144,177
2024		154,600
2025		123,242
		(3,610)
Less capitalized loan origination cost		(3,610)
Total	\$	418,409

Orange County Educational Arts Academy and OCEAA Facilities, LLC

Notes to Consolidated Financial Statements

June 30, 2022

Settlement Agreement

During 2022, the Organization reached a settlement agreement related to special education funding with Santa Ana Unified School District in the amount of \$1,675,731. The Organization must pay a minimum of 20% of the outstanding balance by January 2 of each year and its entirety by January 2, 2027.

Note 5 - Bonds Payable

California Municipal Finance Authority (CMFA) Educational Facilities Revenue Bonds, Series 2008A

On August 7, 2008, the LLC issued \$10,515,000 in uncollateralized CMFA Educational Facilities Revenue Bonds. The bonds mature on October 1, 2039, with interest rates of 6.75 to 11.00 percent. Unamortized bonds issuance costs are amortized based on an effective interest rate of 6.75-7.00 percent. Proceeds of the bonds will be used to acquire certain school facilities for lease to Orange County Educational Arts Academy. The bonds require the LLC to comply with certain financial and non-financial covenants.

	\$ 8,515,000
Bond issuance costs on CMFA Educational Facilities Revenue Bonds, Series 2008A	(228,110)
Unamortized bond discount on CMFA Educational Facilities Revenue Bonds, Series 2008A	<u>(129,412)</u>
Subtotal debt issuance costs and discount on bonds	<u>(357,522)</u>
Total	<u><u>\$ 8,157,478</u></u>

Future maturities of bonds payable are as follows:

Year Ending June 30,	Principal
2023	\$ 255,000
2024	270,000
2025	290,000
2026	310,000
2027	330,000
Thereafter	<u>7,060,000</u>
Less unamortized debt issuance costs and unamortized bond discount	<u>(228,110)</u> <u>(129,412)</u>
Total	<u><u>\$ 8,157,478</u></u>

Note 6 - Operating Lease

The Organization entered into a lease agreement with Bruno Ledwin in which the Organization will occupy 822 through 828 N. Broadway Street, and the parking lot off of 825 N. Birch Street in Santa Ana, California 92701. The term of this agreement expired on December 9, 2020. Thereafter, both parties agreed to continue on a month-to-month basis. Lease expense for the fiscal year ending June 30, 2022 was \$242,909, which is included in occupancy in the consolidated statement of functional expenses.

The Organization receives no sublease rental revenues nor pays any contingent rentals associated with these leases.

Note 7 - Net Assets

Net assets consist of the following at June 30, 2022:

Net Assets Without Donor Restrictions	
Designated for Kitchen infrastructure	\$ 45,206
Undesignated net assets	307,236
Total net assets without donor restrictions	\$ 352,442

Note 8 - Employee Retirement Systems

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Academic employees are members of the California State Teachers' Retirement System (CalSTRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS).

The risks of participating in these multi-employer defined benefit pension plans are different from single-employer plans because: (a) assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers, (b) the required member, employer, and State contribution rates are set by the California Legislature, and (c) if the Organization chooses to stop participating in the multi-employer plan, it may be required to pay a withdrawal liability to the plan. The Organization has no plans to withdraw from this multi-employer plan.

The details of each plan are as follows:

California State Teachers' Retirement System (CalSTRS)

Plan Description

The Organization contributes to the State Teachers Retirement Plan (STRP) administered by the California State Teachers' Retirement System (CalSTRS). STRP is a cost-sharing multiple-employer public employee retirement system defined benefit pension plan. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2020, annual actuarial valuation report, Defined Benefit Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: <http://www.calstrs.com/member-publications>.

Benefits Provided

The STRP provides retirement, disability and survivor benefits to beneficiaries. Benefits are based on members' final compensation, age and years of service credit. Members hired on or before December 31, 2012, with five years of credited service are eligible for the normal retirement benefit at age 60. Members hired on or after January 1, 2013, with five years of credited service are eligible for the normal retirement benefit at age 62. The normal retirement benefit is equal to 2.0% of final compensation for each year of credited service.

The STRP is comprised of four programs: Defined Benefit Program, Defined Benefit Supplement Program, Cash Balance Benefit Program and Replacement Benefits Program. The STRP holds assets for the exclusive purpose of providing benefits to members and beneficiaries of these programs. CalSTRS also uses plan assets to defray reasonable expenses of administering the STRP. Although CalSTRS is the administrator of the STRP, the State is the sponsor of the STRP and obligor of the trust. In addition, the State is both an employer and nonemployer contributing entity to the STRP.

The Organization contributes exclusively to the STRP Defined Benefit Program; thus, disclosures are not included for the other plans.

Orange County Educational Arts Academy and OCEAA Facilities, LLC

Notes to Consolidated Financial Statements

June 30, 2022

The STRP provisions and benefits in effect at June 30, 2022, are summarized as follows:

	STRP Defined Benefit Program	
	On or before December 31, 2012	On or after January 1, 2013
Hire date	On or before December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Monthly benefits as a percentage of eligible compensation	2.0% - 2.4%	2.0% - 2.4%
Required employee contribution rate	10.25%	10.205%
Required employer contribution rate	16.92%	16.92%
Required state contribution rate	10.828%	10.828%

Contributions

Required member, the Organization, and State of California contributions rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. The contributions rates are expressed as a level percentage of payroll using the entry age normal actuarial method. In accordance with AB 1469, employer contributions into the CalSTRS will be increasing to a total of 19.1% of applicable member earnings phased over a seven-year period. The contribution rates for each plan for the year ended June 30, 2022, are presented above and the Organization's total contributions were \$454,927.

California Public Employees Retirement System (CalPERS)

Plan Description

Qualified employees are eligible to participate in the School Employer Pool (SEP) under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

A full description of the pension plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the June 30, 2020, annual actuarial valuation report, Schools Pool Actuarial Valuation. This report and CalPERS audited financial information are publicly available reports that can be found on the CalPERS website under Forms and Publications at: <https://www.calpers.ca.gov/page/forms-publications>.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor and the member’s final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The Basic Death Benefit is paid to any member’s beneficiary if the member dies while actively employed. An employee’s eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The CalPERS provisions and benefits in effect at June 30, 2022, are summarized as follows:

	School Employer Pool (CalPERS)	
	On or before December 31, 2012	On or after January 1, 2013
Hire date		
Benefit formula	2% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Monthly benefits as a percentage of eligible compensation	1.1% - 2.5%	1.0% - 2.5%
Required employee contribution rate	7.00%	7.00%
Required employer contribution rate	22.91%	22.91%

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Total plan contributions are calculated through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Organization is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2022, are presented above and the total Organization’s contributions were \$368,837.

On Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the Organization. These payments consist of State General Fund contributions to CalSTRS in the amount of \$151,257 (10.828% of annual payroll). Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. Accordingly, these amounts have been recorded in these financial statements.

Note 9 - Contingencies, Risks, and Uncertainties

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

Note 10 - OCEAA Facilities, LLC

In connection with OCEAA Facilities, LLC was formed to obtain financing to construct or purchase property to be used by OCEAA for education purposes. OCEAA converted the prior capital lease into an operating lease agreement with OCEAA Facilities, LLC on July 1, 2013, for its current educational facility located in Santa Ana, California. See Note 6 for additional information on the operating lease. OCEAA also pays for any expenses incurred by OCEAA Facilities, LLC.

On July 1, 2013, OCEAA entered into an operating lease with the LLC for the property located at 825 N. Broadway Street, Santa Ana, California 92701. Under the original terms of the lease dated August 1, 2008, OCEAA was leasing the property as a capital lease through 2039; however, the terms of the lease were restated through August 31, 2039, thus allowing for the reclassification to an operating lease. Per the lease agreement monthly payments are adjusted annually. Total rent expense for the year ended June 30, 2022, was \$850,883. The rent expense and rental income have been eliminated in the Consolidated Statement of Activities.

Estimated future minimum lease payments under operating leases as of June 30, 2022 are:

Year Ending June 30,	Lease Payments
2023	\$ 848,802
2024	849,872
2025	850,479
2026	849,733
2027	847,634
Thereafter	10,332,217
Total	\$ 14,578,737

Note 11 - Subsequent Events

The Organization’s management has evaluated events or transactions that may occur for potential recognition or disclosure in the consolidated financial statements through December 12, 2022, which is the date the consolidated financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year consolidated financial statements.



Supplementary Information
June 30, 2022

**Orange County Educational Arts
Academy and OCEAA Facilities, LLC**

Orange County Educational Arts Academy and OCEAA Facilities, LLC
Consolidated Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Education			
Passed through California Department of Education (CDE)			
Special Education Cluster			
Basic Local Assistance Entitlement	84.027	13379	\$ 87,258
COVID-19 American Rescue Plan (ARP) Part B, Sec. 611 Local Assistance Entitlement	84.027	15638	<u>24,797</u>
Total Special Education (IDEA) Cluster			<u>112,055</u>
Passed through California Department of Education (CDE)			
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	15536	11
COVID-19 - Expanded Learning Opportunities (ELO) Grant ESSER II State Reserves	84.425D	15618	65,887
COVID-19 - Expanded Learning Opportunities (ELO) Grant GEER II	84.425C	15619	15,122
COVID-19 - Expanded Learning Opportunities (ELO) (ESSER III) State Reserve, Emergency Needs	84.425U	15620	42,951
COVID-19 - Expanded Learning Opportunities (ELO) (ESSER III) State Reserve, Learning Loss	84.425U	15621	74,039
COVID-19 - Elementary and Secondary School Emergency Relief III (ESSER III) Fund	84.425U	15559	<u>818,305</u>
Subtotal			<u>1,016,315</u>
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	14329	177,289
Title II, Part A, Supporting Effective Instruction	84.367	14341	26,074
Title III, English Learner Student Program	84.365	14346	34,540
Title IV, Part A, Student Support and Academic Enrichment	84.424	15396	<u>11,442</u>
Total U.S. Department of Education			<u>1,265,660</u>
U.S. Department of Agriculture			
Passed through CDE			
Child Nutrition Cluster			
Summer Food Service Program	10.559	13004	490,721
COVID-19 - SNP Emergency Operational Costs Reimbursement (ECR)	10.555	15637	<u>6,631</u>
Total Child Nutrition Cluster			<u>497,352</u>
Pandemic EBT Local Administrative Grant	10.649	15644	<u>614</u>
Total Federal Financial Assistance			<u>\$ 1,875,681</u>

ORGANIZATION

Orange County Educational Arts Academy (the Organization) (Charter Number 0701) was granted in 2005 by Santa Ana Unified School District. The Organization operates one kindergarten through eighth grade school.

GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Mike Limon	President	No Term Limits
Ben Stanphill	Secretary	No Term Limits
Dr. Alfonso Bustamante	Member	No Term Limits
Boris Molina Barrera	Member	No Term Limits
Scott Overpeck	Chair	No Term Limits
Valerie Sullivan	Vice Chair	No Term Limits
Carmen Julia Aparicio	Member	No Term Limits
Jessica Reyes	Member	No Term Limits

ADMINISTRATION

Mike Limon	Executive Director
Pedro Llorente	School Director
Rocio Cervantes	Controller

Orange County Educational Arts Academy and OCEAA Facilities, LLC

Schedule of Average Daily Attendance

June 30, 2022

	<u>Second Period Report</u>	<u>Annual Report</u>
Regular ADA		
Kindergarten through third	286.17	286.86
Fourth through sixth	165.32	165.83
Seventh and eighth	57.13	56.67
	<u>508.62</u>	<u>509.36</u>
Total regular ADA	<u>508.62</u>	<u>509.36</u>
Classroom Based ADA		
Kindergarten through third	286.17	286.86
Fourth through sixth	165.32	165.83
Seventh and eighth	57.13	56.67
	<u>508.62</u>	<u>509.36</u>
Total classroom based ADA	<u>508.62</u>	<u>509.36</u>

Orange County Educational Arts Academy and OCEAA Facilities, LLC

Schedule of Instructional Time

Year Ended June 30, 2022

Grade Level	1986-1987 Minutes Requirement	2021-2022 Actual Minutes	Number of Minutes Credited Form J-13A	Total Minutes Offered	Number of Actual Days		Number of Days Credited Form J-13A	Total Days Offered	Status
					Traditional Calendar	Multitrack Calendar			
Kindergarten	36,000	50,220	-	50,220	175	-	-	175	Complied
Grades 1 - 3	50,400								
Grade 1		56,080	-	56,080	175	-	-	175	Complied
Grade 2		56,080	-	56,080	175	-	-	175	Complied
Grade 3		56,080	-	56,080	175	-	-	175	Complied
Grades 4 - 6	54,000								
Grade 4		56,955	-	56,955	175	-	-	175	Complied
Grade 5		57,830	-	57,830	175	-	-	175	Complied
Grade 6		58,705	-	58,705	175	-	-	175	Complied
Grades 7 - 8	54,000								
Grade 7		58,705	-	58,705	175	-	-	175	Complied
Grade 8		58,705	-	58,705	175	-	-	175	Complied

Orange County Educational Arts Academy and OCEAA Facilities, LLC
Reconciliation of Annual Financial and Budget Report with Audited Financial Statements
Year Ended June 30, 2022

Summarized below are the net asset reconciliations between the Unaudited Actual Financial Report and the audited financial statements.

	<u>OCEAA</u>
Net Assets	
Balance, June 30, 2022, Unaudited Actuals	\$ 2,300,288
Increase in	
Receivables	688,965
Long-term liabilities (Settlement agreement)	<u>(1,131,579)</u>
Balance, June 30, 2022, Audited Financial Statements	<u><u>\$ 1,857,674</u></u>

Orange County Educational Arts Academy and OCEAA Facilities, LLC
Consolidating Statement of Financial Position
June 30, 2022

	OCEAA	LLC	Total
Assets			
Current assets			
Cash and cash equivalents	\$ 2,478,471	\$ 575,551	\$ 3,054,022
Receivables	1,699,257	-	1,699,257
Prepaid expenses	91,571	-	91,571
Total current assets	<u>4,269,299</u>	<u>575,551</u>	<u>4,844,850</u>
Non-current assets			
Security deposit	18,466	-	18,466
Restricted cash	154,018	847,100	1,001,118
Property and equipment, net	680,698	5,376,438	6,057,136
Total non-current assets	<u>853,182</u>	<u>6,223,538</u>	<u>7,076,720</u>
Total assets	<u>\$ 5,122,481</u>	<u>\$ 6,799,089</u>	<u>\$ 11,921,570</u>
Liabilities			
Current liabilities			
Accounts payable	\$ 359,084	\$ -	\$ 359,084
Accrued liabilities	102,946	-	102,946
Accrued compensated absences	15,343	-	15,343
Interest payable	-	146,843	146,843
Refundable advance	699,023	-	699,023
Deferred rent	(5,729)	-	(5,729)
Current portion of notes payable	144,177	-	144,177
Current portion of bonds payable	-	255,000	255,000
Current portion of settlement agreement	335,146	-	335,146
Total current liabilities	<u>1,649,990</u>	<u>401,843</u>	<u>2,051,833</u>
Long-term liabilities			
Notes payable, less current portion	274,232	-	274,232
Bonds payable, less current portion and net of unamortized bond issuance costs and bond discount	-	7,902,478	7,902,478
Settlement agreement	1,340,585	-	1,340,585
Total long-term liabilities	<u>1,614,817</u>	<u>7,902,478</u>	<u>9,517,295</u>
Total liabilities	<u>3,264,807</u>	<u>8,304,321</u>	<u>11,569,128</u>
Net Assets (Deficit)			
Without donor restrictions	<u>1,857,674</u>	<u>(1,505,232)</u>	<u>352,442</u>
Total liabilities and net assets	<u>\$ 5,122,481</u>	<u>\$ 6,799,089</u>	<u>\$ 11,921,570</u>

Orange County Educational Arts Academy and OCEAA Facilities, LLC
Consolidating Statement of Activities
Year Ended June 30, 2022

	OCEAA	LLC	Eliminations	Total
Support and Revenues				
Local Control Funding Formula	\$ 6,397,759	\$ -	\$ -	\$ 6,397,759
Federal revenue	1,875,681	-	-	1,875,681
Other state revenue	1,595,763	-	-	1,595,763
Local revenues	425,551	32,129	-	457,680
Interest income	7,628	450	-	8,078
Rental income	-	850,883	(850,883)	-
Fundraising revenue	113,294	-	-	113,294
	<u>10,415,676</u>	<u>883,462</u>	<u>(850,883)</u>	<u>10,448,255</u>
Expenses				
Program services	8,392,964	868,056	(744,721)	8,516,299
Management and general	2,821,030	20,654	(106,162)	2,735,522
Fundraising and development	61,426	-	-	61,426
	<u>11,275,420</u>	<u>888,710</u>	<u>(850,883)</u>	<u>11,313,247</u>
Change in Net Assets	(859,744)	(5,248)	-	(864,992)
Net Assets (Deficit), Beginning of Year	<u>2,717,418</u>	<u>(1,499,984)</u>	<u>-</u>	<u>1,217,434</u>
Net Assets (Deficit), End of Year	<u>\$ 1,857,674</u>	<u>\$ (1,505,232)</u>	<u>\$ -</u>	<u>\$ 352,442</u>

Note 1 - Purpose of Supplementary Schedules

Consolidated Schedule of Expenditures of Federal Awards

Basis of Presentation

The accompanying consolidated schedule of expenditures of federal awards (the schedule) includes the federal award activity of the Organization under programs of the federal government for the year ended June 30, 2022. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Indirect Cost Rate

The Organization does not draw for indirect administrative expenses and has not elected to use the ten percent de minimus cost rate.

Food Donation

Nonmonetary assistance is reported in this schedule at the fair market value of the commodities received and disbursed. At June 30, 2022, the Organization had no food commodities in inventory.

Local Education Agency Organization Structure

This schedule provides information about the Organization's operations, members of the governing board, and members of the administration.

Schedule of Average Daily Attendance

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the Organization. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds are made to local education agencies. This schedule provides information regarding the attendance of students at the Organization.

Schedule of Instructional Time

This schedule presents information on the amount of instructional time offered by the Organization and whether the Organization complied with the provisions of *Education Code* Sections 47612 and 47612.5, if applicable.

The Organization must maintain their instructional minutes at the 1986-87 requirements, as required by *Education Code* Section 47612.5.

Reconciliation of Annual Financial Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the net assets reported on the unaudited actual financial report to the audited financial statements.

Consolidating Statement of Financial Position and Consolidating Statement of Activities

The consolidating statement of financial position and consolidating statement of activities report the activities of the Organization and related entities and are presented on the accrual basis of accounting. Eliminating entries in the consolidating statement of financial position and consolidating statement of activities are for activities between the Organization and related entities.



Independent Auditor's Reports
June 30, 2022

**Orange County Educational Arts
Academy and OCEAA Facilities, LLC**



Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Governing Board
Orange County Educational Arts Academy and OCEAA Facilities, LLC
Santa Ana, California

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Orange County Educational Arts Academy and OCEAA Facilities, LLC (the Organization), which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements and have issued our report thereon dated December 12, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, California
December 12, 2022



Independent Auditor’s Report on Compliance for the Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Governing Board
Orange County Educational Arts Academy and OCEAA Facilities, LLC
Santa Ana, California

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Orange County Educational Arts Academy and OCEAA Facilities, LLC’s (the Organization) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Organization’s major federal program for the year ended June 30, 2022. The Organization’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Organization’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, California
December 12, 2022



Independent Auditor's Report on State Compliance

Governing Board
Orange County Educational Arts Academy and OCEAA Facilities, LLC
Santa Ana, California

Report on Compliance

Opinion on State Compliance

We have audited Orange County Educational Arts Academy and OCEAA Facilities, LLC's (the Organization) compliance with the requirements specified in the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, applicable to the Organization's state program requirements identified below for the year ended June 30, 2022.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that are applicable to the laws and regulations of the state programs noted in the table below for the year ended June 30, 2022.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards and the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on state compliance with the compliance requirements subject to audit in the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Organization's compliance with the requirements listed in the table below.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements listed below has occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements listed in the table below.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with compliance requirements as identified in the table below that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Compliance Requirements Tested

In connection with the audit referred to above, we selected and tested transactions and records to determine the Organization’s compliance with laws and regulations applicable to the following items:

	<u>Procedures Performed</u>
LOCAL EDUCATION AGENCIES OTHER THAN CHARTER SCHOOLS	
Attendance	No, see below
Teacher Certification and Misassignments	No, see below
Kindergarten Continuance	No, see below
Independent Study	No, see below
Continuation Education	No, see below
Instructional Time	No, see below
Instructional Materials	No, see below
Ratio of Administrative Employees to Teachers	No, see below
Classroom Teacher Salaries	No, see below
Early Retirement Incentive	No, see below
Gann Limit Calculation	No, see below
School Accountability Report Card	No, see below
Juvenile Court Schools	No, see below
Middle or Early College High Schools	No, see below
K-3 Grade Span Adjustment	No, see below
Transportation Maintenance of Effort	No, see below

	Procedures Performed
Apprenticeship: Related and Supplemental Instruction	No, see below
Comprehensive School Safety Plan	No, see below
District of Choice	No, see below
SCHOOL DISTRICTS, COUNTY OFFICES OF EDUCATION, AND CHARTER SCHOOLS	
California Clean Energy Jobs Act	No, see below
After/Before School Education and Safety Program:	
General Requirements	Yes
After School	Yes
Before School	No, see below
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	No, see below
Immunizations	No, see below
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	No, see below
In Person Instruction Grant	No, see below
CHARTER SCHOOLS	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study	Yes
Determination of Funding for Nonclassroom-Based Instruction	No, see below
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Yes

Programs listed above for “Local Education Agencies Other Than Charter Schools” are not applicable to charter schools; therefore, we did not perform any related procedures.

We did not perform California Clean Energy Jobs Act procedures because the Organization did not receive funding for this program.

The Organization does not offer a Before School Education and Safety Program; therefore, we did not perform procedures related to the Before School Education and Safety Program.

The Organization does not offer an Independent Study-Course Based Program; therefore, we did not perform any procedures related to the Independent Study-Course Based Program.

The Organization’s charter school was not listed on the immunization assessment reports; therefore, we did not perform any related procedures.

We did not perform Career Technical Education Incentive Grant procedures because the Organization did not receive funding for this grant.

We did not perform In Person Instruction Grant procedures because the Organization did not receive funding for this grant.

ADA was below the threshold required for testing; therefore, we did not perform any procedures related to Determination of Funding for Nonclassroom-Based Instruction.

The purpose of this report on internal control over state compliance is solely to describe the scope of our testing of internal control over state compliance and the results of that testing based on the requirements of the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, California
December 12, 2022



Schedule of Findings and Questioned Costs
June 30, 2022

**Orange County Educational Arts
Academy and OCEAA Facilities, LLC**

Orange County Educational Arts Academy and OCEAA Facilities, LLC

Summary of Auditor's Results

Year Ended June 30, 2022

Consolidated Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to consolidated financial statements noted?	No

Federal Awards

Internal control over major program	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516(a)	No

Identification of major programs

Name of Federal Program or Cluster	Federal Financial Assistance Listing
COVID-19 - Education Stabilization Fund	84.425C, 84.425D, 84.425U
Dollar threshold used to distinguish between type A and type B programs	\$ 750,000
Auditee qualified as low-risk auditee?	No

State Compliance

Internal control over state compliance for programs	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for programs	Unmodified

None reported.

None reported.

None reported.

Orange County Educational Arts Academy and OCEAA Facilities, LLC
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2022

There were no audit findings reported in the prior year's Schedule of Findings and Questioned Costs.



2022/23 1st Interim Budget Revision



	2022-23 ADOPTED	2022-23 REVISED	UNRESTRICTED	RESTRICTED	VARIANCE
NAME					
TOTAL ENROLLMENT	596	612			16
AVERAGE DAILY ATTENDANCE	560.2	550.8			(9.4)
REVENUE					
State LCFF Revenue	\$ 6,685,395	\$ 7,030,465	\$ 6,126,916	\$ 903,549	\$ 345,071
Federal Revenue	\$ 734,762	\$ 1,046,747	\$ 311,985	\$ 734,762	\$ 311,985
Other State Revenue	\$ 1,967,102	\$ 2,247,610	\$ 340,023	\$ 1,907,587	\$ 280,508
Local Revenue	\$ 329,881	\$ 393,074	\$ 393,074	\$ -	\$ 63,193
TOTAL REVENUE	\$ 9,717,140	10,717,896.74	\$ 7,171,998	\$ 3,545,898	\$ 1,000,757
EXPENSES					
Certificated Salaries	\$ 2,812,741	\$ 2,969,558	\$ 1,652,564	\$ 1,316,994	\$ 156,818
Classified Salaries	\$ 1,693,286	\$ 1,927,012	\$ 1,182,496	\$ 744,515	\$ 233,726
Benefits	\$ 1,677,932	\$ 1,744,463	\$ 1,207,887	\$ 536,575	\$ 66,531
TOTAL PERSONNEL EXPENSES	\$ 6,183,958	\$ 6,641,032	\$ 4,042,948	\$ 2,598,085	\$ 457,074
Books and Supplies	\$ 511,509	\$ 710,909	\$ 399,350	\$ 311,559	\$ 199,400
Services and Other Operating Expenses	\$ 2,634,551	\$ 2,856,779	\$ 1,877,266	\$ 979,513	\$ 222,227
Capital Outlay	\$ 198,141	\$ 198,141	\$ 198,141	\$ -	\$ -
Other Outgoing	\$ 41,935	\$ 41,935	\$ 41,935	\$ -	\$ -
TOTAL OTHER EXPENSES	\$ 3,386,137	3,807,764.11	\$ 2,516,692	\$ 1,291,072	\$ 421,627
TOTAL EXPENSES	\$ 9,570,095	\$ 10,448,797	\$ 6,559,640	\$ 3,889,157	\$ 878,701
SUMMARY					
SURPLUS\ (DEFICIT)	\$ 147,045	\$ 269,100	\$ 612,358	\$ (343,258)	\$ 122,055
<i>% of LCFF Revenue</i>	2.2%	13.7%			6.2%
BEGINNING FUND BALANCE	\$ 2,300,288	\$ 2,300,288			\$ -
ENDING BALANCE	\$ 2,447,332	\$ 2,569,388			\$ 122,055
<i>% of LCFF Revenue</i>	36.6%	36.5%			

SALARIES AND BENEFITS - SUMMARIZED

		3101	3202	3301	3302	3401	3402	3501	3502	3601	3602					
DEPT	FULL NAME	FTE	TOTAL SALARY	TOTAL UNRESTRICTED	TOTAL RESTRICTIONS	STRS	PERS	Certificated OASDI & Medicare	Classified OASDI & Medicare	Certificated Health and Welfare	Classified Health and Welfare	Certificated SUI	Classified SUI	Certificated Worker's Comp	Classified Worker's Comp	TOTAL BENEFITS
1100	Teacher Salaries	33.00	2,258,972.61	754,095.79	1,504,876.82	431,463.77	-	32,755.10	-	153,492.13	-	14,982.00	-	23,719.21	-	656,412.21
1120	Substitute Teachers	5.00	75,424.00	46,624.00	28,800.00	-	19,685.66	1,093.65	-	-	-	2,270.00	-	791.95	-	23,841.26
1200	Certificated Pupil Support Salaries	3.00	236,144.00	-	236,144.00	45,103.50	-	3,424.09	-	11,136.79	-	1,362.00	-	2,479.51	-	63,505.89
1300	Certificated Supervisor and Administrator Salaries	1.00	120,000.00	120,000.00	-	22,920.00	-	1,740.00	-	641.63	-	454.00	-	1,260.00	-	27,015.63
1900	Other Certificated Salaries	3.00	279,017.55	147,961.48	131,056.07	53,292.35	-	4,045.75	-	6,454.47	-	1,362.00	-	2,929.68	-	68,084.26
2100	Instructional Aide Salaries	31.00	689,583.90	70,865.84	618,718.07	-	179,981.40	-	52,753.17	-	79,985.90	-	14,074.00	-	7,240.63	334,035.10
2200	Classified Support Salaries	16.00	295,889.75	176,281.00	119,608.75	-	77,227.22	-	22,635.57	-	41,183.45	-	7,264.00	-	3,106.84	151,417.08
2300	Classified Supervisor and Administrator Salaries	7.00	579,400.00	382,900.00	196,500.00	-	151,223.40	-	44,324.10	-	36,808.97	-	3,178.00	-	6,083.70	241,618.17
2400	Clerical, Technical and Office Staff Salaries	8.00	273,686.00	263,654.00	10,032.00	-	71,432.05	-	20,936.98	-	41,321.94	-	3,632.00	-	2,873.70	140,196.67
2900	Other Classified Salaries	3.00	88,452.00	53,460.00	34,992.00	-	17,504.75	-	6,766.58	-	11,774.29	-	1,362.00	-	928.75	38,336.36
		110.00	4,896,569.81	2,015,842.10	2,880,727.71	552,779.62	517,054.48	43,058.59	147,416.39	171,725.02	211,074.55	20,430.00	29,510.00	31,180.36	20,233.62	1,744,462.64

GRADE	2022-23 ADOPTED	2022-23 REVISED
ENROLLMENT BY GRADE		
K	108	109
1	82	76
2	84	82
3	72	72
4	80	74
5	66	73
6	58	61
7	25	35
8	21	30
9	0	0
10	0	0
11	0	0
12	0	0
OTHER (CTC)	0	0
TOTAL	596	612

DAILY ATTENDANCE RATE		
K	94.00%	90.00%
1	94.00%	90.00%
2	94.00%	90.00%
3	94.00%	90.00%
4	94.00%	90.00%
5	94.00%	90.00%
6	94.00%	90.00%
7	94.00%	90.00%
8	94.00%	90.00%
9	94.00%	90.00%
10	94.00%	90.00%
11	94.00%	90.00%
12	94.00%	90.00%
OTHER (CTC)	94.00%	90.00%
TOTAL	94.0%	90.00%

AVG DAILY ATTENDANCE BY GRADE		
K	101.5	98.10
1	77.1	68.40
2	79.0	73.80
3	67.7	64.80
4	75.2	66.60
5	62.0	65.70
6	54.5	54.90
7	23.5	31.50
8	19.7	27.00

9	-	-
10	-	-
11	-	-
12	-	-
OTHER (CTC)	-	-
TOTAL	560.24	550.80

AVG DAILY ATTENDANCE BY GRADE RANGE		
K-3	325.2	305.1
4-6	191.76	187.20
7-8	43.24	58.50
9-12	-	-
TOTAL	560.24	550.8

UNDUPLICATED %	87.85%	87.85%
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PY P2 ADA	560.24
PY P2 K-8	
PY P2 9-12	

SPED COUNT		-
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PY ENROLLMENT	
PY UNDUPLICATED	

ACCT	\$perADA	ADA REV	ACCOUNT NAME	2022-23 ADOPTED	2022-23 REVISED	VARIANCE
LCFF						
8011	-	-	LCFF; state aid	3,775,401.53	3,576,797.00	(198,604.53)
8012	-	-	LCFF; EPA	903,549.47	1,488,882.00	585,332.53
8096	3,567.15	1,964,786.22	In-Lieu of Property Taxes	2,006,443.54	1,964,786.22	(41,657.32)
8019	-	-	Prior Year Income/Adjustments	-	-	-
<i>TOTAL LCFF REVENUE</i>				6,685,394.54	7,030,465.22	345,070.68
FEDERAL						
8181	120.63	66,440.25	Special Education - Federal	67,578.95	66,440.25	(1,138.70)
8220	-	-	Federal Child Nutrition	407,924.59	407,924.59	-
8290	-	-	All Other Federal Revenue	-	322,151.01	322,151.01
8291	-	-	Title I	186,554.63	178,271.00	(8,283.63)
8292	-	-	Title II	26,569.88	22,180.00	(4,389.88)
8293	-	-	Title III	34,586.37	33,902.00	(684.37)
8294	-	-	Title IV	11,547.33	11,547.33	-
8295	-	-	Title V	-	-	-
8299	-	-	Prior Year Federal Revenue	-	4,330.87	4,330.87
8183	-	-	Federal SPED MH	-	-	-
8XXX	-	-	0	-	-	-
<i>TOTAL FEDERAL REVENUE</i>				734,761.75	1,046,747.05	311,985.30
OTHER STATE						
8520	-	-	State Nutrition	28,009.41	28,009.41	-
8550	K-8 is 18.13 & 9-12 is 50.39	9,986.00	Mandate Block Grant	10,157.15	9,986.00	(171.15)
8560	163.00	89,780.40	Lottery	82,248.00	82,248.00	-
8561	65.00	35,802.00	Restricted Lottery	26,867.68	26,867.68	-
8590	-	-	Other State Revenue	668,526.84	935,609.44	267,082.60
8591	1,232.00	678,585.60	SB 740 Rent re-imbursement program	690,215.68	678,585.60	(11,630.08)
8599	-	-	Prior Year State Revenues	-	22,916.20	22,916.20
8185	-	-	Special Education - AB 602	-	-	-
0	-	-		-	-	-
8792	791.30	435,848.04	SPED State AB 602	433,885.62	435,848.04	1,962.42
8791	50.00	27,540.00	SPED State MH	27,192.00	27,540.00	348.00
8XXX	-	-	0	-	-	-
<i>TOTAL OTHER STATE REVENUE</i>				1,967,102.38	2,247,610.37	280,508.00
LOCAL						
8660	-	-	Interest	8,240.00	8,240.00	-
8682	-	-	Foundation Grants	-	-	-
8684	-	-	Student Body (ASB) Fundraising Revenue	-	-	-
8685	-	-	School Site Fundraising	123,600.00	123,600.00	-
8693	-	-	Field Trips	-	-	-
8699	-	-	All Other Local Revenue	1,000.00	50,000.00	49,000.00
8701	-	-	Foreign Exchange Program	-	-	-
8639	-	-	Student Lunch Revenue	200.00	200.00	-
8986	-	-	Rental Income	0.00	0.00	-
8910	-	-	Transfer in from LLC Charitable Contributions	-	-	-
8999	-	-	Revenue Suspense	-	-	-
8698	-	-	Erate Revenues	11,441.24	25,634.10	14,192.86
8784	-	-	After School Program receipts	185,400.00	185,400.00	-
8XXX	-	-	0	-	-	-
<i>TOTAL LOCAL REVENUE</i>				329,881.24	393,074.10	63,192.86
<i>TOTAL REVENUE</i>				9,717,139.90	10,717,896.74	1,000,756.84

ACCT	ACCOUNT NAME	2022-23 ADOPTED	2022-23 REVISED	VARIANCE
4000 - BOOKS AND SUPPLIES				
4100	Approved Textbooks and Core Curricula Materials	94,000.00	100,000.00	6,000.00
4200	Books and Other Reference Materials	24,000.00	24,000.00	-
4300	Materials and Supplies	30,000.00	90,000.00	60,000.00
4315	Classroom Materials and Supplies	17,000.00	25,000.00	8,000.00
4342	Materials for Athletics	200.00	600.00	400.00
4381	Materials for Plant Maintenance	25,000.00	45,000.00	20,000.00
4400	Noncapitalized Equipment	57,309.00	112,309.00	55,000.00
4410	Software and Software License	19,000.00	39,000.00	20,000.00
4430	General Student Equipment	25,000.00	55,000.00	30,000.00
4700	Food and Food Supplies	220,000.00	220,000.00	-
4720	Other Food (meetings/events/non-NSLP)	-	-	-
4XXX	0	-	-	-
4XXX	0	-	-	-
4XXX	0	-	-	-
TOTAL BOOKS AND SUPPLIES		511,509.00	710,909.00	199,400.00
5000 - SERVICES AND OTHER OPEX				
5200	Travel and Conferences	6,500.00	6,500.00	-
5206	Parking	61,800.00	61,800.00	-
5210	Professional Development	34,049.00	65,000.00	30,951.00
5223	Facility & Staff Parking	-	-	-
5300	Dues and Memberships	7,500.00	13,000.00	5,500.00
5400	Insurance	109,623.16	105,840.00	(3,783.16)
5450	Property Tax	-	-	-
5500	Operation and Housekeeping Services	5,000.00	5,000.00	-
5501	Utilities	113,300.00	113,300.00	-
5505	Student Transportation / Field Trips	-	-	-
5600	Space Rental/Leases Expense	1,142,668.00	1,097,541.24	(45,126.76)
5601	Building Maintenance	30,000.00	40,000.00	10,000.00
5602	Other Space Rental	9,270.00	9,270.00	-
5603	Theater rentals	-	-	-
5605	Equipment Rental/Lease Expense	23,164.74	23,164.74	-
5610	Equipment Repair	7,500.00	7,500.00	-
5800	Professional/Consulting Services and Operating Expenditures	180,000.00	222,000.00	42,000.00
5803	Banking and Payroll Service Fees	45,320.00	45,320.00	-
5805	Legal Services	75,000.00	75,000.00	-
5806	Audit Services	22,402.50	30,000.00	7,597.50
5807	Legal Settlements	-	-	-
5810	Educational Consultants	322,000.00	357,000.00	35,000.00
5811	Student Transportation / Events	30,900.00	35,000.00	4,100.00
5815	Advertising / Recruiting	15,000.00	25,000.00	10,000.00
5820	Fundraising Expense	36,050.00	55,000.00	18,950.00
5830	Field Trips	40,000.00	40,000.00	-
5836	Transportation Services	-	-	-
5842	Services Student Athletics/Activities	-	-	-
5850	Scholarships	-	1,000.00	1,000.00
5873	Financial Services	112,000.00	107,000.00	(5,000.00)
5874	Personnel Services	5,150.00	5,150.00	-
5875	District Oversight Fee	66,853.95	70,304.65	3,450.71
5877	IT Services	66,000.00	160,000.00	94,000.00
5885	Summer School Program	-	-	-
5890	Interest Expense / Misc. Fees	500.00	1,000.00	500.00
5899	CMO Management Fee Expense	-	-	-
5900	Communications	67,000.00	80,088.00	13,088.00
5999	Expense Suspense	-	-	-
7010	Special Education Encroachment	-	-	-
5XXX	0	-	-	-

<i>TOTAL SERVICES AND OTHER OPEX</i>		2,634,551.35	2,856,778.63	222,227.29
6000 - CAPITAL OUTLAY				
6900	Depreciation Expense	198,141.06	198,141.06	-
6XXX		0	-	-
6XXX		0	-	-
6XXX		0	-	-
6XXX		0	-	-
<i>TOTAL DEPRECIATION</i>		198,141.06	198,141.06	-
7000 - OTHER OUTGOING				
7000	Misc Expense	-	-	-
7141	SPED encroachment	-	-	-
7438	Debt	38,745.51	38,745.51	-
7439	Amortization of Loan Origination Costs	3,189.91	3,189.91	-
7XXX		0	-	-
7XXX		0	-	-
7XXX		0	-	-
<i>TOTAL OTHER OUTGOING</i>		41,935.42	41,935.42	-
<i>TOTAL EXPENSES</i>		3,386,136.83	3,807,764.11	421,627.29

**Arts, Music, and Instructional Materials Discretionary Block Grant 2022
Expenditure Plan Template**

LEA Name:	Orange County Educational Arts Academy (OCEAA)
Contact Name:	Mike Limón
Email Address:	mlimon@oceaa.org
Phone Number:	714-619-2966
Total Amount of funds received by the LEA:	\$ 338,780.00
Date of adoption at a public meeting:	TBD

[AB 181 Sec. 134](#)

[AB 185 Sec. 56](#)

(a) For the 2022–23 fiscal year, the sum of three billion five hundred sixty million eight hundred eighty-five thousand dollars (\$3,560,885,000) is hereby appropriated from the General Fund to the State Department of Education to establish the Arts, Music, and Instructional Materials Discretionary Block Grant, for allocation to county offices of education, school districts, charter schools, and the state special schools to:

(1) Obtain standards-aligned professional development and acquire instructional materials, in the following subject areas:

- (A) Visual and performing arts.
- (B) World languages.
- (C) Mathematics.
- (D) Science, including environmental literacy.
- (E) English language arts, including early literacy.
- (F) Ethnic studies.
- (G) Financial literacy, including the content specified in Section 51284.5 of the Education Code.
- (H) Media literacy.
- (I) Computer science.
- (J) History-social science.

Planned Activity	Budgeted 2022-23	Budgeted 2023-24	Budgeted 2024-25	Budgeted 2025-26	Total Budgeted per Activity
Visual Arts Curriculum (such as The Art of Education's FLEX), 3 years for the site license	\$ -	\$ 3,900.00	\$ -	\$ -	\$ 3,900.00
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal for this section:	\$ -	\$ 3,900.00	\$ -	\$ -	\$ 3,900.00

(2) Obtain instructional materials and professional development aligned to best practices for improving school climate, including training on deescalation and restorative justice strategies, asset-based pedagogies, antibias, transformative social-emotional learning, media literacy, digital literacy, physical education, and learning through play.

Planned Activity	Budgeted 2022-23	Budgeted 2023-24	Budgeted 2024-25	Budgeted 2025-26	Total Budgeted per Activity
Staff School Climate Initiatives to support staff "Crew" relationship building	\$ 10,000.00		\$ -	\$ -	\$ 10,000.00
Misc. Arts Resources and Materials	\$ -	\$ 11,000.00	\$ -	\$ -	\$ 11,000.00
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal for this section:	\$ 10,000.00	\$ -	\$ 11,000.00	\$ -	\$ 21,000.00

(3) Develop diverse book collections and obtain culturally relevant texts, including leveled texts, in both English and pupils' home languages, to support pupils' independent reading. It is the intent of the Legislature that these book collections and culturally relevant texts be used to provide support for pupils through the establishment of site-based school and classroom libraries that are culturally relevant to pupils' home and community experiences and be available in English, pupils' home language, or a combination of more than one language.

Planned Activity	Budgeted 2022-23	Budgeted 2023-24	Budgeted 2024-25	Budgeted 2025-26	Total Budgeted per Activity
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal for this section:	\$ -	\$ -	\$ -	\$ -	\$ -

(4) Operational costs, including but not limited, to retirement and health care cost increases.

Planned Activity	Budgeted 2022-23	Budgeted 2023-24	Budgeted 2024-25	Budgeted 2025-26	Total Budgeted per Activity
Arts Coordinator Programming + Benefits	\$ -	\$ 94,500.00	\$ 94,500.00	\$ 94,500.00	\$ 283,500.00
Arts Classroom Materials and needed furniture	\$ 10,000.00		\$ 10,000.00	\$ -	\$ 20,000.00
Misc. Operational Costs	\$ -	\$ -	\$ 10,380.00	\$ -	\$ 10,380.00
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal for this section:	\$ 10,000.00	\$ 94,500.00	\$ 114,880.00	\$ 94,500.00	\$ 313,880.00

(5) As related to the COVID-19 pandemic, acquire personal protective equipment, masks, cleaning supplies, COVID-19 tests, ventilation upgrades, and other similar expenditures, if they are necessary to keep pupils and staff safe from COVID-19 and schools open for in-person instruction.

For best results: Download as an Excel file, or use Microsoft 365 to preserve formatting and print layout settings.

Version History:
9/9/2022: Initial Release
10/3/2022: Added 6th expenditure category to explicitly identify "to support art and music education programs" in reference to section (c) of the legislative text.

General Instructions:

This example template is provided as a resource as one way to develop an expenditure plan for the Arts, Music, and Instructional Materials Discretionary Block Grant of 2022. LEAs are cautioned to refer to AB 181, Sec. 134, (amended by AB 185, Sec. 56) for all program requirements. Please verify all calculations/formulas before finalizing the plan.

Please make a copy of this document for your own use.

Printing/Layout

The template will print in Landscape mode. The blue instruction boxes will not print. (Note: if viewing in Google Docs please download the document for proper printing alignment)

Page breaks can be added manually prior to final printing. To add a page break:

1. Click the cell immediately below the desired page break.
2. In the Menu/Ribbon, choose Page Layout.
3. Select Breaks >> Insert Page Break.

Note: the Summary table is preset to print on the last page.

If adding/deleting rows, the cell height on some rows with text may need to be adjusted so that all text appears in the cell.

If print area settings are lost, set the Print Area under Page Layout to print columns A through F.

Add/Delete rows to the table(s) as necessary:

Add: Right-click in the last row and select Insert >> Table Row Below

Delete: Unused rows can be deleted by Right-click and select Delete >> Table Rows

Deleting Sections:

If an LEA is not planning any activities in a particular category, the entire section may be eliminated:

Planned Activity	Budgeted 2022-23	Budgeted 2023-24	Budgeted 2024-25	Budgeted 2025-26	Total Budgeted per Activity
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal for this section:	\$ -	\$ -	\$ -	\$ -	\$ -

[Per section (c)] ... to support arts and music education programs.

Planned Activity	Budgeted 2022-23	Budgeted 2023-24	Budgeted 2024-25	Budgeted 2025-26	Total Budgeted per Activity
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal for this section:	\$ -	\$ -	\$ -	\$ -	\$ -

The Summary table should auto-calculate - please don't type directly into the summary table!

The values should populate as entries are made in the preceding tables.

If a table was deleted, delete the corresponding row in the summary table - see instructions above.

Summary of Expenditures

Section Totals	Budgeted 2022-23	Budgeted 2023-24	Budgeted 2024-25	Budgeted 2025-26	Total Budgeted per Activity
Subtotal Section 1: (PD/Instructional Materials)	\$ -	\$ 3,900.00	\$ -	\$ -	\$ 3,900.00
Subtotal Section 2: (Improving School Climate)	\$ 10,000.00	\$ -	\$ 11,000.00	\$ -	\$ 21,000.00
Subtotal Section 3: (Diverse Book Collections)	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Section 4: (Operational Costs)	\$ 10,000.00	\$ 94,500.00	\$ 114,880.00	\$ 94,500.00	\$ 313,880.00
Subtotal Section 5: (COVID - 19)	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Section 6: (Arts and Music Education Programs)	\$ -	\$ -	\$ -	\$ -	\$ -
Totals By Year:	\$ 20,000.00	\$ 98,400.00	\$ 125,880.00	\$ 94,500.00	

Budgeting Planner:
Allocation:
\$ 338,780.00
Variance:
\$ 0.00
Expenditures and Allocation Match

Total Planned Expenditures by the LEA:
\$ 338,780.00

(b) The Superintendent of Public Instruction shall apportion funds proportionally to county offices of education, school districts, charter schools, and the state special schools on the basis of an equal amount per unit of average daily attendance for kindergarten and grades 1 to 12, inclusive, as those numbers were reported as of the second principal apportionment for the 2021–22 fiscal year. The average daily attendance for each state special school shall be deemed to be 97 percent of the enrollment as reported in the California Longitudinal Pupil Achievement Data System as of the 2021–22 Fall 1 Submission.

(c) Funding appropriated pursuant to this section shall be available for encumbrance through the 2025–26 fiscal year. Local educational agencies are encouraged, but not required, to proportionally use resources received pursuant to this section for the purposes noted in paragraphs (1) to (5), inclusive, of subdivision (a) and to support arts and music education programs.

(d) For purposes of this section, standards-aligned instructional materials includes, but is not limited to, books for school and classroom libraries.

(e) The governing board or body of each school district, county office of education, or charter school receiving funds pursuant to this section shall discuss and approve a plan for the expenditure of funds received pursuant to this section at a regularly scheduled public meeting. It is the intent of the Legislature that each school district, county office of education, or charter school expend any resources received pursuant to this section consistent with their governing board or body approved plan.