

Orange County Educational Arts Academy
A California Public Charter School

BOARD OF DIRECTORS
MEETING MINUTES

Regular Meeting

December 11, 2024

6:00 p.m. – Closed Session

6:30 p.m. – Open Session

OCEAA School Library

825 N Broadway, Santa Ana, CA

Reference Materials: <https://bit.ly/41m6SOo>

Zoom Link for Presenters: <https://bit.ly/33DU6Mz>

MINUTES

I. Call to Order: 6:00 PM

A. Roll Call

Board Members	Present	Absent
Dr. Alfonso Bustamante		X
Carmen Aparicio, Chair	X	
Ben Stanphill, Secretary	X	
Dr. Gregory Barraza	X	
Edwin Larid	X	
Luzelena Najera	X	
Martha Saenz	X	

Staff/Other

Dr. Pedro Llorente, School Director	X	
Mike Limon, President/Executive Director	X	

B. Approval of Agenda

II. Open Session

A. Operations Report

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. Staff Evaluations/Discipline/Privacy or Other Confidential Issues (Gov. Code Section 54957)
- B. Conference with Real Property Negotiators (Gov. Code Section 54956.8)
Property: 817 N. Broadway St, Santa Ana, CA
Agency Negotiator: OCEAA

Negotiating Parties: Private Owner
Under Negotiation: Price and Terms of Payment

V. Reconvene to Open Session and Report of Action from Closed Session, If Any 6:40 PM

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. Operations Report – Dennis Nguyen, CSMC
- B. Staff Reports
 - 1. Executive Director – Mike Limon
 - 2. School Director – Pedro Llorente
- C. Board Update
- D. Board Strategic Plan Discussion

GOAL 4: Develop and execute short and long-range plans for OCEAA's physical plant and facilities.

- (a) Develop a short-term and long-term facilities plan for OCEAA
 - (i) Evaluate lease for the Annex
 - (ii) Evaluate using space in main building.
 - (iii) Prioritize and implement short and long-term needs
 - (iv) Consider expanding to a neighboring property.
 - (v) Refinance OCEAA's \$8 million bond at a lower interest rate.
- (b) Follow up on the architecture firm contract.

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. Approve Minutes from November 2024 Board Meeting
- B. Approve October 2024 Check Register

Action: Approve Consent Items Listed Above	Motion: GB Second: EL
	Vote: 6 for 0 against

IX. Review and Approve 2024-25 Revised Operating Budget

Action: Approve 2024-25 Revised Operating Budget.	Motion: EL Second: BS Vote: 6 for 0 against
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X. Review and Approve 2024-25 First Interim Report

Action: Approve 2024-25 First Interim Report.	Motion: EL Second: GB Vote: 6 for 0 against
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XI. Review and Approve 2023-24 Annual Financial Audit

Action: Approve 2023-24 Annual Financial Audit with no findings.	Motion: GB Second: LN Vote: 6 for 0 against
--	--

XII. Items for Future Meetings

The next regularly scheduled meeting is on January 8, 2025.

XIII. Adjournment

The meeting was adjourned at 8:19 PM.



Financials through Oct 31,
2024

Monthly Financial Board Report

Prepared for: Orange County Educational Arts Academy

Prepared by School's CSMC SBM - Dennis Nguyen



Financial Summary

Actual to Budget:

This report is as of Oct 31, 2024, compared against our board-approved initial budget in June 2024, based on 626 students enrolled and 582.2 ADA.

YTD Revenues through **Oct 31, 2024**, are **\$3,418,752** or **7.2% (\$228,333)** over our current budget. This is primarily due all other state funds ahead of budget by \$404k with ELOP revenues received monthly, in addition to recognizing revenue related to expenses incurred for ELOP and Learning Recovery Block Grant. Federal revenues are behind budget (\$104k) due to timing for SPED, nutrition, and Title Funds.

YTD Expenses through **Oct 31, 2024**, are **\$4,093,102** or **8.5% (\$321,777)** over our current budget. This is lead by books/supplies being overspent by \$109k in multiple 4000s accounts, but still within overall budget expectations. 5000s operating/services expenses currently overspent include training/development (\$28k), building maintenance (\$17k), and educational consultants (\$80k). We will present revisions to expenses with the updated budget.

Therefore, year-to-date net surplus/(deficit) is **(\$674,350)**.

Balance Sheet:

As of Oct 31, 2024, we had total cash of \$4,101,403, short-term liabilities of \$3,360,260, and long-term liabilities of \$11,598,060. The ending fund balance is \$1,952,583.

Reconciled cash decreased by \$268.9k in the month of October primarily due to expenses being greater than revenues, in addition to paying down of accounts payable and accrued liabilities.

Understanding the Financial Health of the Organization

The chart below explains some of the parameters that the school's leadership can evaluate to understand their financial health, and potential areas of weakness.

Cash Ratio

Ability to meet short-term obligations with cash



Current: 122.1 % **Target:** > 100.0 %

Formula:

(Cash) / (Current Liabilities)

Current Ratio (Liquidity)

Ability to pay short-term obligations



Current: 1.5 **Target:** > 1.0

Formula:

(Current Assets) / (Current Liabilities)

Defensive Interval

Months of continued operation without incoming funds



Current: 4.8 **Target:** > 3 months

Formula:

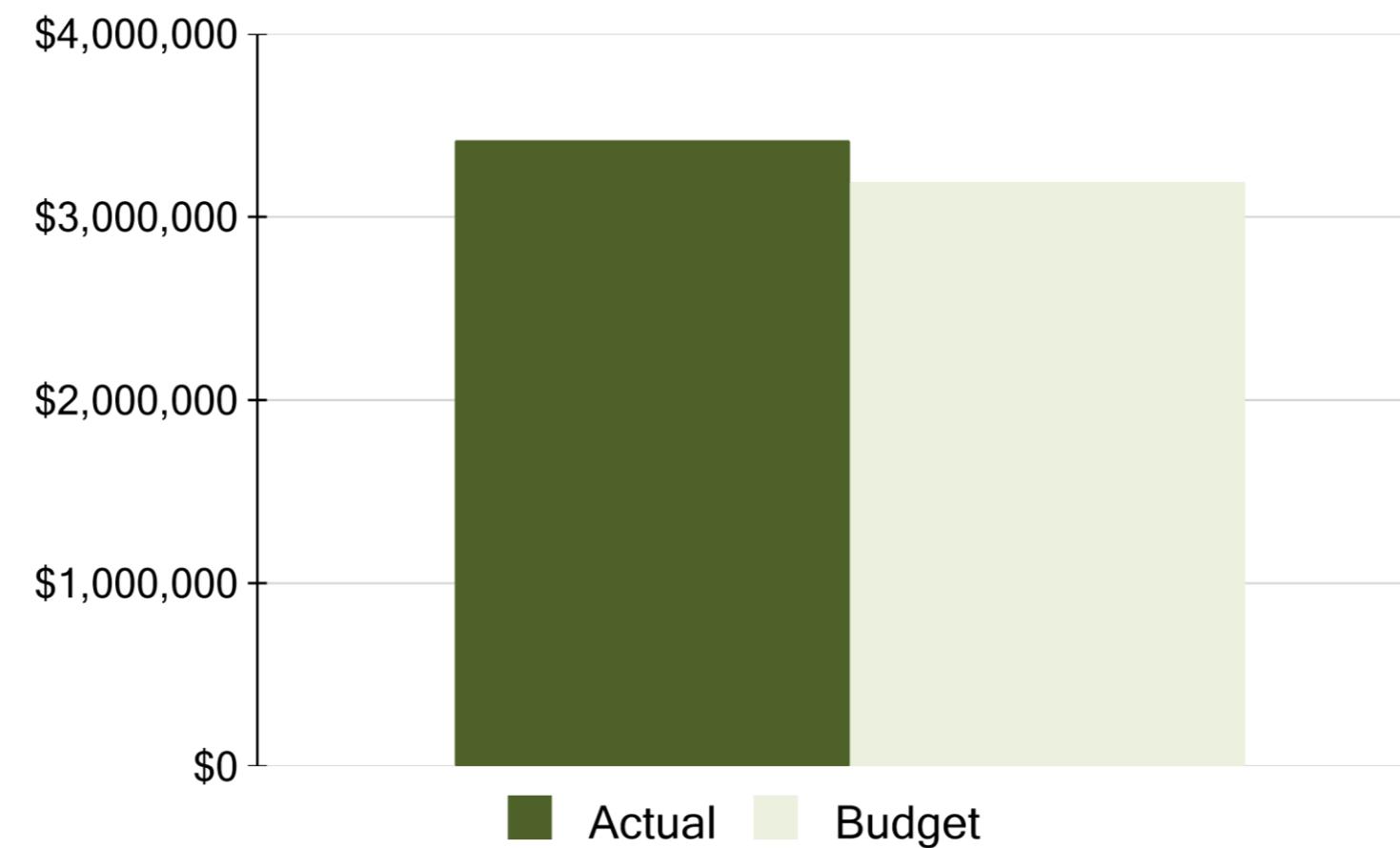
(Cash + Securities + AR) / (Average Expenses for Past 12 Months)

Financial Snapshot

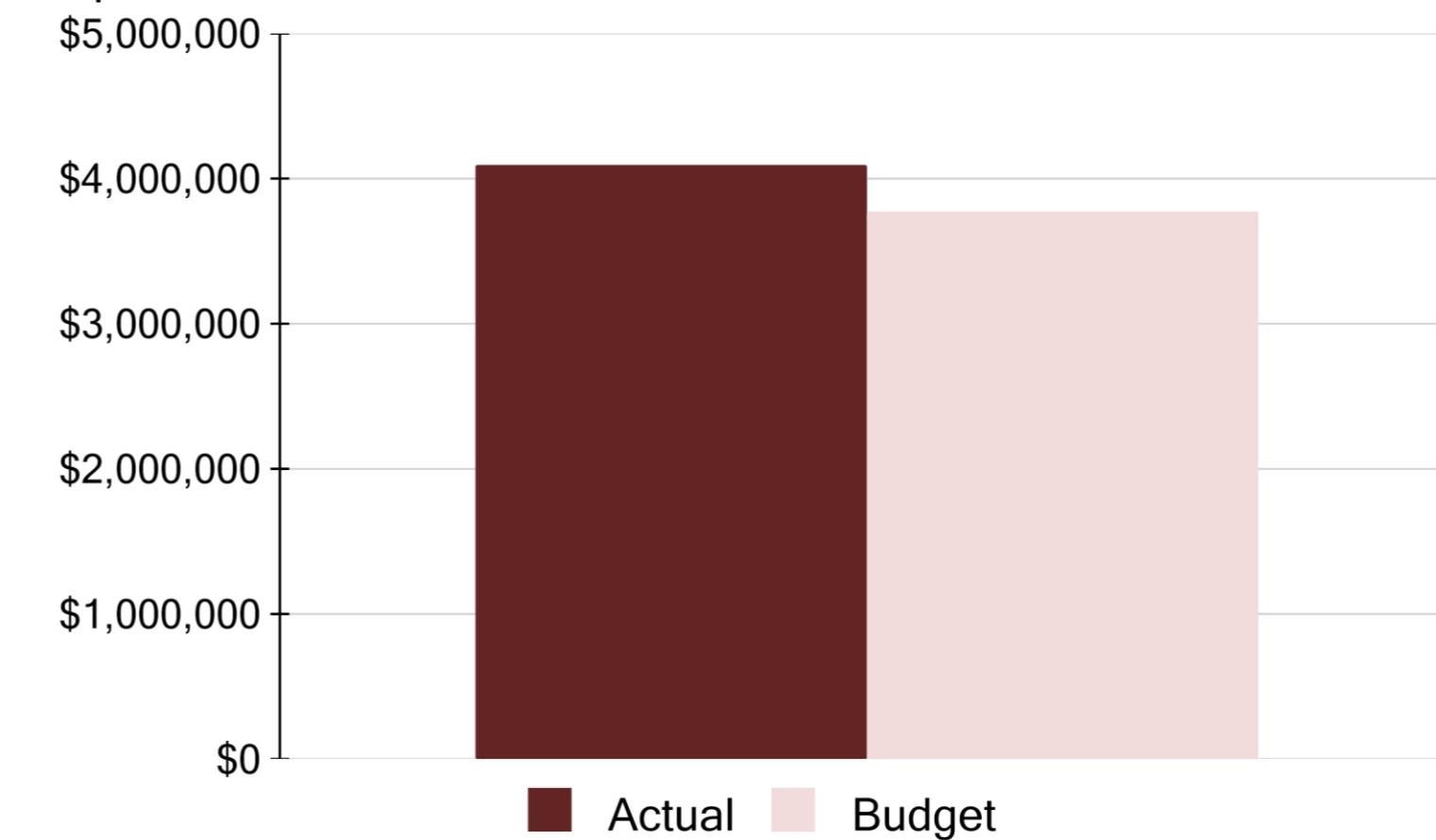
FY 2024-2025, July - October

Cash Balance
 **\$4,101,403**

Revenue to Date



Expense to Date



Revenue Summary

Revenue Summary	
Actual	\$3,418,752
Budget	\$3,190,418
Actual to Budget	7.2 %

Expense Summary

Expense Summary	
Actual	\$4,093,102
Budget	\$3,771,324
Actual to Budget	8.5 %

Actual to Budget Summary

FY 2024-2025, July - October

Account Description	July - Last Closed			2024-2025		
	Actual	Budget	Variance \$	Total Budget	Actual to Total Budget %	Remaining Budget
LCFF Revenue	\$2,158,329	\$2,130,340	\$27,989	\$7,959,273	27.1 %	\$5,800,944
Federal Revenue	\$25,287	\$129,988	(\$104,701)	\$673,188	3.8 %	\$647,901
State Revenue	\$1,054,633	\$748,424	\$306,209	\$3,201,245	32.9 %	\$2,146,612
Local Revenue	\$180,504	\$181,667	(\$1,163)	\$545,000	33.1 %	\$364,496
Benefits	\$659,298	\$700,325	\$41,027	\$2,100,975	31.4 %	\$1,441,677
Classified Salaries	\$796,925	\$700,024	(\$96,902)	\$2,258,364	35.3 %	\$1,461,438
Certificated Salaries	\$922,678	\$968,247	\$45,568	\$3,574,518	25.8 %	\$2,651,839
Total Personnel Expenses	\$2,378,902	\$2,368,596	(\$10,306)	\$7,933,856	30.0 %	\$5,554,955
Capital Outlay	-	-	-	\$188,751	0.0 %	\$188,751
Services	\$1,312,312	\$1,109,903	(\$202,410)	\$3,360,740	39.0 %	\$2,048,428
Books and Supplies	\$401,888	\$292,826	(\$109,062)	\$842,555	47.7 %	\$440,667
Total Operational Expenses	\$1,714,200	\$1,402,728	(\$311,472)	\$4,392,046	39.0 %	\$2,677,846
Total Expenses	\$4,093,102	\$3,771,324	(\$321,778)	\$12,325,902	33.2 %	\$8,232,801
Net Income	(\$674,350)	(\$580,906)	(\$93,444)	\$52,803	-1,277.1 %	\$727,153

Revenue
\$3,418,752

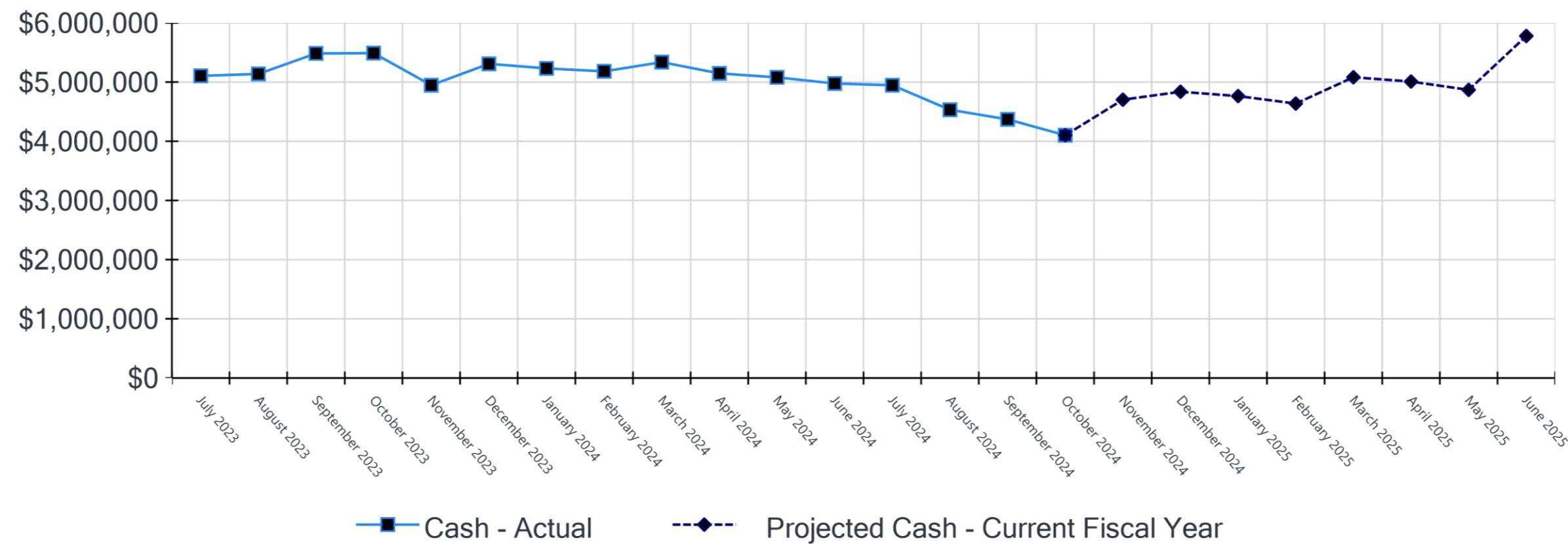
Expenses
\$4,093,102

Surplus / (Deficit)
(\$674,350)

This report displays all actual and budgeted revenue and expenditures by object code series and by month. This report can be useful in revenue in a timely manner and that you stay within board approved expenditure levels.

Monthly Cash Balance Over Time

Current fiscal year and prior year



	Cash Amount	Actual or Projected
July 2023	\$5,105,051.24	Actual
August 2023	\$5,137,279.81	Actual
September 2023	\$5,483,567.39	Actual
October 2023	\$5,489,067.58	Actual
November 2023	\$4,947,787.03	Actual
December 2023	\$5,308,408.38	Actual
January 2024	\$5,230,641.73	Actual
February 2024	\$5,181,529.21	Actual
March 2024	\$5,336,270.05	Actual
April 2024	\$5,146,792.22	Actual
May 2024	\$5,079,658.62	Actual
June 2024	\$4,975,767.15	Actual

	Cash Amount	Actual or Projected
July 2024	\$4,946,275.72	Actual
August 2024	\$4,531,832.82	Actual
September 2024	\$4,370,363.01	Actual
October 2024	\$4,101,402.72	Actual
November 2024	\$4,702,307.86	Projected
December 2024	\$4,836,383.88	Projected
January 2025	\$4,763,309.26	Projected
February 2025	\$4,636,555.55	Projected
March 2025	\$5,081,297.45	Projected
April 2025	\$5,008,533.25	Projected
May 2025	\$4,867,966.23	Projected
June 2025	\$5,778,341.61	Projected

Balance Sheet Summary FY 2024-2025 - October

Assets	
Current Assets	
Accounts Receivable	\$849,857
Cash and Cash Equivalents	\$4,101,403
Prepaid Expenses	\$11,926
Total Current Assets	\$4,963,186
Fixed Assets	
Accumulated Depreciation	(\$2,036,869)
Fixed Assets	\$13,994,887
Total Fixed Assets	\$11,958,018
Other Assets	
Other Assets	\$18,466
Total Other Assets	\$18,466
Total Assets	\$16,939,670

Liabilities and Net Assets	
Short-term Liabilities	
Accounts Payable	\$101,616
Accrued Liabilities	\$345,435
Loans Payable Current	\$1,005,438
Other Short Term Liability	\$1,907,771
Total Short-term Liabilities	\$3,360,260
Long-term Liabilities	
Other Liabilities	\$11,598,060
Total Long-term Liabilities	\$11,598,060
Total Liabilities	\$14,958,319
Total Unrestricted Net Assets	\$2,621,116
Total Restricted Net Assets	\$5,816
Total Net Increase/ (Decrease) in Net Assets	(\$674,350)
Total Net Assets	\$1,952,583
Total Liabilities and Net Assets	\$16,910,903

Liquidity Ratio
1.5

The balance sheet displays all of the school's assets and the school's obligations ('liabilities') at a particular point in time. It is a useful way to ensure the school has enough money to pay off its debts.

Looking Ahead

11/30/2024	ELOP Third Party Provider survey due
	UPK expenditure survey due
12/1/2024	In Person Instruction final expenditure report
12/11/2024	CSMC Webinars
12/13/2024	CSMC Office Hours
12/15/2024	Annual Financial Audit Report deadline
	First Interim Financial Report
	Audits may be due to special education SELPAs, deadlines vary
	Learning Recovery Emergency Block Grant expenditure report
	Learning Recovery Emergency Block Grant report
12/30/2024	Charter School Revolving Loan applications due
1/1/2025	New hourly wage and monthly exempt salary levels in effect
1/15/2025	CARS Winter Data Collection (Title funding)
	P-1 Attendance Report
	Several special education reports due; timing and steps vary by SELPA
1/29/2025	CSMC Webinar
1/31/2025	Federal Cash Management Data Collection (CMDC)
	ASES attendance and expenditure reports
2/1/2025	Nonclassroom-based funding determinations due
	School Accountability Report Card (SARC) due in CDE portal

CSMC Charter School Support Team



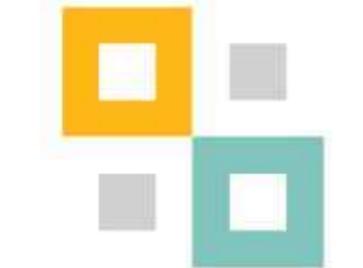
Tom Nichols
Executive Vice President of Client Services and Operations
tnichols@csmci.com



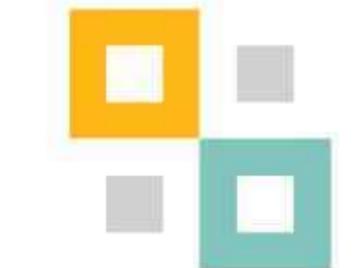
Dennis Nguyen
School Business Manager
dnguyen@csmci.com



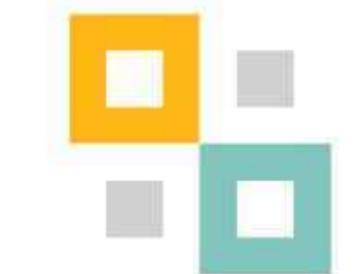
Kayla Tocco
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Report created on 11/26/2024 9:34:49 AM for Orange County Educational Arts Academy



December 11, 2024 Executive Director Board Report

Current Enrollment: 637 enrolled (down two, out of state)

2025-26 Prospective Family Overview Sessions:

- **January 9th, 2025**
- **February 6th, 2025**
- **March 06, 2025**

Visited our outreach list sire to deliver rebranded pamphlets as part of our recruitment strategy along with ongoing [Facebook Ads](#).

School Choice 2025 Event - Saturday, February 1st - Santa Ana Zoo

Potential Candidates (Completed Interest Forms)	#
TK	24 46
K	41 30
1	5 3
2	4 1
3	4 2
4	4 3
5	2 0
6	3 4
7	4 2
8	1



Current Enrollment and Planning Ahead

ADA on Day 80th (budget assumes 93.5%)

Orange County Educational Arts Academy

08/07/2024 to 12/11/2024 = 80 school days

Grade Level	Carry Fwd	Gain	Mult Gain	Loss	Ending	Actual Days	Off Track	Days N/E	Days Absent	Days Attd	ADA	ADA %
-1	1	40	0	1	40	3280	0	84	144.00	2812.00	35.15	87.98%
0	3	75	0	1	77	6240	0	34	331.00	5555.00	69.44	89.51%
Subtotal	4	115	0	2	117	9520	0	118	475.00	8367.00	104.59	88.99%
1	0	82	1	2	80	6480	0	10	309.00	6145.00	76.81	94.98%
2	0	81	0	0	81	6480	0	0	278.00	6186.00	77.33	95.46%
3	0	69	0	2	67	5520	0	60	217.00	5216.00	65.20	95.53%
Subtotal	0	232	1	4	228	18480	0	70	804.00	17547.00	219.34	95.31%
4	0	73	0	0	73	5840	0	0	217.00	5600.00	70.00	95.89%
5	0	62	0	0	62	4960	0	0	208.00	4724.00	59.05	95.24%
6	0	64	0	1	63	5120	0	77	179.00	4856.00	60.70	96.29%
Subtotal	0	199	0	1	198	15920	0	77	604.00	15180.00	189.75	95.82%
7	0	50	0	0	50	4000	0	0	190.00	3788.00	47.35	94.70%
8	0	44	0	0	44	3520	0	0	192.00	3316.00	41.45	94.20%
Subtotal	0	94	0	0	94	7520	0	0	382.00	7104.00	88.80	94.47%
Grand Total	4	640	1	7	637	51440	0	265	2265.00	48198.00	602.48	94.18%



UPDATE ON Prop 28 Plan: CDE FAQ's

On an annual basis, we need a School Site Expenditure Plan (& report) per EC 8820(e), While each school is required to create an expenditure plan, it is not mandated that it be posted on the LEA website, or submitted to the California Department of Education (CDE). Not Subject to Audit Verification but the Annual Report is.

Our Initial Plan:

Since the goal is to supplement and not supplant arts programming at OCEAA, we have created a new role **“Arts Programming Coordinator”**, which we are currently interviewing candidates for. To review the job description, [click here](#). This is a full time position and may or may not be classified/ credentialed.

New accounting requirement: We are required to track any arts related school costs to support this supplemental budget, we are now tracking arts related expenses as a school.

Amounts: (An allocation is made annually, with three years to spend each allocation.)

FY23/24 available: \$99,170 (carried over to this year)

FY24/25 preliminary: \$94,151

1,013 Applicants, 123 considered, 36 invited to interview, one in person so far for panel, still have interviews pending.

Update: We have drafted a version two of JD that we are modifying based on our consult with OCDE.



Budget Planning for 2025-26

1. Last Month the Board approved the one-time Certificated Retention Stipend 2024-25
 - a. Total investment is projected at **\$72,000** (not including CalSTRS impact)
2. **Looking ahead:**
 - a. **Reminder:** OCEAA has a certificated step & column salary schedule ([last approved in March 2023](#)), refer to prior board report for reference from [February 2023](#).
 - b. **Recommendation:** Board to create an **ad hoc committee** to review the certificated step & column salary schedule between Dec and late Jan.
 - c. We plan to host a Certificated Dept Business Update, which is when we general project any changes to compensation and general business updates (date TBD)
 - d. We are going to follow any Governor updates with his January Budget Forecast for the new fiscal year.
 - e. Internal Intent to Return process is released in Feb, which then contracts (2 year typically) go out in March for every year.



Ongoing Board Strategic Plan Review

GOAL 4: Develop and execute short and long-range plans for OCEAA's physical plant and facilities.

Objective A: Develop a **short-term** and long-term facilities plan for OCEAA

Objective B: Follow-up on the **architecture firm contract**



OCEAA's Municipal Bond: Refinancing Bond - The Why's

1. Raise \$1.5 million for facility investments
2. Annual Savings of approx: \$180k for 30 years
3. Lower interest compared to 2008, outstanding approx \$9 million
4. CSFA Grant awarded for Reserve Requirement of \$660k+
5. Increased cash flow of approx \$180k+ for Annex TI (paid off through refi, 2 years only)
6. We closed on May 30, 2023!



Planned and Shared Projects

Library Renovation

Add School-wide PA Systems (Hardware & cabling)

This includes the Annex also

Purchase Furniture for Arts Room & Flooring

Install New Elevator

Replace Old HVAC Systems (Approx. 4 Units)

Replace Outdoor Performance Stage & Add Outdoor Speakers at Main

Add Requested Equipment/ Furniture to Classroom

Playground/ Recess Equipment Refurb

Add Additional Technology (Promethean Boards, iPads, Chromebooks)

Total Funds for Cap Improvement:	\$1,500,000.00
Estimated Balance (not including fees)	\$911,112.34

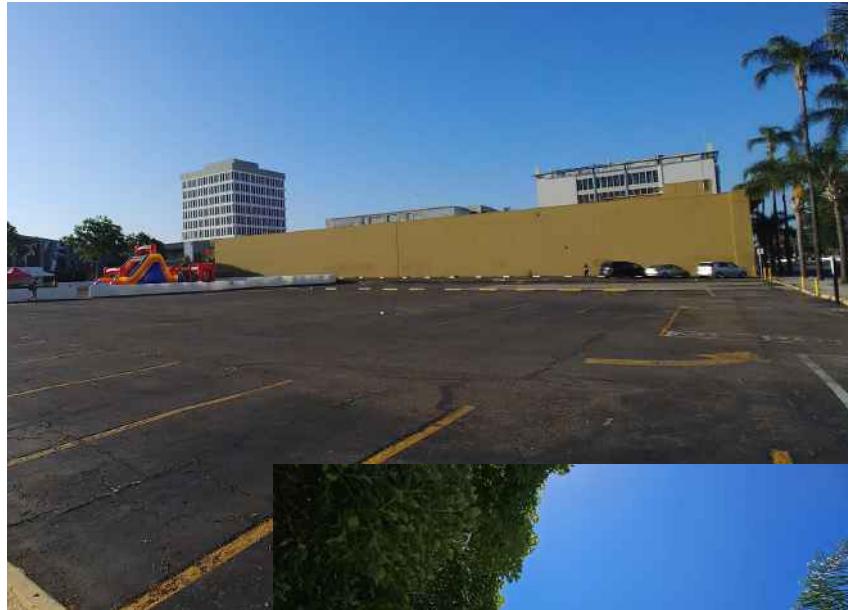


Facility Investments: Initial List

1. Roof - Main complete, annex (more recent '24 work)
2. Two Single Use Adult Bathrooms - Complete
3. Garden - Dragon Kim Foundation -\$5k grant
4. New Firewall Installed at both buildings (E-Rate 13k grant) and WAPs in all classrooms w/ Promethean boards
5. FSO Staff Lounge Project
6. Created an Arts Classroom - Renovated & new furniture
7. Garden Grill - New tables, renovations, \$135k KIT Grant Coming
8. Library Renovation
9. New Stage & Truss
10. PA System
11. New Main Building Signage
12. Admin Offices - 4 spaces with brand new furniture for 19 work stations (SPED & RTI)
13. HVAC: Replaced nearly 11 units + (more are needed)
14. All 4th & 5th grade student/teacher desk & chairs
15. Replaced Door Hardware on 4 sets of doors and added alarm systems
16. Along with various other smaller facility projects



GOAL 4: Current Facilities Projects Completed



6 years ago.



Now.



5 years ago.



Now.

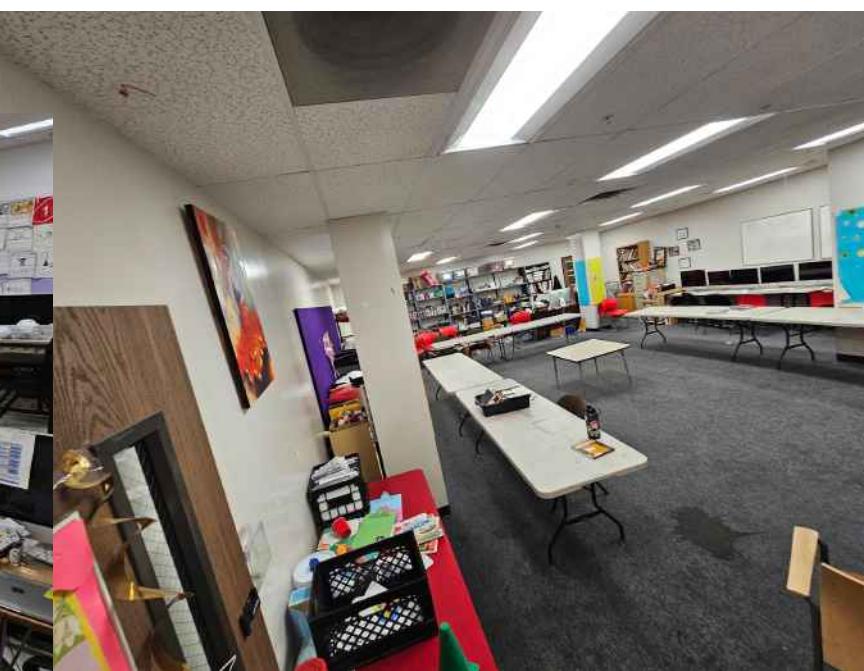


5 years ago.

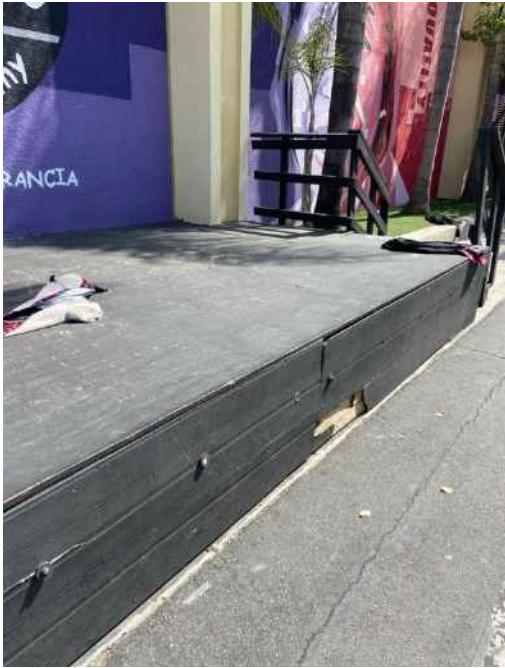


Now.

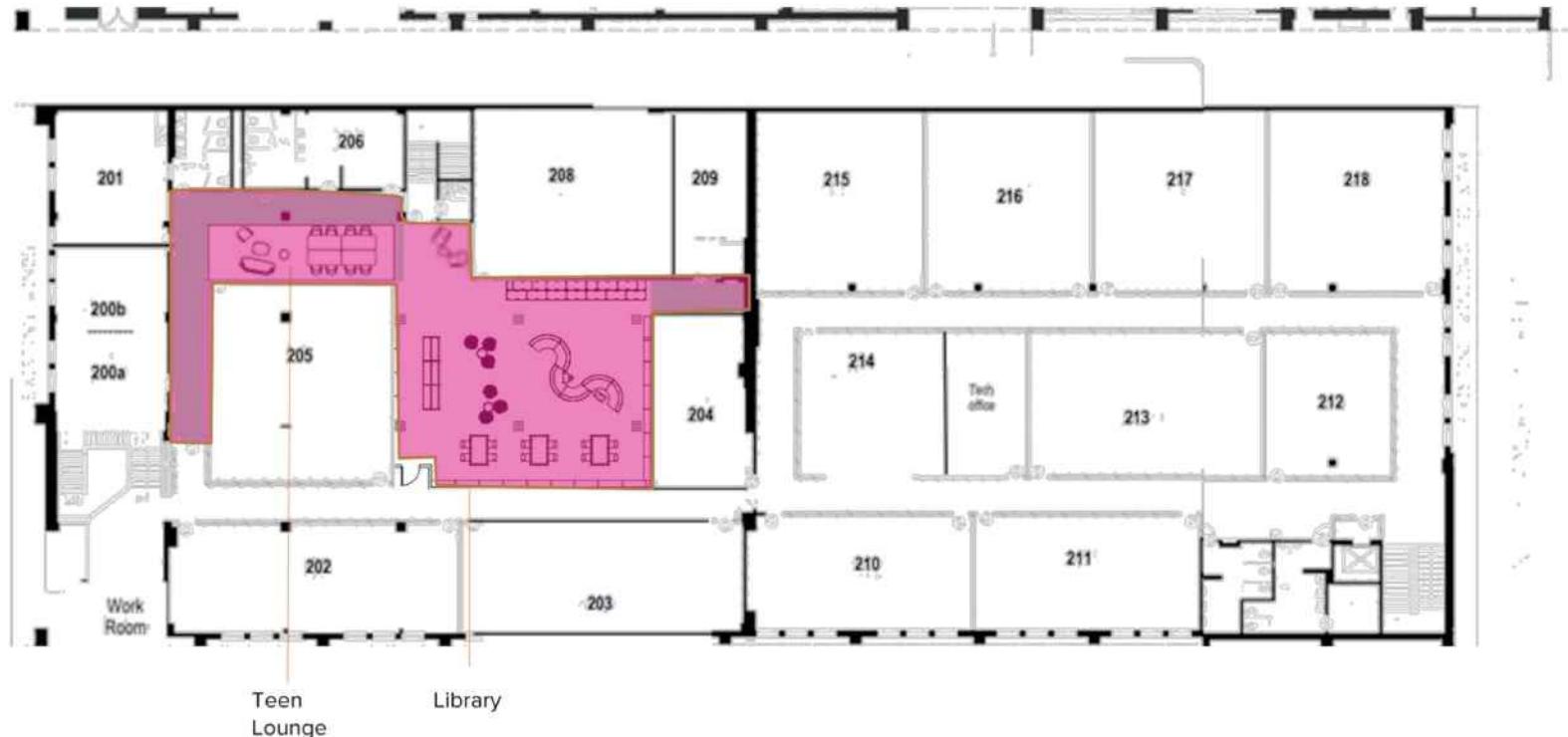




M.S. Arts Room



Main Stage & PA System (status update)



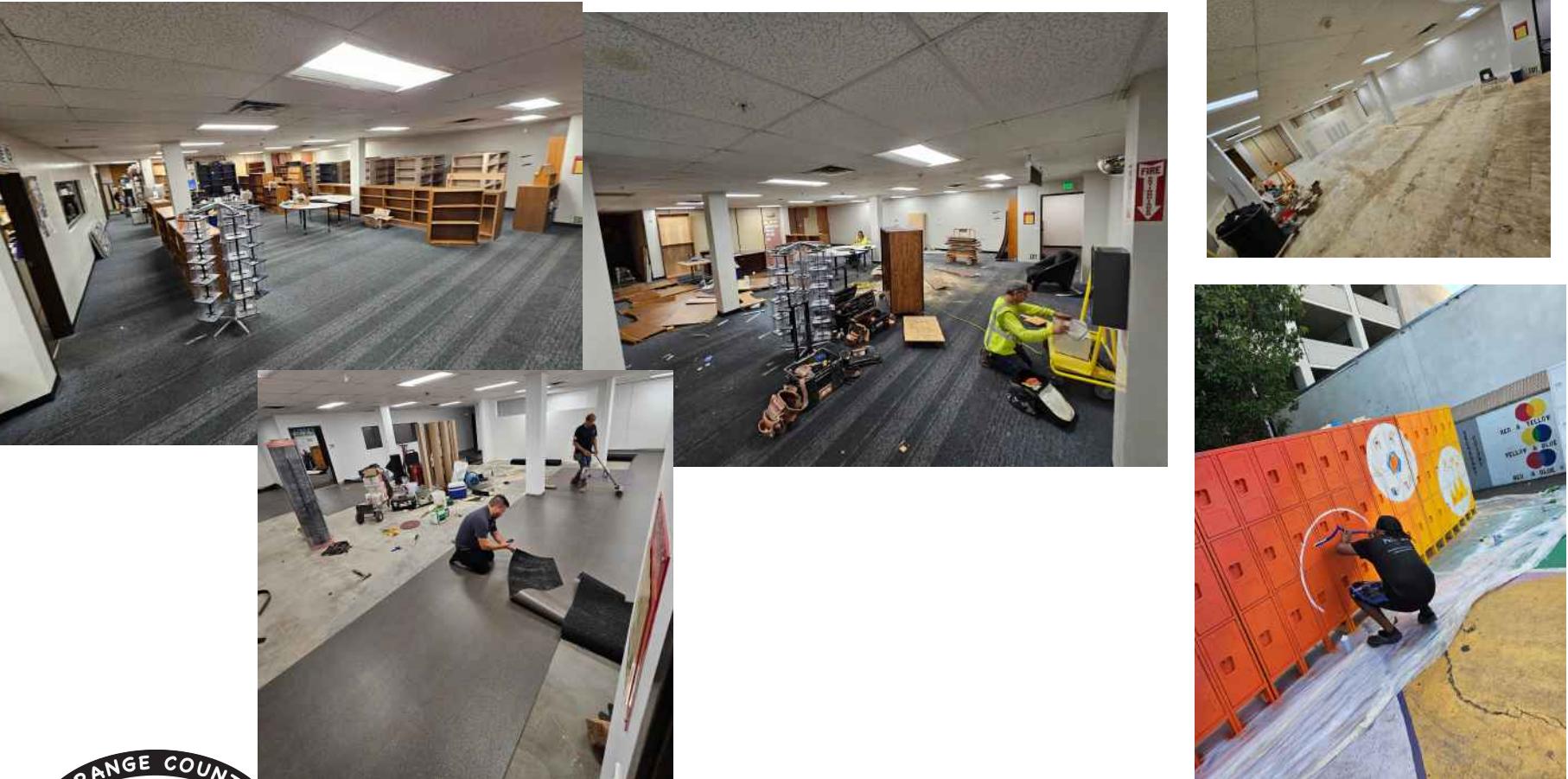
Library (2,460 sf)





Prior Library

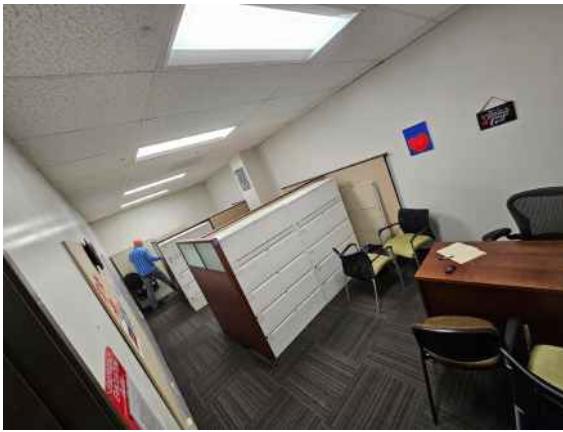




Phases...



Phases...



APPROVED CUSTOMER DRAWING



Office 214

Worksurfaces and edge
➤ M16 Tundra



Frosted Glass

Panel Frame & Storage
➤ CW Cloud White



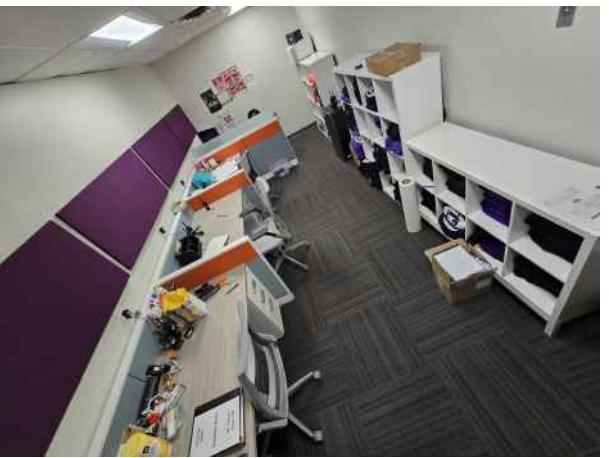
APPROVED CUSTOMER DRAWING



Maximizing Administrative Work Stations



SPED & RTI



Concept: Caribou Industries has purchased this property from the County (I believe) to convert into 40 apartment units with a mixed used approach, with possible coffee shop

- They are currently under the site plan review phase, recently renewed in Oct 2024
- They are only planning to have 50 parking spots reserved in the mutually shared OCEAA parking structure contract with UCI on the first level
- It's reported that there are no plans to make modifications to the structure itself now
- The current parking lot at 811 will be required to be used as a "open space area"



811 N. Broadway Status Updates



COUNTY OF ORANGE CIVIC CENTER FACILITIES STRATEGIC PLAN 2024



County Redevelopment Plans

Orange County Educational Arts Academy (Charter No. 0701) **And** OCEAA Facilities LLC

Programs Audited:

1. Attendance
2. Inventory of Equipment
3. Internal Control
4. State Compliance
5. Charter School Facilities Programs
6. Apprenticeship: Related and Supplemental Instruction
7. Federal Compliance
8. Miscellaneous
9. Classroom Teacher Salaries
10. Local Control Accountability Plan
11. Instructional Materials
12. Teacher Misassignments
13. School Accountability Report Card

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY CONSOLIDATING STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024

	Orange County Educational Arts Academy	OCEAA Facilities LLC	Eliminations	Consolidated Total
WITHOUT DONOR RESTRICTIONS SUPPORT AND REVENUES				
Federal and state support and revenues				
Local control funding formula, state aid	\$ 4,877,053	\$ -	\$ -	\$ 4,877,053
Federal revenues	599,260	-	-	599,260
Other state revenues	3,553,731	-	-	3,553,731
Total federal and state support and revenues	<u>9,030,044</u>	<u>-</u>	<u>-</u>	<u>9,030,044</u>
Local support and revenues				
Payments in lieu of property taxes	2,328,643	-	-	2,328,643
Alterschool fees	233,091	-	-	233,091
Rental income	-	675,839	(675,839)	-
Investment income, net	168,177	104,263	-	272,440
Other local revenues	251,833	-	(1,779)	250,054
Total local support and revenues	<u>2,981,744</u>	<u>780,102</u>	<u>(677,618)</u>	<u>3,084,228</u>
Total Support and Revenues	<u>12,011,788</u>	<u>780,102</u>	<u>(677,618)</u>	<u>12,114,272</u>
EXPENSES				
Program services	9,454,333	671,464	(677,618)	9,448,179
Supporting services	-	-	-	-
Management and general	2,190,196	220,423	-	2,410,619
Fundraising	80,882	-	-	80,882
Total Expenses	<u>11,725,411</u>	<u>891,887</u>	<u>(677,618)</u>	<u>11,939,680</u>
CHANGE IN NET ASSETS				
Net Assets - Beginning	<u>2,340,556</u>	<u>(828,598)</u>	<u>-</u>	<u>1,511,958</u>
Net Assets - Ending	<u>\$ 2,826,933</u>	<u>\$ (940,383)</u>	<u>\$ -</u>	<u>\$ 1,686,550</u>

SUMMARY OF PRIOR AUDIT FINDINGS (page 35):

This section presents the status of actions taken by the Organization on each of the findings and recommendations reported in the prior year audit; however, there were no audit findings reported in the year ended June 30, 2023.



Annual Financial Audit - Year: 2023-24

Q&A



School Director's Board Presentation

12.11.24



EL Education Accreditation and Foundations

- Reviewed cycle 1 and designed cycle 2 based on the data.
- Organized the PD sessions for session 2 (January 6 and 7)
- We are officially part of the cohort for accreditation.
- After working on Learning Targets and the connection to student work through unpacking, we will focus on discourse as a checking for understanding tool.
- Second cycle will be finished for data review mid February, around the mid-term review (February 11).



Improvements in Facilities

- Final steps on PA system and connection to both buildings.
- Alarms set in doors.
- First steps on *La tiendita*.



EL Enrichment

- Started already
- For students selected, they will be grouped based on the Guided Reading Level.
- Teachers will work before or after school, three times a week, with the same group of students
- Teachers will use the Literacy Continuum and the guided reading levels to support students



Potential Communication from School

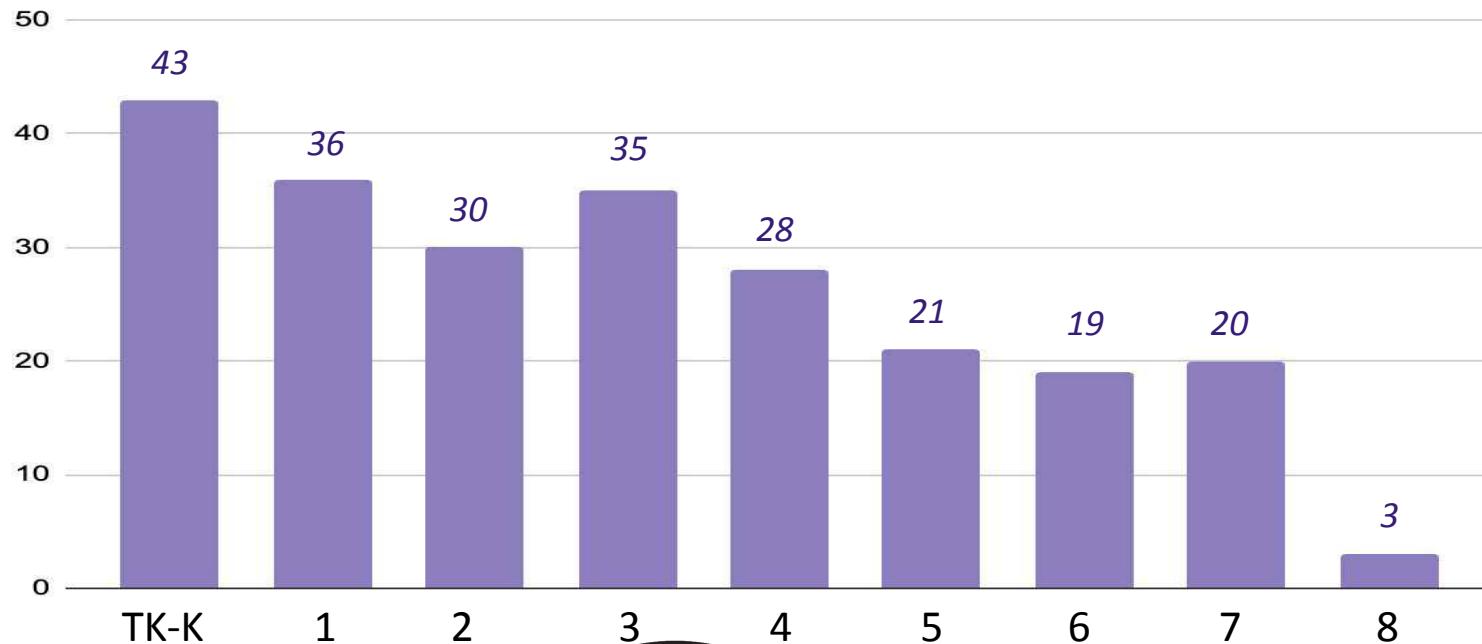
- Considering our social justice stance, consider coming up with some basic communication following the examples outlined in the article below. The message of the President's Alliance, for example, grounds on humanity and the importance of inclusivity. A Board sanctioned message would help us.
 - <https://english.elpais.com/usa/2024-12-08/protecting-undocumented-students-how-schools-and-colleges-are-responding-to-trumps-second-term.html>
- The possibility of raids and for immigration authorities to enter schools to determine immigration status has not been common in the past, but this might change according to some of the points of the *Project 2025*, the conservative project that plans to eliminate *sensitive areas* and would, therefore, afford ICE the option of entering school grounds for interviews, arrests, surveillance, or searches.
 - For now, we could start with a statement, modeling after some of the language in the article.
 - Second step, look into workshops that can support our families.
 - Statement Draft



Results of the 2023-2024 Summative ELPAC

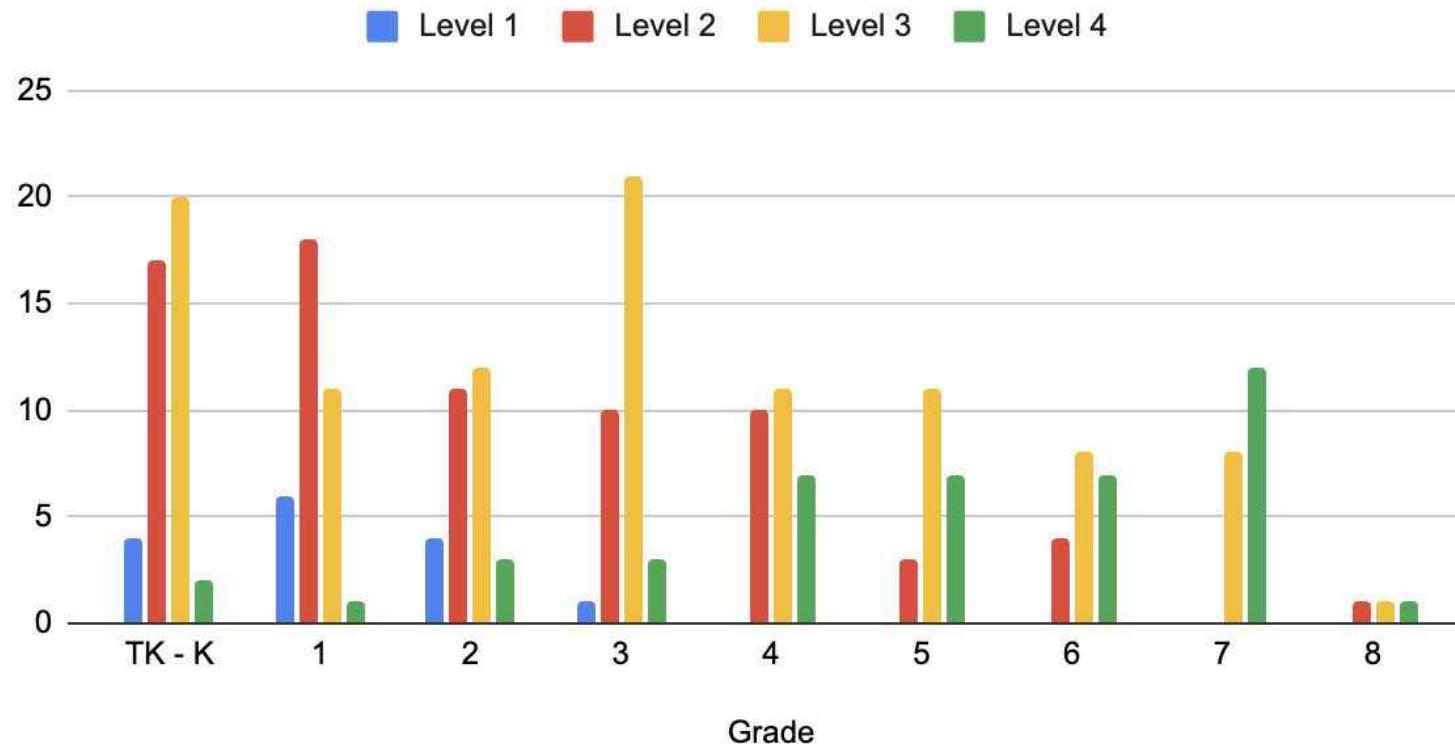


Current OCEAA Students who Participated in the 2024 Summative ELPAC



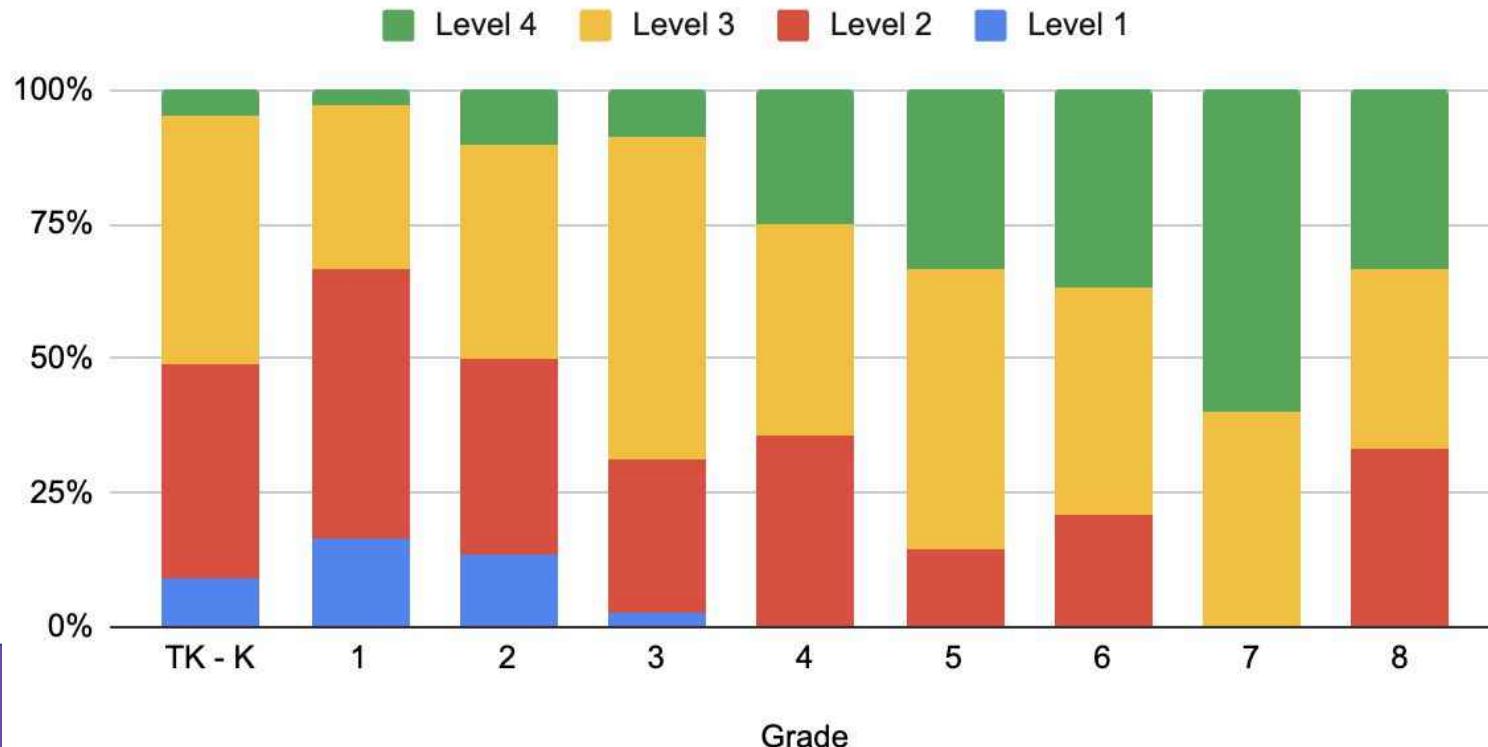
OVERALL ELPAC Scores Across Grades

Students in each Grade-Level Who Scored Each OVERALL Performance Level

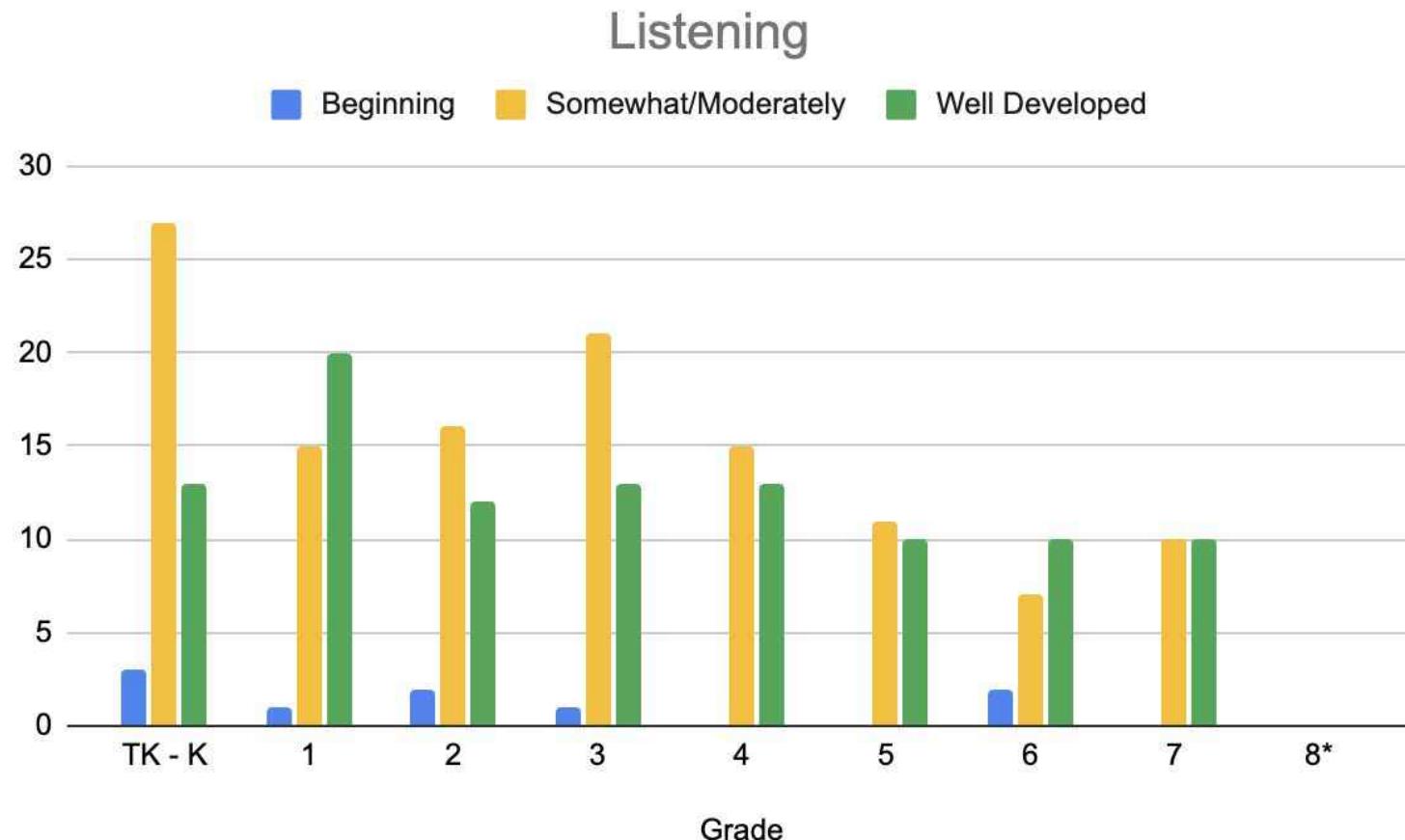


Percentage of OVERALL Levels by Grade

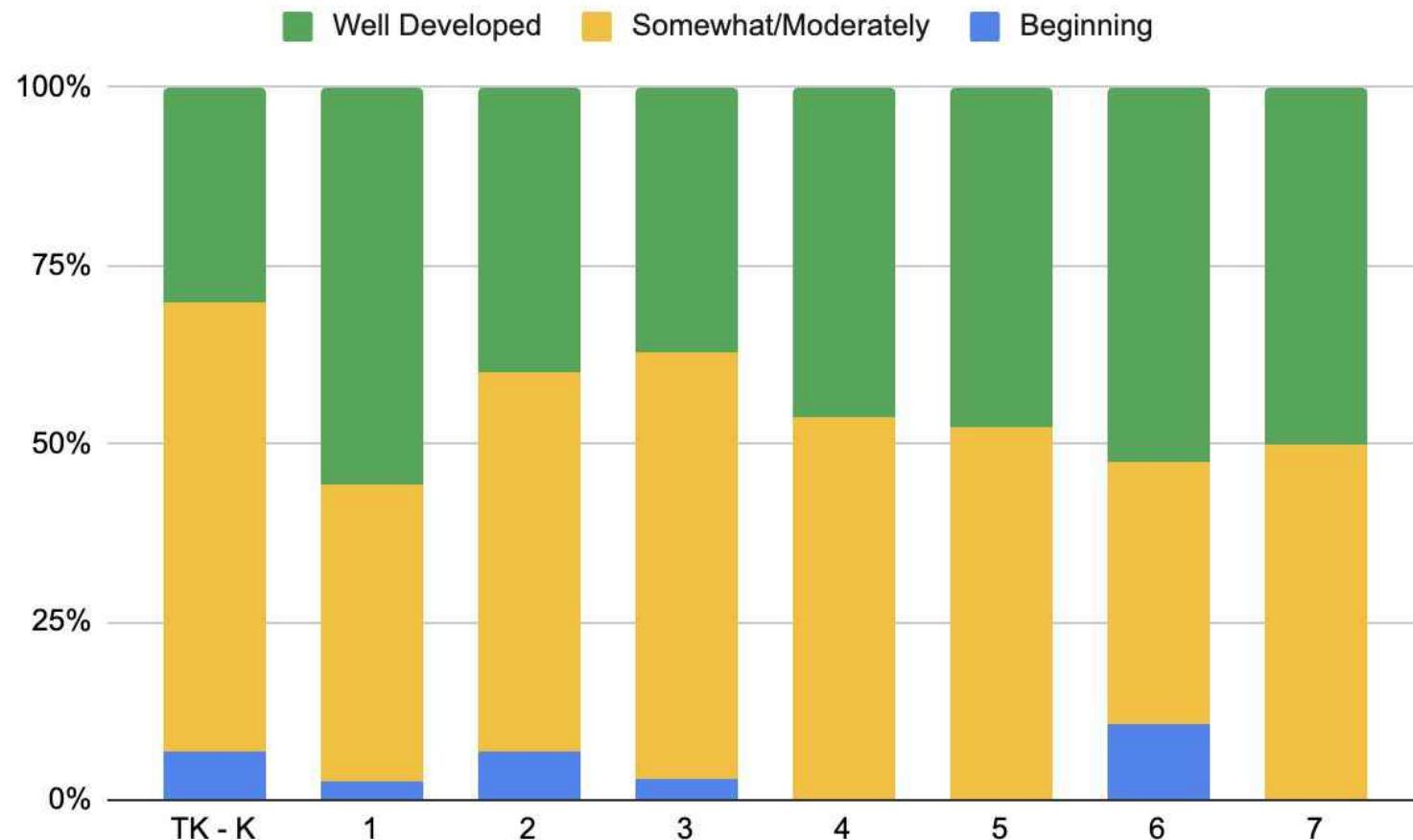
Percentage of Students in each Grade-Level Who Scored Each Performance Level



LISTENING Levels Distributed by Grade



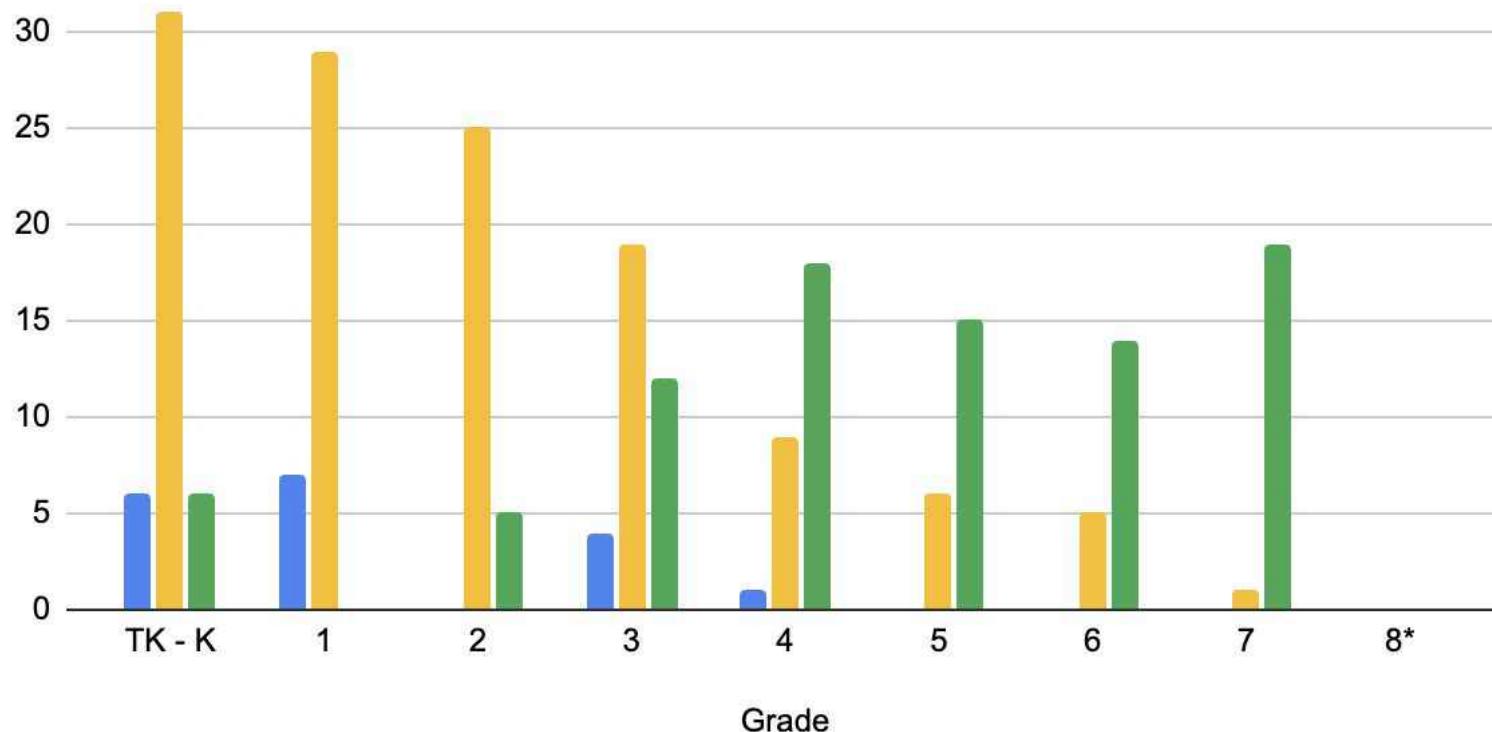
Percentage of LISTENING Levels per Grade



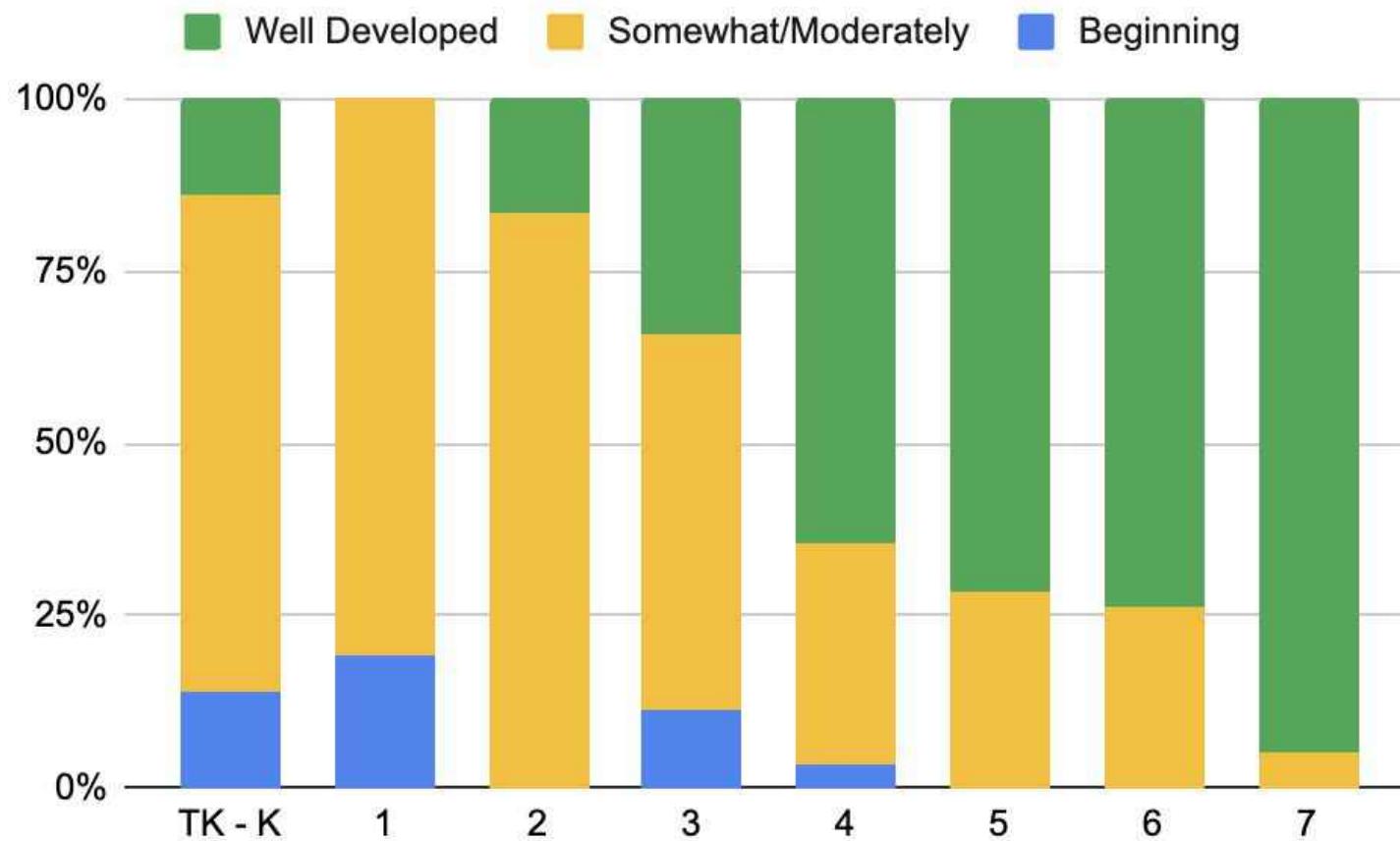
SPEAKING Levels by Grade

Speaking

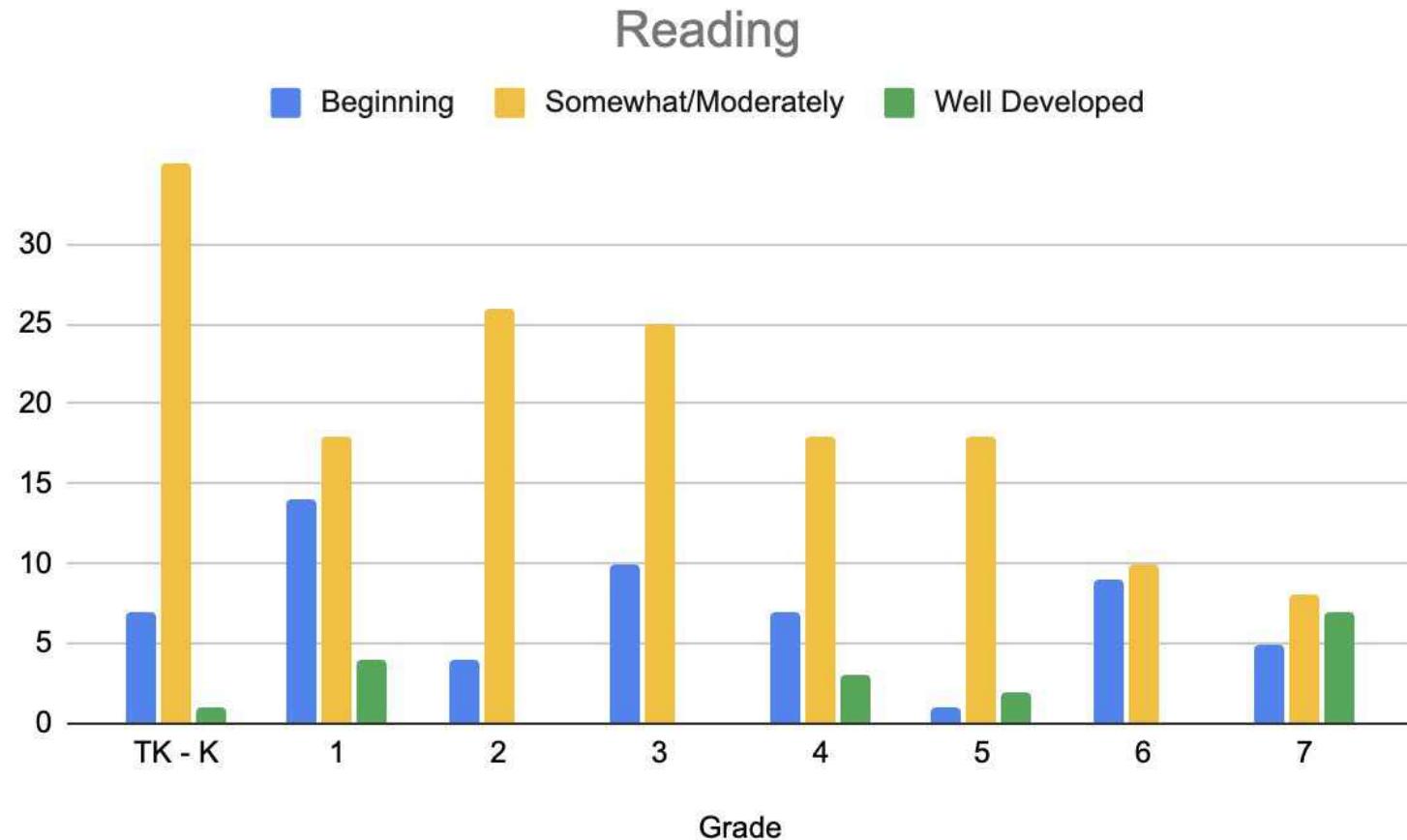
■ Beginning ■ Somewhat/Moderately ■ Well Developed



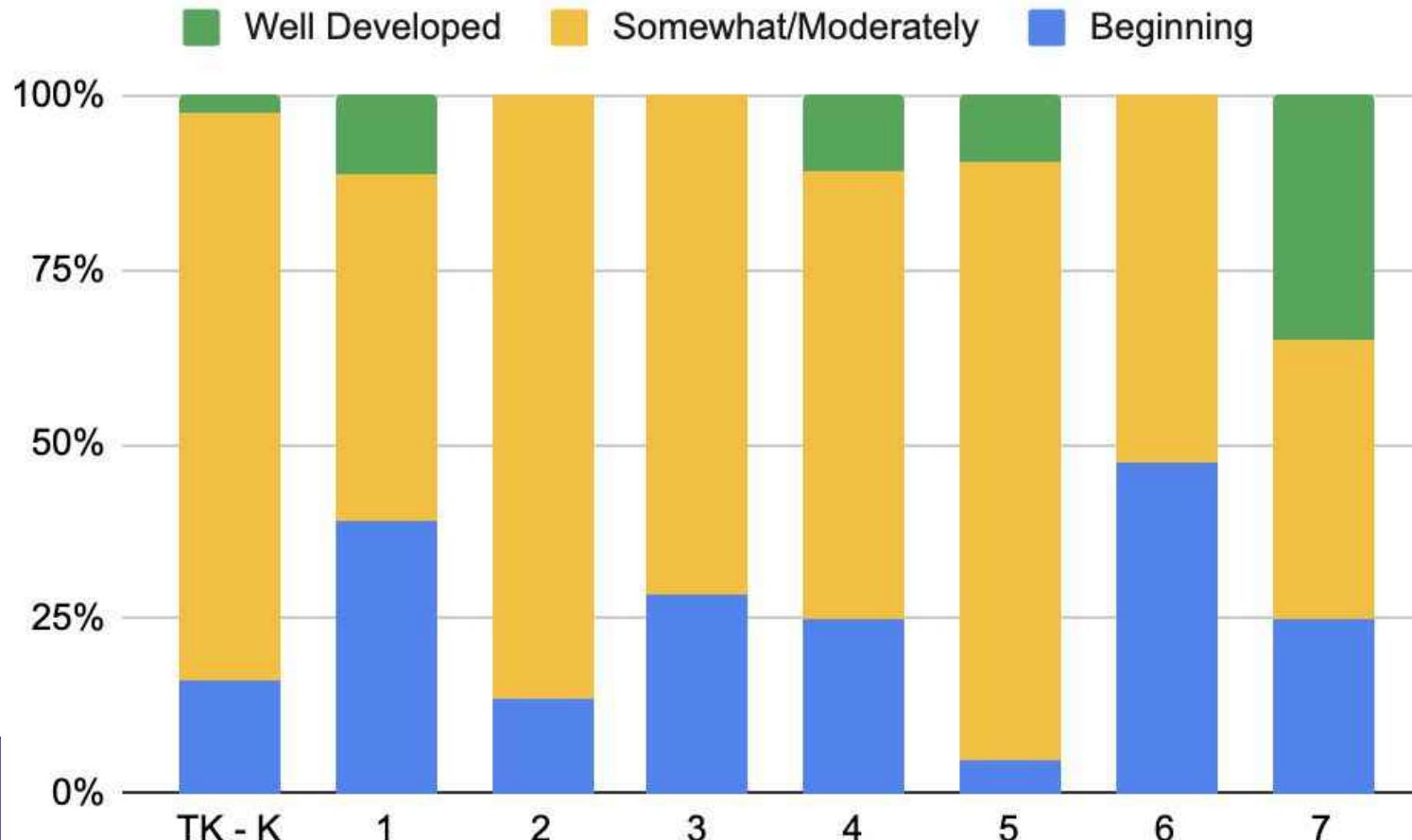
Percentage of SPEAKING Levels by Grade



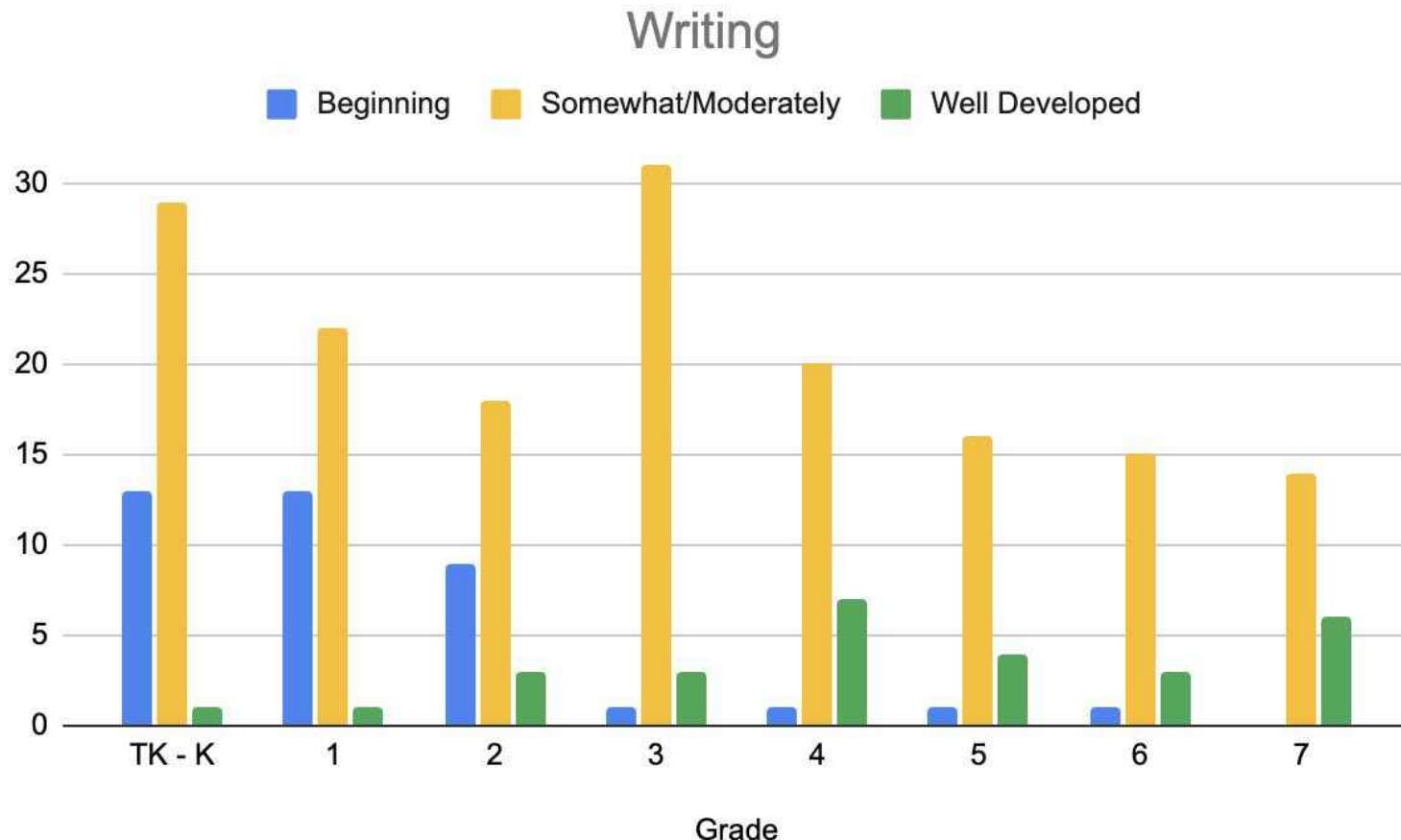
READING Levels by Grade



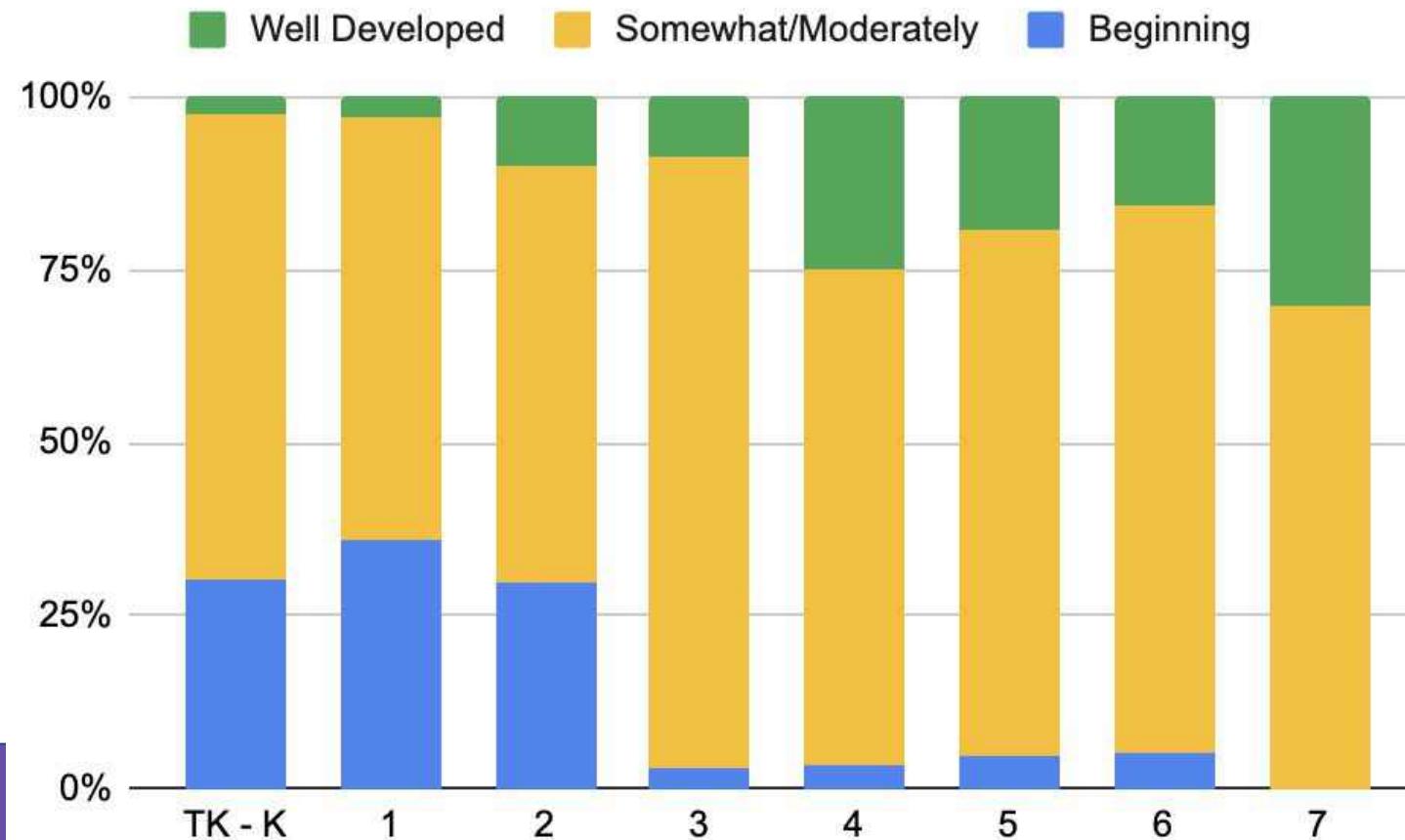
Percentage of READING Levels by Grade



WRITING Levels by Grade



Percentage of WRITING Levels by Grade



General Operations

- EL Enrichment Plan (Title III).
- Continue training with Renaissance. DnA
- Progress Reports completed this week.
- Feria de la Diversidad, Literacy Night.
- Many opportunities for participation of families.
- EL National Conference, two teachers going (Atlanta)
- We represented OCEAA at Noche de Altares
- First info session completed. Recordings done.



School Director Board Update

Dec 11, 2024

Presented by

Pedro Llorente

 Board Presentation 12.11.24

Priorities of support by subcommittees as identified by ALT

Presentation of main topics:

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:

- Cycles of improvement. Support from EL Education school designer, Alexis Watt.
- Connecting with families: Literacy Night, Feria de la Diversidad
- Soccer Team
- Progress Reports
-

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

➢ EL Enrichment plan

- 22 students qualified, 20 accepted the support, and 17 signed committing to attending
- 3 classroom teachers and 1 SpEd teacher, 4 groups of no more than 5 students
- Participating in guided reading for 45-60 minutes 3sx a week from December 9th - April 18th

➢ Interventions

■ Literacy

- Started 2nd round groups for 1st - 5th
 - ◆ 0 were exited / put on watch
 - ◆ 4 students who were On Watch brought back to groups
 - ◆ 61 students are pulled for literacy groups during the day
- First round of 6th-8th grade literacy groups is coming to an end
 - ◆ 9 students participating
 - ◆ Groups are held after school, 30 minutes 4x a week

■ Math

- 12 1st - 3rd students get pulled out

- ◆ 3 students get 1:1, 9 students in groups of no more than 4
- Push in to math classes for 5th - 8th graders
 - ◆ 12 students are in RtI
 - ◆ 6 students we check in with and monitor their Star progress

➤ **Assessments**

■ **Star Reading Trimester 1**

- 3rd grade: 67 students tested, 48% At/Above 50th percentile
- 4th grade: 73 students tested, 47% At/Above 50th percentile
- 5th grade: 61 students tested, 46% At/Above 50th percentile
- 6th grade: 63 students tested, 46% At/Above 50th percentile
- 7th grade: 50 students tested, 44% At/Above 50th percentile
- 8th grade: 44 students tested, 41% At/Above 50th percentile

■ **Star Reading Spanish Trimester 1**

- 1st grade: 65 students tested, 22% At/Above 50th percentile
- 2nd grade: 78 students tested, 60% At/Above 50th percentile
- 3rd grade: 68 students tested, 57% At/Above 50th percentile
- 4th grade: 73 students tested, 37% At/Above 50th percentile
- 5th grade: 62 students tested, 45% At/Above 50th percentile
- 6th grade: 63 students tested, 52% At/Above 50th percentile
- 7th grade: 50 students tested, 54% At/Above 50th percentile
- 8th grade: 44 students tested, 64% At/Above 50th percentile

■ **Star Math Trimester 1**

- 1st grade: 78 students tested, 60% At/Above 50th percentile
- 2nd grade: 78 students tested, 65% At/Above 50th percentile
- 3rd grade: 67 students tested, 76% At/Above 50th percentile
- 4th grade: 73 students tested, 52% At/Above 50th percentile
- 5th grade: 62 students tested, 42% At/Above 50th percentile
- 6th grade: 61 students tested, 39% At/Above 50th percentile
- 7th grade: 50 students tested, 34% At/Above 50th percentile
- 8th grade: 44 students tested, 52% At/Above 50th percentile

■ **Kindergarten Universal Math Screener**

- 77 students tested
 - ◆ Proficient = 57% of students
 - ◆ Basic = 31% of students
 - ◆ Below Basic = 4% of students
 - ◆ Well Below Basic = 8% of students

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

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

➤ We will follow previous Case Studies.

- Field Trips aligned to case studies already pre-approved for teachers.
- Dr. López supporting 6th, 7th and 8th grade Spanish Language Arts.

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:**

- [Character Communications and ODR data](#)
 - Overall decrease in number given from last year
- [Crew Lab](#) will start this week
 - 37 students from 1-8th, began crew lab with 73 students in Winter 2022
- Habits of Character Rubrics will be finalized this week and will be utilized for the next set of student led conferences

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:**

- Student led initiatives:
 - Zen Zone Calming Cart supplied with noise counseling headphones, fidgets, doodling items - initiative started by a 3rd grade student
 - Bathroom beautification: basic hygiene supplies - Crew Lesson created by a group of 7th grade girls that will be shared with teachers so they can lead the lesson on taking care of the new bathroom items
 - Winter Time Caroling led by a group of 7th grade girls
- Winter Celebrations:
 - 6th - 8th Winter Formal will be in January
 - Winter Party scheduled for 12/10/24 for Safety Monitors and Student Leadership

F Y 2 4 - 2 5 B U D G E T

R E V I S I O N # 1

Orange County Educational Arts Academy

Prepared by Dennis Nguyen - CSMC
dnguyen@csmci.com



Enrollment and ADA Projections

FY24/25 Budget Revision
#1

	Initial	Revision #1	Variance
Enrollment	626	640	14
Attendance %	93%	93.5%	0.5%
ADA	582.2	598.4	16.2

Revenue Assumptions

FY24/25 Budget Revision
1

Rates	
LCFF COLA	1.07%
ILPT	\$4,268.54/ADA
State SPED	\$896.89/ADA
Fed SPED	\$140/ADA
Mandate Block Grant	\$20.06/ADA (K-8)
Lottery	\$273/ADA

- COLA remains unchanged from the Governor's Budget at 1.07%.
- Rates are driven by information provided by CDE, El Dorado SELPA, and SSC

Total Revenue

FY24/25 Budget Revision
#1

Group	Initial	Revision #1	Variance
LCFF	\$7,959,273	\$8,153,943	\$194,670
Federal	\$673,188	\$635,409	\$ (37,778)
State	\$3,201,245	\$4,382,259	\$1,181,014
Local	\$545,000	\$565,570	\$20,570
Total	\$12,378,706	\$13,737,182	\$1,358,476
One-Time Revenues	\$1,433,610	\$2,477,760	\$1,044,150

Revenue Comments

FY24/25 Budget Revision #1

- LCFF revenues see an increase of \$194.6k that is directly related to the increase in enrollment/ADA
- Federal Revenue decrease by \$37.7k due to Title Funding preliminary allocations dropping by a total of \$32.1k. In addition, the Federal SPED rate from the SELPA was lower than originally projected.
- Non-LCFF state revenues increases a total of \$1.18M. The lottery and State SPED rates increased per ADA, which added \$58k. The bulk of the increase is due to budgeting for the full amount of available Learning Recovery Block Grant (\$780k), KIT grant (\$189k), and Prop 28 (\$99k). SB740 rent reimbursement was increased by \$78k. In addition, we estimated \$280k for the STRS on behalf of the state of CA. This STRS revenue has an equal expense entered.

Total Expenses

FY24/25 Budget Revision
#1

Group	Initial	Revision #1	Variance
Personnel	\$7,933,856	\$8,672,502	\$738,646
Books and Supplies	\$842,555	\$922,555	\$80,000
Services and Other Operating	\$3,360,740	\$3,801,278	\$440,538
Depreciation	\$188,751	\$88,232	\$ (100,518)
Total	\$12,325,902	\$13,484,568	\$1,158,666

Expense Comments

FY24/25 Budget Revision
#1

- Personnel expenses increase by \$738k. Certificated wages increased by \$134k and classified wages increased by \$188k after making updates to match current employee roster and open positions. Benefits increased by \$415k, with \$280k being the equal expense for the STRS on behalf revenue. The remaining \$135k is from health/welfare and STRS/PERS based on the wages calculated.
- 4000s (Books and Supplies) expense categories increased by \$80k primarily from increasing Food and Food Supplies by \$75k.
- 5000s (Operating Expenses/Services) increases by \$440k. The majority of this is due to increasing educational consultants by \$375k. Other cost areas going up include insurance (\$9.9k), utilities (\$20k), building maintenance (\$15k), and fundraising (\$11k).

• Depreciation decreased by \$100k as some assets have fully depreciated.



Bottom Line and Fund Balance

FY24/25 Budget Revision
#1

	Initial	Revision #1
Surplus / (Deficit)	\$52,803	\$252,614
Beginning Fund Balance	\$2,497,384	\$2,626,933
Projected Ending Fund Balance	\$2,550,187	\$2,879,547



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OCEAA FY24-25 Budget

	CATEGORY	FY24-25 INITIAL	FY24-25 REVISION #1	VARIANCE
REVENUE	TOTAL ENROLLMENT	626	640	14
	AVERAGE DAILY ATTENDANCE	582.2	598.4	16.2
	State LCFF Revenue	7,959,273	8,153,943	194,670
	Federal Revenue	673,188	635,409	(37,778)
	Other State Revenue	3,201,245	4,382,259	1,181,014
	Local Revenue	545,000	565,570	20,570
	TOTAL REVENUE	12,378,706	13,737,182	1,358,476
	Certificated Salaries	3,574,518	3,708,876	134,358
	Classified Salaries	2,258,364	2,447,008	188,645
	Benefits	2,100,975	2,516,618	415,643
EXPENSES	TOTAL PERSONNEL EXPENSES	7,933,856	8,672,502	738,646
	Books and Supplies	842,555	922,555	80,000
	Services and Other Operating Expenses	3,360,740	3,801,278	440,538
	Capital Outlay	188,751	88,232	(100,518)
	Other Outgoing	-	-	-
	TOTAL OTHER EXPENSES	4,392,046	4,812,066	420,020
SUMMARY	TOTAL EXPENSES	12,325,902	13,484,568	1,158,666
	SURPLUS\DEFICIT	52,803	252,614	199,811
	% of LCFF Revenue	0.7%	3.1%	
	BEGINNING FUND BALANCE	\$ 2,497,384	\$ 2,626,933	
	ENDING BALANCE	\$ 2,550,187	\$ 2,879,547	
	% of LCFF Revenue	32.0%	35.3%	

GRADE	FY24-25 INITIAL	FY24-25 REVISION #1
ENROLLMENT BY GRADE		
TK	40	40
K	80	78
1	80	81
2	80	81
3	69	68
4	70	73
5	63	62
6	64	63
7	45	50
8	35	44
TOTAL	626	640

DAILY ATTENDANCE RATE		
TK	93.00%	93.50%
K	93.00%	93.50%
1	93.00%	93.50%
2	93.00%	93.50%
3	93.00%	93.50%
4	93.00%	93.50%
5	93.00%	93.50%
6	93.00%	93.50%
7	93.00%	93.50%
8	93.00%	93.50%
OVERALL AVG	93.00%	93.50%

AVG DAILY ATTENDANCE BY GRADE		
TK	37.20	37.40
K	74.40	72.93
1	74.40	75.74
2	74.40	75.74
3	64.17	63.58
4	65.10	68.26
5	58.59	57.97
6	59.52	58.91
7	41.85	46.75
8	32.55	41.14
TOTAL	582.2	598.40

AVG DAILY ATTENDANCE BY GRADE RANGE		
TK-3	324.57	325.38
4-6	183.21	185.13
7-8	74.40	87.89
TOTAL	582.18	598.40

ACCT	ACCOUNT NAME	FY24-25 INITIAL	FY24-25 REVISION #1	VARIANCE
LCFF				
8011	LCFF Revenues	3,871,805.00	4,675,823.00	804,018.00
8012	Education Protection Account Revenue	1,650,724.50	923,826.00	(726,898.50)
8019	Prior Year Income/Adjustments		-	-
8096	Charter Schools Funding In-Lieu of Property Taxes	2,436,743.50	2,554,294.34	117,550.84
80XX	---		-	-
TOTAL LCFF REVENUE		7,959,273.00	8,153,943.34	194,670.34
FEDERAL				
8181	Special Education - Entitlement	90,315.56	83,776.00	(6,539.56)
8182	Special Education - Mental Health	6,758.98	7,714.00	955.02
8220	Federal Child Nutrition Programs	300,000.00	300,000.00	-
8290	All Other Federal Revenue	5,173.00	5,173.34	0.34
8291	Title I Federal Revenue	166,708.00	150,112.00	(16,596.00)
8292	Title II	20,232.00	17,737.00	(2,495.00)
8293	Title III Federal Revenue	69,901.00	58,672.92	(11,228.08)
8294	Title IV	14,099.00	12,224.00	(1,875.00)
8295	Title V Federal Revenue	-	-	-
80XX	---		-	-
TOTAL FEDERAL REVENUE		673,187.55	635,409.26	(37,778.29)
OTHER STATE				
8520	State Child Nutrition Program	170,000.00	170,000.00	-
8550	Mandated Block Grant	11,643.60	12,003.90	360.30
8560	State Lottery Revenue	-	-	-
8590	All Other State Revenues	1,428,437.00	2,472,586.35	1,044,149.35
8591	SB 740 Revenue	696,757.20	775,101.08	78,343.88
8599	Prior Year State Income		-	-
8791	SPED State/Other Transfers of Apportionments from Dist	498,544.60	-	(498,544.60)
8792	SPED State/Other Transfers of Apportionments from Cou	47,417.00	585,721.98	538,304.98
8596	ASES	203,482.84	203,482.84	-
8561	Unrestricted Lottery	103,045.86	114,294.40	11,248.54
8562	Restricted Lottery	41,916.96	49,068.80	7,151.84
80XX	---		-	-
TOTAL OTHER STATE REVENUE		3,201,245.06	4,382,259.35	1,181,014.29
LOCAL				
8639	Student Lunch revenue	-	570.00	570.00
8660	Interest Income	140,000.00	160,000.00	20,000.00
8682	Foundation Grants/Donations	-	-	-
8685	School Site fundraising	145,000.00	145,000.00	-
8694	Field Trip Revenues		-	-
8698	E-rate Revenues		-	-
8699	All Other Local Revenue	40,000.00	40,000.00	-
8784	After School Program Receipts	220,000.00	220,000.00	-
80XX	---		-	-
TOTAL LOCAL REVENUE		545,000.00	565,570.00	20,570.00
TOTAL REVENUE		12,378,705.61	13,737,181.95	1,358,476.34
1000 - CERTIFICATED EMPLOYEES				
1100	Teachers' Salaries	2,712,251.00	2,761,966.00	49,715.00
1120	Substitute Expense	103,120.00	102,400.00	(720.00)
1200	Certificated Pupil Support Salaries	234,499.00	315,662.00	81,163.00
1300	Certificated Supervisor and Administrator Salaries	524,647.72	528,848.00	4,200.28
1900	Other Certificated Salaries	-	-	-
10XX	---	-	-	-
TOTAL CERTIFICATED EMPLOYEE EXPENSES		3,574,517.72	3,708,876.00	134,358.28

ACCT	ACCOUNT NAME	FY24-25 INITIAL	FY24-25 REVISION #1	VARIANCE
2000 - CLASSIFIED EMPLOYEES				
2100	Instructional Aide Salaries	795,758.00	773,972.00	(21,786.00)
2200	Classified Support Salaries (Maintenance, Food)	398,488.25	453,161.25	54,673.00
2300	Classified Supervisor and Administrator Salaries	564,213.00	600,543.55	36,330.55
2400	Clerical, Technical, and Office Staff Salaries	215,027.50	408,304.00	193,276.50
2900	Other Classified Salaries (Noon and Yard Sup, etc.)	284,877.00	211,027.50	(73,849.50)
20XX	---	-	-	-
TOTAL CLASSIFIED EMPLOYEE EXPENSES		2,258,363.75	2,447,008.30	188,644.55
3000 - EMPLOYEE BENEFITS				
3101	State Teachers' Retirement System, certificated positions	668,358.22	958,644.58	290,286.36
3202	Public Employees' Retirement System, classified positions	628,540.22	701,344.64	72,804.41
3301	OASDI/Medicare Certificated, Unrestricted	51,830.51	53,778.70	1,948.20
3302	OASDI/Medicare Classified	172,764.83	187,196.13	14,431.31
3401	Health & Welfare Benefits, Certificated	269,765.70	304,147.58	34,381.88
3402	Health & Welfare Benefits Classified	213,304.73	210,403.27	(2,901.46)
3501	State Unemployment Insurance Certificated	22,246.00	22,700.00	454.00
3502	State Unemployment Insurance Classified	30,418.00	32,234.00	1,816.00
3601	Worker Compensation Insurance	26,808.88	27,816.57	1,007.69
3602	Worker Compensation Insurance	16,937.73	18,352.56	1,414.83
30XX	---	-	-	-
TOTAL EMPLOYEE BENEFITS EXPENSES		2,100,974.82	2,516,618.04	415,643.22
TOTAL PAYROLL RELATED EXPENSES		7,933,856.29	8,672,502.34	738,646.05
4000 - BOOKS AND SUPPLIES				
4100	Approved Textbooks and Core Curriculum	135,700.00	135,700.00	-
4200	Books and Other Reference Materials	5,000.00	10,000.00	5,000.00
4300	Materials and Supplies	120,000.00	120,000.00	-
4315	Classroom Materials and Supplies	50,000.00	50,000.00	-
4381	Materials for Plant Maintenance	50,000.00	50,000.00	-
4400	Noncapitalized Equipment	100,000.00	100,000.00	-
4410	Software and Software Licensing	76,855.00	76,855.00	-
4430	Noncapitalized Student Equipment	30,000.00	30,000.00	-
4700	Food and Food Supplies	275,000.00	350,000.00	75,000.00
40XX	---	-	-	-
TOTAL BOOKS AND SUPPLIES		842,555.00	922,555.00	80,000.00
5000 - SERVICES AND OTHER OPERATING EXPENSES				
5200	Travel and Conferences	15,000.00	15,000.00	-
5206	Parking Expense	85,000.00	85,000.00	-
5210	Training and Development Expense	75,000.00	75,000.00	-
5300	Dues and Memberships	13,000.00	16,000.00	3,000.00
5400	Insurance	130,092.60	140,000.00	9,907.40
5500	Operation and Housekeeping Services	-	-	-
5501	Utilities	160,000.00	180,000.00	20,000.00
5600	Space Rental/Leases Expense	945,874.96	945,874.96	-
5601	Building Maintenance	30,000.00	45,000.00	15,000.00
5602	Other Space Rental	10,000.00	10,000.00	-
5605	Equipment Rental/Lease Expense	25,000.00	25,000.00	-
5610	Equipment Repair	20,000.00	20,000.00	-
5800	Professional/Consulting Services and Operating Expenditure	260,000.00	260,000.00	-
5803	Banking and Payroll Service Fees	55,000.00	55,000.00	-
5805	Legal Services	40,000.00	40,000.00	-
5806	Audit Services	25,580.00	25,580.00	-
5810	Educational Consultants	925,000.00	1,300,000.00	375,000.00
5811	Student Transportation	45,000.00	45,000.00	-

ACCT	ACCOUNT NAME	FY24-25 INITIAL	FY24-25 REVISION #1	VARIANCE
5812	Other Student Activities	600.00	600.00	-
5815	Advertising/Recruiting	32,000.00	32,000.00	-
5820	Fundraising Expense	49,000.00	60,000.00	11,000.00
5830	Field Trip Expenses	45,000.00	45,000.00	-
5850	Scholarships Awarded	-	-	-
5873	Financial Services	120,000.00	120,000.00	-
5874	Personnel Services	2,500.00	2,500.00	-
5875	District Oversight Fee	79,592.73	81,539.43	1,946.70
5877	IT Services	132,000.00	132,000.00	-
5890	Interest Expense/Fees	500.00	500.00	-
5900	Communications (Tele., Internet, Copies, Postage, Messen	40,000.00	40,000.00	-
5816	Sales and Use Tax	-	4,684.00	4,684.00
50XX	---		-	-
<i>TOTAL SERVICES AND OTHER OPERATING EXPENSES</i>		3,360,740.29	3,801,278.39	440,538.10

6000 - CAPITAL OUTLAY

6900	Depreciation Expense	188,750.70	88,232.37	(100,518.33)
6901	Amortization Expense		-	-
60XX	---		-	-
<i>TOTAL CAPITAL OUTLAY EXPENSES</i>		188,750.70	88,232.37	(100,518.33)
<i>TOTAL NON-PAYROLL EXPENSES</i>		4,392,045.99	4,812,065.76	420,019.77
<i>TOTAL EXPENSES</i>		12,325,902.28	13,484,568.10	1,158,665.82
<i>NET INCOME</i>		52,803.32	252,613.84	199,810.52

CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
First Interim Report Certification

Charter School Name: Orange County Educational Art
(continued) Academy
CDS #: 30-66670-0109066
Charter Approving Entity: Santa Ana Unified
County: Alameda
Charter #: 0701
Fiscal Year: 2024/25

CERTIFICATION OF FINANCIAL CONDITION

POSITIVE CERTIFICATION

As the Charter School Official, I certify that based upon current projections this charter will meet its financial obligations for the current fiscal year and subsequent two fiscal years.

QUALIFIED CERTIFICATION

As the Charter School Official, I certify that based upon current projections this charter may not meet its financial obligations for the current fiscal year or two subsequent fiscal years.

NEGATIVE CERTIFICATION

As the Charter School Official, I certify that based upon current projections this charter will be unable to meet its financial obligations for the remainder of the current fiscal year or for the subsequent fiscal year.

To the entity that approved the charter school:

() 2024/25 CHARTER SCHOOL FIRST INTERIM FINANCIAL REPORT -- ALTERNATIVE FORM: This report has been approved, and is hereby filed by the charter school pursuant to *Education Code Section 47604.33*.

Signed: _____
Charter School Official
(Original signature required)

Date: _____

Print
Name: Mike Limon

Title: Executive Director

To the County Superintendent of Schools:

() 2024/25 CHARTER SCHOOL FIRST INTERIM FINANCIAL REPORT -- ALTERNATIVE FORM: This report is hereby filed with the County Superintendent pursuant to *Education Code Section 47604.33*.

Signed: _____
Authorized Representative of
Charter Approving Entity
(Original signature required)

Date: _____

Print
Name: _____

Title: _____

For additional information on the First Interim Report, please contact:

For Approving Entity:

Celeste Migliaccio
Name
Director of Secondary Student Achievement
Title
714-558-5724
Phone
celestes.migliaccio@sausd.us
E-mail

For Charter School:

Dennis Nguyen
Name
School Business Manager
Title
213-563-3926
Phone
dnguyen@csmci.com
E-mail

This report has been verified for mathematical accuracy by the County Superintendent of Schools,
pursuant to *Education Code Section 47604.33*.

District Advisor

Date

CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
First Interim Report - Detail

Charter School Name: Orange County Educational Arts
(continued) Academy
CDS #: 30-66670-0109066
Charter Approving Entity: Santa Ana Unified
County: Orange
Charter #: 0701
Fiscal Year: 2024/25

This charter school uses the following basis of accounting:

Accrual Basis (Applicable Capital Assets / Interest on Long-Term Debt / Long-Term Liabilities objects are 6900, 7438, 9400-9489, and 9660-9669, 9796 and 9797)
 Modified Accrual Basis (Applicable Capital Outlay / Debt Service/Fund Balance objects are 6100-6170, 6200-6500, 7438, 7439 and 9711-9789)

Description	Object Code	Adopted Budget - July 1			Actuals thru 10/31			1st Interim Budget		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
A. REVENUES										
1. LCFF Sources										
State Aid - Current Year	8011	3,871,805.04		3,871,805.04	1,247,436.00		1,247,436.00	4,675,823.00		4,675,823.00
Education Protection Account State Aid - Current Year	8012	1,650,724.56		1,650,724.56	276,621.00		276,621.00	923,826.00		923,826.00
State Aid - Prior Years	8019									
Transfers to Charter Schools in Lieu of Property Taxes	8096	2,436,743.52		2,436,743.52	634,272.00		634,272.00	2,554,294.34		2,554,294.34
Other LCFF Transfers	8091, 8097									
Total, LCFF Sources		7,959,273.12		7,959,273.12	2,158,329.00		2,158,329.00	8,153,943.34		8,153,943.34
2. Federal Revenues										
No Child Left Behind/Every Student Succeeds Act	8290		270,939.96	270,939.96		23,684.31	23,684.31	238,745.92	238,745.92	
Special Education - Federal	8181, 8182		97,074.60	97,074.60				91,490.00	91,490.00	
Child Nutrition - Federal	8220		300,000.00	300,000.00				300,000.00	300,000.00	
Donated Food Commodities	8221									
Other Federal Revenues	8110, 8260-8299		5,172.96	5,172.96		1,602.34	1,602.34	5,173.34	5,173.34	
Total, Federal Revenues		-	673,187.52	673,187.52		25,286.65	25,286.65	635,409.26	635,409.26	
3. Other State Revenues										
Special Education - State	StateRevSE		545,961.60	545,961.60		106,436.00	106,436.00	585,721.98	585,721.98	
All Other State Revenues	StateRevAO	156,606.48	2,498,677.08	2,655,283.56		948,196.58	948,196.58	694,832.74	3,101,704.63	3,796,537.37
Total, Other State Revenues		156,606.48	3,044,638.68	3,201,245.16		1,054,632.58	1,054,632.58	694,832.74	3,687,426.61	4,382,259.35
4. Other Local Revenues										
All Other Local Revenues	LocalRevAO	544,999.92		544,999.92	178,338.80	2,165.00	180,503.80	565,570.00		565,570.00
Total, Local Revenues		544,999.92	-	544,999.92	178,338.80	2,165.00	180,503.80	565,570.00		565,570.00
5. TOTAL REVENUES		8,660,879.52	3,717,826.20	12,378,705.72	2,336,667.80	1,082,084.23	3,418,752.03	9,414,346.08	4,322,835.87	13,737,181.95
B. EXPENDITURES										
1. Certificated Salaries										
Certificated Teachers' Salaries	1100	2,318,424.24	496,946.88	2,815,371.12	545,133.96	165,077.90	710,211.86	1,216,366.00	1,648,000.00	2,864,366.00
Certificated Pupil Support Salaries	1200	81,552.00	152,946.96	234,498.96	37,829.62	41,712.79	79,542.41	158,715.00	156,947.00	315,662.00
Certificated Supervisors' and Administrators' Salaries	1300	419,799.24	104,848.44	524,647.68	66,235.51	66,688.57	132,924.08	344,461.00	184,387.00	528,848.00
Other Certificated Salaries	1900									
Total, Certificated Salaries		2,819,775.48	754,742.28	3,574,517.76	649,199.09	273,479.26	922,678.35	1,719,542.00	1,989,334.00	3,708,876.00
2. Non-certified Salaries										
Non-certified Instructional Aides' Salaries	2100	159,900.72	635,857.32	795,758.04	27,236.97	211,130.03	238,367.00	140,650.00	633,322.00	773,972.00
Non-certified Support Salaries	2200	109,787.28	288,700.92	398,488.20	45,406.32	112,766.17	158,172.49	142,966.25	310,195.00	453,161.25
Non-certified Supervisors' and Administrators' Salaries	2300	389,131.04	174,999.96	564,213.00	144,809.15	67,293.55	212,102.70	406,400.00	194,143.55	600,543.55
Clerical and Office Salaries	2400	169,667.52	45,360.00	215,027.52	67,966.32	54,853.03	122,819.35	319,264.00	89,040.00	408,304.00
Other Non-certified Salaries	2900	284,877.00		284,877.00	64,463.92	1,000.00	65,463.92	210,027.50	1,000.00	211,027.50
Total, Non-certified Salaries		1,113,445.56	1,144,918.20	2,258,363.76	349,882.68	447,042.78	796,925.46	1,219,307.75	1,227,700.55	2,447,008.30
3. Employee Benefits										
STRS	3101-3102	527,237.52	141,120.72	668,358.24	112,870.53	44,183.00	157,053.53	584,879.46	373,765.12	958,644.58
PERS	3201-3202	309,890.40	318,649.80	628,540.20	94,325.86	110,388.24	204,714.10	360,872.32	340,472.31	701,344.64
OASDI / Medicare / Alternative	3301-3302	126,065.28	98,530.08	224,595.36	37,042.92	36,895.75	73,938.67	118,286.90	122,687.94	240,974.84
Health and Welfare Benefits	3401-3402	317,972.04	165,098.64	483,070.68	128,866.46	87,763.88	216,632.34	248,554.47	265,996.38	514,550.85
Unemployment Insurance	3501-3502	32,545.80	20,118.12	52,663.92	489.78	354.73	844.51	26,030.90	28,903.10	54,934.00
Workers' Compensation Insurance	3601-3602	29,499.12	14,247.36	43,746.48	3,969.72	2,144.91	6,114.63	22,048.87	24,120.26	46,169.13
OPEB, Allocated	3701-3702									
OPEB, Active Employees	3751-3752									
Other Employee Benefits	3901-3902									
Total, Employee Benefits		1,343,210.16	757,764.72	2,100,974.88	377,567.27	281,730.51	659,297.78	1,360,672.93	1,155,945.11	2,516,618.04
4. Books and Supplies										
Approved Textbooks and Core Curricula Materials	4100	135,699.96		135,699.96	89,163.34	1,948.16	91,111.50	133,751.84	1,948.16	135,700.00
Books and Other Reference Materials	4200	5,000.04		5,000.04	2,290.54	4,338.89	6,629.43	5,661.11	4,338.89	10,000.00
Materials and Supplies	4300	214,827.12	5,172.96	220,000.08	62,084.06	47,730.97	109,815.03	214,826.66	5,173.34	220,000.00
Noncapitalized Equipment	4400	92,755.92	114,099.00	206,854.92	46,610.65	26,320.43	72,931.08	194,631.00	12,224.00	206,855.00
Food	4700	212,556.96	62,443.08	275,000.04	1,257.84	120,142.81	121,400.65	316,084.77	33,915.23	350,000.00
Total, Books and Supplies		660,840.00	181,715.04	842,555.04	201,406.43	200,481.26	401,887.69	864,955.38	57,599.62	922,555.00
5. Services and Other Operating Expenditures										
Subagreements for Services	5100									
Travel and Conferences	5200	154,767.96	20,232.00	174,999.96	18,012.51	36,628.11	54,640.62	138,371.89	36,628.11	175,000.00
Dues and Memberships	5300	12,999.96	-	12,999.96	14,341.26	299.00	14,640.26	15,701.00	299.00	16,000.00
Insurance	5400	130,092.60	-	130,092.60	108,892.10	-	108,892.10	140,000.00	-	140,000.00
Operations and Housekeeping Services	5500	159,999.96	-	159,999.96	49,696.64	12,152.18	61,848.82	167,847.92	12,152.18	180,000.00
Rental, Leases, Repairs, and Noncap. Improvements	5600	334,117.80	696,757.08	1,030,874.88	369,522.76	4,051.70	373,574.46	270,773.88	775,101.08	1,045,874.96
Transfers of Direct Costs	5700-5799	-	-	-	-	-	-	-	-	-
Professional/Consulting Services and Operating Expend.	5800	1,650,075.96	161,696.88	1,811,772.84	360,430.46	324,893.29	685,323.75	1,879,510.14	324,893.29	2,204,403.43
Communications	5900	39,999.96	-	39,999.96	13,392.24	-	13,392.24	40,000.00	-	40,000.00
Total, Services and Other Operating Expenditures		2,482,054.20	878,685.96	3,360,740.16	934,287.97	378,024.28	1,312,312.25	2,652,204.73	1,149,073.66	3,801,278.39

CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
First Interim Report - Detail

Charter School Name: Orange County Educational Arts
(continued) Academy
CDS #: 30-66670-0109066
Charter Approving Entity: Santa Ana Unified
County: Orange
Charter #: 0701
Fiscal Year: 2024/25

This charter school uses the following basis of accounting:

Accrual Basis (Applicable Capital Assets / Interest on Long-Term Debt / Long-Term Liabilities objects are 6900, 7438, 9400-9489, and 9660-9669, 9796 and 9797)
 Modified Accrual Basis (Applicable Capital Outlay / Debt Service/Fund Balance objects are 6100-6170, 6200-6500, 7438, 7439 and 9711-9789)

Description	Object Code	Adopted Budget - July 1			Actuals thru 10/31			1st Interim Budget		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
6. Capital Outlay (Objects 6100-6170, 6200-6500 for modified accrual basis only)										
Land and Land Improvements	6100-6170			-			-			-
Buildings and Improvements of Buildings	6200			-			-			-
Books and Media for New School Libraries or Major Expansion of School Libraries	6300			-			-			-
Equipment	6400			-			-			-
Equipment Replacement	6500			-			-			-
Depreciation Expense (for accrual basis only)	6900	188,750.76		188,750.76			-	88,232.37		88,232.37
Amortization Expense-Lease Assets	6910			-			-	88,232.37		88,232.37
Total, Capital Outlay		188,750.76	-	188,750.76	-	-	-	88,232.37	-	88,232.37
7. Other Outgo										
Tuition to Other Schools	7110-7143	-		-			-			-
Transfers of Pass-through Revenues to Other LEAs	7211-7213	-		-			-			-
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	-		-			-			-
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO	-		-			-			-
All Other Transfers	7281-7299	-		-			-			-
Transfers of Indirect Costs	7300-7399	-	-	-			-	-	-	-
Debt Service:										
Interest	7438			-			-			-
Principal (for modified accrual basis only)	7439			-			-			-
Total, Other Outgo		-	-	-	-	-	-	-	-	-
8. TOTAL EXPENDITURES										
		8,608,076.16	3,717,826.20	12,325,902.36	2,512,343.44	1,580,758.09	4,093,101.53	7,904,915.16	5,579,652.94	13,484,568.10
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)										
		52,803.36	0.00	52,803.36	(175,675.64)	(498,673.86)	(674,349.50)	1,509,430.92	(1,256,817.08)	252,613.84
D. OTHER FINANCING SOURCES / USES										
1. Other Sources	8930-8979			-			-			-
2. Less: Other Uses	7630-7699			-			-			-
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999			-	(498,673.86)	498,673.86	-	(1,256,817.08)	1,256,817.08	-
4. TOTAL OTHER FINANCING SOURCES / USES										
		-	-	-	(498,673.86)	498,673.86	-	(1,256,817.08)	1,256,817.08	-
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)										
		52,803.36	0.00	52,803.36	(674,349.50)	-	(674,349.50)	252,613.84	-	252,613.84
F. FUND BALANCE, RESERVES										
1. Beginning Fund Balance										
a. As of July 1	9791	2,621,116.24	5,816.46	2,626,932.70	2,621,116.24	5,816.46	2,626,932.70	2,621,116.24	5,816.46	2,626,932.70
b. Adjustments to Beginning Balance	9793, 9795			-			-			-
c. Adjusted Beginning Balance		2,621,116.24	5,816.46	2,626,932.70	2,621,116.24	5,816.46	2,626,932.70	2,621,116.24	5,816.46	2,626,932.70
2. Ending Fund Balance, June 30 (E + F.1.c.)		2,673,919.60	5,816.46	2,679,736.06	1,946,766.74	5,816.46	1,952,583.20	2,873,730.08	5,816.46	2,879,546.54
Components of Ending Fund Balance :										
a. Nonspendable										
Revolving Cash (equals object 9130)	9741			-			-			-
Stores (equals object 9320)	9712			-			-			-
Prepaid Expenditures (equals object 9330)	9713			-			-			-
All Others	9719			-			-			-
b. Restricted	9740		5,816.46	5,816.46		5,816.46	5,816.46		5,816.46	5,816.46
c. Committed										
Stabilization Arrangements	9750			-			-			-
Other Commitments	9760			-			-			-
d. Assigned	9780			-			-			-
Other Assignments										
e. Unassigned/Unappropriated	9789	2,673,919.60		2,673,919.60	1,946,766.74			1,946,766.74	2,873,730.08	2,873,730.08
Reserve for Economic Uncertainties										
Unassigned/Unappropriated Amount	9790	-	-	-	-	-	-	-	-	-

CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
First Interim Report - Summary

Charter School Name: Orange County Educational Arts
 (continued) Academy
 CDS #: 30-66670-0109066
Charter Approving Entity: Santa Ana Unified
 County: Alameda
 Charter #: 0701
 Fiscal Year: 2024/25

Description	Object Code	7/1 Adopted Budget (X)	Actuals thru 10/31 (Y)	1st Interim Budget (Z)	1st Interim vs. Adopted Budget Increase, (Decrease)	
					\$ Difference (Z) vs. (X)	% Change (Z) vs. (X)
A. REVENUES						
1. LCFF/Revenue Limit Sources						
State Aid - Current Year	8011	3,871,805.04	1,247,436.00	4,675,823.00	804,017.96	20.77%
Education Protection Account State Aid - Current Year	8012	1,650,724.56	276,621.00	923,826.00	(726,898.56)	-44.04%
State Aid - Prior Years	8019	-	-	-	-	-
Transfers to Charter Schools Funding in Lieu of Property Taxes	8096	2,436,743.52	634,272.00	2,554,294.34	117,550.82	4.82%
Other LCFF Transfers	8091, 8097	-	-	-	-	-
Total, LCFF Sources		7,959,273.12	2,158,329.00	8,153,943.34	194,670.22	2.45%
2. Federal Revenues						
No Child Left Behind/Every Student Succeeds Act	8290	270,939.96	23,684.31	238,745.92	(32,194.04)	-11.88%
Special Education - Federal	8181, 8182	97,074.60	-	91,490.00	(5,584.60)	-5.75%
Child Nutrition - Federal	8220	300,000.00	-	300,000.00	-	0.00%
Donated Food Commodities	8221	-	-	-	-	-
Other Federal Revenues	8110, 8260-8299	5,172.96	1,602.34	5,173.34	0.38	0.01%
Total, Federal Revenues		673,187.52	25,286.65	635,409.26	(37,778.26)	-5.61%
3. Other State Revenues						
Special Education - State	StateRevSE	545,961.60	106,436.00	585,721.98	39,760.38	7.28%
All Other State Revenues	StateRevAO	2,655,283.56	948,196.58	3,796,537.37	1,141,253.81	42.98%
Total, Other State Revenues		3,201,245.16	1,054,632.58	4,382,259.35	1,181,014.19	36.89%
4. Other Local Revenues						
All Other Local Revenues	LocalRevAO	544,999.92	180,503.80	565,570.00	20,570.08	3.77%
Total, Local Revenues		544,999.92	180,503.80	565,570.00	20,570.08	3.77%
5. TOTAL REVENUES		12,378,705.72	3,418,752.03	13,737,181.95	1,358,476.23	10.97%
B. EXPENDITURES						
1. Certificated Salaries						
Certificated Teachers' Salaries	1100	2,815,371.12	710,211.86	2,864,366.00	48,994.88	1.74%
Certificated Pupil Support Salaries	1200	234,498.96	79,542.41	315,662.00	81,163.04	34.61%
Certificated Supervisors' and Administrators' Salaries	1300	524,647.68	132,924.08	528,848.00	4,200.32	0.80%
Other Certificated Salaries	1900	-	-	-	-	-
Total, Certificated Salaries		3,574,517.76	922,678.35	3,708,876.00	134,358.24	3.76%
2. Non-certificated Salaries						
Non-certificated Instructional Aides' Salaries	2100	795,758.04	238,367.00	773,972.00	(21,786.04)	-2.74%
Non-certificated Support Salaries	2200	398,488.20	158,172.49	453,161.25	54,673.05	13.72%
Non-certificated Supervisors' and Administrators' Sal.	2300	564,213.00	212,102.70	600,543.55	36,330.55	6.44%
Clerical and Office Salaries	2400	215,027.52	122,819.35	408,304.00	193,276.48	89.88%
Other Non-certificated Salaries	2900	284,877.00	65,463.92	211,027.50	(73,849.50)	-25.92%
Total, Non-certificated Salaries		2,258,363.76	796,925.46	2,447,008.30	188,644.54	8.35%
3. Employee Benefits						
STRS	3101-3102	668,358.24	157,053.53	958,644.58	290,286.34	43.43%
PERS	3201-3202	628,540.20	204,714.10	701,344.64	72,804.44	11.58%
OASDI / Medicare / Alternative	3301-3302	224,595.36	73,938.67	240,974.84	16,379.48	7.29%
Health and Welfare Benefits	3401-3402	483,070.68	216,632.34	514,550.85	31,480.17	6.52%
Unemployment Insurance	3501-3502	52,663.92	844.51	54,934.00	2,270.08	4.31%
Workers' Compensation Insurance	3601-3602	43,746.48	6,114.63	46,169.13	2,422.65	5.54%
OPEB, Allocated	3701-3702	-	-	-	-	-
OPEB, Active Employees	3751-3752	-	-	-	-	-
Other Employee Benefits	3901-3902	-	-	-	-	-
Total, Employee Benefits		2,100,974.88	659,297.78	2,516,618.04	415,643.16	19.78%

CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
First Interim Report - Summary

Charter School Name: Orange County Educational Arts
 (continued) Academy
 CDS #: 30-66670-0109066
Charter Approving Entity: Santa Ana Unified
 County: Alameda
 Charter #: 0701
 Fiscal Year: 2024/25

Description	Object Code	7/1 Adopted Budget (X)	Actuals thru 10/31 (Y)	1st Interim Budget (Z)	1st Interim vs. Adopted Budget Increase, (Decrease)	
					\$ Difference (Z) vs. (X)	% Change (Z) vs. (X)
4. Books and Supplies						
Approved Textbooks and Core Curricula Materials	4100	135,699.96	91,111.50	135,700.00	0.04	0.00%
Books and Other Reference Materials	4200	5,000.04	6,629.43	10,000.00	4,999.96	100.00%
Materials and Supplies	4300	220,000.08	109,815.03	220,000.00	(0.08)	0.00%
Noncapitalized Equipment	4400	206,854.92	72,931.08	206,855.00	0.08	0.00%
Food	4700	275,000.04	121,400.65	350,000.00	74,999.96	27.27%
Total, Books and Supplies		842,555.04	401,887.69	922,555.00	79,999.96	9.49%
5. Services and Other Operating Expenditures						
Subagreements for Services	5100	-	-	-	-	
Travel and Conferences	5200	174,999.96	54,640.62	175,000.00	0.04	0.00%
Dues and Memberships	5300	12,999.96	14,640.26	16,000.00	3,000.04	23.08%
Insurance	5400	130,092.60	108,892.10	140,000.00	9,907.40	7.62%
Operations and Housekeeping Services	5500	159,999.96	61,848.82	180,000.00	20,000.04	12.50%
Rentals, Leases, Repairs, and Noncap. Improvements	5600	1,030,874.88	373,574.46	1,045,874.96	15,000.08	1.46%
Transfers of Direct Costs	5700-5799	-	-	-	-	
Professional/Consulting Services and Operating Expend.	5800	1,811,772.84	685,323.75	2,204,403.43	392,630.59	21.67%
Communications	5900	39,999.96	13,392.24	40,000.00	0.04	0.00%
Total, Services and Other Operating Expenditures		3,360,740.16	1,312,312.25	3,801,278.39	440,538.23	13.11%
6. Capital Outlay (Objects 6100-6170, 6200-6500 modified accrual basis only)						
Land and Land Improvements	6100-6170	-	-	-	-	
Buildings and Improvements of Buildings	6200	-	-	-	-	
Books and Media for New School Libraries or Major Expansion of School Libraries	6300	-	-	-	-	
Equipment	6400	-	-	-	-	
Equipment Replacement	6500	-	-	-	-	
Depreciation Expense (for accrual basis only)	6900	188,750.76	-	88,232.37	(100,518.39)	-53.25%
Amortization Expense-Lease Assets	6910	-	-	-	-	
Total, Capital Outlay		188,750.76		88,232.37	(100,518.39)	-53.25%
7. Other Outgo						
Tuition to Other Schools	7110-7143	-	-	-	-	
Transfers of Pass-through Revenues to Other LEAs	7211-7213	-	-	-	-	
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	-	-	-	-	
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO	-	-	-	-	
All Other Transfers	7281-7299	-	-	-	-	
Transfers of Indirect Costs	7300-7399	-	-	-	-	
Debt Service:						
Interest	7438	-	-	-	-	
Principal (for modified accrual basis only)	7439	-	-	-	-	
Total, Other Outgo						
8. TOTAL EXPENDITURES		12,325,902.36	4,093,101.53	13,484,568.10	1,158,665.74	9.40%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND.						
BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		52,803.36	(674,349.50)	252,613.84	199,810.48	378.40%

CHARTER SCHOOL
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM
First Interim Report - Summary

Charter School Name: Orange County Educational Arts
(continued) Academy
CDS #: 30-66670-0109066
Charter Approving Entity: Santa Ana Unified
County: Alameda
Charter #: 0701
Fiscal Year: 2024/25

Description	Object Code	7/1 Adopted Budget (X)	Actuals thru 10/31 (Y)	1st Interim Budget (Z)	1st Interim vs. Adopted Budget Increase, (Decrease)	
					\$ Difference (Z) vs. (X)	% Change (Z) vs. (X)
D. OTHER FINANCING SOURCES / USES						
1. Other Sources	8930-8979	-	-	-	-	
2. Less: Other Uses	7630-7699	-	-	-	-	
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999	-	-	-	-	
4. TOTAL OTHER FINANCING SOURCES / USES						
		52,803.36	(674,349.50)	252,613.84	199,810.48	378.40%
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)						
F. FUND BALANCE, RESERVES						
1. Beginning Fund Balance	9791	2,626,932.70	2,626,932.70	2,626,932.70	-	0.00%
a. As of July 1	9793, 9795	-	-	-	-	
b. Adjustments/Restatements		2,626,932.70	2,626,932.70	2,626,932.70		
c. Adjusted Beginning Fund Balance		2,679,736.06	1,952,583.20	2,879,546.54		
2. Ending Fund Balance, June 30 (E + F.1.c.)						
Components of Ending Fund Balance :						
a. Nonspendable						
Revolving Cash (equals object 9130)	9711	-	-	-	-	
Stores (equals object 9320)	9712	-	-	-	-	
Prepaid Expenditures (equals object 9330)	9713	-	-	-	-	
All Others	9719	-	-	-	-	
b. Restricted	9740	5,816.46	5,816.46	5,816.46	(0.00)	0.00%
c Committed						
Stabilization Arrangements	9750	-	-	-	-	
Other Commitments	9760	-	-	-	-	
d Assigned						
Other Assignments	9780	-	-	-	-	
e. Unassigned/Unappropriated	9789	2,673,919.60	1,946,766.74	2,873,730.08	199,810.48	7.47%
Reserve for Economic Uncertainties						
Unassigned/Unappropriated Amount	9790	-	-	-	-	



Certified Public Accountants serving
K-12 School Districts and Charter
Schools throughout California

December 4, 2024

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

We have audited the financial statements of Orange County Educational Arts Academy for the year ended June 30, 2024, and we will issue our report thereon dated December 4, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated April 23, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Orange County Educational Arts Academy are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the 2023-24 fiscal year. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's 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 significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the depreciation expense and its impact on accumulated depreciation is based on estimated useful lives of the fixed assets previously purchased. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure on the operating lease in Note 7 to the financial statements. This is a newer disclosure related to implementation of ASU 842 in prior year that includes information on the right-of-use asset and related lease liability recorded on the statement of financial position.

The disclosure on interagency transactions in Note 14 to the financial statements. There were transactions and balances involving other entities deemed to be related parties that are required to be disclosed.

The financial statement disclosures are neutral, consistent, and clear.

Significant Audit Matters (continued)

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatements detected as a result of audit procedures were corrected by management:

Recording federal and state child nutrition revenue.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 4, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We are not engaged to report on the Local Education Organization Structure, which accompanies the financial statements but is not supplementary information. Such information has not been subjected to auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

This information is intended solely for the use of the Board of Directors 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.

Sincerely,

Christy White, Inc.

Christy White, Inc.
San Diego, California



**CONSOLIDATED
AUDIT REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2024**

**A NONPROFIT PUBLIC BENEFIT CORPORATION
OPERATING THE FOLLOWING CALIFORNIA CHARTER SCHOOL**

Orange County Educational Arts Academy (Charter No. 0701)

AND CONSOLIDATED WITH

OCEAA Facilities LLC

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

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

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying financial statements of Orange County Educational Arts Academy which comprise the consolidated statement of financial position as of June 30, 2024, 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Orange County Educational Arts Academy as of June 30, 2024, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Orange County Educational Arts Academy 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 Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 generally accepted auditing standards 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 financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

In performing an audit in accordance with generally accepted auditing standards 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 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 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 Orange County Educational Arts Academy'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Orange County Educational Arts Academy'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 financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Local Education Agency Organization Structure but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2024, on our consideration of Orange County Educational Arts Academy'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 Orange County Educational Arts Academy'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 Orange County Educational Arts Academy's internal control over financial reporting and compliance.



San Diego, California
December 4, 2024

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

ASSETS

Current assets	
Cash and cash equivalents	\$ 6,974,518
Accounts receivable	1,617,296
Prepaid expenses	90,672
Total current assets	<u>8,682,486</u>
Noncurrent assets	
Deposits	204,156
Right-of-use asset	4,495
Capital assets, net	5,719,749
Total noncurrent assets	<u>5,928,400</u>
Total Assets	<u>\$ 14,610,886</u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable	\$ 898,795
Deferred revenue	2,518,534
Operating lease liability	4,358
Long-term liabilities	9,502,649
Total liabilities	<u>12,924,336</u>
Net assets	
Without donor restrictions	1,686,550
Total net assets	<u>1,686,550</u>
Total Liabilities and Net Assets	<u>\$ 14,610,886</u>

The notes to the consolidated financial statements are an integral part of this statement.

**ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Without Donor Restrictions</u>
SUPPORT AND REVENUES	
Federal and state support and revenues	
Local control funding formula, state aid	\$ 4,877,053
Federal revenues	599,260
Other state revenues	<u>3,553,731</u>
Total federal and state support and revenues	<u>9,030,044</u>
Local support and revenues	
Payments in lieu of property taxes	2,328,643
Afterschool fees	233,091
Investment income, net	272,440
Other local revenues	<u>250,054</u>
Total local support and revenues	<u>3,084,228</u>
Total Support and Revenues	<u>12,114,272</u>
EXPENSES	
Program services	9,448,179
Supporting services	
Management and general	2,410,619
Fundraising	<u>80,882</u>
Total Expenses	<u>11,939,680</u>
CHANGE IN NET ASSETS	174,592
Net Assets - Beginning	<u>1,511,958</u>
Net Assets - Ending	<u>\$ 1,686,550</u>

The notes to the consolidated financial statements are an integral part of this statement.

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

	Program Services	Supporting Services				Total
		Management and General	Fundraising	Eliminations		
EXPENSES						
Personnel expenses						
Certificated salaries	\$ 2,787,648	\$ 550,097	\$ -	\$ -	\$ 3,337,745	
Non-certificated salaries	1,191,791	759,601	-	-	1,951,392	
Pension plan contributions	1,170,331	218,833	-	-	1,389,164	
Payroll taxes	195,969	30,758	-	-	226,727	
Other employee benefits	397,752	84,331	-	-	482,083	
Total personnel expenses	5,743,491	1,643,620	-	-	7,387,111	
Non-personnel expenses						
Books and supplies	768,619	62,601	-	-	831,220	
Insurance	81,304	26,758	-	-	108,062	
Facilities	1,079,558	91,032	-	(675,839)	494,751	
Professional services	1,459,916	285,433	80,882	(1,779)	1,824,452	
Interest expense	440,995	145,139	-	-	586,134	
Depreciation	297,277	97,839	-	-	395,116	
Fees to authorizing agency	60,157	19,798	-	-	79,955	
Other operating expenses	194,480	38,399	-	-	232,879	
Total non-personnel expenses	4,382,306	766,999	80,882	(677,618)	4,552,569	
Eliminations	(677,618)	-	-	677,618	-	
Total Expenses	\$ 9,448,179	\$ 2,410,619	\$ 80,882	\$ -	\$ 11,939,680	

The notes to the consolidated financial statements are an integral part of this statement.

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 174,592
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Noncash items	
Depreciation	395,116
Lease expense - amortization of right-of-use asset	(249)
Interest expense - amortization of bonded debt costs/discount	50,056
(AIncrease) decrease in operating assets	
Accounts receivable	(399,118)
Prepaid expenses	11,135
Increase (decrease) in operating liabilities	
Accounts payable	333,057
Deferred revenue	213,710
Settlement agreement liability	(335,146)
Net cash provided by (used in) operating activities	<u>443,153</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Refunded construction project costs	61,179
Purchase of capital assets	<u>(527,888)</u>
Net cash provided by (used in) investing activities	<u>(466,709)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Principal payments on bonds payable	(125,000)
Additional issuance costs on bonded debt	<u>(10,864)</u>
Net cash provided by (used in) financing activities	<u>(135,864)</u>

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

Cash and cash equivalents - Beginning	<u>7,133,938</u>
Cash and cash equivalents - Ending	<u>\$ 6,974,518</u>

SUPPLEMENTAL DISCLOSURE

Cash paid for interest	<u>\$ 536,931</u>
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The notes to the consolidated financial statements are an integral part of this statement.

**ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Orange County Educational Arts Academy (the “Organization”) was formed as a nonprofit public benefit corporation on June 17, 2004 for the purpose of operating as a California public school located in Orange County. The Organization operates Orange County Educational Arts Academy (the “Charter”), which is numbered by the State Board of Education as California Charter No. 0701. The Charter’s mission is simple: to nurture all learners to become creative, critical thinkers by providing high quality standards-based instruction through the arts, technology, language and culture. During the year ended June 30, 2024, Orange County Educational Arts Academy served grades TK to 8.

Orange County Educational Arts Academy is authorized to operate as a charter school through the Santa Ana Unified School District (the “authorizing agency”). On December 17, 2019, the Board of Directors of the Santa Ana Unified School District approved a charter renewal petition for a five-year term beginning July 1, 2020 and expiring on June 30, 2025. As a result of AB 130 and SB 114, the charter petition end date is extended to June 30, 2028. Funding sources primarily consist of state apportionments, in lieu of property tax revenues, and grants and donations from the public.

In June 2008, articles of organization were filed to establish a limited liability corporation under OCEAA Facilities LLC, whereby Orange County Educational Arts Academy is the sole statutory member of the LLC. As such, the LLC is deemed a disregarded entity and its financial statements are consolidated with Orange County Educational Arts Academy.

B. Basis of Accounting

The Organization’s policy is to prepare its financial statements on the accrual basis of accounting; consequently, revenues are recognized when earned rather than when cash is received and certain expenses and purchases of assets are recognized when the obligation is incurred rather than when cash is disbursed.

C. Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Orange County Educational Arts Academy and OCEAA Facilities, LLC, which comprise the Organization as a whole. Intercompany accounts and transactions have been eliminated in consolidation.

D. Financial Statement Presentation

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016. Orange County Educational Arts Academy reports information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions – These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net assets with donor restrictions – These assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires (that is until the stipulated time restriction ends or the purpose of the restriction is accomplished) the net assets are restricted. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions.

**ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures, such as depreciation expense and the net book value of capital assets. Accordingly, actual results could differ from those estimates.

F. Contributions

Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the statement of activities as “net assets released from restrictions.” Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without restriction upon acquisition of the assets and the assets are placed in service.

Non-cash contributions of goods, materials, and facilities are recorded at fair value at the date of contribution. Contributed services are recorded at fair value at the date of contribution if they are used to create or enhance a non-financial asset or require specialized skills, are provided by someone possessing those skills, and would have to be purchased by the organization if not donated.

G. In Lieu of Property Tax Revenue

Secured property taxes attach as an enforceable lien on property as of March 1. Taxes are payable in two installments on December 10 and April 10. Unsecured property taxes are payable in one installment on or before August 31. The County bills and collects the taxes for the authorizing agency. In lieu of distributing funds out of property tax proceeds, the authorizing agency makes monthly payments to Orange County Educational Arts Academy. Revenues are recognized by the Organization when earned.

H. Functional Expenses

The costs of providing services have been summarized on a functional basis in the statement of activities and detailed in the statement of functional expenses. Certain costs and expenses have been allocated between program and supporting services based on management's estimates.

I. Cash and Cash Equivalents

Orange County Educational Arts Academy considers all highly liquid deposits and investments with an original maturity of less than ninety days to be cash equivalents.

J. Investments

The Organization's method of accounting for most investments is the fair value method. Fair value is determined by published quotes when they are readily available. Gains and losses resulting from adjustments to fair values are included in the accompanying statement of activities. Investment return is presented net of any investment fees.

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Receivables and Allowances

Accounts receivable are stated at the amount management expects to collect from outstanding balances. An allowance for doubtful accounts is established, as necessary, based on past experience and other factors which, in management's judgment, deserve current recognition in estimating bad debts. Such factors include the relationship of the allowance for doubtful accounts to accounts receivable and current economic conditions. Based on review of these factors, the Organization establishes or adjusts the allowance for specific revenue sources as a whole. At June 30, 2024, an allowance for doubtful accounts was not considered necessary as all accounts receivable were deemed collectible.

L. Capital Assets

Orange County Educational Arts Academy has adopted a policy to capitalize asset purchases over \$5,000. Lesser amounts are expensed. Donations of capital assets are recorded as contributions at their estimated fair value. Such donations are reported as net assets without donor restrictions. Capital assets are depreciated using the straight-line method over the estimated useful lives of the property and equipment or the related lease terms.

M. Deferred Revenue

Deferred revenue arises when potential revenue does not meet the criteria for recognition in the current period and when resources are received by the organization prior to the incurrence of expenses. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the statement of financial position and revenue is recognized.

N. Income Taxes

Orange County Educational Arts Academy is a 509(a)(1) publicly supported nonprofit organization that is exempt from income taxes under Section 501(a) and 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. The Organization is exempt from state franchise or income tax under Section 23701(d) of the California Revenue and Taxation Code. As a school, the Organization is not required to register with the California Attorney General as a charity.

The Organization's management believes all of its significant tax positions would be upheld under examination; therefore, no provision for income tax has been recorded. The Organization's information and/or tax returns are subject to examination by the regulatory authorities for up to four years from the date of filing.

O. Fair Value Measurements

The Fair Value Measurements Topic of the FASB *Accounting Standards Codification* establishes a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of the fair value hierarchy are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Lease Arrangements

In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*, a new lease standard effective no later than the fiscal year 2022-23. Under FASB ASC 842, a right-of-use asset and a related lease liability must be recorded on the statement of financial position (balance sheet) for proper recognition of any operating lease. A right-of-use asset is an intangible asset that pertains to the lessee's right to occupy, operate, and hold a leased asset during the agreed rental period. A lease liability is the financial obligation for the payments required by the lease, discounted to present value.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents, as of June 30, 2024, consists of the following:

Cash in county treasury	\$ 3,473,992
Cash with fiscal agent	1,998,751
Cash in banks	1,501,636
Cash on hand or awaiting deposit	139
Total Cash and Cash Equivalents	\$ 6,974,518

Cash in Banks

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, an organization's deposits may not be returned to it. Orange County Educational Arts Academy does not have a policy for custodial credit risk for deposits. The FDIC insures up to \$250,000 per depositor per insured bank. As of June 30, 2024, \$1,371,146 of the Orange County Educational Arts Academy's bank balance was exposed to custodial credit risk as there were deposits over \$250,000 in accounts held at one or more banks.

Cash with Fiscal Agent

The Organization maintains a portion of its cash with UMB Bank in money market investment funds. This portion of cash is considered restricted for capital projects related to the Organization's bonded debt. Cash with fiscal agent is carried at amortized cost on behalf of the Organization. These types of investments do not qualify as securities as defined in FASB ASB 320, *Investments – Debt and Equity Securities*, thus the fair value disclosures required by ASC 820, *Fair Value Measurements and Disclosures*, are not provided.

Cash in County Treasury

Policies and Practices

Orange County Educational Arts Academy is a voluntary participant in an external investment pool. The fair value of the Organization's investment in the pool is reported in the financial statements at amounts based upon the Organization's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio in relation to the amortized cost of that portfolio. The balance available for withdrawal is recorded on the amortized cost basis and is based on the accounting records maintained by the County Treasurer.

Fair Value Measurement

Cash in county treasury is measured at Level 1 using the fair value input levels noted in section O of Note 1. The Organization has classified these funds as Level 1 because the amounts invested in the county treasury pooled investment fund primarily consist of investment types having observable inputs that reflect quoted prices. The investment types include those noted under the general authorizations section.

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY

NOTES TO FINANCIAL STATEMENTS, continued

JUNE 30, 2024

NOTE 2 – CASH AND CASH EQUIVALENTS (continued)

Cash in County Treasury (continued)

General Authorizations

Except for investments by trustees of debt proceeds, the authority to invest Organization funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from its website. The table below identifies examples of the investment types permitted in the California Government Code:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of the investment, the greater the sensitivity of its fair value to changes in the market interest rates. The Organization has managed its exposure to interest rate risk by investing in the county treasury. The Organization's investments in the Orange County Treasury Investment Pool, which combines the Organization's share of the portfolio, has a combined fair value of \$3,454,544 and an amortized book value of \$3,473,992 as of June 30, 2024. The average weighted maturity for this pool is 383 days.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2024, consists of the following:

Local control funding sources, state aid	\$ 257,091
Federal sources	178,746
Other state sources	972,370
In lieu property tax payments	209,089
Total Accounts Receivable	\$ 1,617,296

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 4 – CAPITAL ASSETS

A summary of activity related to capital assets during the year ended June 30, 2024 consists of the following:

	Balance			Balance	
	July 1, 2023	Additions	Disposals		June 30, 2024
Orange County Educational Arts Academy					
Property and equipment					
Building improvements	\$ 2,048,591	\$ 16,500	\$ -	\$ 2,065,091	
Furniture and equipment	287,544	-	-	287,544	
Construction in progress	61,179	40,075	61,179	40,075	
Total property and equipment	2,397,314	56,575	61,179	2,392,710	
Less accumulated depreciation	(1,894,674)	(142,497)	(302)	(2,036,869)	
Capital Assets, net	\$ 502,640	\$ (85,922)	\$ 60,877	\$ 355,841	
OCEAA Facilities LLC					
Property and equipment					
Land	\$ 1,430,000	\$ -	\$ -	\$ 1,430,000	
Buildings	7,251,614	-	-	7,251,614	
Building improvements	387,132	471,313	-	858,445	
Total property and equipment	9,068,746	471,313	-	9,540,059	
Less accumulated depreciation	(3,923,230)	(252,921)	-	(4,176,151)	
Capital Assets, net	\$ 5,145,516	\$ 218,392	\$ -	\$ 5,363,908	
Consolidated Capital Assets, net	\$ 5,648,156	\$ 132,470	\$ 60,877	\$ 5,719,749	

NOTE 5 – ACCOUNTS PAYABLE

Accounts payable as of June 30, 2024, consists of the following:

Due to grantor government	\$ 298,464
Vendor payables	253,535
Salaries and benefits	222,960
Due to authorizing agency	79,955
Interest payable	43,881
Total Accounts Payable	\$ 898,795

NOTE 6 – DEFERRED REVENUE

Deferred revenue as of June 30, 2024, consists of conditional contributions from the following sources:

Federal sources	\$ 15,817
State sources	2,502,717
Total Deferred Revenue	\$ 2,518,534

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 7 – OPERATING LEASE

The Organization entered into a lease agreement for use of equipment. The lease agreement covers a term beginning January 2023 through January 2026. During the fiscal year ended June 30, 2024, the Organization paid \$2,995 in lease payments under this operating lease. At June 30, 2024, the right-of-use asset was \$4,495 and the operating lease liability was \$4,358. The Organization has accounted for its lease agreements using an implied discount rate of 4%. The associated asset and liability are amortized over the remaining term of the lease as follows:

Fiscal Year Ending June 30,	(a) Lease Expense	(b) Lease Payments	(c) Discount (4%)	(b) - (c) Operating Lease Liability	(a) - (c) Right-of-Use Asset
2025	\$ 2,995	\$ 2,995	\$ 118	\$ 2,877	\$ 2,877
2026	1,634	1,497	16	1,481	1,618
Total	\$ 4,629	\$ 4,492	\$ 134	\$ 4,358	\$ 4,495

NOTE 8 – LONG-TERM LIABILITIES

A summary of activity related to long-term liabilities during the year ended June 30, 2024 consists of the following:

	Balance July 1, 2023	Draws	Payments	Balance June 30, 2024
Settlement agreement	\$ 1,340,584	\$ -	\$ 335,146	\$ 1,005,438
Bonds payable, net	8,583,019	(10,864)	74,944	8,497,211
Total Long-Term Liabilities	\$ 9,923,603	\$ (10,864)	\$ 410,090	\$ 9,502,649

Settlement Agreement

In 2022, the Organization entered into a settlement agreement with Santa Ana Unified School District related to special education funding. The total settlement amount was \$1,675,731. The Organization is to pay a minimum of 20% of the outstanding balance by January 2nd of each year and its entirety by January 2, 2027. The Organization made a payment of \$335,146 during the year ended June 30, 2024. The outstanding balance at June 30, 2024 was \$1,005,438.

Bonds Payable, Net

A summary of activity related to bonds payable during the year ended June 30, 2024 consists of the following:

	Balance July 1, 2023	Draws	Payments	Balance June 30, 2024
CSFA Series 2023A	\$ 8,995,000	\$ -	\$ 125,000	\$ 8,870,000
CSFA Series 2023B	360,000	-	-	360,000
Unamortized bond issuance costs	(544,843)	(10,864)	(42,485)	(513,222)
Unamortized discount	(227,138)	-	(7,571)	(219,567)
Total Bonds Payable, Net	\$ 8,583,019	\$ (10,864)	\$ 74,944	\$ 8,497,211

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 8 – LONG-TERM LIABILITIES (continued)

Bonds Payable, Net (continued)

In May 2023, OCEAA Facilities LLC was issued \$9,355,000 in bonded debt as part of the Charter School Revenue Bonds Series 2023A and B from the California School Finance Authority (CSFA). The bonds hold interest rates ranging from 5.0 to 7.0 percent and fully mature in June 2053. The bond proceeds were used to refund a previous bond issuance under California Municipal Finance Authority (CMFA) Series 2008A. As part of the issuance, the LLC was also granted \$664,206 in federal funding in 2022-23 as part of the CSFA Charter School Facilities Credit Enhancement Grant. The grant is intended to reduce the overall cost of borrowing for charter schools as it eliminates the need to fund the reserve through bond proceeds.

The bonded debt is held under the LLC yet debt payments are structured as lease payments from the Charter to the LLC. The bonds require the Organization to comply with certain financial and nonfinancial covenants. Future repayment obligations for the bond are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 135,000	\$ 526,575	\$ 661,575
2026	\$ 145,000	\$ 517,125	\$ 662,125
2027	155,000	507,875	662,875
2028	160,000	500,125	660,125
2029	170,000	492,125	662,125
Thereafter	8,465,000	7,412,390	15,877,390
Less unamortized costs/discount	(732,789)	732,789	-
Total	\$ 8,497,211	\$ 10,689,004	\$ 19,186,215

In accordance with ASU 2015-3, *Interest – Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*, debt issuance costs are presented on the balance sheet as a direct deduction from the carrying value of the associated liability. Additionally, the amortization of debt issuance costs is required to be reported as interest expense. Interest expense associated with the amortization of issuance costs amounted to \$50,056 for the fiscal year ending June 30, 2024.

NOTE 9 – NET ASSETS

As of June 30, 2024, the Organization did not hold any net assets with donor restrictions. Certain designations or reserves have been made for the use of net assets without donor restrictions either by the board, management or by nature of the financial assets held by the Organization. At June 30, 2024, the Organization's net assets without donor restrictions consists of the following:

Net investment in capital assets	\$ 355,841
Undesignated	1,330,709
Total Net Assets without Donor Restrictions	\$ 1,686,550

NOTE 10 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The table on the following page reflects the Organization's financial assets as of June 30, 2024, reduced by amounts not available for general expenditure within one year. Financial assets are considered not available for general use when illiquid or not convertible to cash within one year, consist of assets held for others or are held aside by the governing board for specific contingency reserves. Any board designations could be drawn upon if the board approves that action.

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 10 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (continued)

Financial Assets	
Cash and cash equivalents	\$ 6,974,518
Accounts receivable	1,617,296
Prepaid expenses	90,672
Contractual or donor-imposed restrictions	
Cash held by fiscal agent	(1,998,751)
Cash held for conditional contributions	<u>(2,518,534)</u>
Financial Assets available to meet cash needs for expenditures within one year	\$ 4,165,201

NOTE 11 – DONATED GOODS AND SERVICES

During the year, many parents, administrators and other individuals donated significant amounts of time and services to Orange County Educational Arts Academy in an effort to advance the Charter's programs and objectives. These services have not been recorded in the Organization's financial statements because they do not meet the criteria required by generally accepted accounting principles. Additionally, the Organization did not receive any donated items during the year ended June 30, 2024.

NOTE 12 – EMPLOYEE RETIREMENT PLANS

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. In accordance with *California Education Code 47605*, charter schools have the option of participating in such plans if an election to participate is specified within the charter petition. The Organization has made such election for the Charter. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS), and non-certificated employees are members of the California Public Employees' Retirement System (CalPERS). The Charter also offers social security as an alternative plan to all employees who may not qualify for CalSTRS or CalPERS.

California State Teachers' Retirement System (CalSTRS)

Plan Description

Orange County Educational Arts Academy contributes to the California State Teachers' Retirement System (CalSTRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement, disability and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 7667 Folsom Boulevard; Sacramento, California 95826.

Funding Policy

Active plan members are required to contribute 10.25% or 10.205% of their 2023-24 salary depending on the employee's membership date in the plan. The required employer contribution rate for fiscal year 2023-24 was 19.10% of annual payroll. The contribution requirements of the plan members are established by state statute. The Charter's contributions to CalSTRS for the fiscal year ended June 30, 2024 was \$590,109; 100% of the required annual contribution.

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 12 – EMPLOYEE RETIREMENT PLANS (continued)

California State Teachers' Retirement System (CalSTRS) (continued)

On-Behalf Payments

The State of California makes direct on-behalf payments for retirement benefits to CalSTRS on behalf of all school agencies in California. The amount of on-behalf payments made for Orange County Educational Arts Academy is estimated at \$276,779. The on-behalf payment amount is computed as the proportionate share of total 2022-23 State on-behalf contributions.

California Public Employees' Retirement System (CalPERS)

Plan Description

Orange County Educational Arts Academy contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street; Sacramento, California 95814.

Funding Policy

Active plan members, who entered into the plan prior to January 1, 2013, are required to contribute 7.0% of their salary. The California Public Employees' Pension Reform Act (PEPRA), specifies that new members entering into the plan on or after January 1, 2013, shall pay the higher of fifty percent of normal costs or 8.0% of their salary. Additionally, for new members entering the plan on or after January 1, 2013, the employer is prohibited from paying any of the employee contribution to CalPERS unless the employer payment of the member's contribution is specified in an employment agreement or collective bargaining agreement that expires after January 1, 2013.

Orange County Educational Arts Academy is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution for fiscal year 2023-24 was 26.68% of annual payroll. The contribution requirements of the plan members are established by state statute. The Charter's contributions to CalPERS for the fiscal year ended June 30, 2024 was \$522,276; 100% of the required annual contribution.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Governmental Funds

Orange County Educational Arts Academy 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 expenditure disallowances under terms of the grants, it is believed that any required reimbursements would not be material.

Multiemployer Defined Benefit Plan Participation

Under current law on multiemployer defined benefit plans, the Organization's voluntary withdrawal from any underfunded multiemployer defined benefit plan would require the Organization to make payments to the plan, which would approximate the Organization's proportionate share of the multiemployer plan's unfunded vested liabilities. CalSTRS has estimated that the Organization's share of withdrawal liability is approximately \$3,611,311 as of June 30, 2023. Also as of June 30, 2023, CalPERS has estimated the Organization's share of withdrawal liability to be \$3,667,506. The Organization does not currently intend to withdraw from CalSTRS or CalPERS. Refer to Note 12 for additional information on employee retirement plans.

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 13 – COMMITMENTS AND CONTINGENCIES (continued)

Charter School Authorization

As mentioned in Note 1A, Orange County Educational Arts Academy is approved to operate as a public charter school through authorization by the Santa Ana Unified School District. As such, the Charter is subject to the risk of possible non-renewal or revocation at the discretion of its authorizing agency if certain criteria for student outcomes, management, and/or fiscal solvency are not met.

On July 9, 2021, the Governor of California approved Assembly Bill 130 (AB 130). Effective July 1, 2021, AB 130 added a provision within the California Education Code (EC) whereby all charter schools whose term expires on or between January 1, 2022, and June 30, 2025, inclusive, shall have their term extended by two years. As a result, the charter petition end date was extended to June 30, 2027. Additionally, on July 10, 2023, the Governor of California approved Senate Bill 114 (SB 114), which amended EC 47607.4. The EC was amended to add “all charter schools whose term expires on or between January 1, 2024, and June 30, 2027, inclusive, shall have their term extended by one additional year.” As a result, the charter petition end date is extended to June 30, 2028.

The Charter makes payments to the authorizing agency to provide required services for special education and other purchased services in addition to fees for oversight. Fees associated with oversight consisted of 1% of revenue from local control funding formula sources. Total fees for oversight amounted to \$79,955 for the fiscal year ending June 30, 2024.

Pending or Threatened Litigation

The Organization could become involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the Organization as of June 30, 2024.

NOTE 14 – INTERAGENCY TRANSACTIONS

As mentioned in Note 1A, the Charter and LLC are considered financially interrelated under generally accepted accounting principals because of the statutory relationship. As such, interagency transactions and balances are eliminated in the consolidated financial statements of the Organization to better reflect the true activities of the corporation. Transactions during the fiscal year and balances at year end that are excluded and shown as eliminations on the consolidating statements of financial position and activities within the supplementary information include:

- \$675,839 in rental income recorded as revenue for the LLC and rental expense for the Charter.
- \$11,648,460 recorded as a right-of-use asset and related lease liability of \$11,673,270 for the Charter attributed to the lease agreement with the LLC.
- \$52,360 for a lease receivable from prepaid rent for the LLC.
- \$27,550 in a net interagency receivable for the LLC and payable for the Charter.
- \$1,779 in local revenue to the Charter for an interagency transfer from the LLC.

NOTE 15 – SUBSEQUENT EVENTS

Orange County Educational Arts Academy has evaluated subsequent events for the period from June 30, 2024 through December 4, 2024, the date the financial statements were available to be issued. Management did not identify any transactions or events that require disclosure or that would have an impact on the financial statements.

SUPPLEMENTARY INFORMATION

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

	Orange County Educational Arts Academy	OCEAA Facilities LLC	Eliminations	Consolidated Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 4,975,767	\$ 1,998,751	\$ -	\$ 6,974,518
Accounts receivable	1,617,296	-	-	1,617,296
Interagency receivable	-	52,360	(52,360)	-
Prepaid expenses	90,672	-	-	90,672
Total current assets	<u>6,683,735</u>	<u>2,051,111</u>	<u>(52,360)</u>	<u>8,682,486</u>
Noncurrent assets				
Deposits	18,466	185,690	-	204,156
Right-of-use asset	11,652,955	-	(11,648,460)	4,495
Capital assets, net	355,841	5,363,908	-	5,719,749
Total noncurrent assets	<u>12,027,262</u>	<u>5,549,598</u>	<u>(11,648,460)</u>	<u>5,928,400</u>
Total Assets	\$ 18,710,997	\$ 7,600,709	\$ (11,700,820)	\$ 14,610,886
LIABILITIES AND NET ASSETS				
Liabilities				
Accounts payable	\$ 854,914	\$ 43,881	\$ -	\$ 898,795
Interagency payable	27,550	-	(27,550)	-
Deferred revenue	2,518,534	-	-	2,518,534
Operating lease liability	11,677,628	-	(11,673,270)	4,358
Long-term liabilities	1,005,438	8,497,211	-	9,502,649
Total liabilities	<u>16,084,064</u>	<u>8,541,092</u>	<u>(11,700,820)</u>	<u>12,924,336</u>
Net assets				
Without donor restrictions	2,626,933	(940,383)	-	1,686,550
Total net assets	<u>2,626,933</u>	<u>(940,383)</u>	<u>-</u>	<u>1,686,550</u>
Total Liabilities and Net Assets	\$ 18,710,997	\$ 7,600,709	\$ (11,700,820)	\$ 14,610,886

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	Orange County Educational Arts Academy	OCEAA Facilities LLC	Eliminations	Consolidated Total
WITHOUT DONOR RESTRICTIONS				
SUPPORT AND REVENUES				
Federal and state support and revenues				
Local control funding formula, state aid	\$ 4,877,053	\$ -	\$ -	\$ 4,877,053
Federal revenues	599,260	-	-	599,260
Other state revenues	3,553,731	-	-	3,553,731
Total federal and state support and revenues	<u>9,030,044</u>	<u>-</u>	<u>-</u>	<u>9,030,044</u>
Local support and revenues				
Payments in lieu of property taxes	2,328,643	-	-	2,328,643
Afterschool fees	233,091	-	-	233,091
Rental income	-	675,839	(675,839)	-
Investment income, net	168,177	104,263	-	272,440
Other local revenues	251,833	-	(1,779)	250,054
Total local support and revenues	<u>2,981,744</u>	<u>780,102</u>	<u>(677,618)</u>	<u>3,084,228</u>
Total Support and Revenues	<u>12,011,788</u>	<u>780,102</u>	<u>(677,618)</u>	<u>12,114,272</u>
EXPENSES				
Program services	9,454,333	671,464	(677,618)	9,448,179
Supporting services				
Management and general	2,190,196	220,423	-	2,410,619
Fundraising	80,882	-	-	80,882
Total Expenses	<u>11,725,411</u>	<u>891,887</u>	<u>(677,618)</u>	<u>11,939,680</u>
CHANGE IN NET ASSETS	286,377	(111,785)	-	174,592
Net Assets - Beginning	<u>2,340,556</u>	<u>(828,598)</u>	<u>-</u>	<u>1,511,958</u>
Net Assets - Ending	<u>\$ 2,626,933</u>	<u>\$ (940,383)</u>	<u>\$ -</u>	<u>\$ 1,686,550</u>

**ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
SCHEDULE OF AVERAGE DAILY ATTENDANCE
FOR THE YEAR ENDED JUNE 30, 2024**

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the charter school. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to charter schools. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

Grade Span	Second Period	
	Report	Annual Report
	Classroom-Based	
Regular		
Kindergarten* through third	325.04	291.32
Fourth through sixth	192.32	182.78
Seventh through eighth	72.88	54.24
Total Average Daily Attendance -		
Classroom-Based	590.24	528.34
Total Average Daily Attendance	590.24	528.34

*Includes Transitional Kindergarten (TK)

The Charter had no Nonclassroom-Based ADA in 2023-24.

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
SCHEDULE OF INSTRUCTIONAL TIME
FOR THE YEAR ENDED JUNE 30, 2024

This schedule presents information on the amount of instructional time offered per grade level by the Orange County Educational Arts Academy and whether the Charter complied with the provisions of *Education Code Section 47612.5*.

Grade Level	Minutes Requirement	2023-24 Instructional Minutes	2023-24 Number of Days	Status
Kindergarten*	36,000	47,480	175	Complied
Grade 1	50,400	56,080	175	Complied
Grade 2	50,400	56,080	175	Complied
Grade 3	50,400	56,080	175	Complied
Grade 4	54,000	57,145	175	Complied
Grade 5	54,000	57,335	175	Complied
Grade 6	54,000	58,705	175	Complied
Grade 7	54,000	58,705	175	Complied
Grade 8	54,000	58,705	175	Complied

*Includes Transitional Kindergarten (TK)

ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
RECONCILIATION OF FINANCIAL REPORT – ALTERNATIVE FORM WITH AUDITED FINANCIAL
STATEMENTS
JUNE 30, 2024

This schedule provides the information necessary to reconcile fund balance or net position reported on the Financial Report – Alternative Form (Charter School Unaudited Actuals) to net assets on the audited financial statements.

June 30, 2024, fund balance/net position on the Financial Report -	
Alternative Form (Charter School Unaudited Actuals)	<u>\$ 2,614,928</u>
Adjustments:	
Increase (decrease) in total net assets:	
Record federal and state child nutrition revenue	<u>12,005</u>
June 30, 2024, net assets per audited financial statements	<u>\$ 2,626,933</u>

OTHER INFORMATION

**ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
JUNE 30, 2024**

This schedule provides information about the local education agency (LEA or charter school), including the Charter's authorizing agency, grades served, members of the governing body, and members of the administration.

Orange County Educational Arts Academy, located in Orange County was formed as a California nonprofit public benefit corporation on June 17, 2004. The charter school operated by the nonprofit, Orange County Educational Arts Academy, is numbered by the State Board of Education as Charter No. 0701. The Charter is authorized by the Santa Ana Unified School District. Classes initially began in Fall 2005. During 2023-24, the Charter served approximately 629 students in grades TK to 8.

BOARD OF DIRECTORS

Name	Office	Term Expiration
Carmen Aparicio	Chair	Indefinite
Ben Stanphill	Secretary	Indefinite
Ferney S Pinto Santander	Chief Financial Officer	Indefinite
Alfonso Bustamante, Ph.D.	District Designee	Indefinite
Jessica Reyes	Director	Indefinite
Kenia Cueto	Director	Indefinite

ADMINISTRATION

Mike Limón
President & Executive Director

Pedro Llorente, Ed.D.
School Director

OTHER INDEPENDENT AUDITORS' REPORTS



Certified Public Accountants serving
K-12 School Districts and Charter
Schools throughout California

**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**

Independent Auditors' Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Orange County Educational Arts Academy (the "Organization") as of and for the year ended June 30, 2024, and the related notes to the consolidated financial statements, which collectively comprise the Organization's financial statements and have issued our report thereon dated December 4, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the 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 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's 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 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*.

348 Olive Street
San Diego, CA
92103

O: 619-270-8222
F: 619-260-9085
christywhite.com

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.

Christy White, Inc.

San Diego, California
December 4, 2024

REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE FOR STATE PROGRAMS

Independent Auditors' Report

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

Report on State Compliance

Opinion on State Compliance

We have audited Orange County Educational Arts Academy's compliance with the requirements specified in the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to Orange County Educational Arts Academy's state program requirements for the fiscal year ended June 30, 2024.

In our opinion, Orange County Educational Arts Academy complied, in all material respects, with the laws and regulations of the applicable state programs for the year ended June 30, 2024, as identified in the table in the Auditor's Responsibilities for the Audit of State Compliance section of our report.

Basis for Opinion on State Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed by Title 5, *California Code of Regulations*, section 19810 as regulations (the K-12 Audit Guide). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of State Compliance section of our report.

We are required to be independent of Orange County Educational Arts Academy and to meet certain 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 opinion on state compliance. Our audit does not provide a legal determination of Orange County Educational Arts Academy'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 internal control over compliance with the requirements of the laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Orange County Educational Arts Academy's state programs.

Auditor's Responsibilities for the Audit for State Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the state compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Orange County Educational Arts Academy's compliance based on our audit.

Auditor's Responsibilities for the Audit for State Compliance (continued)

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 generally accepted auditing standards, *Government Auditing Standards*, and the K-12 Audit Guide will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance 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. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user of the report on compliance about Orange County Educational Arts Academy's compliance with the requirements of the applicable state programs as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, and the K-12 Audit Guide, 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 Orange County Educational Arts Academy's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Orange County Educational Arts Academy'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 K-12 Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of Orange County Educational Arts Academy's internal control over compliance. Accordingly, no such opinion is expressed; and
- Select and test transactions and records to determine Orange County Educational Arts Academy's compliance with the state laws and regulations to the following items:

Description	Procedures Performed
School Districts, County Offices of Education and Charter Schools	
Proposition 28 Arts and Music in Schools	Yes
After/Before School Education and Safety Program	Not applicable
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	Not applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Not applicable
Expanded Learning Opportunities Program	Yes
Transitional Kindergarten	Yes
Charter Schools	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study	Not applicable
Determination of Funding for Nonclassroom-Based Instruction	Not applicable
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Not applicable

"Not applicable" is used in the table above to indicate that the Charter either did not receive program funding or did not otherwise operate the program during the fiscal year.

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 or 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 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 a type of compliance requirement of a state 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 State Compliance section 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. 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 K-12 Audit Guide. Accordingly, this report is not suitable for any other purpose.



San Diego, California
December 4, 2024

FINDINGS AND QUESTIONED COSTS SECTION

**ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

PART I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

The Organization did not expend more than \$750,000 in federal awards; therefore, a Federal Single Audit under OMB Uniform Grant Guidance is not applicable.

State Awards

Internal control over state programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance with <i>2023-24 Guide for Annual Audits of California K-12 Local Education Agencies ?</i>	
Type of auditors' report issued on compliance for state programs:	No
	Unmodified

All audit year findings, if any, are assigned an appropriate finding code as follows:

FIVE DIGIT CODE	AB 3627 FINDING TYPE
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Programs
43000	Apprenticeship: Related and Supplemental Instruction
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

**ORANGE COUNTY EDUCATIONAL ARTS ACADEMY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, continued
FOR THE YEAR ENDED JUNE 30, 2024**

PART II – FINANCIAL STATEMENT FINDINGS

There were no audit findings related to the financial statements for the year ended June 30, 2024.

PART III – STATE AWARD FINDINGS AND QUESTIONED COSTS

There were no audit findings and questioned costs related to state awards for the year ended June 30, 2024.

PART IV – SUMMARY OF PRIOR AUDIT FINDINGS

This section presents the status of actions taken by the Organization on each of the findings and recommendations reported in the prior year audit; however, there were no audit findings reported in the year ended June 30, 2023.