

California Department of Education
Fiscal Year 2015- 16
Nonclassroom-Based Funding Determination - Mitigating Circumstances Summary Sheet

A. Charter School Information (complete lines 1 to 4)

1. Charter School:	Academy of Arts and Sciences: Sonoma	2. Charter No.:	1457
3. Funding % Requested with mitigating circumstances	100%	4. CDS Code:	49-73882-0127092

B. Nonclassroom-Based Funding Determination Criteria

Funding Determination Criteria	Certificated Staff to Total Public Revenues Ratio	Instruction and Instruction-Related Services to Total Revenues Ratio	Pupil toTeacher Ratio
100% Funding [5 CCR, Sec. 11963.4 (a)(3)]	= or > 40%	= or > 80%	< 25 : 1
85% Funding [5 CCR, Sec. 11963.4 (a)(2)]	= or > 40%	= or > 70%	Not Applicable
70% Funding [5 CCR, Sec. 11963.4 (a)(1)]	= or > 35%	= or > 60%	Not Applicable

C. Enter the reported Charter School's Ratios and PTR from the Form FDF

	Certificated Staff Costs to Total Public Revenues Ratio	Instruction and Instruction-Related Services Costs to Total Revenues Ratio	Pupil toTeacher Ratio (PTR)
Enter the charter school's calculated ratios from the FDF in Section VI. Line 1. and VI. Line 2 ----->.	29.19%	56.01%	25 : 1

If the reported ratios / PTR do not meet the funding determination criteria for the funding level requested, review the regulations in Section D and complete Sections E and F. Sign and attach any documentation that provides further support or clarification.

D. Regulations

California Code of Regulations, Title 5 (5 CCR), Sec. 11963.4(e): A reasonable basis for the ACCS to make a recommendation other than one that results from the criteria specified in subdivision (a) may include, but not be limited to, the following: the information provided by the charter school (FDF) pursuant to paragraphs (2) through (8), inclusive, of subdivision (b) of section 11963.3, documented data regarding individual circumstances of the charter school (e.g., one-time or unique or exceptional expenses for facilities, acquisition of a school bus, acquisition and installation of computer hardware not related to the instructional program, special education charges levied on the charter school by a local educational agency, restricted state, federal, or private grants of funds awarded to the charter school that cannot be expended for teacher salaries, or contracted instructional services other than those for special education), the size of the charter school, and how many years the charter school has been in operation.

E. Mitigating Circumstances (complete this section and attach any supporting documentation)

1.	Explain why the charter school did not meet the criteria for the funding determination requested. Include specific measures or actions taken by the charter school to comply.
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The charter school did not meet the funding determination criteria due to funds not being received and thus accrued in the final month of the fiscal school year, June 2015. The school desired to be conservative in its expenditures in waiting for receiving funds rather than spending money that wasn't necessarily there. To correct its lack of compliance with meeting funding determination requirements, the charter school will be move aggressive in its spending, given that they currently have a reserve for its lack of expenditures. Funds will be spent as soon as possible towards increasing teacher salaries, offering them bonuses, hiring additional teachers as needed, increasing student curriculum, and spending more money in general on instruction and students. Given that they now have a reserve, deficit spending in the following fiscal years to strictly meet funding determination requirement will be accepted. This will be approved by the board and implemented by management

2. List and explain the mitigating circumstance(s) to be considered by the CDE and Advisory Commission on Charter Schools (ACCS).

The primary mitigating circumstance is the charter schools conservative spending - waiting for cash prior to spending it, and thus the inability to spend accruals and funds received in the last month of the fiscal year. The school did not want to spend money that they did not currently have. For example the attached documents are from the schools general ledger and highlight the date the specific LCFF State Aid, EPA, and In Lieu of Property Tax funds were received and/or accrued for. Please note that the LCFF State Aid amount of \$97,506.00 was deposited to the Academy of Arts and Sciences: Sonoma's county treasury account on 6/30/2015, providing no way to actually spend that on time. The same goes for the EPA, \$150,877.00 was received in the county treasury on 6/26/2015, providing no time to actually get and thus spend the funds. Lastly, notice the In Lieu of Property Taxes, the amount of \$205,037.00 was accrued for on the last day of the fiscal year. The sum of those amounts totals \$453,420.00; an amount far to big to spend without having first received the money, and 45% of that was accrued for. If you take the total of \$453,420.00 out of the total reported state revenue reported on the 2014-15 audit report of \$1,253,529.00, this leaves a balance of \$800,109. This would have been the balance 5 days prior to the close of the fiscal year. If this were the balance, the charter school would have made the 40% and 80% of revenue to be spent on instructional funding determination requirement.

3. Provide any other pertinent information that may assist the CDE and ACCS in conducting a detailed review or develop a reasonable basis for a recommendation.

Due to the size and timing of the funding, it made meeting the funding determination criteria very difficult. However, now given the reserve, the charter school can deficit spend to meet any funding determination criteria.

F. Certification

I hereby certify to the best of my knowledge and belief, that the information is true and correct.

Signature of Charter School's Director, Principal, or Governing Board Chairperson

Print Name of Charter School's Director, Principal, or Governing Board Chairperson

Title of Authorized Individual

Date