### CHARTER SCHOOL INTERIM FINANCIAL REPORT - ALTERNATIVE FORM

Charter School Name: Literacy First Charter Schools

CDS #: 37-10371-6119119

Reporting Period: Second Interim

(continued)

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

X

(<u>X</u>)

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	Charter Approving Entity: SDCOI County: San Di Charter #: 405 Fiscal Year: 2021-2	≣ ego	
CERT	IFICATION OF FINANCIAL CONDITION		
X	POSITIVE CERTIFICATION As the Charter School Official, I certify that based upon currer current fiscal year and subsequent two fiscal years.	nt projection	s this charter will meet its financial obligations for the
	QUALIFIED CERTIFICATION As the Charter School Official, I certify that based upon currer the current fiscal year or two subsequent fiscal years.	nt projection	s this charter may not meet its financial obligations for
	NEGATIVE CERTIFICATION As the Charter School Official, I certify that based upon currer obligations for the remainder of the current fiscal year or for the		
<u>X</u> )	To the entity that approved the charter school: 2021-22 CHARTER SCHOOL SECOND INTERIM FINANC has been approved, and is hereby filed by the charter school pursu		
	Signed:  Charter School Official (Original signature required)	Date:	10-Mar-22
	Print Name: Steve Robinson	Title:	СВО
)	To the County Superintendent of Schools: 2021-22 CHARTER SCHOOL SECOND INTERIM FINANC is hereby filed with the County Superintendent pursuant to Education		
	Signed:  Authorized Representative of Charter Approving Entity	Date:	
	(Original signature required) Print Name:	Title:	
	For additional information on the Second Interim Report, pleas	e contact:	
	For Approving Entity:	For Charte	er School:
	Kristin Armatis	Steve Rol	pinson
	Name	Name	20.000000000000000000000000000000000000
	SDCOE Sr. Director, Charter School Services Title	Title	THE DESCRIPTION OF THE PROPERTY OF THE PROPERT
	858.295.6665	619.316.5	839
	Phone	Phone	
	kristin.armatis@sdcoe.net E-mail	steve.robin E-mail	son@lfcsinc.org

# CHARTER SCHOOL INTERIM FINANCIAL REPORT - ALTERNATIVE FORM Reporting Period: Second Interim Report

Charter School Name: (continued)	Literacy First Charter Schools
	37-10371-619119
Charter Approving Entity:	
County:	San Diego
Charter #:	405
Fiscal Year:	2021-22

This charter school uses the following basis of accounting:

| X | Accrual Basis (Applicable Capital Assets / Interest on Long-Term Debt / Long-Term Liabilities objects are 6900, 7438, 9400-9499, and 9660-9669)

| Modified Accrual Basis (Applicable Capital Outlay / Debt Service objects are 6100-6170, 6200-6500, 7438, and 7439)

		THE PROPERTY OF STREET, STREET	im Budget - Octo			ials - January 31,	2022	Second Inte	erim Budget - Janu	iary 31, 2022
Description	Object Code	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
REVENUES										
1. LCFF Sources								to and the		
State Aid - Current Year	8011	8,334,674.00		8,334,674.00	4,886,326.00		4,886,326.00	8,334,674.00		8,334,674
Education Protection Account State Aid - Current Year	8012		6,369,904.00	6,369,904.00		2,135,215.00	2,135,215.00		6,369,904.00	6,369,904
State Aid - Prior Years	8019	800,891.00		800,891.00	490,784.00		490,784.00	490,784.00		490,784
Transfers to Charter Schools in Lieu of Property Taxes	8096	3,480,781.00		3,480,781.00		1,740,390.00	1,740,390.00	3,480,781.00		3,480,781
Other LCFF Transfers	8091, 8097									
Total, LCFFSources		12,616,346.00	6,369,904.00	18,986,250.00	5,377,110.00	3,875,605.00	9,252,715.00	12,306,239.00	6,369,904.00	18,676,143
2. Federal Revenues										
Every Student Succeeds Act (Title I - V)	8290						24.34		171,864.00	171,864
Special Education - Federal	8181, 8182		233,497.00	233,497.00					233,497.00	233,49
Child Nutrition - Federal	8220								200,407.00	200,48
Donated Food Commodities	8221						A Mary Mary			
Other Federal Revenues	8110, 8260-8299		1,368,003.00	1,368,003.00		712,658.00	712,658.00		1,150,441.00	1,150,44
Total, Federal Revenues			1,601,500.00	1,601,500.00	-	712,658.00	712,658.00		1,555,802.00	1,555,80
Color State Berger										
Other State Revenues     Special Education - State	Ct-t-D-vCE		4 005 404 00	4 005 404 00		51001700				
All Other State Revenues	StateRevSE StateRevAO		1,285,431.00	1,285,431.00	00.044.00	546,217.00	546,217.00		1,285,431.00	1,285,43
Total, Other State Revenues	StateRevAU		2,486,776.00	2,486,776.00	39,244.00	1,160,352.00	1,199,596.00	42,148.00	2,695,473.00	2,737,62
Total, Other State Revenues		•	3,772,207.00	3,772,207.00	39,244.00	1,706,569.00	1,745,813.00	42,148.00	3,980,904.00	4,023,05
Other Local Revenues										
All Other Local Revenues	LocalRevAO	418,400.00	6,664.00	425,064.00	203,674.00		203,674.00		444,916.00	444,916
Total, Local Revenues		418,400.00	6,664.00	425,064.00	203,674.00	单层层槽-闸	203,674.00		444,916.00	444,916
TOTAL REVENUES					In Albertage of T					
5. TOTAL REVENUES		13,034,746.00	11,750,275.00	24,785,021.00	5,620,028.00	6,294,832.00	11,914,860.00	12,348,387.00	12,351,526.00	24,699,913
EXPENDITURES										
. Certificated Salaries										
Certificated Teachers' Salaries	1100	1,639,471.00	6.130.661.00	7,770,132.00	291,306.00	4,060,377.00	4,351,683.00	1,372,785.00	6,163,430.00	7,536,215
Certificated Pupil Support Salaries	1200	313,081.00	237,177.00	550,258.00	71,737.00	242,685.00	314,422.00	119,432.00	398,054.00	517,486
Certificated Supervisors' and Administrators' Salaries	1300	1,370,630.00	238,674.00	1,609,304.00	786,145.00	169,640.00	955,785.00	1,300,040.00	231,195.00	1,531,23
Other Certificated Salaries	1900	67,848.00	43,516.00	111,364.00	35,909.00	30,603.00	66,512.00	61,250.00	46,190.00	107,44
Total, Certificated Salaries		3,391,030.00	6,650,028.00	10,041,058.00	1,185,097.00	4,503,305.00	5,688,402.00	2,853,507.00	6,838,869.00	9,692,37
										-100-0101
2. Non-certificated Salaries					_					
Non-certificated Instructional Aides' Salaries	2100	85,459.00	329,619.00	415,078.00	74,662.00	179,277.00	253,939.00	122,749.00	355,499.00	478,248
Non-certificated Support Salaries	2200	847,247.00	25,142.00	872,389.00	347,514.00	25,140.00	372,654.00	757,250.00	25,142.00	782,392
Non-certificated Supervisors' and Administrators' Sal.	2300					1				
Clerical and Office Salaries	2400	848,935.00	48,495.00	897,430.00	550,669.00	48,494.00	599,163.00	886,503.00	48,495.00	934,998
Other Non-certificated Salaries	2900	242,937.00	10,773.00	253,710.00	129,842.00	10,773.00	140,615.00	209,141.00	10,773.00	219,914
Total, Non-certificated Salaries		2,024,578.00	414,029.00	2,438,607.00	1,102,687.00	263,684.00	1,366,371.00	1,975,643.00	439,909.00	2,415,552
3. Employee Benefits										
STRS	3101-3102	621,865.00	1,042,710.00	4 004 575 00	475 007 00	200 055 00	074 000 00	500 100 00		
PERS		392,812.00		1,664,575.00	175,907.00	698,355.00	874,262.00	590,133.00	1,103,493.00	1,693,626
OASDI / Medicare / Alternative	3201-3202		198,738.00	591,550.00	201,524.00	101,021.00	302,545.00	387,022.00	195,632.00	582,654
Health and Welfare Benefits	3301-3302	210,761.00	148,870.00	359,631.00	102,518.00	101,197.00	203,715.00	209,408.00	163,886.00	373,294
Unemployment Insurance	3401-3402 3501-3502	678,101.00 89,524.00	840,188.00	1,518,289.00	237,369.00	491,091.00	728,460.00	578,650.00	872,013.00	1,450,663
Workers' Compensation Insurance	3601-3602	128,321.00	50,242.00 123,036.00	139,766.00 251,357.00	11,592.00	24,088.00	35,680.00	50,505.00	46,248.00	96,753
OPEB, Allocated	3701-3702	120,321.00	123,030.00	201,357.00	36,850.00	81,370.00	118,220.00	97,186.00	129,023.00	226,209
OPEB, Active Employees	3751-3752									
Other Employee Benefits	3901-3902	66,086.00	33,889.00	99,975.00	12,852.00	36,000,00		F1 702 02	E2 050 00	400.7
Total, Employee Benefits	0001-0002	2,187,470.00	2,437,673.00	4,625,143.00	778,612.00	36,900.00 1,534,022.00	49,752.00 2,312,634.00	51,783.00	53,952.00 2,564,247.00	105,735
rous, employed contents		2,107,470.00	2,401,010.00	4,020,143.00	110,012.00	1,004,022.00	2,312,034.00	1,964,687.00	2,504,247.00	4,528,934
. Books and Supplies										
Approved Textbooks and Core Curricula Materials	4100	4,917.00	156,669.00	161,586.00	8,702.00	45,592.00	54,294.00	8,917.00	157,698.00	100 045
Books and Other Reference Materials	4200	99,924.00	44.951.00	144,875.00	29,213.00	2,256.00	31,469.00	65,629.00	45,425.00	166,615
Materials and Supplies	4300	956,424.00	155,777.00	1,112,201.00	354,955.00	71,110.00	426,065.00	775,942.00		111,054
Noncapitalized Equipment	4400	88,403.00	80,194.00	168,597.00	23,130.00	60,467.00	83,597.00	60,938.00	138,497.00 63,081.00	914,439
Food	4700				,100.00	55,101.00	20,007,00	55,500.00	55,001,00	124,018
Total, Books and Supplies		1,149,668.00	437,591.00	1,587,259.00	416,000.00	179,425.00	595,425.00	911,426.00	404,701.00	1,316,127
Services and Other Operating Expenditures		-	т-						_	
Subagreements for Services	5100									Action of the Control
Travel and Conferences	5200	108,114.00	18,279.00	126,393.00	17,946.00	7,276.00	25,222.00	73,407.00	319,551.00	392,958
Dues and Memberships	5300	37,768.00	282.00	38,050.00	10,697.00	220.00	10,917.00	37,397.00	653.00	38,050
Insurance	5400	193,499.00		193,499.00	193,292.00		193,292.00	193,499.00		193,499
Operations and Housekeeping Services	5500	290,210.00	8	290,210.00	146,896.00		146,896.00	290,210.00	- 0	290,210
Rentals, Leases, Repairs, and Noncap. Improvements	5600	557,614.00	1,614,472.00	2,172,086.00	325,139.00	1,266,033.00	1,591,172.00	994,794.00	1,515,954.00	2,510,748
Transfers of Direct Costs	5700-5799									
Professional/Consulting Services and Operating Expend.	5800	1,169,384.00	731,999.00	1,901,383.00	723,560.00	142,025.00	865,585.00	1,172,302.00	719,144.00	1,891,446
Communications	5900	137,003.00	2	137,003.00	79,676.00		79,676.00	137,003.00		137,003
Total, Services and Other Operating Expenditures		2,493,592.00	2,365,032.00	4,858,624.00	1,497,206.00	1,415,554.00	2,912,760.00	2,898,612.00	2,555,302.00	5,453,914

6. Capital Outlay (Objects 6100-6170, 6200-6500 for modified accrual basis only)		THE REPORT OF		MARKET OF BUILDING	School State		White bearing			
Land and Land Improvements	6100-6170		i i							
Buildings and Improvements of Buildings	6200									
Books and Media for New School Libraries or Major		管理型。原建设				Service Autom				
Expansion of School Libraries	6300									Free Commercial
Equipment	6400									
Equipment Replacement	6500		É							Para of the first seed
Depreciation Expense (for accrual basis only)	6900		192				Training to the			
Total, Capital Outlay		<b>应证明的</b>								
700 E										
7. Other Outgo							NESTAL SERVICE			
Tuition to Other Schools	7110-7143									10.73114.31
Transfers of Pass-through Revenues to Other LEAs	7211-7213									
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE			•			AND THE RESERVE OF THE			
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO									
All Other Transfers	7281-7299						会がない意味を動			Name of the State
Transfers of Indirect Costs	7300-7399							-Marcon Authorities (1986)		A HELLAND AND A VICE OF
Debt Service:								A PERSONAL PROPERTY.	ER EL CHARTE	
Interest	7438		5							•
Principal (for modified accrual basis only)	7439			you the same of the						
Total, Other Outgo			-							が、 は、 は、 は、 は、 は、 は、 は、 は、 は、 は
8. TOTAL EXPENDITURES		11,246,338.00	12,304,353.00	23,550,691.00	4,979,602.00	7,895,990.00	12,875,592.00	10,603,875.00	12,803,028.00	23,406,903.00
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND.		1,788,408.00	(554,078.00)	1,234,330.00	640,426.00	(1,601,158.00)	(960,732.00)	1.744.512.00	(451,502.00)	1,293,010.00
BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		1,700,400.00	(334,076,00)]	1,234,330.00	040,420.00	(1,001,100.00)]	(300,702.00)	1,744,012.00	(101,002.00)	1,200,000
D. OTHER FINANCING SOURCES / USES										
1. Other Sources	8930-8979		2				NOTES THE PARTY			
2. Less: Other Uses	7630-7699									
3. Contributions Between Unrestricted and Restricted Accounts		ATT NOT SEE								
(must net to zero)	8980-8999	(554,078.00)	554,078.00					(409,354.00)	409,354.00	
4. TOTAL OTHER FINANCING SOURCES / USES		(554,078.00)	554,078.00			ESP(2) AT FILE	ME-WANGEL	(409,354.00)	409,354.00	
		The second secon			0.0.100.00	(1 001 150 00)	(000 700 00)	1,335,158.00	(42.148.00)	1,293,010.00
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		1,234,330.00		1,234,330.00	640,426.00	(1,601,158.00)	(960,732.00)	1,335,158.00	(42,148.00)	1,293,010.00
F. FUND BALANCE, RESERVES				100			WY STATE			
1. Beginning Fund Balance										
a. As of July 1	9791	17,615,124.00	618,097.00	18,233,221.00				17,615,124.00	618,097.00	18,233,221.00
b. Adjustments to Beginning Balance	9793, 9795	(1,620,088.00)		(1,620,088.00)				(1,620,088.00)		(1,620,088.00)
c. Adjusted Beginning Balance		15,995,036.00	618,097.00	16,613,133.00			ALL PARTIES AND	15,995,036.00	618,097.00	16,613,133.00
2. Ending Fund Balance, June 30 (E + F.1.c.)		17,229,366.00	618,097.00	17,847,463.00	640,426.00	(1,601,158.00)	(960,732.00)	17,330,194.00	575,949.00	17,906,143.00
Components of Ending Fund Balance :	在 國東 對 學 表面 "全文		MP WALES				2020 THE LEAD		THE REAL PROPERTY.	
a. Nonspendable	9711	A CHARLET SALTING	2万元 100 100 100 100 100 100 100 100 100 10	The STATE OF THE S	· 加加加加加加加加加加加加加加加加加加加加加加加加加加加加加加加加加加加加	remains that he delines		THE PERSON NAMED IN COLUMN TWO IS NOT THE OWNER.	and missensor	
Revolving Cash (equals object 9130)										
Stores (equals object 9320)	9712 9713									Telegraphic Services
Prepaid Expenditures (equals object 9330)										
All Others	9719	COLD TO A COMMISSION OF THE						TO THE PERSON NAMED IN		
b Restricted	9740		THE PERSON NAMED IN			33 N. W.	TO A MERCHANICAL TO A		TO BE SHOWN THE SHOW	AN LOS GRADINA
c. Committed	CTT O	TO A CONTROL OF THE STATE OF TH	<b>计图形图像图像图像</b>			CONTRACTOR OF THE PARTY OF THE		The second second	ACTION OF THE SECOND	
Stabilization Arrangements	9750									
Other Commitments	9760			CONTRACTOR OF STREET		FELENCE 25 STATES		Nach the San	<b>建筑的</b>	
d. Assigned	<b>对于对象的</b>			TEXT IN SECTION		<b>美国共和国企</b>		的可以有性的自然性的	Message	
Other Assignments	9780		5 5 W. S. LONDON CO. C.							
e Unassigned/Unappropriated				The Sales of the Sales	ties land by	<b>第二个文学</b>	NEST THE REST OF THE REST			
Reserve for Economic Uncertainities	9789									
Unassigned/Unappropriated Amount	9790	1 1								THE RESERVE OF THE PARTY OF THE

### CHARTER SCHOOL INTERIM FINANCIAL REPORT - ALTERNATIVE FORM

Reporting Period: Second Interim Report

Charter School Name: Literacy First Charter Schools

(continued)

CDS #: 37-10371-619119

Charter Approving Entity: SDCOE

County: San Diego
Charter #: 405

Fiscal Year: 2021-22

		CONTRACTOR AND ADDRESS OF THE PARTY OF THE P			2nd Interim vs. 1s Increase, (I	
Description	Object Code	1st Interim Budget (X)	Actuals thru 1/31/2022 (Y)	2nd Interim Budget (Z)	\$ Difference (Z) vs. (X)	% Change (Z) vs. (X)
REVENUES				200900(2)	(2) (3. (1)	(2) 43. (1)
LCFF/Revenue Limit Sources     State Aid Courset Vees	0044	0.004.074.00	4 000 000 00	0.004.074.00		
State Aid - Current Year Education Protection Account State Aid - Current Year	8011	8,334,674.00 6,369,904.00	4,886,326.00	8,334,674.00	-	0.0
State Aid - Prior Years	8012 8019		2,135,215.00	6,369,904.00	(240 407 00)	0.0
Transfers to Charter Schools Funding in Lieu of Property Taxes	8096	800,891.00 3,480,781.00	490,784.00 1,740,390.00	490,784.00	(310,107.00)	-38.7
Other LCFF Transfers	8091, 8097	3,460,761.00	1,740,390.00	3,480,781.00		0.0
Total, LCFF Sources	0091, 0097	18,986,250.00	9,252,715.00	18,676,143.00	(310,107.00)	-1.6
2. Federal Revenues						
Every Student Succeeds Act (Title I-V)	8290	-		171,864.00	171,864.00	١
Special Education - Federal	8181, 8182	233,497.00	BEAUTIFUL STREET	233.497.00	-	0.0
Child Nutrition - Federal	8220	at the	No. of the same of the same		_	0.0
Donated Food Commodities	8221				-	
Other Federal Revenues	8110, 8260-8299	1,368,003.00	712,658.00	1,150,441.00	(217,562.00)	-15.9
Total, Federal Revenues		1,601,500.00	712,658.00	1,555,802.00	(45,698.00)	-2.8
3. Other State Revenues						
Special Education - State	StateRevSE	1,285,431.00	546,217.00	1,285,431.00	-	0.0
All Other State Revenues	StateRevAO	2,486,776.00	1,199,596.00	2,737,621.00	250,845.00	10.0
Total, Other State Revenues		3,772,207.00	1,745,813.00	4,023,052.00	250,845.00	6.0
Other Local Revenues						
All Other Local Revenues	LocalRevAO	425,064.00	203,674.00	444,916.00	19,852.00	4.0
Total, Local Revenues		425,064.00	203,674.00	444,916.00	19,852.00	4.
5. TOTAL REVENUES		24,785,021.00	11,914,860.00	24,699,913.00	(85,108.00)	-0.3
EXPENDITURES						
Certificated Salaries						
Certificated Teachers' Salaries	1100	7,770,132.00	4,351,683.00	7,536,215.00	(233,917.00)	-3.0
Certificated Pupil Support Salaries	1200	550,258.00	314,422.00	517,486.00	(32,772.00)	-5.9
Certificated Supervisors' and Administrators' Salaries	1300	1,609,304.00	955,785.00	1,531,235.00	(78,069.00)	-4.8
Other Certificated Salaries	1900	111,364.00	66,512.00	107,440.00	(3,924.00)	-3.
Total, Certificated Salaries		10,041,058.00	5,688,402.00	9,692,376.00	(348,682.00)	-3.
. Non-certificated Salaries						
Non-certificated Instructional Aides' Salaries	2100	415,078.00	253,939.00	478,248.00	63,170.00	15.
Non-certificated Support Salaries	2200	872,389.00	372,654.00	782,392.00	(89,997.00)	-10.
Non-certificated Supervisors' and Administrators' Sal.	2300				-	
Clerical and Office Salaries	2400	897,430.00	599,163.00	934,998.00	37,568.00	4.
Other Non-certificated Salaries	2900	253,710.00	140,615.00	219,914.00	(33,796.00)	-13.
Total, Non-certificated Salaries	-	2,438,607.00	1,366,371.00	2,415,552.00	(23,055.00)	-0.
Employee Benefits					-	
STRS	3101-3102	1,664,575.00	874,262.00	1,693,626.00	29,051.00	1.
PERS	3201-3202	591,550.00	302,545.00	582,654.00	(8,896.00)	-1.
OASDI / Medicare / Alternative	3301-3302	359,631.00	203,715.00	373,294.00	13,663.00	3.8
Health and Welfare Benefits	3401-3402	1,518,289.00	728,460.00	1,450,663.00	(67,626.00)	-4.4
Unemployment Insurance	3501-3502	139,766.00	35,680.00	96,753.00	(43,013.00)	-30.
Workers' Compensation Insurance	3601-3602	251,357.00	118,220.00	226,209.00	(25,148.00)	-10.0
OPEB, Allocated	3701-3702	•	1 1 1 1 1	**************************************	-	
OPEB, Active Employees	3751-3752		•	-		
Other Employee Benefits  Total, Employee Benefits	3901-3902	99,975.00 4,625,143.00	49,752.00 2,312,634.00	105,735.00 4,528,934.00	5,760.00 (96,209.00)	5. -2.
Books and Supplies						
Approved Textbooks and Core Curricula Materials	4100	161,586.00	54,294.00	166,615.00	5,000,00	0
Books and Other Reference Materials	4200	144,875.00	THE RESIDENCE OF THE PARTY OF T		5,029.00	3.1
Materials and Supplies	4300	1,112,201.00	31,469.00 426,065.00	111,054.00	(33,821.00)	-23.3
materials and Supplies	4500	1,112,201.00	420,000.00	914,439.00	(197,762.00)	-17.7

l east	4700	and the section	NATIONAL CONTRACTOR		2 I	
Food Total, Books and Supplies	4700	1,587,259.00	595,425.00	1,316,127.00	(271,132.00)	-17.08%
1000				The second second second		
Services and Other Operating Expenditures						
Subagreements for Services	5100	) - <u>-</u>	•	- 1	-	
Travel and Conferences	5200	126,393.00	25,222.00	392,958.00	266,565.00	210.90%
Dues and Memberships	5300	38,050.00	10,917.00	38,050.00	-	0.00%
Insurance	5400	193,499.00	193,292.00	193,499.00	-	0.00%
Operations and Housekeeping Services	5500	290,210.00	146,896.00	290,210.00	-	0.00%
Rentals, Leases, Repairs, and Noncap. Improvements	5600	2,172,086.00	1,591,172.00	2,510,748.00	338,662.00	15.59%
Transfers of Direct Costs	5700-5799		Servicine 1		-	
Professional/Consulting Services and Operating Expend.	5800	1,901,383.00	865,585.00	1,891,446.00	(9,937.00)	-0.52%
Communications	5900	137,003.00	79,676.00	137,003.00	-	0.00%
Total, Services and Other Operating Expenditures		4,858,624.00	2,912,760.00	5,453,914.00	595,290.00	12.25%
50 90 WWW. 201 1000 1 2000 10 2000 10 2000 10 20 20 20 20 20 20 20 20 20 20 20 20 20						
6. Capital Outlay (Objects 6100-6170, 6200-6500 modified accrual basis only)			and the same of th			
Land and Land Improvements	6100-6170	- 12			-	
Buildings and Improvements of Buildings	6200			是是自己的人。 第二章		100000000000000000000000000000000000000
Books and Media for New School Libraries or Major	ARTON CONTRACTOR	Maria Santania		Service Control		
Expansion of School Libraries	6300	-	• // · · · · · ·	- 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	-	
Equipment	6400	-	-	-	-	
Equipment Replacement	6500	- 1	-		-	
Depreciation Expense (for accrual basis only)	6900	•	<u> </u>		-	
Total, Capital Outlay		•	•	HARCHER AND AND A		
Red seeds address						
7. Other Outgo	7446 7446		ZANTON BELLEVIA			
Tuition to Other Schools	7110-7143			•	<del>-</del>	
Transfers of Pass-through Revenues to Other LEAs	7211-7213			9		
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	•	• •			
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO			wilk e	-	
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			ENGLAND - US		-	
		00 550 604 00	10.075 500.00	22 400 002 00	(142 700 00)	-0.61%
8. TOTAL EXPENDITURES		23,550,691.00	12,875,592.00	23,406,903.00	(143,788.00)	-0.0176
O EVOCOS (DECICIONOV) OF DEVENIUES OVED EVDEND						
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		1,234,330.00	(960,732.00)	1,293,010.00	58,680.00	4.75%
BEFORE OTHER FINANCING SOURCES AND USES (AS-BO)		1,204,000.00	(300,732.00)	1,230,010.00	00,000.00	111070
D. OTHER FINANCING SOURCES / USES						
1. Other Sources	8930-8979		A BIR CAN DE LOS	TAKE NO.		
2. Less: Other Uses	7630-7699				-	
Contributions Between Unrestricted and Restricted Accounts	7000 7000					
(must net to zero)	8980-8999	do 1551/11/2006		10.25		
(must net to zero)	0300-0333					
4. TOTAL OTHER FINANCING SOURCES / USES				PRINCE OF THE REAL PRINCES		
4. TOTAL OTHER FINANCING SOURCES / 03ES						
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		1,234,330.00	(960,732.00)	1,293,010.00	58,680.00	4.75%
E. NET INCREASE (DECREASE) IN FOND BALANCE (C + D4)		1,204,000.00	(300,102,00)	1,200,010.00	00,000.00	117070
F. FUND BALANCE, RESERVES						
Beginning Fund Balance						
a. As of July 1	9791	18,233,221.00		18,233,221.00	-	0.00%
b. Adjustments/Restatements	9793, 9795	(1,620,088.00)		(1,620,088.00)	-	0.00%
c. Adjusted Beginning Fund Balance	0.00,000	16,613,133.00		16,613,133.00		
2. Ending Fund Balance, June 30 (E + F.1.c.)		17,847,463.00	(960,732.00)	17,906,143.00		
E. E. ang i and Salamon and a territory		, , , , , , , , ,	, , , , , , , , , , , , , , , , , , , ,			
Components of Ending Fund Balance :						
a. Nonspendable						
Revolving Cash (equals object 9130)	9711		- 7		-	
T 0 1 1 1	9712	28 E E E E E E E			-	
Stores (equals object 9320)	9713			MEN WELL	-	
Stores (equals object 9320) Prepaid Expenditures (equals object 9330)			B. C. C. C.		-	
Prepaid Expenditures (equals object 9330)	9719			USINE A DECEMBER 2018	-	
	9719 9740	NW STREET		7		CALPYD OB
Prepaid Expenditures (equals object 9330) All Others b. Restricted						
Prepaid Expenditures (equals object 9330) All Others b. Restricted c Committed						
Prepaid Expenditures (equals object 9330) All Others b. Restricted c Committed Stabilization Arrangements	9740			NAME OF STREET		
Prepaid Expenditures (equals object 9330) All Others b. Restricted c Committed Stabilization Arrangements Other Commitments	9740 9750			DESCRIPTION OF THE		
Prepaid Expenditures (equals object 9330) All Others b. Restricted c Committed Stabilization Arrangements Other Commitments d Assigned	9740 9750 9760			DESCRIPTION OF THE		
Prepaid Expenditures (equals object 9330) All Others b. Restricted c Committed Stabilization Arrangements Other Commitments d Assigned Other Assignments	9740 9750					
Prepaid Expenditures (equals object 9330) All Others b. Restricted c Committed Stabilization Arrangements Other Commitments d Assigned Other Assignments e. Unassigned/Unappropriated	9740 9750 9760 9780					
Prepaid Expenditures (equals object 9330) All Others b. Restricted c Committed Stabilization Arrangements Other Commitments d Assigned Other Assignments	9740 9750 9760	-	-	-		

# CHARTER SCHOOL MULTI-YEAR PROJECTION - ALTERNATIVE FORM Second Interim Report - MYP

Charter School Name: Literacy First Charter Schools

(continued)

CDS #: 37-10371-619119

Charter Approving Entity: SDCOE

County: San Diego

Charter #: 405 Fiscal Year: 2021-22

This charter school uses the following basis of accounting:

X Accrual Basis (Applicable Capital Assets / Interest on Long-Term Debt / Long-Term Liabilities objects are 6900, 7438, 9400-9499, and 9660-9669)

Modified Accrual Basis (Applicable Capital Outlay / Debt Service objects are 6100-6170, 6200-6500, 7438, and 7439)

			FY 2021-22		Totals for	Totals for
Description	Object Code	Unrestricted	Restricted	Total	FY 2022-23	FY 2023-24
A. REVENUES						
1. LCFF Sources						
State Aid - Current Year	8011	8,334,674.00	0.00	8,334,674.00	9,015,825.00	9,341,296.00
Education Protection Account State Aid - Current Year	8012	0.00	6,369,904.00	6,369,904.00	6,362,040.00	6,591,710.00
State Aid - Prior Years	8019	490,784.00	0.00	490,784.00		
Transfers of Charter Schools in Lieu of Property Taxes	8096	3,480,781.00	0.00	3,480,781.00	3,796,372.00	3,796,372.00
Other LCFF Transfers	8091, 8097	0.00	0.00	0.00		
Total, LCFF Sources		12,306,239.00	6,369,904.00	18,676,143.00	19,174,237.00	19,729,378.00
2. Federal Revenues				5 8 8 9 9		
Every Student Succeeds Act (Title I - V)	8290	0.00	171,864.00	171,864.00	294,928.00	294,928.00
Special Education - Federal	8181, 8182	0.00	233,497.00	233,497.00	232,750.00	232,750.00
Child Nutrition - Federal	8220	0.00	0.00	0.00	0.00	0.00
Donated Food Commodities	8221	0.00	0.00	0.00	0.00	0.00
Other Federal Revenues	8110, 8260-8299	0.00	1,150,441.00	1,150,441.00	1,247,015.00	1,247,015.00
Total, Federal Revenues		0.00	1,555,802.00	1,555,802.00	1,774,693.00	1,774,693.0
3. Other State Revenues			are consistent Manual Manual Manual Constitution			
Special Education - State	StateRevSE	0.00	1,285,431.00	1,285,431.00	1,471,818.00	1,471,818.0
All Other State Revenues	StateRevAO	42,148.00	2,695,473.00	2,737,621.00	1,263,641.00	1,264,984.0
Total, Other State Revenues		42,148.00	3,980,904.00	4,023,052.00	2,735,459.00	2,736,802.0
4. Other Local Revenues						
All Other Local Revenues	LocalRevAO	0.00	444,916.00	444,916.00	445,441.00	445,441.0
Total, Local Revenues		0.00	444,916.00	444,916.00	445,441.00	445,441.0
5. TOTAL REVENUES		12,348,387.00	12,351,526.00	24,699,913.00	24,129,830.00	24,686,314.0
B. EXPENDITURES						
1. Certificated Salaries						
Certificated Teachers' Salaries	1100	1,372,785.00	6,163,430.00	7,536,215.00	7,149,979.00	7,328,729.0
Certificated Pupil Support Salaries	1200	119,432.00	398,054.00	517,486.00	490,964.00	503,238.0
Certificated Supervisors' and Administrators' Salaries	1300	1,300,040.00	231,195.00	1,531,235.00	1,452,758.00	1,489,077.0
Other Certificated Salaries	1900	61,250.00	46,190.00	107,440.00	101,934.00	104,482.0
Total, Certificated Salaries		2,853,507.00	6,838,869.00	9,692,376.00	9,195,635.00	9,425,526.0
2. Non-certificated Salaries						
Non-certificated Instructional Aides' Salaries	2100	122,749.00	355,499.00	478,248.00	453,624.00	464,965.0
Non-certificated Support Salaries	2200	757,250.00	25,142.00	782,392.00	742,108.00	760,661.0
Non-certificated Supervisors' and Administrators' Sal.	2300	0.00	0.00	0.00	0.00	0.0
Clerical and Office Salaries	2400	886,503.00	48,495.00	934,998.00	886,856.00	909,027.0
Other Non-certificated Salaries	2900	209,141.00	10,773.00	219,914.00	208,590.00	213,805.0
Total, Non-certificated Salaries		1,975,643.00	439,909.00	2,415,552.00	2,291,178.00	2,348,458.0

		TO BEH TO	FY 2021-22		Totals for	Totals for
Description	Object Code	Unrestricted	Restricted	Total	FY 2022-23	FY 2023-24
3. Employee Benefits						
STRS	3101-3102	590,133.00	1,103,493.00	1,693,626.00	1,761,371.00	1,814,212.0
PERS	3201-3202	387,022.00	195,632.00	582,654.00	605,960.00	624,139.0
OASDI / Medicare / Alternative	3301-3302	209,408.00	163,886.00	373,294.00	388,226.00	399,873.0
Health and Welfare Benefits	3401-3402	578,650.00	872,013.00	1,450,663.00	1,508,689.00	1,553,949.0
Unemployment Insurance	3501-3502	50,505.00	46,248.00	96,753.00	100,623.00	103,642.0
Workers' Compensation Insurance	3601-3602	97,186.00	129,023.00	226,209.00	235,258.00	242,316.0
OPEB, Allocated	3701-3702	0.00	0.00	0.00	0.00	0.0
OPEB, Active Employees	3751-3752	0.00	0.00	0.00	0.00	0.0
Other Employee Benefits	3901-3902	51,783.00	53,952.00	105,735.00	109,964.00	113,263.0
Total, Employee Benefits		1,964,687.00	2,564,247.00	4,528,934.00	4,710,091.00	4,851,394.0

	Control of the second	是对应"大"。 第二	FY 2021-22		Totals for	Totals for
Description	Object Code	Unrestricted	Restricted	Total	FY 2022-23	FY 2023-24
4. Books and Supplies						
Approved Textbooks and Core Curricula Materials	4100	8,917.00	157,698.00	166,615.00	172,763.00	177,773.00
Books and Other Reference Materials	4200	65,629.00	45,425.00	111,054.00	115,152.00	118,491.00
Materials and Supplies	4300	775,942.00	138,497.00	914,439.00	948,182.00	975,679.00
Noncapitalized Equipment	4400	60,938.00	63,081.00	124,019.00	128,595.00	132,325.00
Food	4700	0.00	0.00	0.00	0.00	0.00
Total, Books and Supplies		911,426.00	404,701.00	1,316,127.00	1,364,692.00	1,404,268.00
5. Services and Other Operating Expenditures						
Subagreements for Services	5100	0.00	0.00	0.00	0.00	0.00
Travel and Conferences	5200	73,407.00	319,551.00	392,958.00	407,458.00	419,274.00
Dues and Memberships	5300	37,397.00	653.00	38,050.00	39,454.00	40,598.00
Insurance	5400	193,499.00	0.00	193,499.00	200,639.00	206,458.00
Operations and Housekeeping Services	5500	290,210.00	0.00	290,210.00	300,919.00	309,645.00
Rentals, Leases, Repairs, and Noncap. Improvements	5600	994,794.00	1,515,954.00	2,510,748.00		
Transfers of Direct Costs	5700-5799	0.00	0.00	0.00	2,603,394.00	2,678,893.00
Professional/Consulting Services and Operating Expend.	5800	1,172,302.00			0.00	0.00
Communications	5900		719,144.00	1,891,446.00	1,961,241.00	2,018,117.00
Total, Services and Other Operating Expenditures	3900	137,003.00	0.00	137,003.00	142,058.00	146,178.00
Total, Services and Other Operating Expenditures		2,898,612.00	2,555,302.00	5,453,914.00	5,655,163.00	5,819,163.00
6. Capital Outlay (Obj. 6100-6170, 6200-6500 for mod. accr. basis only)						
Land and Land Improvements	6100-6170	0.00	0.00	0.00		
Buildings and Improvements of Buildings	6200	0.00	0.00	0.00		
Books and Media for New School Libraries or Major						
Expansion of School Libraries	6300	0.00	0.00	0.00		
Equipment	6400	0.00	0.00	0.00		
Equipment Replacement	6500	0.00	0.00	0.00		
Depreciation Expense (for accrual basis only)	6900	0.00	0.00	0.00		
Total, Capital Outlay		0.00	0.00	0.00	0.00	0.00
7. Other Outgo						
Tuition to Other Schools	7110-7143	0.00	0.00	0.00		
Transfers of Pass-through Revenues to Other LEAs	7211-7213	0.00	0.00	0.00		
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	0.00	0.00	0.00		
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO	0.00	0.00	0.00		
All Other Transfers	7280-7299	0.00	0.00	0.00		
Transfers of Indirect Costs	7300-7399	0.00	0.00	0.00		
Debt Service:	10007000	0.00	0.00	0.00		
Interest	7438	0.00	0.00	0.00		
Principal (for modified accrual basis only)	7439	0.00	0.00	0.00		
Total, Other Outgo	1400	0.00	0.00	0.00	0.00	0.00
. July Strict Suigs		0.00	0.00	0.00	0.00	0.00
8. TOTAL EXPENDITURES		10,603,875.00	12,803,028.00	23,406,903.00	23,216,759.00	23,848,809.00
EVALUE (REFIGIENCY) OF REVENUES AND						
EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND.		4 744 540 65	/454 555	4 000 010 0		
BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		1,744,512.00	(451,502.00)	1,293,010.00	913,071.00	837,505.00

			FY 2021-22		Totals for	Totals for
Description	Object Code	Unrestricted	Restricted	Total	FY 2022-23	FY 2023-24
			FY 2021-22		Totals for	Totals for
Description	Object Code	Unrestricted	Restricted	Total	FY 2022-23	FY 2023-24
D. OTHER FINANCING SOURCES / USES						
1. Other Sources	8930-8979	0.00	0.00	0.00		
2. Less: Other Uses	7630-7699	0.00	0.00	0.00		
3. Contributions Between Unrestricted and Restricted Accounts						
(must net to zero)	8980-8999	(409,354.00)	409,354.00	0.00	722.00.00.00.00.00.00.00.00.00.00.00.00.0	
4. TOTAL OTHER FINANCING SOURCES / USES		(409,354.00)	409,354.00	0.00	0.00	0.00
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		1,335,158.00	(42,148.00)	1,293,010.00	913,071.00	837,505.00
F. FUND BALANCE, RESERVES						
Beginning Fund Balance						
a. As of July 1	9791	17,615,124.00	618,097.00	18,233,221.00	17,906,143.00	18,819,214.00
b. Adjustments/Restatements	9793, 9795	(1,620,088.00)	0.00	(1,620,088.00)		
c. Adjusted Beginning Balance	,	15,995,036.00	618,097.00	16,613,133.00	17,906,143.00	18,819,214.00
2. Ending Fund Balance, June 30 (E + F.1.c.)		17,330,194.00	575,949.00	17,906,143.00	18,819,214.00	19,656,719.00
Company of Ending Fund Polance:						
Components of Ending Fund Balance:  a. Nonspendable						
	9711	0.00	0.00	0.00	ARTHOUGH STORY SOUR HEAVEN	an and a state of the state of
Revolving Cash (equals object 9130) Stores (equals object 9320)	9712	0.00	0.00	0.00		
Prepaid Expenditures (equals object 9330)	9713	0.00	0.00	0.00		
All Others	9719	0.00	0.00	0.00		
b. Restricted	9740	0.00	0.00	0.00		
c. Committed	3740		0.00		na principal si colem	
Stabilization Arrangements	9750	0.00	0.00	0.00	THE PROPERTY OF THE PROPERTY O	
Other Commitments	9760	0.00	0.00	0.00		
d Assigned	3700	0.00	5.00	0.00		
Other Assignments	9780	0.00	0.00	0.00	ASSESSMENT OF THE PARTY OF THE	
e. Unassigned/Unappropriated	3700	0.00	5.00	3.00		
Reserve for Economic Uncertainties	9789	0.00	0.00	0.00		
Unassigned/Unappropriated Amount	9790	0.00	0.00	0.00	18,819,214.00	19,656,719.00
Onassigned/Onappropriated Amount	3130	0.00	0.00	0.00	.5,515,211.00	. 5,000,7 . 0.00

# Cash Flow Worksheet As of 1.31.2022

		) Selection	st	September	October	November	December	January	February	March	April	May	June	Accruals	TOTAL
Actual or Projected		Projected	Projected	Projected F	Projected P	Projected F	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Control of the last of the las
A. BEGINNING CASH	9110	5,558,219	4,108,612	5,207,865	5,736,359	5,420,339	5,280,234	5.859.214	625	5 586 826	7 349 615	1061	750	popolor	
B. RECEIPTS											200	106,124,0	301,002,0		
LCFF Sources															
State Aid, EPA	8011-8019	443,473	451,593	1,865,859	798,252	798,252	1,865,860	798,252	712,234	2,829,578	712.234	712.234	2.117.345		14 105 166
In Lieu Property Taxes	9608		216,733	409,808	278,462	278,462	278,462	278,462	278.462	487.309	243 655	243 655	487 310		2 480 780
Other LCFF/Revenue Limit Transfers	8091, 8097										2000	200,012	010,104		3,400,700
Federal Revenue	8100-8299								289 604				163 210		0000
Other State Revenue	8300-8599					217,403	39.244	461.963		558 547	217 428		717 177		450,202
Other Local Revenue	8600-8799	1,000	58,725	62,715	110,683	110,988	115,347	116.238	132.738	29.112	36 157	87 743	112 860		907,600,1
All Other Financing Sources	8930-8979											2	201		000'+
Other Receipts/Non-Revenue															
TOTAL RECEIPTS		444,473	727,051	2,338,382	1,187,397	1,405,105	2,298,913	1,654,915	1.413.038	3.904.546	1 209 474	1 043 632	3 055 851	c	20 693 777
C. DISBURSEMENTS												700'010'	20000		20,002,111
Certificated Salaries	1000-1999	654,112	706,553	1,165,431	718,793	715,856	987,814	735,169	796.256	796.256	796.256	823 623	796 256		375 009 0
Classified Salaries	2000-2999	92,070	128,844	261,945	219,464	186,997	257,667	210,303	209,601	209.601	207.824	221 476	209 760		2 415 552
Employee Benefits	3000-3999	439,850	365,176	346,104	387,950	148,857	445,439	229,876	392,922	392,922	392.922	392 922	593 994		A 528 03A
Books and Supplies	4000-4999	210,479	455,070	349,328	194,270	409,915	156,609	224,865	615,950	615.951	615.952	615 951	677 135		F 141 A7E
Services and Operating Expenditures	5000-5999	114,096	121,115	167,855	177,583	181,454	114,459	114,199	181,455	114,099	117,774	164.140	60.340		1 628 569
Capital Outlay	6669-0009	173,476	139,868		17,819										331 163
Other Outgo	7000-7499						1,033		1.000	12.928	400	9626			18,000
All Other Financing Uses	7630-7699														0000
Other Disbursements/ Non Expenditures								120,679							120.679
TOTAL DISBURSEMENTS		1,684,083	1,916,626	2,290,663	1,715,879	1,643,079	1,963,021	1,635,091	2,197,184	2.141.757	2.131.128	2 220 841	2 337 485	C	73 876 837
D. PRIOR YEAR TRANSACTIONS, Other															
Accounts Receivable	9200-9399	7,918	2,480,076	584,144	212,462	201,238	243,088	491,934							4.220.860
Accounts Payable (Liabilities, including Deferred	9500-9630,	(217 915)	(191 248)	(103 360)		(103 360)									
TOTAL PRIOR YEAR TRANSACTIONS Other	Other	(209 997)	2 288 R2R	480 775	212 462	02 860	242 000	100 000	C	•	•	•		ľ	(108,219)
0.0000000000000000000000000000000000000		1 440 001	4,000,000	400,773	704,717	600'76	243,088	481,934	0	0	0	0	0	0	4,836,761
E. (B-C+U)		(1,449,607)	1,099,253	528,494	(316,020)	(140,105)	578,980	511,758	(784,146)	1,762,789	(921,654)	(1,177,209)	718,366	0	1,642,701
F. ENDING CASH (A + E)		4,108,612	5,207,865	5,736,359	5,420,339	5,280,234	5,859,214	6,370,972	5,586,826	7,349,615	6,427,961	5,250,752	5,969,118	CHARLES STATE OF	BESSELVE SCHOOL BE
G. ENDING CASH, PLUS ACCRUALS		Section and the second	STATE OF STA	SWITTER STREET	日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日	THE RESIDENCE OF THE PERSON NAMED IN	國行 医乳球管 医	Section and the second	STREET, STREET	SECONOMICS	の の 日本の 日本の	THE REAL PROPERTY.		The state of the s	5.969.118

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June 1, 2022

Literacy First Charter School Debbie Beyer, Executive Director 799 East Washington Avenue El Cajon, CA 92020

Dear Ms. Beyer:

Re: 2021-22 Second Interim Report

Our office has completed its review of your Second Interim Report in compliance with the provisions of Education Code Section 47604.33 et seg. The charter school's Second Interim Report has been analyzed in the context of the 2021-22 State Budget Act. The data submitted by the charter school has been analyzed and appears to adequately reflect the financial status of your charter school as of January 31, 2022.

In accordance with the provisions of Education Code Section 47604.33, as the chartering authority of the charter school, the County Superintendent of Schools has assessed the fiscal condition of the charter school and believes the charter school will meet all its financial obligations for the current and two subsequent fiscal years based on the financial reports at this time.

# Financial Status in 2021-22

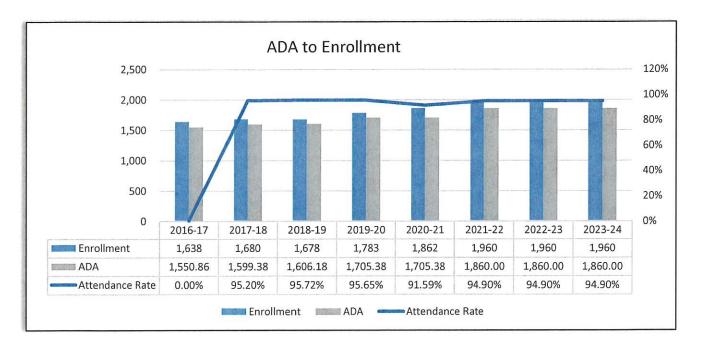
# **Attendance and Enrollment**

The charter school's historical and projected enrollment and average daily attendance (ADA) figures are presented in the chart below. The charter experienced an increase in enrollment from 2020-21 to 2021-22 of 5.26%, representing 98 additional students, with ADA at 1,860. The charter is projecting flat enrollment and ADA in the subsequent projection years. The charter school's enrollment to ADA percentage is projected to be 94.90%.

The memorandum of understanding (MOU) between Literacy First Charter School and the San Diego County Office of Education (SDCOE) states that a material revision is required if the charter school has a 2021-22 Second Interim Report Literacy First Charter School June 1, 2022 Page 2 of 5

25% increase or decrease of the enrollment projected in the charter petition. Based on the charter school's projections, a material revision will not be needed.

Note: The graph reflects the hold harmless prior year ADA in 2020-21.



# **Deficit Spending / Ending Fund Balance / Reserve for Economic Uncertainties**

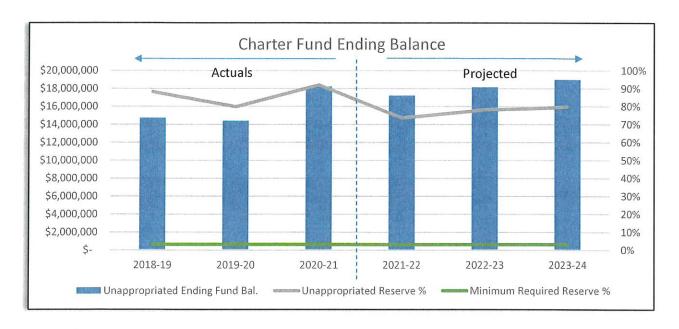
The Second Interim Report projects the impacts to the unrestricted general fund as follows:

Fiscal Year	Surplus/(Deficit)	Ending Fund Balance	Reserve for Economic Uncertainties (Ending Fund Balance/Total Expenditures)
2021-22	\$1.29 million	\$17.22 million	73.57%
2022-23	\$913,071.00	\$18.13 million	78.11%
2023-24	\$837,505.00	\$18.97 million	79.55%

Literacy First Charter projects a surplus in all years of the projection period. SDCOE requires the charter school to maintain a Reserve for Economic Uncertainties equal to 3% of expenditures. The charter school projects that it will not meet this requirement in 2021-22 and beyond.

The following chart displays the district's ending fund balance and reserve status from fiscal year 2018-19 through the projection period.

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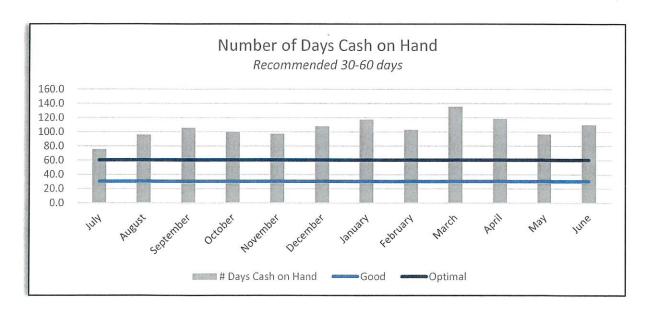


# **Multi-Year Projection**

We have reviewed the charter school's assumptions for the multi-year projection, and they appear to be reasonable. Based upon these assumptions, the charter school will meet the required reserve percentage in all years of the projection period.

# **Cash Flow**

The cash flow submitted with the 2021-22 Second Interim Report projects a positive cash balance in all months. The charter school industry recommends that charter schools maintain a cash balance between 30- and 60-days cash on hand. Cash on hand for Literacy First Charter School is projected to range from 76- to 135-days.



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# **Long-Term Debt and Liabilities**

The Charter School Holding, LLC. issued Charter School Lease Revenue Bonds (tax-exempt bonds) in November 2019 for \$10.6 million for the acquisition, construction, renovation, improvement and equipping of 1012 East Bradley Avenue, El Cajon, CA, and the Main Street facilities. Based on the First Interim Report, Literacy First Charter School will be able to repay the debt within the respective terms.

Bond Component	Rate	Amount	Maturity Date	Payment Due in 2021-22
2019 Series A Revenue Bonds	5.00%	\$7,450,000	December 1, 2049	\$372,500
2019 Series B Revenue Bonds	4.75%	\$3,180,000	December 1, 2030	\$351,565

# **Audit Adjustments or Restatements**

The charter school had an audit adjustment in their 2020-21 audit report in the amount of (\$1,620,088) to reclassify capital assets and long term debt to their corporation per fiscal accounting standards. The audit adjustment was reflected in the Second Interim Report. An audit adjustment from a prior year remains outstanding causing the current year balance to be understated by \$685,506.00. Please ensure this audit adjustment is appropriately accounted for in the charter school's Estimated Actuals and Budget Adoption Report.

# **Audit Findings**

The charter school did not have any audit findings in their 2021-22 audit report.

# Conclusion

Literacy First Charter School has a 5.26% increase in enrollment from the previous fiscal year of 2020-21. The projected average daily attendance (ADA) is 1,860 in the 2021-22 fiscal year with an ADA to enrollment ratio of 94.9%. Enrollment and ADA are projected to remain flat at 1,960 and 1,860 in 2022-23 and 2023-24 with an enrollment to ADA ration of 94.9%. The charter school is encouraged to adjusted revenue and expenditure assumptions based on actual ADA at the Second Principal Apportionment (P2) reporting to account for any changes.

The charter school is projecting a budget surplus in each year of the multi-year projection. The charter school projects that it will be able to meet the 3% reserve requirement over the projection period.

We appreciate Literacy First Charter School's efforts to ensure fiscal solvency. Should any adverse circumstances arise, which would negatively impact the financial condition of the charter school, please notify this office as soon as possible.

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If you have any questions concerning this review, please feel free to contact Anna Buxbaum at <a href="mailto:abuxbaum@sdcoe.net">abuxbaum@sdcoe.net</a>, or at 858-290-5899.

Sincerely,

Kristin Armatis

Senior Director, Charter School Services

cc: Mrs. Priscilla Schreiber, Board President, Literacy First Charter School Mr. Steve Robinson, Chief Financial Official, Literacy First Charter School

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