

**CALIFORNIA SCHOOL FINANCE AUTHORITY
REVENUE ANTICIPATION NOTES ON BEHALF OF ASPIRE PUBLIC SCHOOLS
EXECUTIVE SUMMARY**

RESOLUTION 10-34

| | |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Applicant: | Aspire Public Schools |
| Amount Requested: | Not to exceed \$8,000,000 |
| Expected Issuance: | August 2010 |
| Use of Proceeds: | The purpose of the financing is to provide Aspire Public Schools (“Aspire”) with access up to approximately \$8.0 million of working capital to relieve anticipated temporary monthly cash flow deficits in advance of the receipt of certain state and local funding for FY 2010-11 |
| Note Type: | Revenue Anticipation Notes |
| Credit Enhancement: | None |
| Expected Rating(s): | Transaction will not be rated |
| Maturity Date: | Up to 15 months |
| Sale Method: | Private Placement |
| Note Purchaser: | NCB Capital Impact (up to \$5 million) and others to be determined |
| Borrower’s Sponsor: | California Charter School Association |
| Borrower’s Advisor: | First Southwest Company |
| Note Counsel: | Orrick, Herrington & Sutcliffe |
| Borrower’s Counsel: | Stradling Yocca Carlson & Rauth |

I. Background

The California School Finance Authority (Authority) is a conduit debt issuer created in 1985 to provide financing for working capital and capital improvements to participating parties. A participating party may be a county office of education, school district, community college district, or charter school.

In light of the State’s projected budget deficits and deferral of substantial K-12 payments in fiscal years 2009-10 and 2010-11, a number of California charter schools are expected to incur temporary cash flow deficits beginning toward the end of the 2009-10 fiscal year and continuing into the next fiscal year. The table below in the “Purpose” section details the “default” statutory GPBG entitlement schedule alongside the “deferred” schedule. As shown, as much as 25% of each borrower’s 2010-11 fiscal year GPBG apportionments are expected to be deferred until July/August 2011.

II. Purpose

The purpose of the Charter School Working Capital financing is to provide participating borrowers (each a "Participant") with access to financing to relieve anticipated temporary monthly cash flow deficits in advance of the receipt of certain state and local funding for FY 2010-11 (primarily the deferred GPBG apportionments shown below).

| Estimated 2010-11 Apportionment Schedule (Based on Governor's May Revision) | | | | |
|-----------------------------------------------------------------------------|-------------------|---------------------------------|-----------------------------|--------------------------------|
| Month | Baseline Schedule | Monthly Schedule with Deferrals | Monthly % Shortfall/ Excess | Cumulative % Shortfall/ Excess |
| July | 5.0% | 0.0% | -5.0% | -5.0% |
| August | 5.0% | 5.0% | 0.0% | -5.0% |
| September | 9.0% | 14.0% | 5.0% | 0.0% |
| October | 9.0% | 0.0% | -9.0% | -9.0% |
| November | 9.0% | 9.0% | 0.0% | -9.0% |
| December | 9.0% | 9.0% | 0.0% | -9.0% |
| January | 9.0% | 18.0% | 9.0% | 0.0% |
| February | 9.0% | 0.4% | -8.6% | -8.6% |
| March | 9.0% | 0.0% | -9.0% | -17.6% |
| April | 9.0% | 15.1% | 6.1% | -11.5% |
| May | 9.0% | 4.7% | -4.3% | -15.8% |
| June | 9.0% | 0.0% | -9.0% | -24.8% |
| <u>Subsequent Year</u> | | | | |
| July | | 17.5% | | -7.3% |
| August | | 7.3% | | 0.0% |

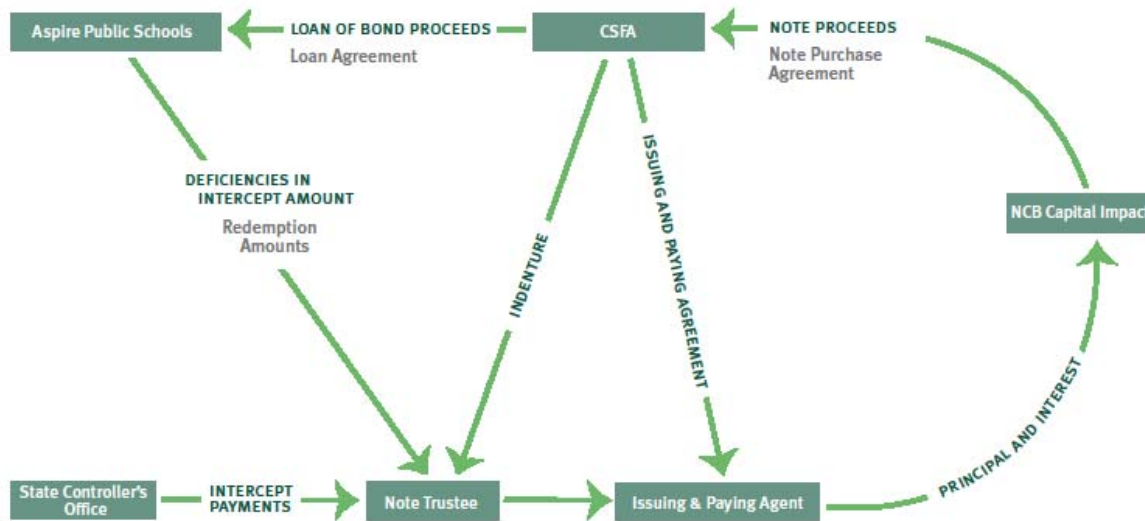
III. Structure

Each Participant will enter into a single loan agreement secured by each participant's available revenues as further described under Source of Repayment. The loans of the respective Participants will be aggregated for purposes of CSFA's sale of Notes from time to time solely to NCB Capital Impact (NCBCI). In order to permit the Participants to prepay loans and borrower additional loan proceeds, from time to time during the term of the Loan Agreement, the Indenture will permit CSFA to issue additional Notes from time to time upon the agreement of the Borrower, CSFA and the NCBI. The maximum principal amount of the loan and corresponding Notes outstanding at any time may not exceed \$8,000,000. And, the maximum principal amount of Notes to be held by NCBI at any time will not exceed \$5,000,000. As the purchaser of the Notes, NCBCI must be deemed a Qualified Institutional Buyer pursuant to 17 CFR 230.144A (Private resales of securities to institutions). NCBCI will not be authorized to sell, transfer or otherwise dispose of the Notes. Each Participant's loan size will be limited to the lesser of (i) the state-aid portion of its expected 2010-11 GPBG apportionments; and (ii) a maximum permissible borrowing amount determined by NCBCI. In no case shall a Participant's loan amount exceed 85% of uncollected FY 2010-11 revenues. A portion of each loan will be used to pay issuance costs at closing. Debt service due on a Participant's loan will be paid via the State Controller's Intercept Mechanism (see "Source of Repayment" below).

IV. Security and Source of Payment

The loan agreement will be secured by all available revenues of each Participant, including but not limited to, federal, state, local and extraordinary revenue sources. All Participants will be required to pledge an intercept of the state-aid portion of their General Purpose Block Grant (GPBG) in order to guarantee debt service under the terms of their respective loan agreements. The Participants will be required by CSFA to utilize the State Controller's Intercept Mechanism (Section 17199.4, Education Code) to ensure that set-aside payments toward debt service associated with the underlying loans are paid to the Trustee directly by the State no later than the maturity date specified in each respective loan agreement. CSFA expects to require acceleration of loan repayment in the event of non-operation of a Participant.

California School Finance Authority Revenue Anticipation Notes (ASPIRE PUBLIC SCHOOLS) SERIES 2010



V. Interest Cost and Fees

The Notes will accrue interest at the fixed rate of 5.50% per annum or, at the election of the Participants, a variable rate equal to NCBCI's prime rate plus 1.50% or 30-day LIBOR plus 4.00%. In addition, certain fixed fees will be allocated among all Participants and deducted from loan proceeds at the time of the initial borrowing. Although not all fee quotes are finalized, for a \$5.0 million loan, we anticipate that fixed fees will not exceed \$130,000 on a cumulative basis and include expenses for bond counsel, borrower's counsel, trustee, financial advisory, and NCBI underwriting, among others.

VI. Preliminary Sources and Uses

| Sources | |
|----------------------|--------------------|
| Note proceeds | \$8,000,000 |
| Total sources | \$8,000,000 |

| Uses | |
|-------------------------------|--------------------|
| Net loan proceeds | \$7,873,000 |
| Bond counsel | 50,000 |
| Financial advisor | 22,500 |
| Borrower counsel | 20,000 |
| CCSA / Program Sponsor | 10,000 |
| Issuer Fee | 14,000 |
| STO – Agent for Sale Fee | 2,000 |
| Trustee | 1,000 |
| NCBCI underwriting | 7,500 |
| Total Cost of issuance | 127,000 |
| Total uses | \$8,000,000 |

VII. The Project / Use of Funds

The purpose of the financing is to provide the Aspire schools listed in the resolution with access to financing to relieve anticipated temporary monthly cash flow deficits in advance of the receipt of certain state and local funding for FY 2010-11.

VIII. The Borrower

Aspire Public Schools was founded in 1998 to manage, guide, direct, and promote charter schools that provide quality education to California youth in primary and secondary grades. Aspire is a nonprofit, public-benefit corporation with 501(c)(3) status operating charter schools in three clusters located in the San Francisco Bay Area, the Central Valley, and Los Angeles County. Aspire has a four part mission: (1) to increase the academic performance of California students; (2) to develop effective educators; (3) to start change in the public school system; and (4) to share practices with other educators. Aspire locates their charter schools in areas with academically underperforming traditional schools in order to provide an alternative learning experience. Geographic areas where at least 75% of the students qualify for free or reduced priced meals also are targeted by Aspire. In 2010-11, Aspire will be operating 30 schools serving approximately 9,800 students. The organization maintains plans to expand to 50 schools by 2014-15 by opening four to six new schools each year.

Aspire's vision is to improve the achievement of all students in California. One of Aspire's missions is to educate students that are not being well-served in their current educational environment through their curriculum. According to information provided by Aspire representatives, Aspire implements curriculum packages created by other parties, complementary to the Aspire system and aligned to the California State standards. The school's educational program, simultaneously rigorous and relevant to the students, will emphasize interdisciplinary thinking across subject areas.

Aspire is a 501(c)(3) non-profit public benefit corporation, governed by a board of directors that creates, controls and operates its schools. Aspire's Board of Directors is responsible for: establishing broad policies that affect all Aspire's schools, advocating Aspire's mission, and providing strategic guidance to the organization. Aspire also has an Advisory Board which supports the Board of Directors and staff by providing expertise on specific issues that affect the organization's business and education strategies. The Advisory Board includes policy makers, education researchers, community leaders, and investors.

IX. Borrower Financial Data

Staff's reviewed four years of audited financial statements (2005-06 through 2008-09), cash flow projections for 2010-11, an adopted budget for 2010-11 and an income statement through May 31, 2010. Seventeen of Aspire schools are participating in the working capital program – they have been listed in Exhibit A. The income statement and adopted budget have been included as Exhibits B and C.

X. Due Diligence Undertaken to Date

CSFA staff and counsel review responses to the questions contained in the Legal Status Questionnaire. Aspire answered "Yes" to a LSQ question(s).

In the Legal Status Questionnaire (LSQ) provided by the applicant, Aspire responded affirmatively to the two questions contained therein. The school provided information regarding the legal issues which have been summarized below for your review.

Aspire Public Schools is a "Real Party in Interest" in a matter known as California School Boards Association et al. vs. California State Board of Education et al., Alameda County Superior Court Case No. 07353566. In this matter, the California School Boards Association, among others (collectively, "Plaintiffs"), challenge the California State Board of Education's (the "State Board") approval of a statewide charter for Aspire. Following the trial court's sustaining of the demurrer of the State Board and Aspire to Plaintiffs' claims, on July 26, 2010, the California Court of Appeal issued an opinion holding that Plaintiffs have stated sufficient claims to proceed with their challenge and reversing the trial court's ruling. The State Board issued a statewide charter covering six of Aspire's schools, one of which is applying for financing under the CSFA program. The effect of this lawsuit, including the appellate decision, on Aspire's statewide charter is currently being assessed. Aspire does not believe there are any potential negative legal or financial consequences for the schools currently under locally-issued charters.

In addition to the case noted above, Aspire has been named in two other cases. One is a civil case involving a dispute with a HVAC subcontractor. This dispute resulted in minimal damages for Aspire. The board has been aware of this ruling since the case was first brought against Aspire in 2007.

The third case relates to a complaint filed on July 7, 2010 in Alameda County and involved a child eligible for special education services. While some of the allegation are troubling, given the recent filing date (and the fact that Aspire has not been served) it is difficult to

draw a conclusion on this matter. Aspire claims that there will be adequate insurance coverage to pay any potential damages.

Staff and counsel do not believe any of the items disclosed should prevent Aspire from being considered by the Board.

XI. Staff Recommendation

Staff recommends Authority approve Resolution Number 10-34 in an amount not to exceed \$8,000,000 for Aspire Public Schools subject to final financing terms acceptable to Authority.

EXHIBIT A

PARTICIPATING SCHOOLS

Listed below are the 17 Aspire schools (including the location) that are participating in the working capital financing program.

1. Aspire Monarch Academy, Oakland, California
2. Aspire Millsmont Academy, Oakland, California
3. Aspire Berkley Maynard Academy, Oakland, California
4. Aspire California College Preparatory Academy, Oakland, California
5. Aspire ERES Academy, Oakland, California
6. Aspire East Palo Alto Charter School, East Palo Alto, California
7. Aspire Rosa Parks Academy, Stockton, California
8. Aspire University Charter School, Modesto, California
9. Aspire Summit Charter Academy, Modesto, California
10. Aspire Vanguard College Preparatory Academy, Empire, California
11. Aspire Capitol Heights Academy, Sacramento, California
12. Aspire Downtown Stockton Preparatory Academy, Stockton, California
13. Aspire Antonio Maria Lugo Academy, Huntington Park, California
14. Aspire Huntington Park Charter School, Huntington Park, California
15. Aspire Centennial College Preparatory Academy, Huntington Park, California
16. Aspire Firestone Academy, South Gate, California
17. Aspire Gateway Academy, South Gate, California

EXHIBIT B

ASPIRE INCOME STATEMENT (BY PARTICIPATING SCHOOL) AS OF MAY 31, 2010

| Actuals as of 5/31/10 | Monarch Academy | East Palo Alto Charter School | Millsmont Academy | Berkley Maynard Academy | California College Prep Academy | ERES Academy | University Charter School |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------------------------|--------------------------|--------------------------------|----------------------------------------|---------------------|----------------------------------|
| Revenues | | | | | | | |
| Charter School General - State Aid | 953,634.00 | 1,556,911.00 | 681,952.00 | 1,236,540.00 | 920,905.00 | 632,476.00 | 774,085.00 |
| State Aid - Prior Years | 996.00 | (3,521.00) | 603.00 | 1,091.00 | (5,894.00) | 0.00 | (16,614.00) |
| Special Education-Federal | 0.00 | 0.00 | 22,413.00 | 40,045.00 | 20,199.00 | 0.00 | 25,296.00 |
| Child Nutrition - Federal | 146,367.17 | 164,383.28 | 66,370.13 | 132,609.09 | 44,009.41 | 80,515.93 | 13,226.07 |
| Federal Income | 240,678.22 | 277,530.00 | 117,060.00 | 184,830.00 | 46,073.00 | 377,885.00 | 8,419.00 |
| Categorical Block Grant | 310,689.00 | 356,943.00 | 157,192.00 | 249,621.00 | 91,895.00 | 208,728.00 | 100,513.00 |
| Special Education-State | 0.00 | 0.00 | 76,776.00 | 133,580.00 | 61,339.00 | 37,253.00 | 81,111.00 |
| Other State Revenue | 368,904.97 | 329,587.89 | 375,671.23 | 553,578.72 | 191,411.20 | 29,711.74 | 184,294.44 |
| In Lieu of Property Taxes | 553,164.00 | 266,735.00 | 389,842.00 | 700,272.00 | 0.00 | 335,554.00 | 283,229.00 |
| Local Revenue | 57,535.76 | 278,782.33 | 66,520.14 | 141,174.46 | 277,475.32 | 65,931.52 | 33,416.50 |
| Total Revenues | 2,631,969.12 | 3,227,351.50 | 1,954,399.50 | 3,373,341.27 | 1,647,412.93 | 1,768,055.19 | 1,486,976.01 |
| Expenses | | | | | | | |
| Salaries and benefits | 1,940,369.27 | 1,987,259.26 | 1,266,813.90 | 1,960,208.75 | 1,191,402.89 | 977,579.88 | 982,538.93 |
| Books & Reference materials | 27,925.67 | 14,710.09 | 13,108.17 | 33,954.05 | 16,868.84 | 75,098.66 | 8,691.49 |
| Material and Supplies | 70,401.34 | 46,796.96 | 54,992.63 | 112,239.69 | 52,690.32 | 98,667.15 | 30,075.40 |
| Non Capitalized Equipment | 7,131.58 | 10,513.08 | 15,251.28 | 14,728.11 | 1,928.83 | 144,551.69 | 9,735.38 |
| Food | 142,487.80 | 185,053.31 | 73,296.50 | 150,191.80 | 47,029.59 | 80,967.24 | 27,831.00 |
| Travel and Conferences | 15,422.37 | 8,726.79 | 7,636.98 | 13,903.84 | 7,467.16 | 9,701.26 | 6,706.09 |
| Dues and Membership | 3,466.00 | 636.89 | 1,096.60 | 3,297.30 | 13,737.07 | 2,567.07 | 343.00 |
| Insurance | 6,602.00 | 3,578.00 | 2,650.00 | 2,874.00 | 4,506.00 | 2,350.00 | 4,369.00 |
| Operations and Housekeeping | 32,782.72 | 53,687.75 | 19,628.84 | 54,885.27 | 21,770.35 | 18,067.42 | 22,287.07 |
| Rentals, Leases, Repairs and Non Cap Improvement | 176,518.19 | 18,306.84 | 110,722.75 | 156,257.95 | 138,407.35 | 89,892.85 | 188,760.95 |
| Professional/Consulting Services | 132,389.67 | 802,287.28 | 142,101.64 | 198,642.38 | 81,005.17 | 65,924.35 | 105,033.98 |
| Communications | 23,870.22 | 25,127.80 | 21,830.99 | 21,964.75 | 26,026.12 | 22,441.96 | 25,301.62 |
| Depreciations | 35,507.08 | 20,751.66 | 13,100.09 | 51,439.96 | 115,876.64 | 28,308.44 | 18,081.96 |
| All Other Transfers | 145,431.00 | 230,843.15 | 175,857.00 | 343,342.60 | 191,818.00 | 186,228.80 | 76,098.00 |
| Debt Service - Interest | 1,419.95 | 48.06 | (429.04) | 1,317.45 | 1,604.75 | 48.06 | 48.06 |
| Total Expenses | 2,761,724.86 | 3,408,326.92 | 1,917,658.33 | 3,119,247.90 | 1,912,139.08 | 1,802,394.83 | 1,505,901.93 |
| Excess (deficit) | (129,755.74) | (180,975.42) | 36,741.17 | 254,093.37 | (264,726.15) | (34,339.64) | (18,925.92) |
| Beginning Fund Balance (per audit) | 840,227.00 | 232,853.00 | (11,427.00) | 438,446.00 | 222,697.00 | 0.00 | 806,703.00 |
| Net Income | (129,755.74) | (180,975.42) | 36,741.17 | 254,093.37 | (264,726.15) | (34,339.64) | (18,925.92) |
| 5/31/10 Fund Balance | 710,471.26 | 51,877.58 | 25,314.17 | 692,539.37 | (42,029.15) | (34,339.64) | 787,777.08 |
| <p>Note: Does not include revenue or expenses accrued in June 2010. Final unaudited actuals will be available 8/23/10. Most state and federal revenues are accrued for monthly on an equal basis (i.e. 1/12 per month). Revenue does not represent cash received.</p> | | | | | | | |

EXHIBIT B

ASPIRE INCOME STATEMENT (BY PARTICIPATING SCHOOL) AS OF MAY 31, 2010

| Summit Charter Academy | Capitol Heights Academy | Rosa Parks Academy | Vanguard College Preparatory Academy | Downtown Stockton | Antonio Maria Lugo Academy | Centennial College Preparatory Academy |
|------------------------|-------------------------|---------------------|--------------------------------------|-------------------|----------------------------|----------------------------------------|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| 1,209,952.00 | 610,628.00 | 1,189,746.00 | 593,582.00 | 0.00 | 593,404.00 | 1,739,566.00 |
| 0.00 | 0.00 | (142.00) | 0.00 | 0.00 | (6,336.93) | (12,260.39) |
| 45,709.00 | 0.00 | 0.00 | 0.00 | 0.00 | 35,030.04 | 88,673.07 |
| 72,152.35 | 114,315.98 | 0.00 | 42,098.19 | 0.00 | 90,411.97 | 146,031.86 |
| 170,990.00 | 130,208.00 | 221,843.00 | 248,533.00 | 0.00 | 180,242.60 | 287,868.00 |
| 168,693.00 | 140,407.39 | 264,565.00 | 89,138.00 | 0.00 | 193,665.00 | 344,824.00 |
| 126,698.00 | 0.00 | 0.00 | 34,041.00 | 0.00 | 115,109.15 | 287,514.59 |
| 389,835.04 | 306,018.29 | 380,100.25 | 173,524.29 | 0.00 | 253,477.91 | 465,696.70 |
| 226,632.00 | 255,336.00 | 302,156.00 | 306,297.00 | 0.00 | 277,415.01 | 686,586.97 |
| 52,459.18 | 11,716.61 | 5,058.31 | 367,606.28 | 0.00 | 10,343.94 | 83,192.53 |
| 2,463,120.57 | 1,568,630.27 | 2,363,326.56 | 1,854,819.76 | 0.00 | 1,742,762.69 | 4,117,693.33 |
| | | | | | | |
| 1,569,162.21 | 1,089,971.78 | 1,650,442.47 | 1,069,143.77 | 2,147.89 | 1,008,275.73 | 2,390,489.52 |
| 52,239.46 | 13,462.77 | 58,351.09 | 46,118.72 | 0.00 | 18,545.33 | 93,059.02 |
| 73,762.26 | 61,786.60 | 62,514.00 | 41,147.55 | 0.00 | 33,277.03 | 148,750.29 |
| 28,345.54 | 9,480.85 | 21,977.58 | 17,029.66 | 0.00 | 4,496.27 | 44,189.10 |
| 96,609.49 | 103,344.76 | 0.00 | 54,155.65 | 0.00 | 84,804.71 | 147,928.70 |
| 11,126.14 | 9,363.37 | 7,653.96 | 8,095.96 | 0.00 | 6,480.29 | 18,969.79 |
| 1,252.99 | 343.00 | 1,986.73 | 2,048.00 | 0.00 | 343.00 | 3,084.75 |
| 8,351.00 | 5,110.00 | 60,313.00 | 2,520.00 | 0.00 | 1,719.00 | 4,072.00 |
| 40,381.52 | 21,068.00 | 36,280.71 | 25,378.83 | 0.00 | 14,804.67 | 50,890.54 |
| 219,114.32 | 84,844.20 | 5,792.46 | 118,102.84 | 0.00 | 142,069.45 | 345,934.42 |
| 128,447.90 | 125,379.74 | 117,218.02 | 122,528.37 | 0.00 | 148,766.70 | 271,629.62 |
| 20,880.21 | 23,016.92 | 21,839.42 | 26,538.25 | 0.00 | 20,956.20 | 24,470.52 |
| 124,484.39 | 83,306.19 | 299,246.49 | 9,960.74 | 0.00 | 47,771.37 | 49,702.94 |
| 231,811.15 | 64,534.15 | 110,880.00 | 209,175.20 | 0.00 | 8,877.00 | 240,922.00 |
| 946.84 | 5,198.93 | 355,612.22 | 48.06 | 0.00 | 603.34 | 1,254.52 |
| 2,606,915.42 | 1,700,211.26 | 2,810,108.15 | 1,751,991.60 | 2,147.89 | 1,541,790.09 | 3,835,347.73 |
| (143,794.85) | (131,580.99) | (446,781.59) | 102,828.16 | (2,147.89) | 200,972.60 | 282,345.60 |
| | | | | | | |
| 973,092.00 | 107,441.00 | 5,003,044.00 | 0.00 | 0.00 | 263,110.00 | 1,138,463.00 |
| (143,794.85) | (131,580.99) | (446,781.59) | 102,828.16 | (2,147.89) | 200,972.60 | 282,345.60 |
| <u>829,297.15</u> | <u>(24,139.99)</u> | <u>4,556,262.41</u> | <u>102,828.16</u> | <u>(2,147.89)</u> | <u>464,082.60</u> | <u>1,420,808.60</u> |

EXHIBIT B

ASPIRE INCOME STATEMENT (BY PARTICIPATING SCHOOL) AS OF MAY 31, 2010

| Huntington Park Charter School | Aspire Firestone | Aspire Gateway |
|-----------------------------------|-------------------|-------------------|
| | | |
| | | |
| 628,976.00 | 0.00 | 0.00 |
| (5,438.00) | 0.00 | 0.00 |
| 34,946.96 | 0.00 | 0.00 |
| 91,938.48 | 0.00 | 0.00 |
| 566,356.00 | 0.00 | 0.00 |
| 181,719.00 | 0.00 | 0.00 |
| 113,592.66 | 0.00 | 0.00 |
| 315,914.89 | 0.00 | 0.00 |
| 238,532.00 | 0.00 | 0.00 |
| 5,538.15 | 0.00 | 0.00 |
| 2,172,076.14 | 0.00 | 0.00 |
| | | |
| 1,117,389.79 | 0.00 | 4,637.65 |
| 44,170.25 | 0.00 | 0.00 |
| 58,515.00 | 437.11 | 437.12 |
| 22,395.74 | 2,036.41 | 2,036.41 |
| 90,931.23 | 0.00 | 0.00 |
| 3,318.86 | 0.00 | 363.40 |
| 1,828.57 | 0.00 | 0.00 |
| 2,847.00 | 0.00 | 0.00 |
| 12,929.82 | 0.00 | 0.00 |
| 158,726.30 | 0.00 | 0.00 |
| 131,304.03 | 86.97 | 86.97 |
| 21,739.27 | 152.30 | 152.29 |
| 108,202.11 | 0.00 | 0.00 |
| 123,827.00 | 0.00 | 0.00 |
| 48.06 | 0.00 | 0.00 |
| 1,898,173.03 | 2,712.79 | 7,713.84 |
| <u>273,903.11</u> | <u>(2,712.79)</u> | <u>(7,713.84)</u> |
| | | |
| 59,711.00 | 0.00 | 0.00 |
| 273,903.11 | (2,712.79) | (7,713.84) |
| <u>333,614.11</u> | <u>(2,712.79)</u> | <u>(7,713.84)</u> |
| | | |

EXHIBIT C

2010-11 ADOPTED BUDGET

| | Monarch | East Palo Alto Charter School | Millsmont | Berkley Maynard | Cal Prep | ERES |
|------------------------------------------------|------------------|----------------------------------|------------------|------------------|------------------|------------------|
| | 201 | 204 | 205 | 207 | 208 | 212 |
| Enrollment | 381 | 458 | 270 | 576 | 199 | 216 |
| ADA | 369.57 | 444.26 | 259.20 | 552.96 | 191.04 | 207.36 |
| REVENUES | | | | | | |
| <i>Per Pupil Revenues</i> | | | | | | |
| State Aid Total | 1,095,464 | 1,801,834 | 768,652 | 1,663,569 | 1,088,737 | 625,820 |
| In Lieu Property Tax | 645,831 | 313,381 | 452,957 | 966,309 | - | 362,366 |
| General Block Grant (includes in-lieu) | 1,741,295 | 2,115,215 | 1,221,610 | 2,629,878 | 1,088,737 | 988,186 |
| Federal Income | 183,890 | 208,488 | 87,699 | 218,995 | 50,506 | 99,994 |
| Class Size Reduction | 231,336 | 162,792 | 127,449 | 231,336 | - | - |
| Categorical Block Grant | 355,358 | 367,332 | 174,804 | 379,846 | 100,760 | 235,640 |
| Lottery | 45,919 | 55,199 | 32,206 | 68,705 | 23,737 | 25,764 |
| Prop 49 / 21st Century | 112,500 | 150,000 | 112,500 | 126,000 | 20,000 | - |
| <i>One-Time Money</i> | | | | | | |
| CDE Grant | - | - | - | - | - | 337,500 |
| Other Federal Funding | - | 35,500 | 5,850 | - | - | - |
| Other State Revenue | 20,000 | 19,000 | 7,155 | - | - | - |
| <i>Soft Money</i> | | | | | | |
| Donations | - | 137,000 | - | - | 85,000 | 53,750 |
| Other Local Revenue | 16,000 | 37,500 | 48,600 | 177,000 | 95,219 | 75,000 |
| <i>Food Service Program</i> | | | | | | |
| National Lunch Program | 134,966 | 107,987 | 48,591 | 110,545 | 27,777 | 79,129 |
| Child Nutrition (State) | 11,108 | 8,902 | 3,837 | 8,908 | 2,121 | 6,501 |
| Food Services Sales | 11,055 | 10,788 | 11,645 | 37,576 | - | 2,185 |
| Interfund Transfer In | - | - | - | - | - | - |
| TOTAL REVENUES | 2,863,427 | 3,415,705 | 1,881,946 | 3,988,790 | 1,493,857 | 1,903,649 |
| Total Revenues per ADA | 7,748 | 7,689 | 7,261 | 7,214 | 7,820 | 9,180 |
| EXPENSES | | | | | | |
| <i>Personnel</i> | | | | | | |
| Total Salaries | 1,145,161 | 1,174,337 | 637,038 | 1,722,507 | 739,158 | 651,529 |
| Total Subs | 19,635 | 10,560 | 12,740 | 38,115 | 7,000 | 8,250 |
| Total Stipends | 29,500 | 44,500 | 14,500 | 40,000 | 32,600 | 12,805 |
| Certificated | 1,194,296 | 1,229,397 | 664,278 | 1,800,622 | 778,758 | 672,584 |
| Classified | 397,105 | 432,488 | 254,753 | 285,862 | 217,282 | 218,801 |
| Benefits | 429,631 | 452,250 | 237,613 | 563,759 | 241,463 | 228,861 |
| Total Personnel | 2,021,032 | 2,114,135 | 1,156,644 | 2,650,243 | 1,237,503 | 1,120,246 |
| <i>Books & Supplies</i> | | | | | | |
| Books | 12,000 | 33,000 | 18,000 | 35,000 | 10,000 | 15,000 |
| Materials/Supplies | 62,865 | 52,670 | 49,680 | 132,480 | 39,800 | 60,480 |
| Software | 12,668 | 15,229 | 8,235 | 21,600 | 8,607 | 6,588 |
| Equipment/Furniture/Computer | 8,000 | 15,000 | 5,000 | 40,000 | 7,000 | 5,000 |
| Printing and Reproduction | 24,000 | 19,992 | 12,000 | 24,000 | 13,200 | 12,000 |
| Food Services | 160,019 | 137,057 | 71,820 | 168,216 | 33,084 | 86,184 |
| Tot Books/Supplies | 279,552 | 272,947 | 164,735 | 421,296 | 111,691 | 185,252 |
| <i>Services & Other Operating Expenses</i> | | | | | | |
| Travel & Conferences | 7,000 | 5,000 | 3,400 | 12,000 | 7,000 | 6,000 |
| Dues & Subscriptions | - | - | 1,000 | 1,200 | 16,000 | 1,200 |
| Insurance | 9,525 | 11,450 | 6,750 | 14,400 | 4,975 | 5,400 |
| Operating and Housekeeping | 33,600 | 67,200 | 22,800 | 42,996 | 25,992 | 20,892 |
| Rentals, Leases, Repairs | 4,500 | 24,000 | 7,992 | 12,000 | 4,992 | 10,800 |
| Consultants | 5,000 | 45,000 | 12,000 | 42,000 | 16,000 | - |
| Special Education | 38,805 | 46,647 | 27,216 | 58,061 | 20,059 | 21,773 |
| Facilities Contractor | 31,000 | 28,000 | 25,000 | - | - | - |
| Transportation | - | 20,000 | - | - | - | - |
| Field Trips | - | - | 4,000 | - | 2,900 | 5,000 |
| Other Expenses | 300 | 1,700 | - | - | 1,000 | - |
| Communications | 15,000 | 12,000 | 7,200 | 21,600 | 12,000 | 12,000 |
| Tot Services | 144,730 | 260,997 | 117,358 | 204,257 | 110,918 | 83,065 |
| <i>Other Expenses</i> | | | | | | |
| Net Facility Cost | 334,079 | 368,941 | 211,037 | 415,916 | 146,834 | 157,234 |
| Home Office Admin | 188,321 | 215,462 | 123,440 | 255,833 | 89,862 | 94,471 |
| Dist Admin | 20,967 | 24,825 | 13,964 | 30,097 | 11,895 | 12,238 |
| SBC and SBE Expenses | - | - | - | - | - | - |
| Reserve | (2,611) | 5,204 | 3,304 | 26,291 | (382) | 2,308 |
| Interfund Transfers Out | - | - | - | - | - | 150,000 |
| Tot Other Activity | 540,755 | 614,432 | 351,745 | 728,137 | 248,209 | 416,251 |
| TOTAL EXPENSES | 2,986,069 | 3,262,511 | 1,790,482 | 4,003,933 | 1,708,320 | 1,804,814 |
| Total Expenses per ADA | 8,080 | 7,344 | 6,908 | 7,241 | 8,942 | 8,704 |
| 5/31/10 Fund Balance | 710,471 | 51,878 | 25,314 | 692,539 | (42,029) | (34,340) |
| 2010/11 Net Income | (122,643) | 153,193 | 91,464 | (15,143) | (214,463) | 98,835 |
| Projected Ending Fund Balance | 587,829 | 205,071 | 116,778 | 677,397 | (256,492) | 64,496 |

| | University Charter School | Summit Charter Academy | Capitol Heights | Rosa Parks Academy | Vanguard College Prep | Downtown Stockton Academy |
|------------------------------------------------|------------------------------|---------------------------|------------------|-----------------------|--------------------------|---------------------------------|
| | 302 | 303 | 306 | 307 | 310 | NS3 |
| Enrollment | 244 | 373 | 268 | 355 | 275 | 180 |
| ADA | 236.19 | 354.35 | 257.28 | 340.80 | 261.25 | 172.80 |
| REVENUES | | | | | | |
| Per Pupil Revenues | | | | | | |
| State Aid Total | 840,588 | 1,423,854 | 819,114 | 1,277,538 | 845,433 | 810,259 |
| In Lieu Property Tax | 272,771 | 249,533 | 393,078 | 331,114 | 456,832 | - |
| General Block Grant (includes in-lieu) | 1,113,359 | 1,673,387 | 1,212,192 | 1,608,652 | 1,302,265 | 810,259 |
| Federal Income | 19,600 | 97,950 | 90,312 | 159,386 | 75,240 | 60,480 |
| Class Size Reduction | 171,360 | 154,224 | 134,946 | 257,040 | - | 192,780 |
| Categorical Block Grant | 104,148 | 189,532 | 168,016 | 255,781 | 126,485 | 97,304 |
| Lottery | 29,347 | 44,028 | 31,967 | 42,344 | 32,460 | 21,470 |
| Prop 49 / 21st Century | - | 95,625 | 112,500 | 112,500 | - | - |
| One-Time Money | | | | | | |
| CDE Grant | - | - | - | - | 275,000 | 325,000 |
| Other Federal Funding | - | - | - | - | - | - |
| Other State Revenue | - | - | - | - | 30,000 | - |
| Soft Money | | | | | | |
| Donations | - | - | - | - | - | 150,000 |
| Other Local Revenue | 7,575 | 57,220 | 32,368 | - | 48,500 | - |
| Food Service Program | | | | | | |
| National Lunch Program | 11,395 | 57,439 | 99,008 | - | 65,505 | - |
| Child Nutrition (State) | 612 | 4,459 | 8,094 | - | 5,242 | - |
| Food Services Sales | 21,859 | 35,081 | 4,658 | - | 45,504 | - |
| Interfund Transfer In | | | | | | |
| TOTAL REVENUES | 1,479,255 | 2,408,945 | 1,894,061 | 2,435,703 | 2,006,200 | 1,657,294 |
| Total Revenues per ADA | 6,263 | 6,798 | 7,362 | 7,147 | 7,679 | 9,591 |
| EXPENSES | | | | | | |
| Personnel | | | | | | |
| Total Salaries | 668,452 | 991,432 | 667,105 | 1,153,640 | 759,626 | 538,292 |
| Total Subs | 18,200 | 19,760 | 12,740 | 22,880 | 10,010 | 9,360 |
| Total Stipends | 17,130 | 19,000 | 12,358 | 51,390 | 29,888 | 16,880 |
| Certificated | 703,782 | 1,030,192 | 692,203 | 1,227,910 | 799,524 | 564,532 |
| Classified | 174,864 | 319,526 | 233,666 | 231,571 | 147,683 | 106,240 |
| Benefits | 245,348 | 389,605 | 251,290 | 347,544 | 242,925 | 177,440 |
| Total Personnel | 1,123,994 | 1,739,323 | 1,177,159 | 1,807,025 | 1,190,133 | 848,213 |
| Books & Supplies | | | | | | |
| Books | 32,000 | 35,000 | 10,000 | 15,000 | 20,000 | 57,060 |
| Materials/Supplies | 27,328 | 55,324 | 55,160 | 59,329 | 52,250 | 31,500 |
| Software | 4,087 | 10,795 | 4,489 | 11,981 | 6,683 | 3,465 |
| Equipment/Furniture/Computer | 19,000 | 29,000 | 6,000 | 13,000 | 8,400 | 127,200 |
| Printing and Reproduction | 24,000 | 21,000 | 17,244 | 20,000 | 14,548 | 12,000 |
| Food Services | 29,670 | 95,497 | 108,205 | - | 121,324 | - |
| Tot Books/Supplies | 136,085 | 246,616 | 201,098 | 119,310 | 223,205 | 231,225 |
| Services & Other Operating Expenses | | | | | | |
| Travel & Conferences | 7,670 | 8,500 | 3,700 | 5,719 | 5,350 | 4,600 |
| Dues & Subscriptions | 500 | 1,000 | 343 | 2,500 | 1,299 | 1,000 |
| Insurance | 6,100 | 9,325 | 6,700 | 8,875 | 6,875 | 4,500 |
| Operating and Housekeeping | 27,600 | 46,392 | 23,856 | 45,780 | 40,000 | 51,000 |
| Rentals, Leases, Repairs | 6,000 | 12,000 | 4,000 | 5,000 | 4,000 | 6,000 |
| Consultants | - | 5,880 | 6,417 | 4,080 | 15,500 | - |
| Special Education | 24,800 | 37,207 | 27,014 | 35,784 | 27,431 | 18,144 |
| Facilities Contractor | 3,800 | - | 1,700 | 15,552 | 30,000 | - |
| Transportation | - | - | - | - | - | - |
| Field Trips | - | - | 4,700 | 6,000 | 5,000 | 4,000 |
| Other Expenses | 400 | 550 | 450 | 500 | 550 | 1,300 |
| Communications | 22,800 | 10,000 | 18,000 | 15,000 | 20,000 | 9,996 |
| Tot Services | 99,670 | 130,854 | 96,880 | 144,790 | 156,005 | 100,540 |
| Other Expenses | | | | | | |
| Net Facility Cost | 172,538 | 279,849 | 224,760 | 326,766 | 200,832 | 188,257 |
| Home Office Admin | 100,647 | 158,125 | 122,495 | 170,688 | 109,651 | 82,761 |
| Dist Admin | 12,175 | 18,629 | 13,802 | 18,644 | 14,287 | 9,076 |
| SBC and SBE Expenses | - | - | - | - | - | 5,000 |
| Reserve | (5,582) | (21,392) | (2,895) | (8,165) | 13,815 | 38,154 |
| Interfund Transfers Out | - | - | - | - | 150,000 | 150,000 |
| Tot Other Activity | 279,778 | 435,211 | 358,162 | 507,933 | 488,586 | 473,248 |
| TOTAL EXPENSES | 1,639,527 | 2,552,005 | 1,833,299 | 2,579,058 | 2,057,928 | 1,653,225 |
| Total Expenses per ADA | 6,942 | 7,202 | 7,126 | 7,568 | 7,877 | 9,567 |
| 5/31/10 Fund Balance | 787,777 | 829,297 | (24,140) | 4,556,262 | 102,828 | (2,148) |
| 2010/11 Net Income | (160,272) | (143,060) | 60,762 | (143,355) | (51,728) | 4,069 |
| Projected Ending Fund Balance | 627,505 | 686,237 | 36,622 | 4,412,908 | 51,100 | 1,921 |

| | Antonio Maria Lugo Academy 401 | Centennial College Prep 402 | Huntington Park 403 | Aspire Gateway 409 | Aspire Firestone 408 |
|------------------------------------------------|--------------------------------------|-----------------------------------|------------------------|-----------------------|-------------------------|
| Enrollment | 222 | 480 | 220 | 292 | 312 |
| ADA | 215.34 | 460.80 | 211.20 | 271.56 | 290.16 |
| REVENUES | | | | | |
| Per Pupil Revenues | | | | | |
| State Aid Total | 733,370 | 1,632,764 | 720,848 | 1,280,844 | 1,368,060 |
| In Lieu Property Tax | 282,645 | 604,823 | 277,211 | - | - |
| General Block Grant (includes in-lieu) | 1,016,015 | 2,237,587 | 998,058 | 1,280,844 | 1,368,060 |
| Federal Income | 135,494 | 262,533 | 106,858 | 126,144 | 134,784 |
| Class Size Reduction | 96,390 | - | 107,100 | 192,780 | 214,200 |
| Categorical Block Grant | 204,580 | 452,848 | 202,616 | 272,287 | 291,102 |
| Lottery | 26,756 | 57,254 | 26,242 | 33,741 | 36,052 |
| Prop 49 / 21st Century | 81,000 | 150,000 | 81,000 | - | - |
| One-Time Money | | | | | |
| CDE Grant | - | - | - | 400,000 | 400,000 |
| Other Federal Funding | - | - | - | - | - |
| Other State Revenue | - | - | - | - | - |
| Soft Money | | | | | |
| Donations | - | - | - | 150,000 | 150,000 |
| Other Local Revenue | - | 10,000 | - | - | - |
| Food Service Program | | | | | |
| National Lunch Program | 109,124 | 175,843 | 100,327 | - | - |
| Child Nutrition (State) | 9,001 | 14,446 | 8,299 | - | - |
| Food Services Sales | 4,640 | 8,865 | 6,814 | - | - |
| Interfund Transfer In | | | | | |
| TOTAL REVENUES | 1,683,000 | 3,369,376 | 1,637,314 | 2,455,797 | 2,594,198 |
| Total Revenues per ADA | 7,816 | 7,312 | 7,752 | 9,043 | 8,941 |
| EXPENSES | | | | | |
| Personnel | | | | | |
| Total Salaries | 603,961 | 1,183,576 | 612,597 | 893,903 | 944,137 |
| Total Subs | 14,500 | 29,000 | 13,050 | 18,850 | 18,270 |
| Total Stipends | 13,960 | 23,200 | 11,955 | 19,400 | 22,890 |
| Certificated | 632,421 | 1,235,776 | 637,602 | 932,153 | 985,297 |
| Classified | 240,078 | 470,238 | 195,314 | 176,775 | 176,775 |
| Benefits | 216,586 | 438,638 | 213,988 | 266,095 | 280,088 |
| Total Personnel | 1,089,085 | 2,144,652 | 1,046,903 | 1,375,023 | 1,442,160 |
| Books & Supplies | | | | | |
| Books | 20,000 | 15,000 | 25,000 | 116,800 | 124,800 |
| Materials/Supplies | 38,850 | 101,000 | 55,000 | 87,600 | 93,600 |
| Software | 3,774 | 9,000 | 5,170 | 9,125 | 9,750 |
| Equipment/Furniture/Computer | 5,000 | 30,000 | 16,500 | 35,000 | 35,000 |
| Printing and Reproduction | 7,200 | 10,200 | 10,200 | 14,400 | 14,400 |
| Food Services | 129,767 | 220,433 | 122,168 | - | - |
| Tot Books/Supplies | 204,591 | 385,633 | 234,038 | 262,925 | 277,550 |
| Services & Other Operating Expenses | | | | | |
| Travel & Conferences | 10,000 | 14,000 | 9,500 | 15,000 | 15,000 |
| Dues & Subscriptions | - | 4,000 | - | - | - |
| Insurance | 5,550 | 12,000 | 5,500 | 7,300 | 7,800 |
| Operating and Housekeeping | 13,800 | 103,200 | 12,600 | 17,100 | 17,100 |
| Rentals, Leases, Repairs | 6,500 | 12,000 | 6,000 | 11,250 | 11,250 |
| Consultants | 30,000 | 6,000 | 29,500 | 70,991 | 70,991 |
| Special Education | 22,611 | 48,384 | 22,176 | 28,514 | 30,467 |
| Facilities Contractor | - | - | - | 70,163 | 70,163 |
| Transportation | - | - | - | - | - |
| Field Trips | - | - | - | 5,000 | 5,000 |
| Other Expenses | 1,375 | 3,200 | 850 | 2,500 | 2,500 |
| Communications | 12,000 | 14,400 | 12,000 | 12,000 | 12,000 |
| Tot Services | 101,836 | 217,184 | 98,126 | 239,817 | 242,270 |
| Other Expenses | | | | | |
| Net Facility Cost | 181,805 | 407,784 | 175,912 | 315,929 | 335,948 |
| Home Office Admin | 109,216 | 221,216 | 106,531 | 133,406 | 143,094 |
| Dist Admin | 12,206 | 26,904 | 12,007 | 15,531 | 16,592 |
| SBC and SBE Expenses | - | - | - | - | - |
| Reserve | (6,325) | (5,820) | (1,107) | 57,890 | 61,782 |
| Interfund Transfers Out | - | - | - | 150,000 | 150,000 |
| Tot Other Activity | 296,903 | 650,084 | 293,342 | 672,756 | 707,416 |
| 1692414.577 | | | | | |
| TOTAL EXPENSES | 1,692,415 | 3,397,553 | 1,672,409 | 2,550,521 | 2,669,396 |
| Total Expenses per ADA | 7,859 | 7,373 | 7,919 | 9,392 | 9,200 |
| 5/31/10 Fund Balance | 464,083 | 1,420,809 | 333,614 | (2,713) | (7,714) |
| 2010/11 Net Income | (9,414) | (28,177) | (35,095) | (94,724) | (75,198) |
| Projected Ending Fund Balance | 454,668 | 1,392,631 | 298,519 | (97,437) | (82,912) |