



## MEETING AGENDA - iLEAD Online Board

Any public records relating to an agenda item for an open session of the Board which are distributed to all, or a majority of all of the Board members shall be available for public inspection at the main office in Acton between 9:00 am and 3:30 pm.

### Meeting

**Meeting Date** Thursday, March 7, 2024  
**Start Time** 6:30 PM  
**End Time** 7:30 PM  
**Location** Address: 29477 The Old Rd, Castaic, CA 91384  
Join Zoom Meeting <https://us02web.zoom.us/j/3858775783>  
Meeting ID: 385 877 5783  
Dial in Number: 1-669-900-6833

**Purpose** Regular Scheduled Meeting

### Agenda

#### 1. Opening Items

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1.1. Call The Meeting To Order	(6:30 PM - 6:30 PM)
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1.2. Roll Call	(6:30 PM - 6:30 PM)
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1.3. Pledge Of Allegiance	(6:30 PM - 6:30 PM)
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1.4. Board Meeting Agenda	(6:30 PM - 6:30 PM)
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Discuss and take action on the Board Meeting Agenda.

**Due date:** 3/7/2024

#### Documents

- Minutes-2024-02-05-v1.pdf

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1.5. Board Meeting Minutes	(6:30 PM - 6:30 PM)
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Discuss and take action on the Board Meeting Minutes.

**Due date:** 3/7/2024

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#### 2. Curriculum Moment

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2.1. Curriculum Moment	(6:30 PM - 6:30 PM)
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#### 3. Public Comments

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3.1. Public Comments	(6:30 PM - 6:30 PM)
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The public may address the iLEAD Online governing board regarding any item within the Board's jurisdiction whether or not that item appears on the agenda during this time. If you wish to address the Board, please complete a public comment card or alert them during Public Comments. Comments for the public will be limited to 3 minutes for agenda items, 2 minutes for items not on the agenda, and 20 minutes for all comments.

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## 4. Consent Items

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### 4.1. Personnel Report (6:30 PM - 6:30 PM)

**Due date:** 3/7/2024

#### Documents

- 3.7.24. Online PersonnelReport (1).pdf
- 

### 4.2. Check Register (6:30 PM - 6:30 PM)

**Due date:** 3/7/2024

#### Documents

- iLEAD Online Payment Register Summary\_20240229.pdf
  - iLEAD Online Payment Register\_20240229.pdf
- 

## 5. Discussion And Reports

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### 5.1. Learner Board Ambassador (6:30 PM - 6:30 PM)

### 5.2. School Director Report (6:30 PM - 6:30 PM)

### 5.3. English Language Learner Assessment (6:30 PM - 6:30 PM)

Discuss the State assessment progress of the English Learner Program.

#### Documents

- Online EL Data Presentation March 2024 (1).pdf
- 

### 5.4. Annual Form 700 (6:30 PM - 6:30 PM)

Reminder to fill out the electronic Form 700 sent from the "COI Desk" through email by April 1.

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## 6. Action Items

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### 6.1. 2022-2023 Independent Audit Report (6:30 PM - 6:30 PM)

Discuss and take action regarding the 2022-2023 Audit Report.

**Due date:** 3/7/2024

#### Documents

- iLeadOnlineCharterSchoolRpt23 .pdf
- 

### 6.2. Obsolete Technology and Equipment (6:30 PM - 6:30 PM)

Discuss and take action regarding technology and equipment that is no longer viable.

**Due date:** 3/7/2024



#### Documents

- iLEAD Online Obsolete (March 2024).pdf

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### 6.3. K-12 Strong Workforce Program Grant MOU

(6:30 PM - 6:30 PM)

Discuss and take action regarding the K-12 Strong Workforce Now Program Grant MOU with Santa Barbara Community College.

**Due date:** 3/7/2024

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### 6.4. LACOE Certification of Signatures

(6:30 PM - 6:30 PM)

Discuss and take action to update the LACOE Certification of Signature document.

**Due date:** 3/7/2024

#### Documents

- LACOECertification ofSignatures\_iLEAD Online\_20240307.pdf

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## 6.5. Closed Session

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### 6.5.1. Public Employee Performance Evaluation

(6:30 PM - 6:30 PM)

Gov. Code section 54957(b)(1): School Directors

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## 7. Report of Closed Session

(6:30 PM - 6:30 PM)

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## 8. Board Comments

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### 8.1. Board Comments

(6:30 PM - 6:30 PM)

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## 9. Closing Items

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### 9.1. 2024 Annual Board Development Dinner

(6:30 PM - 6:30 PM)

RSVP for the 2024 Annual Board Development Dinner on April 18 from 4:00 - 8:00 at the Mitchell River House, order your gift of gratitude, and we are excited to have Ben Johnson II as this year's trainer!

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### 9.2. Promotion/Graduation Date (June 7th, 4:00 pm at College of the Canyons

(6:30 PM - 6:30 PM)

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### 9.3. Next Meeting Date

(6:30 PM - 6:30 PM)

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### 9.4. Adjournment

(6:30 PM - 6:30 PM)

**Please note:** items on the agenda may not be addressed in the order they appear. The Board of Directors may alter the order at their discretion.

- **Board Room Accessibility:** The Board of Directors encourage those with disabilities to participate fully in the public meeting process. If you need a disability-related modification or accommodation, including auxiliary aids or services to participate in the public meeting, please contact the office at least 48 hours before the scheduled Board of Directors meeting so that we may make every reasonable effort to accommodate you. [Government Code § 54954.2; Americans with Disabilities Act of 1990, § 202 (42 U.S.C. § 12132).]



*The Secretary of the Board of Directors, hereby certifies that this agenda was publicly posted 72 or 24 hours prior to the meeting as required by law.*



## MEETING MINUTES - iLEAD Online Board

### Meeting

**Date** Monday, February 5, 2024  
**Started** 6:30 PM  
**Ended** 7:15 PM  
**Location** Address: 29477 The Old Rd, Castaic, CA 91384  
Join Zoom Meeting <https://us02web.zoom.us/j/3858775783>  
Meeting ID: 385 877 5783  
Dial in Number: 1-669-900-6833

**Purpose** Regular Scheduled Meeting  
**Chaired by** Brent Pellico  
**Recorder** Rigo Ortega

### Minutes

## 1. Opening Items

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### 1.1. Call The Meeting To Order

The meeting called to order at 6:31 pm

**Status:** Completed

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### 1.2. Roll Call

Giselle Bice - Present

Jasmine Ruys - Present

Brent Pellico - Present

Meeting held virtually due to inclement weather

**Status:** Completed

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### 1.3. Pledge Of Allegiance

Pledge of allegiance was recited

**Status:** Completed

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### 1.4. Board Meeting Agenda

Discuss and take action on the Board Meeting Agenda.

Motioned: Jasmine Ruys

Seconded: Brent Pellico

Unanimously approved

**Due date:**



**Status:** Completed

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### 1.5. Board Meeting Minutes

Discuss and take action on the Board Meeting Minutes.

Jasmine Ruys motions for an addendum to the board meeting minutes to state Giselle Bice to be the board chair and treasurer, and Jasmine Ruys to be Secretary

Seconded: Giselle Bice

Unanimously approved

**Due date:**

**Status:** Completed

Documents

- Minutes-2023-12-07-v1.pdf
- 

## 2. Curriculum Moment

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### 2.1. Curriculum Moment

Jeanne McNiff-Hendzlik presented the Curriculum Moment and answered questions from the board

**Status:** Completed

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## 3. Public Comments

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### 3.1. Public Comments

The public may address the iLEAD Online governing board regarding any item within the Board's jurisdiction whether or not that item appears on the agenda during this time. If you wish to address the Board, please complete a public comment card or alert them during Public Comments. Comments for the public will be limited to 3 minutes for agenda items, 2 minutes for items not on the agenda, and 20 minutes for all comments.

No public comments

**Status:** Completed

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## 4. Closed Session

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### 4.1. Closed Session

(Gov. Code section 54957(b)(1) Title: School Director

No closed session held

**Status:** Completed

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## 5. Report of Closed Session

No closed session held

**Status:** Completed

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## 6. Consent Items

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### 6.1. Personnel Report

Motioned: Jasmine Ruys

Seconded: Giselle Bice

Unanimously approved

**Due date:**

**Status:** Completed

Documents

- 2.1.24\_OnlinePersonnelReport\_\_ (1).pdf

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### 6.2. Check Register

Motioned: Jasmine Ruys

Seconded: Giselle Bice

Unanimously approved

**Due date:**

**Status:** Completed

Documents

- Online Payment Register\_2020124.pdf
- Online Payment Register Summary\_2020124.pdf

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## 7. Discussion And Reports

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### 7.1. Learner Board Ambassador

Sanne Sirmenis and Aryan Simhadri presented the Learner Board Ambassador and answered questions from the board

**Status:** Completed

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### 7.2. School Director Report

Kate Wiolfe presented the School Directors Report and answered questions from the board

**Status:** Completed

Documents

- Site Director Board Report iLEAD Online 2\_1\_24.docx.pdf

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### 7.3. LCAP Mid Year Update

Discuss Mid Year LCAP Data.

Allison Bravo presented the LCAP Mid Year Update and answered questions from the board

**Status:** Completed

Documents



- Online 23-24 Mid-Year LCAP Update.pdf
- 

## 8. Action Items

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### 8.1. School Director Employment Agreement

Discuss and take action regarding the School Director employment agreement.

Giselle Bice motions to approve the iLEAD Online School Director Contract for Kate Wolfe for the 2023-2024 school year, beginning February 1, 2023, and concluding on June 30, 2024. The School Director's annual pay will be \$130,000 prorated based on the start date. She will be entitled to participate in the employee benefits program at the same rate the employer will pay all current employees, which will be \$710 monthly starting Nov 1st.

Seconded: Jasmine Ruys

Unanimously approved

**Due date:**

**Status:** Completed

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### 8.2. 2023-2024 1st Interim Budget

Discuss and take action regarding the 2023-2024 1st Interim Budget.

Kelly O'Brien presented the 1st Interim Report and answered questions from the board

Motioned: Jasmine Ruys

Seconded: Giselle Bice

Unanimously approved

**Due date:**

**Status:** Completed

Documents

- ILead online 23.24 1st interim (1).pdf
- 

### 8.3. Revised Employee Guidebook

Discuss and take action on the updated Employee Guidebook.

Motioned: Jasmine Ruys

Seconded: Brent Pellico

Unanimously approved

**Due date:**

**Status:** Completed

Documents

- iLEAD Online 2024 Guidebook Redline for Board Approval.pdf
- 

### 8.4. School Accountability Report Card

Discuss and take action regarding the 2022 - 2023 School Accountability Report Card outlining the required school information for public review.





Allison Bravo presented the School Accountability Report Card and answered questions from the board

Motioned: Jasmine Ruys

Seconded: Brent Pellico

Unanimously approved

**Due date:**

**Status:** Completed

Documents

- 22-23 Online SARC.pdf
- 

## 9. Board Comments

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### 9.1. Board Comments

They would like to thank Kate for all the hard work she has done as the Interim Director and congratulate her on new position as the School Director

**Status:** Completed

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## 10. Closing Items

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### 10.1. 2024 Annual Board Development Dinner

Please mark your calendar to attend the 2024 Annual Board Development Dinner on April 18 at 4:00 - 8:00 at the Mitchell River House. More information to come!

**Status:** Completed

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### 10.2. Next Meeting Date

March 7, 2024 (6:30 pm)

**Status:** Completed

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### 10.3. Adjournment

Meeting adjourned at 7:15 pm

**Status:** Completed

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**EMPLOYMENT - NEW HIRES**

Saigusa, Yuco

Instructional Specialist

01.30.24

**RESIGNATIONS/TERMINATIONS**

NA

**STATUS CHANGE**

Martinez, Alejandro	From PT to Salary	01.25.24
Wolfe, Kate	Interim Site Director to School Director	02.05.24

**Company Name:** iLEAD Online  
**Report Name:** Payment Register Summary  
**Report Title 2:** Mission Valley Bank  
**Footer Text:** 01/25/2024-02/28/2024

GL Account #	GL Account Description	Total
3401	Health & Welfare Benefits - Credentialed positions	5,138.42
3402	Health & Welfare Benefits - Classified positions	1,806.46
4120	Core Curriculum - Software & Programs	1,630.17
4220	Other Books & References	766.24
4305	Educational Supplies (Classroom, Project, SpEd, Etc)	291.48
4345	Printing & Reproduction Supplies	78.70
4430	IT Equipment & Supplies	9,796.12
5230	Conference & Workshop Registration Fees	1,075.00
5310	Professional Dues, Memberships, and Subscriptions	1,091.00
5410	Liability Insurance	14,134.00
5510	Utilities - Electricity	33.73
5520	Utilities - Gas	58.89
5550	Operations - Janitorial Services	70.32
5610	Rent - Facilities Rent and CAM Charges	1,874.42
5630	Repairs & Maintenance - Facilities	6.80
5806	Professional Services - Consultant Fees	582.50
5808	Professional Services - Legal Fees	2,722.50
5822	Operating Expenditures - Licenses & Other Fees	1,494.86
5823	Operating Expenditures - Fingerprinting Fees	70.00
5825	Operating Expenditures - Banking Charges & Fees	29.88
5826	Operating Expenditures - Interest	2.02
5827	Operating Expenditures - Other Benefit Fees	68.00
5830	Operating Expenditures - Marketing & Advertising	250.00
5850	Student Services Expenditures - Student Information System	7,607.94
5910	Telephone & Fax	1.60
5920	Internet Services	1,892.84
5940	Postage Expense	1,427.94
9310	Prepaid Expenditures (Expenses)	12,695.56
9536	403b Payable	1,850.00
<b>Grand Total</b>		<b>\$68,547.39</b>

**Company Name:** iLEAD Online  
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9536	403b Payable	1,850.00
<b>Grand Total</b>		<b>\$68,547.39</b>

### Presentations of Learning

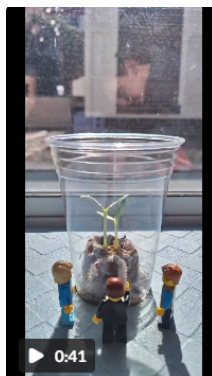
- ★ Olivia N did a fantastic job connecting Beowulf to so many things in today's society. Stories are such a fantastic gateway to understanding so many different things about ourselves, history and the modern world and Olivia made all those connections and more.



- ★ Learners in Child Development created their own libraries of inclusivity!



- ★ Our first grade seed to table projects are ALWAYS so much fun to see. The kids each have their own way of showcasing their learning and it's beautiful to watch them grow. Hunter turned his into a stop motion lego video!



## School Celebrations/Events

- ★ Our virtual open houses continue to grow each week. Our last one was on 2/29 and our next one is tomorrow!
- ★ We are building out iLEAD Online chapters of National Honors Society and California Scholarship Federation. Applications have been submitted and we're excited to be able to offer these opportunities to our high school learners.
- ★ We hosted a college visit to UCLA and filled every available spot.



- ★ Upcoming on March 12! We're so excited to meet up with our TK-8 learners at Gilchrist Farm!



- ★ Upcoming on March 27th!



- ★ Upcoming on April 11th





### **Professional Learning**

- ★ Our team has been meeting weekly to make sure we're ready to go for all things testing! Everyone is brushing up on training and working hard to encourage learner participation.
- ★ Our AP facilitators are already signing up for AP training this summer, including geared toward the AP Capstone program.
- ★ Emilie E and Cindy W continue to attend equity and diversity trainings with The Center for Love and Justice.
- ★ Our lower and upper school teams are doing data protocols with leadership to look at interventions, trends and best practices.

### **Enrollment**

Current Enrollment - 327 with 9 currently in registration. Total: 336

# iLEAD Online

English Learner Data

## March 7, 2024



# iLEAD Online ELPI

## English Learner Progress

All Students

State

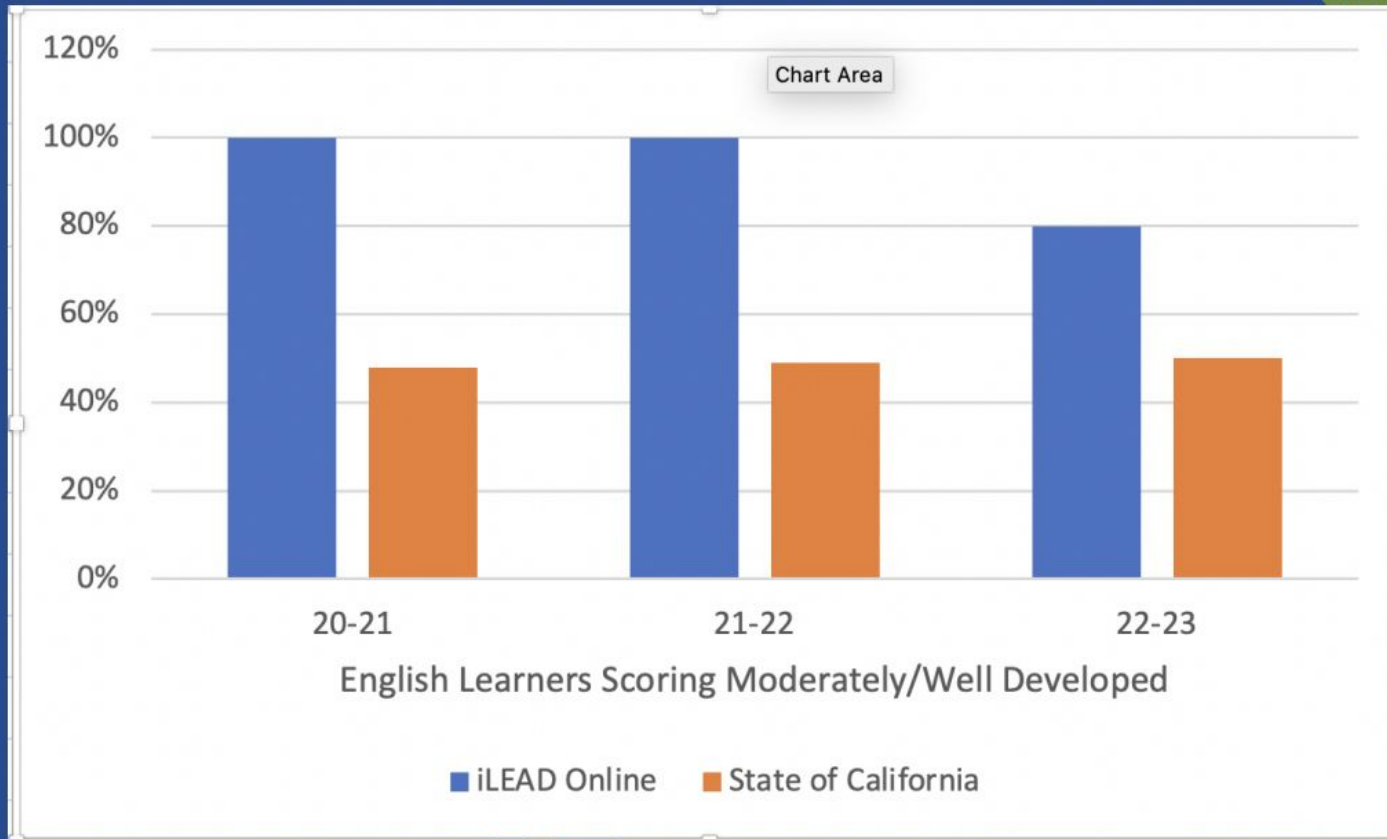


No Performance Color

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Less than 11 students - data  
not displayed for privacy

# ELPAC Data



# ELPAC Data

2022-2023

## Domain: Listening

● Beginning ● Somewhat/Moderately ● Well Dev.



## Domain: Speaking



## Domain: Reading



## Domain: Writing



# Reclassification Data

## iLEAD Online

Year	20-21	*21-22	*22-23
Percent Reclassified	0.00%	33%	20%
Number Reclassified	0/8	2/6	2/10
*Anticipated Rate, not yet released by state			





# Any Questions?

For more information about iLEAD Online's English Learners please contact :

[michele.bowes@ileadcalifornia.org](mailto:michele.bowes@ileadcalifornia.org)

[cindy.williams@ileadonline.org](mailto:cindy.williams@ileadonline.org)

# **ILEAD ONLINE CHARTER SCHOOL**

## **AUDIT REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2023**

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

iLEAD Online (Charter No. 1902)





**ILEAD ONLINE CHARTER SCHOOL**  
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**JUNE 30, 2023**

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## **FINANCIAL SECTION**

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
iLead Online Charter School  
Acton, California

**Report on the Financial Statements****Opinion**

We have audited the accompanying financial statements of iLead Online Charter School which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of iLead Online Charter School as of June 30, 2023, 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 iLead Online Charter School 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 iLead Online Charter School'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 iLead Online Charter School'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 iLead Online Charter School'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 Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2024, on our consideration of iLead Online Charter School'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 iLead Online Charter School'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 iLead Online Charter School's internal control over financial reporting and compliance.

*Christy White, Inc.*

San Diego, California  
January 23, 2024

**ILEAD ONLINE CHARTER SCHOOL**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2023**

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**ASSETS**

Current assets

Cash and cash equivalents	\$ 2,527,475
Accounts receivable	1,158,608
Prepaid expenses	40,100
Total current assets	<u>3,726,183</u>

Noncurrent assets

Intellectual property	112,315
Less accumulated depreciation	<u>(22,463)</u>
Intellectual property, net	89,852
<b>Total Assets</b>	<b><u>\$ 3,816,035</u></b>

**LIABILITIES AND NET ASSETS**

Liabilities

Accounts payable	\$ 750,669
Deferred revenue	804,856
Total liabilities	<u>1,555,525</u>

Net assets

Without donor restrictions	<u>2,260,510</u>
Total net assets	<u>2,260,510</u>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 3,816,035</u></b>

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

**ILEAD ONLINE CHARTER SCHOOL  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023**

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	Without Donor Restrictions
<b>SUPPORT AND REVENUES</b>	
Federal and state support and revenues	
Local control funding formula, state aid	\$ 3,286,936
Federal revenues	294,722
Other state revenues	549,997
Total federal and state support and revenues	<u>4,131,655</u>
Local support and revenues	
Payments in lieu of property taxes	163,308
Other local revenues	942,444
Total local support and revenues	<u>1,105,752</u>
<b>Total Support and Revenues</b>	<u>5,237,407</u>
 <b>EXPENSES</b>	
Program services	4,423,827
Management and general	550,806
<b>Total Expenses</b>	<u>4,974,633</u>
 <b>CHANGE IN NET ASSETS</b>	262,774
 <b>Net Assets - Beginning</b>	<u>1,997,736</u>
 <b>Net Assets - Ending</b>	<u>\$ 2,260,510</u>

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

**ILEAD ONLINE CHARTER SCHOOL  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2023**

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	Program Services	Management and General	Total
<b>EXPENSES</b>			
Personnel expenses			
Certificated salaries	\$ 2,393,514	\$ 192,331	\$ 2,585,845
Non-certificated salaries	398,313	63,840	462,153
Pension plan contributions	433,974	22,841	456,815
Payroll taxes	130,385	6,862	137,247
Other employee benefits	211,548	11,134	222,682
Total personnel expenses	3,567,734	297,008	3,864,742
Non-personnel expenses			
Books and supplies	83,998	2,246	86,244
Insurance	19,418	1,022	20,440
Facilities	25,039	1,318	26,357
Professional services	658,971	212,275	871,246
Depreciation	21,340	1,123	22,463
Fees to authorizing agency	-	34,502	34,502
Other operating expenses	47,327	1,312	48,639
Total non-personnel expenses	856,093	253,798	1,109,891
<b>Total Expenses</b>	<b>\$ 4,423,827</b>	<b>\$ 550,806</b>	<b>\$ 4,974,633</b>

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

**ILEAD ONLINE CHARTER SCHOOL  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2023**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 262,774
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Depreciation	22,463
(Increase) decrease in operating assets	
Accounts receivable	77,997
Prepaid expenses	(13,765)
Increase (decrease) in operating liabilities	
Accounts payable	253,580
Deferred revenue	406,149
<b>Net cash provided by (used in) operating activities</b>	<u>1,009,198</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of intellectual property	(112,315)
<b>Net cash provided by (used in) investing activities</b>	<u>(112,315)</u>

**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS** 896,883

**Cash and cash equivalents - Beginning** 1,630,592

**Cash and cash equivalents - Ending** \$ 2,527,475

**SUPPLEMENTAL DISCLOSURE**

Cash paid for interest	<u>\$ 258</u>
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The notes to the financial statements are an integral part of this statement.



**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

iLead Online Charter School (the “Charter”) was formed as a nonprofit public benefit corporation on June 30, 2017 for the purpose of operating as a California public school, iLEAD Online. The Charter is numbered by the State Board of Education as California Charter No. 1902. The mission of iLEAD Online is to provide a rigorous, relevant, inquiry-based, self-directed and collaborative learning environment for all learners in grades K-12 to prepare them for college and career.

iLEAD Online is authorized to operate as a charter school through Acton-Agua Dulce Unified School District (the “authorizing agency”). In 2017, the Board of Directors of Acton-Agua Dulce Unified School District approved a charter petition for a five-year term beginning July 1, 2017 and expiring on June 30, 2022. As a result of AB 130 and SB 114, the charter petition end date is extended to June 30, 2025. Funding sources primarily consist of state apportionments, in lieu of property tax revenues, and grants and donations from the public.

**B. Basis of Accounting**

The Charter’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. Financial Statement Presentation**

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016. iLead Online Charter School 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.

As a public charter school, iLead Online Charter School also accounts for its financial transactions in accordance with the policies and procedures of the Department of Education’s *California School Accounting Manual* presented in Procedure 810 Charter Schools. Fund accounting is not used in the Charter’s financial statement presentation.

**D. 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.

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. 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.

**F. 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 iLead Online Charter School. Revenues are recognized by the Charter when earned.

**G. 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.

**H. Cash and Cash Equivalents**

iLead Online Charter School considers all highly liquid deposits and investments with an original maturity of less than ninety days to be cash equivalents.

**I. Investments**

The Charter’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.

**J. 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.

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

**J. Receivables and Allowances (continued)**

Based on review of these factors, the Charter establishes or adjusts the allowance for specific revenue sources as a whole. At June 30, 2023, an allowance for doubtful accounts was not considered necessary as all accounts receivable were deemed collectible.

**K. 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.

**L. Income Taxes**

iLead Online Charter School 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 Charter is exempt from state franchise or income tax under Section 23701(d) of the California Revenue and Taxation Code. As a school, the Charter is not required to register with the California Attorney General as a charity.

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

**M. 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.  |

**N. New Accounting Principle**

**ASC 842 Leases**

In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The objective of the ASU is to increase transparency and comparability in financial reporting by requiring balance sheet recognition of leases and note disclosure of certain information about lease arrangements. The new FASB ASU topic on leases consists of five subtopics: overall, lessee, lessor, sale and leaseback transactions, and leveraged lease arrangements. ASU No. 2016-02 is applicable to any entity that enters into a lease. The new lease standard is effective for private nonprofits with fiscal years beginning after December 15, 2021. The Charter has determined the impact and noted no significant change to the 2022-23 fiscal year financial statements as a result of this accounting principle.

**ILEAD ONLINE CHARTER SCHOOL**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2023**

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**NOTE 2 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents, as of June 30, 2023, consists of the following:

Cash in banks, non-interest bearing	\$ 2,529,164
Deficit cash with third party (BILL.com)	(1,939)
Cash on hand (petty cash)	250
<b>Total Cash and Cash Equivalents</b>	<b>\$ 2,527,475</b>

**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. iLead Online Charter School 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, 2023, \$2,279,164 of the iLead Online Charter School's bank balance was exposed to custodial credit risk as there were deposits over \$250,000 in accounts held at one or more banks.

**NOTE 3 – ACCOUNTS RECEIVABLE**

Accounts receivable as of June 30, 2023, consists of the following:

Local control funding sources, state aid	\$ 211,610
Federal sources	107,786
Other state sources	453,567
In lieu property tax payments	20,647
Other local sources	364,998
<b>Total Accounts Receivable</b>	<b>\$ 1,158,608</b>

**NOTE 4 – INTELLECTUAL PROPERTY**

In December 2022, the Charter entered into a termination agreement and intellectual property assignment agreement with Maker Learning Network to terminate all services between the parties effective June 30, 2023 and to have shared rights to the intellectual property. The intellectual property is to be depreciated over a useful life of 10-years. The cost of the intellectual property has been recorded as \$112,315 and the Charter has recorded depreciation for the year ended June 30, 2023 of \$22,463.

**NOTE 5 – ACCOUNTS PAYABLE**

Accounts payable as of June 30, 2023, consists of the following:

Due to iLEAD California Charters	\$ 549,278
Salaries and benefits	151,104
Due to grantor government	49,381
Vendor payables	906
<b>Total Accounts Payable</b>	<b>\$ 750,669</b>

**ILEAD ONLINE CHARTER SCHOOL**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2023**

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**NOTE 6 – DEFERRED REVENUE**

Deferred revenue as of June 30, 2023, consists of the following:

Federal sources	\$ 31,767
State sources	<u>773,089</u>
<b>Total Deferred Revenue</b>	<b><u>\$ 804,856</u></b>

**NOTE 7 – NET ASSETS**

As of June 30, 2023, the Charter 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 Charter. At June 30, 2023, the Charter's net assets without donor restrictions consists of the following:

Net investment in intellectual property	\$ 89,852
Board designations	
Reserve for economic uncertainties	2,223,530
Undesignated	<u>(52,872)</u>
<b>Total Net Assets without Donor Restrictions</b>	<b><u>\$ 2,260,510</u></b>

**NOTE 8 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following table reflects the Charter's financial assets as of June 30, 2023, 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.

Financial Assets	
Cash and cash equivalents	\$ 2,527,475
Accounts receivable, current portion	1,158,608
Prepaid expenses	40,100
Contractual or donor-imposed restrictions	
Cash held for conditional contributions	(804,856)
Board designations	
Reserve for economic uncertainties	<u>(2,223,530)</u>
<b>Financial Assets available to meet cash needs</b>	
<b>    for expenditures within one year</b>	<b><u>\$ 697,797</u></b>

**NOTE 9 – DONATED GOODS AND SERVICES**

During the year, parents, administrators and other individuals donated significant amounts of time and services to iLead Online Charter School in an effort to advance the Charter's programs and objectives. These services have not been recorded in the Charter's financial statements because they do not meet the criteria required by generally accepted accounting principles. Additionally, the Charter did not receive any donated items during the year ended June 30, 2023.

**NOTE 10 – 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 Charter has made such election. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS). The Charter offers social security as an alternative plan to employees who may not qualify for CalSTRS.

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

**Plan Description**

iLead Online Charter School 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 2022-23 salary depending on the employee's membership date in the plan. The required employer contribution rate for fiscal year 2022-23 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 ending June 30, 2023 were \$456,815.

**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 iLead Online Charter School is estimated at \$206,424. The on-behalf payment amount is computed as the proportionate share of total 2021-22 State on-behalf contributions.

**NOTE 11 – COMMITMENTS AND CONTINGENCIES**

**Charter School Authorization**

As mentioned in Note 1A, iLEAD Online is approved to operate as a public charter school through authorization by the Acton-Agua Dulce 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 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, 2024. Refer to Note 12 regarding an additional one-year extension.

The Charter makes payments to the authorizing agency to provide required services for oversight. Fees associated with oversight consisted of 1% of revenue from local control funding formula sources. Total fees for oversight amounted to \$34,502 for the fiscal year ending June 30, 2023.

**ILEAD ONLINE CHARTER SCHOOL  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2023**

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**NOTE 11 – COMMITMENTS AND CONTINGENCIES (continued)**

**Governmental Funds**

iLead Online Charter School 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 Charter's voluntary withdrawal from any underfunded multiemployer defined benefit plan would require the Charter to make payments to the plan, which would approximate the Charter's proportionate share of the multiemployer plan's unfunded vested liabilities. The Charter does not currently intend to withdraw from CalSTRS. Refer to Note 10 for additional information on employee retirement plans.

**Pending or Threatened Litigation**

The Charter may 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 Charter as of June 30, 2023.

**Sublease Agreement**

The Charter entered into a sublease agreement for commercial space located at 3720 Sierra Highway, Unit B, in Acton, California. The Charter subleases one-half of the Unit B from iLEAD California Charters. The Charter does not have the right to obtain substantially all of the economic benefit nor a right to direct how and for what purpose the facility is used; therefore, ASC 842 on leases is not applicable to the agreement. The term of the lease ends June 30, 2025 and includes annual base rent payments of \$19,458 for the fiscal year ending June 30, 2024, and \$20,010 for the fiscal year ending June 30, 2025.

**NOTE 12 – SUBSEQUENT EVENTS**

iLead Online Charter School has evaluated subsequent events for the period from June 30, 2023 through January 23, 2024, the date the financial statements were available to be issued.

On July 10, 2023, the Governor of California approved Senate Bill 114 (SB 114), which amended California Education Code (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, 2025.

Management did not identify any other transactions or events that require disclosure or that would have an impact on the financial statements.

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## **SUPPLEMENTARY INFORMATION**

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**ILEAD ONLINE CHARTER SCHOOL  
LEA ORGANIZATION STRUCTURE  
JUNE 30, 2023**

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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.

iLead Online Charter School, located in Los Angeles County, was formed as a nonprofit public benefit corporation on June 30, 2016. The charter school operated by the nonprofit, iLEAD Online, is numbered by the State Board of Education as Charter No. 1902. The Charter is authorized by the Acton-Agua Dulce Unified School District. Classes initially began in Fall 2017. During 2022-23, the Charter served approximately 266 students in grades TK to 12.

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**BOARD OF DIRECTORS**

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<u>Name</u>	<u>Office</u>	<u>Term Expiration</u>
Brent Pellico	Chair	December 15, 2023
Chris Bojorquez	Secretary	December 1, 2025
Giselle Bice	Treasurer	December 1, 2026

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**ADMINISTRATION**

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Katherine Wolfe  
*Interim Director*

**ILEAD ONLINE CHARTER SCHOOL  
SCHEDULE OF AVERAGE DAILY ATTENDANCE  
FOR THE YEAR ENDED JUNE 30, 2023**

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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.

	Second Period Report	Annual Report
	Nonclassroom-Based	
<b>Grade Span</b>		
Regular		
Kindergarten* through third	39.54	39.54
Fourth through sixth	48.50	48.58
Seventh through eighth	50.48	52.97
Ninth through twelfth	159.01	157.52
<b>Total Average Daily Attendance - Nonclassroom-Based</b>	297.53	298.61
<b>Total Average Daily Attendance</b>	297.53	298.61

\*Includes Transitional Kindergarten (TK)

**The Charter had no Classroom-Based ADA in 2022-23.**

**ILEAD ONLINE CHARTER SCHOOL  
SCHEDULE OF INSTRUCTIONAL TIME  
FOR THE YEAR ENDED JUNE 30, 2023**

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This schedule presents information on the amount of instructional days offered per grade level by the iLead Online Charter School and whether the Charter complied with the provisions of *Education Code Section 47612.5*.

Grade Level	Minutes Requirement	2022-23 Number of Days	Status
Kindergarten*	36,000	175	Complied
Grade 1	50,400	175	Complied
Grade 2	50,400	175	Complied
Grade 3	50,400	175	Complied
Grade 4	54,000	175	Complied
Grade 5	54,000	175	Complied
Grade 6	54,000	175	Complied
Grade 7	54,000	175	Complied
Grade 8	54,000	175	Complied
Grade 9	64,800	175	Complied
Grade 10	64,800	175	Complied
Grade 11	64,800	175	Complied
Grade 12	64,800	175	Complied

\*Includes Transitional Kindergarten (TK)

**ILEAD ONLINE CHARTER SCHOOL  
RECONCILIATION OF FINANCIAL REPORT – ALTERNATIVE FORM WITH AUDITED FINANCIAL  
STATEMENTS  
JUNE 30, 2023**

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

June 30, 2023, fund balance/net position on the Financial Report - Alternative Form (Charter School Unaudited Actuals)	<u>\$ 2,264,289</u>
Adjustments:	
Increase (decrease) in total net assets:	
Client closing adjustments	<u>(3,779)</u>
June 30, 2023, net assets per audited financial statements	<u>\$ 2,260,510</u>

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## **OTHER INDEPENDENT AUDITORS' REPORTS**

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**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  
iLead Online Charter School  
Acton, 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 financial statements of iLead Online Charter School (the "Charter") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Charter's basic financial statements and have issued our report thereon dated January 23, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Charter'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 Charter's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter'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 Charter'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*.

## **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 Charter'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 Charter's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Christy White, Inc.*

San Diego, California  
January 23, 2024

**REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL  
OVER COMPLIANCE FOR STATE PROGRAMS**Independent Auditors' Report

To the Board of Directors of  
iLead Online Charter School  
Acton, California

**Report on State Compliance****Opinion on State Compliance**

We have audited iLead Online Charter School's compliance with the requirements specified in the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, applicable to iLead Online Charter School's state program requirements for the fiscal year ended June 30, 2023.

In our opinion, iLead Online Charter School complied, in all material respects, with the laws and regulations of the applicable state programs for the year ended June 30, 2023, 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 *2022-23 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 iLead Online Charter School 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 iLead Online Charter School'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 iLead Online Charter School'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 iLead Online Charter School's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 iLead Online Charter School'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 iLead Online Charter School's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of iLead Online Charter School'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 iLead Online Charter School's internal control over compliance. Accordingly, no such opinion is expressed; and
- Select and test transactions and records to determine iLead Online Charter School's compliance with the state laws and regulations to the following items:

Description	Procedures Performed
<b>School Districts, County Offices of Education and Charter Schools</b>	
California Clean Energy Jobs Act	Not applicable
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
Transitional Kindergarten	Yes
<b>Charter Schools</b>	
Attendance	Yes
Mode of Instruction	Not applicable
Nonclassroom-Based Instruction/Independent Study	Yes
Determination of Funding for Nonclassroom-Based Instruction	Yes
Annual Instructional Minutes – Classroom Based	Not applicable
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.

*Christy White, Inc.*

San Diego, California  
January 23, 2024

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## **FINDINGS AND QUESTIONED COSTS SECTION**

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**ILEAD ONLINE CHARTER SCHOOL  
SUMMARY OF AUDITORS' RESULTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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**Financial Statements**

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

**Federal Awards**

*The Charter 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?	<u>No</u>
Significant deficiency(ies) identified not considered to be material weaknesses?	<u>None Reported</u>
Any audit findings disclosed that are required to be reported in accordance with <i>2022-23 Guide for Annual Audits of California K-12 Local Education Agencies ?</i>	<u>No</u>
Type of auditors' report issued on compliance for state programs:	<u>Unmodified</u>

**ILEAD ONLINE CHARTER SCHOOL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2023**

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

<b>FIVE DIGIT CODE</b>	<b>AB 3627 FINDING TYPE</b>
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

**FINANCIAL STATEMENT FINDINGS**

There were no audit findings related to the financial statements for the year ended June 30, 2023.

**STATE AWARD FINDINGS AND QUESTIONED COSTS**

There were no audit findings and questioned costs related to state awards for the year ended June 30, 2023.

**PRIOR AUDIT FINDINGS**

This section presents the status of actions taken by the Charter 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, 2022.



## iLEAD Online Obsolete Equipment and Materials

### Board Approved:

This list of obsolete equipment and materials is no longer needed for school purposes and will be sold and/or disposed of in accordance with Education Code Sections 17545 and 17546.

Education Code 17545 authorizes the sale for cash of any property belonging to the school if the property is not required for school purposes, or it should be disposed of for the purpose of replacement, or it is unsatisfactory or not suitable for school use.

Education Code 17545 and 17546 provides for procedures to implement such a sale, public or private, conducted by staff, other public agencies, or by contract with a private auction firm.

QTY	DESCRIPTION
1	Macbook Air - FV FY37MWJ1WK
1	Macbook Air - FVHX3UESJ1WK
1	Macbook Air - FV FYWX7NJ1WK
1	Macbook Air - FVFXV5TAJ1WK
1	Macbook Air - FV FY3H6JJ1WK
1	Macbook Air - FVFFH37UQ6L6
1	Macbook Air - FVFC53FPJ1WK

# **iLEAD California Charters 1 and iLEAD Online**

## **MEMORANDUM OF UNDERSTANDING**

This agreement is entered into between iLEAD California Charters1, hereinafter referred to as “iCC1,” and iLEAD Online, for the purpose of implementing the K12 Strong Workforce Program Grant Round 8 received by iCC1 on behalf of iLEAD Online.

WHERE AS, iLEAD California Charters 1, provides shared services to iLEAD Online, including supporting with grants, iCC1 has obtained a grant that will support iLEAD Online’s grant implementation;

WHERE AS, iLEAD Online, has been identified as a school that will be supported by the K12 Strong Workforce Program, in coordination with iCC1;

*In furtherance of the foregoing purpose, iCC1, and iLEAD Online agree as follows:*

### **1. Term of Agreement**

This agreement shall be in effect from January 1, 2024, and shall remain effective through June 30, 2026. Modifications to the agreement shall be made only after mutual agreement is reached between all parties and documented in writing. Either party may terminate this agreement at any time giving the other party written notice 20 days prior to such action. Any portion, or all, of this agreement is severable in the event any portion, or all, of the grant funds provided through K12 Strong Workforce Program are withdrawn or canceled.

### **2. Description of Roles and Responsibilities, and Services**

iCC1 will coordinate the implementation of the grant, act as the fiscal agent of the grant, and complete reporting on behalf of iLEAD Online, in furtherance of the K12 Strong Workforce Program Grant received by iCC1 for Round 8 FY 23/24-25-26.

iLEAD Online will implement the grant as detailed in the grant application, in coordination with iCC1.

iLEAD Online will plan expenditures for goods and services related to the expansion of college and career readiness, under this grant terms in the amount of **\$133,000**, which will be reimbursed. iLEAD Online will also provide an in-kind match for **\$266,000**, pursuant to the grant terms and conditions.

### **3. Certifications and Assurances**

i. All parties certify that any person who will provide services to students and their families is adequately screened (Live Scan, or equivalent) so as to prevent the assignment of personnel who may pose a threat to the safety and welfare of students.

ii. All parties certify that any person who will provide services are adequately trained and prepared according to prevailing professional standards for providing such services and are licensed or otherwise legally qualified, as necessary.

iii. All parties certify any person providing services will follow laws and regulations concerning the legal

rights of students, including reporting child abuse/neglect, Federal Education Rights and Privacy Act (FERPA), and other public health and safety laws and regulations, as applicable.

iv. All parties will hold adequate levels of workers' compensation insurance for their own staff, and that contracted partners will provide adequate levels of workers' compensation insurance for their own staff.

v. All parties certify cyber security measures as outlined in CIPA and COPPA regulations are in place and all cyber security measures will be in place.

#### **4. Equipment/Property.**

All parties and partners will be responsible for the cost and care of their own property, and shall take care to keep their personal property in secure.

#### **5. Conflict Resolution.**

Should any problems or conflicts arise in the course of the delivery of services, it is understood that the authorized representative of the Parties will work to accomplish an effective resolution through a collaborative process, including but not limited to mediation.

#### **6. Payment and Billing.**

iCC1 is the lead fiscal agent of the grant and will provide reimbursement for items or services as outlined in the grant budget to iLEAD Online upon receipt. 70% of the grant may be invoiced up front, and 30% of the grant may be reimbursed after all grant monies are expended.

In the event the grant is withdrawn or canceled, or otherwise no longer available, iLEAD Online will pay the remaining balance owed for the project, or discontinue the project.

#### **7. Hold Harmless, Liability, Indemnification**

The iCC1 and iLEAD Online shall hold harmless, defend, and indemnify its officers, agents, employees, and volunteers, from every liability, claim, or demand which may be made by reason of (1) any injury to volunteers, learners, and employees; and (2) any injury to person or property sustained by any person, firm, or corporation caused by any act, neglect, default, or omission of the entity, its officers, employees or agents. In cases of such liabilities, claims, or demands, the entity at its own expense and risk shall defend all legal proceedings which may be brought against it and/or its officers, agents, employees, and volunteers, and satisfy any resulting judgments up to the required amounts that may be rendered against any of them. iCC1 and iLEAD Online shall indemnify and hold harmless iCC1, iLEAD Online, affiliates, and managed entities.

Notwithstanding the preceding, this agreement is not intended to modify any other agreements in place between iCC1 and iLEAD Online.

*It is hereby agreed and accepted:*

*Kate Wolfe, School Director, iLEAD Online* \_\_\_\_\_

*Amanda Fischer*

*CEO/Superintendent, iLEAD California Charters I/ iLEAD Hybrid* \_\_\_\_\_



# iLEAD Online Charter School

DISTRICT

## CERTIFICATION OF SIGNATURES

As clerk/secretary to the governing board of the above named district, I certify that the signatures shown below in Column 1 are the verified signatures of the members of the governing board. I certify that the signatures shown in Column 2 are the verified signatures of the person or persons authorized to sign notices of employment, contracts and orders drawn on the funds of the district. These certifications are made in accordance with the provisions of Education Code Sections:

**K-12 Districts:** 35143, 42632, and 42633

**Community College Districts:** 72000, 85232, and 85233

If persons authorized to sign orders as shown in Column 2 are unable to do so, the law requires the signatures of the majority of the governing board.

These approved signatures are valid for the period of: March 7, 2024 to June 30, 2025

In accordance with governing board approval dated March 7, 2024, 20     .

Signature \_\_\_\_\_ Clerk (Secretary) of the Board

Typed Name Jasmine Ruys  
Clerk (Secretary) of the Board

**NOTE:** Please TYPE name under signature.

### Column 1

Signatures of Members of the Governing Board

SIGNATURE	INITIALS
TYPED NAME <b>Kate Wolfe</b>	
President of the Board of Trustees/Education	
SIGNATURE	INITIALS
TYPED NAME <b>Jasmine Ruys</b>	
Clerk/Secretary of the Board of Trustees/Education	
SIGNATURE	INITIALS
TYPED NAME <b>Brent Pellico</b>	
Member of the Board of Trustees/Education	
SIGNATURE	INITIALS
TYPED NAME <b>Giselle Bice</b>	
Member of the Board of Trustees/Education	
SIGNATURE	INITIALS
TYPED NAME	
Member of the Board of Trustees/Education	
SIGNATURE	INITIALS
TYPED NAME	
Member of the Board of Trustees/Education	
SIGNATURE	INITIALS
TYPED NAME	
Member of the Board of Trustees/Education	

If the Board has given special instructions for signing warrants or orders, please attach a copy of the resolution to this form.

### Column 2

Signatures of Personnel and/or Members of Governing Board authorized to sign Orders for Salary or Commercial Payments, Notices of Employment, and Contracts:

SIGNATURE	INITIALS
TYPED NAME <b>Kate Wolfe</b>	
TITLE <b>President</b>	
SIGNATURE	INITIALS
TYPED NAME <b>Giselle Bice</b>	
TITLE <b>Treasurer</b>	
SIGNATURE	INITIALS
TYPED NAME <b>Brent Pellico</b>	
TITLE <b>Board Member</b>	
SIGNATURE	INITIALS
TYPED NAME	
TITLE	
SIGNATURE	INITIALS
TYPED NAME	
TITLE	
SIGNATURE	INITIALS
TYPED NAME	
TITLE	

Number of Signatures required:

ORDERS FOR SALARY PAYMENTS	ORDERS FOR COMMERCIAL PAYMENTS
<b>1</b>	<b>1</b>
NOTICES OF EMPLOYMENT	CONTRACTS
<b>1</b>	<b>1</b>