



Oasis Charter Public School

A small school for kids with BIG ideas.

1135 Westridge Parkway, Salinas, CA 93907

T: (831) 424-9003 F: (831) 424-9005 www.oasischarterschool.org

Under Construction Educational Network (UCEN) Board of Directors Meeting

Regular Meeting Agenda

**Tuesday, December 10, 2024
5:15 p.m.**

**Members of the public may join the meeting in-person or virtually.
Please read Information for the Public section below on public
participation.**

**Oasis Charter Public School Board Room
1135 Westridge Parkway
Salinas, CA 93907**

or

via Zoom/hybrid Teleconference

Join Zoom Meeting (new Zoom link as of 8/27/24)

<https://zoom.us/j/96959340303?pwd=pTP1QZ0cCNQqRb5DgpCK29DxJWYKnD.1>

Meeting ID: 969 5934 0303

Passcode: 127479

By Phone: (669) 900-9128

INFORMATION FOR THE PUBLIC

- I. For persons wishing to address the Board of Directors: The public is encouraged to attend and participate where designated in the Under Construction Educational Network (UCEN) Board meetings. In person and attending virtually, members of the public are welcome to make comments when the Board chair opens the item on the agenda for the public. When the President of the Board recognizes a public member for comment, such comment will be limited to three (3) minutes. Your comments will be heard under the designated section of this agenda. For the record, state your name, title, whom you represent, and the agenda item you are addressing.
- II. The Board encourages those with disabilities to participate fully in public meetings. If you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in the public meeting, please contact the main office of Oasis Public Charter School at (831) 424-9003 at least 72 hours before a regular board meeting or 24 hours before a special board 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).
- III. The Board can provide translation services for board meetings as needed. To request translation services, please contact the main office at Oasis Public Charter School at (831) 424-9003 at least 72 hours before a regular board meeting or 24 hours before a special board meeting so that we can make arrangements.

INFORMACIÓN PARA EL PÚBLICO

- I. Para las personas que deseen dirigirse a la Mesa Directiva: Se anima al público a asistir y participar cuando se les designe en las reuniones de la Mesa Directiva de Under Construction Educational Network (UCEN). Si asiste en persona o virtualmente, están invitados a hacer comentarios cuando el presidente de la Mesa Directiva abre el asunto de la agenda para el público. Cuando el Presidente de la Mesa Directiva reconozca a un miembro del público para hacer comentarios, dichos comentarios se limitarán a (3) minutos. Sus comentarios serán escuchados en la sección designada de esta agenda. Para que conste en acta: indique su nombre, cargo, a quién representa y el punto del orden del día al que se refiere.
- II. La Mesa Directiva anima a las personas con discapacidad a participar plenamente en las reuniones públicas. Si necesita una modificación o adaptación relacionada con su discapacidad, incluidas ayudas o servicios auxiliares, para participar en la reunión pública, póngase en contacto Oasis Public Charter School en el (831) 424-9003 al menos 72 horas antes de una reunión regular de la Mesa Directiva o dentro de 24 horas de una junta especial para que podamos hacer todos los esfuerzos razonables para adaptarnos a usted. (Código Governmental § 54954.2; Americanos con Discapacidades de 1990, § 202 (42 U.S.C. § 12132)

- I. La Mesa Directiva puede proporcionar servicios de traducción para las reuniones de la junta según sea necesario. Para solicitar servicios de traducción, por favor póngase en contacto Oasis Public Charter School en el (831) 424-9003 dentro de 72 horas de una junta regular o dentro de 24 horas de una junta especial para que podamos hacer los arreglos.

1.0 REGULAR AGENDA

1.1 Call Meeting to Order

2.0 ROLL CALL OF GOVERNING BOARD

Margie Wiebusch, President	Present ____ Absent____
Melissa Edwards, Vice President	Present ____ Absent____
Dr. Fernando Elizondo, Treasurer	Present ____ Absent____
Julie Laughton, Secretary	Present ____ Absent____
Michele Belluz, Member	Present ____ Absent____

3.0 TELECONFERENCING ITEM

Member [name] has made a request to the Board to participate in the meeting virtually pursuant to Government Code Section 54953(e) due to circumstances constituting an emergency: [describe]. The Board shall consider approving the request on the basis that Member [name] has (1) provided an adequate emergency reason for participating remotely under Section 54953(e); (2) has not exceeded the cap for participation under Section 54953(e); and (3) that a quorum of members is participating at a singular physical location within the jurisdiction.

Medical conditions are not to be disclosed.

4.0 ADOPTION OF THE AGENDA

That the Governing Board approve the agenda as presented.

5.0 REPORTS

5.1 Board of Trustee Reports/Comments/Requests for Information

5.2 Oasis Community Council Report (OCC)

5.3 Report from Oasis Charter School Executive Director, Annie Millar

- School Report

- **UCEN Report**

6.0 PUBLIC COMMENT

The public may address the Board on any consent action item or item not listed on the agenda. Pursuant to the Brown Act, during this period, the Board cannot consider issues or take action on any item not listed on the agenda. Questions, concerns, and/or input may be referred to the appropriate person for follow-up. Time is limited to 3 minutes per person. An additional three minutes will be given to individuals utilizing an interpreter.

7.0 ACKNOWLEDGMENTS

8.0 CONSENT AGENDA

That the Governing Board approve the Consent Agenda.

8.1 CONSENT: Approval of Minutes

- November 19, 2024 Regular Board Meeting

8.2 CONSENT: November 2024 Warrants for UCEN

8.3 CONSENT: Current Cash Flow as of 10/31/24

8.4 CONSENT: Current Enrollment and Average Daily Attendance (ADA)

8.5 CONSENT: Proposed UCEN Policy for Section I - Governance, Article VIII - Use of Traditional and Virtual Teleconferencing Options under the Ralph M. Brown Act

9.0 PUBLIC COMMENTS ON CLOSED SESSION ITEMS

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10.0 ADJOURNMENT TO CLOSED SESSION

11.1 CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: one case

11.0 RECONVENE FROM CLOSED SESSION AND REPORT OUT OF ACTION TAKEN DURING CLOSED SESSION

12.0 DISCUSSION/ACTION/PRESENTATION:

12.1 PRESENTATION: Overview of the 2024 CAASPP Results and the current California Department of Education Dashboard for Oasis Charter Public School

12.2 ACTION: Approval of the First Interim Budget Report for the 2024/25 School Year

12.3 ACTION: Approval of the Audit for the 2023/24 School Year

12.4 ACTION: Proposed UCEN Policy for Section I - Governance, Article VII - Board Operating Agreements

12.5 ACTION: Selection of Nominee for Board Member

12.6 ACTION: Board Role Reorganization

12.7 DISCUSSION: Board Committees (Finance, Charter Renewal, Governance)

12.8 ACTION: Resolution Approving the Transfer and Allocation of Funds - Resolution 24.25.01

12.9 DISCUSSION: Review of the UCEN Board/OCC Relationship

12.10 DISCUSSION: OCC Financial Report

12.11 ACTION: OCC Request for Funds

13.0 PUBLIC COMMENTS ON CLOSED SESSION ITEMS

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14.0 ADJOURNMENT TO CLOSED SESSION

11.1 CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: one case

15.0 RECONVENE FROM CLOSED SESSION AND REPORT OUT OF ACTION TAKEN DURING CLOSED SESSION

16.0 FUTURE AGENDA ITEMS

- Building a financial reserve (to be scheduled)
- Oasis Response to Student Behavior Needs (to be scheduled)
- School Accountability Report Card for School Year 2023/24 (1/28/24 Board Meeting)
- Approval of Revised Safety Plan (1/28/24 Board Meeting)
- Preparation for Second Interim Budget Report (2/25/25 Board Meeting)

17.0 NEXT MEETING DATE

14.1 Regular Board Meeting, Tuesday, January 28, 2024

18.0 ADJOURNMENT



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1.0 REGULAR AGENDA

1.1 Meeting called to order at 5:15 p.m.

2.0 ROLL CALL OF GOVERNING BOARD

Margie Wiebusch, President	Present <input checked="" type="checkbox"/> Absent <input type="checkbox"/>
Melissa Edwards, Vice President	Present <input checked="" type="checkbox"/> Absent <input type="checkbox"/>
Dr. Fernando Elizondo, Treasurer	Present <input type="checkbox"/> Absent <input checked="" type="checkbox"/>
Julie Laughton, Secretary	Present <input checked="" type="checkbox"/> Absent <input type="checkbox"/>
Michele Belluz, Member	Present <input type="checkbox"/> Absent <input checked="" type="checkbox"/>

Board Member Belluz communicated their absence in advance of the meeting.

3.0 TELECONFERENCING ITEM

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Medical conditions are not to be disclosed.

Ms. Millar, Executive Director, informed the group this will now be a recurring item to ensure compliance with Government Code Section 54953(e).

4.0 ADOPTION OF THE AGENDA

That the Governing Board approve the agenda as presented.

**Motion to approve the agenda by Board Vice President, Melissa Edwards;
Seconded by Board Member, Julie Laughton.**

Vote on Motion: 3 - 0

Motion: Approved

5.0 REPORTS

5.1 Board of Trustee Reports/Comments/Requests for Information

Nothing to report at this time.

5.2 Oasis Community Council Report (OCC)

No report submitted.

5.3 Report from Oasis Charter School Executive Director, Annie Millar

- **School Report**
 - **Wednesday, November 20: Annual Harvest Feast**
 - **Wednesday, December 11: Schoolwide Sing-along**
 - **Friday, December 13: Winter Around the World**
 - **California Department of Education Dashboard will be released this week showing where Oasis is with academic achievement from the previous 2023-24 school year**

- **UCEN Report**
 - **Interview for Board vacancy in today's meetings**
 - **Annual fire inspection is underway**
 - **New initiative for behavioral health services from the state to be implemented in January**

6.0 PUBLIC COMMENT

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No comments at this time.

7.0 ACKNOWLEDGMENTS

Ms. Millar, Executive Director, recognized the school's custodian, Sal Gurerra, for his continued hard work and dedication to ensure the school is clean and safe for our students and staff. His efforts are greatly appreciated.

8.0 CONSENT AGENDA

That the Governing Board approve the Consent Agenda.

8.1 CONSENT: Approval of Minutes

- October 22, 2024 Regular Board Meeting
- November 14, 2024 Special Board Meeting: Governance Committee

8.2 CONSENT: October 2024 Warrants for UCEN

8.3 CONSENT: Current Cash Flow as of 10/31/24

8.4 CONSENT: Current Enrollment and Average Daily Attendance (ADA)

8.5 CONSENT: Williams Quarterly Complaint Report for 7/1/24 - 9/30/24

8.6 CONSENT: Vendor Consent Form

8.7 CONSENT: Presence Learning - Service Agreement (addendum to increase Speech and Language Services)

Motion to approve the Consent Agenda by Board Vice President, Melissa Edwards; Seconded by Board Member, Julie Laughton.

Vote on Motion: 3 - 0 Motion: Approved

9.0 DISCUSSION/ACTION/PRESENTATION:

9.1 PRESENTATION: Delta Managed Solutions' Oasis Budget Analysis

Debbie Howard with Delta Managed Solutions gave an overview of their findings. The Delta Managed Solutions (DMS) presentation confirmed that Oasis budgeting practices have led to a situation in which cash flow will be compromised in the summer of 2026.

9.2 PRESENTATION: First Interim Draft Preparation

Ms. Millar presented information on the development of the First Interim Budget Report. The work ARI is doing confirmed the DMS projection that cash flow will be compromised in the summer of 2026.

The First Interim Budget Report will come back to the Board for approval at the 12/10/24 Regular Board Meeting.

It was suggested that a discussion on Oasis response to student behavior needs be agendized for a future meeting.

9.3 DISCUSSION: Interview of Board Candidates

Board Vice President, Melissa Edwards, facilitated the interview of Board candidates.

9.4 ACTION: Recommendation for Nomination of Board Candidate to be approved at the 12/10/24 Regular Board Meeting

Motion to move both candidates forward to the 12/10/24 Regular Board Meeting by Board Vice President, Melissa Edwards; Seconded by Board Member, Julie Laughton.

Vote on Motion: 2 - 0 (*Board President recused from voting*) Motion: Approved

9.5 DISCUSSION: Proposed UCEN Policy for Section I - Governance, Article VII - Board Operating Agreements

Ms. Millar reviewed and explained the purpose of the draft agreements.

9.6 DISCUSSION: Proposed UCEN Policy for Section I - Governance, Article VIII - Use of Traditional and Virtual Teleconferencing Options under the Ralph M. Brown Act

Ms. Millar explained that due to a recent change to State legislation, legal counsel drafted this policy to prepare for and ensure compliance and set protocol standards.

9.7 DISCUSSION: Establishment of Board Committee for Charter Renewal

Ms. Millar spoke to the establishment of a committee that would possibly consist of maybe two board members, two teachers, support staff and stakeholders, i.e., parents/guardians and community members. The charter renewal must be prepared by May, 2026. This item will be brought back for a future agenda.

9.8 DISCUSSION: Special Education (SpEd) Program Overview

Ms. Millar explained that we are in the process of re-designing the SpEd program here at Oasis.

9.9 ACTION: Contract for SpEd services with Parallel Learning

Motion to approve Contract by Board Vice President, Melissa Edwards; Seconded by Board Member, Julie Laughton.

Vote on Motion: 3 - 0 Motion: Approved

9.10 DISCUSSION: OCC Financial Report

No report at this time. It will be agendized for the 12/10/24 Regular Board Meeting.

10.0 PUBLIC COMMENTS ON CLOSED SESSION ITEMS

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No comments at this time.

11.0 ADJOURNMENT TO CLOSED SESSION AT 6:51 p.m.

11.1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION

With respect to every item of business discussed in closed session pursuant to Government Code § 54957: Title: Executive Director

11.2 CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: one case

12.0 RECONVENE FROM CLOSED SESSION AT 7:32 P.M. WITH NO ACTION TO REPORT

13.0 FUTURE AGENDA ITEMS

- First Interim Budget Report (December)
- Building a financial reserve
- Behavior Program
- Annual Audit (December)

14.0 NEXT MEETING DATE

14.1 Regular Board Meeting, Tuesday, December 10, 2024

15.0 MEETING ADJOURNED AT 7:33 p.m.

Oasis Charter School
Board Agenda Supplemental Information

TITLE OF AGENDA ITEM: **8.2 CONSENT: November 2024 Warrants for UCEN**

BOARD MEETING DATE: 12/10/24

ITEM TYPE: CONSENT

BOARD AGENDA ITEM INFORMATION:

The November check register is attached. This is an important monitoring tool to review the organization's expenditures.

ESTIMATED COST: Costs are identified in the item.

Administrative Recommendation: Approve ✓ Information_____

Person submitting item: Annie Millar, Executive Director

Oasis Charter Public School
Check Register
For the Period From Nov 1, 2024 to Nov 30, 2024

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
110124-2-EFT	11/1/24	METLIFE	91120000000000	1,084.10
110124-3-EFT	11/1/24	EMPLOYMENT DEVELOPMENT DEPARTMEN	91120000000000	1,319.70
11427	11/1/24	CALIFORNIA DEPARTMENT OF EDUCATION	91120000000000	14.55
110124-4-EFT	11/1/24	LEAF	91120000000000	398.80
110124-5-EFT	11/1/24	LEAF	91120000000000	49.17
110124-6-EFT	11/1/24	LEAF	91120000000000	603.56
110424-1-EFT	11/1/24	CALIFORNIA WATER SERVICE COMPANY	91120000000000	87.48
110424-2-EFT	11/1/24	CALIFORNIA WATER SERVICE COMPANY	91120000000000	91.65
110424-3-EFT	11/1/24	CALIFORNIA WATER SERVICE COMPANY	91120000000000	158.37
110424-EFT	11/4/24	VISION SERVICE PLAN- (CA)	91120000000000	133.61
1351	11/7/24	MARIBEL SANCHEZ	91140000000000	129.77
110824-EFT	11/8/24	PAYCHEX	91120000000000	605.08
111424-EFT	11/14/24	EMPLOYMENT DEVELOPMENT DEPARTMEN	91120000000000	780.22
111424-1-EFT	11/14/24	CHARTERSAFE	91120000000000	4,387.00
111424-2-EFT	11/14/24	PG&E	91120000000000	4,501.93
111524-EFT	11/15/24	SAFE AND SOUND SECURITY, INC.	91120000000000	53.86
11428	11/15/24	AT&T	91120000000000	848.09
11429	11/15/24	AT&T MOBILITY	91120000000000	78.44
11430	11/15/24	CHARTER SCHOOLS DEVELOPMENT CENTE	91120000000000	760.00
11431	11/15/24	COMCAST	91120000000000	1,116.83
11432	11/15/24	CATHERINE SHIRLEY, M.S., O.T.R.	91120000000000	2,700.00
11433	11/15/24	SCHOLASTIC BOOK FAIRS	91120000000000	424.37
11434	11/15/24	CHRISTY WHITE, INC.	91120000000000	1,472.62
11435	11/15/24	ARI SERVICE INC.	91120000000000	4,366.67
11436	11/15/24	HORHEI TECH LABS LLC	91120000000000	277.67
11437	11/15/24	LAUREN RICKER	91120000000000	631.09
11438	11/15/24	Larry D. Sims Jr. & Theresa B. Sims	91120000000000	300.00
111624-EFT	11/16/24	TERMINIX PROCESSING CENTER	91120000000000	84.00
111824-EFT	11/18/24	CALIFORNIA WATER SERVICE COMPANY	91120000000000	73.76
111824-1-EFT	11/18/24	CALIFORNIA WATER SERVICE COMPANY	91120000000000	98.35
1352	11/19/24	ANGELA CABRERA	91140000000000	330.43
112024-TRF	11/20/24	MONTEREY COE	91500000000000	212,501.12
112024-1-EFT	11/20/24	CARDMEMBER SERVICE	91120000000000	3,602.57
112224-EFT	11/22/24	BALBOA CAPITAL	91120000000000	578.97

Oasis Charter Public School
Check Register
For the Period From Nov 1, 2024 to Nov 30, 2024

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
112224-1-EFT	11/22/24	UNIFIED GLOBAL SOLUTIONS	9112000000000	54.93
112624-1-EFT	11/26/24	ANTHEM BLUE CROSS	9112000000000	13,677.60
112624-2-EFT	11/26/24	PAYCHEX	9112000000000	580.40
112724-EFT	11/27/24	EMPLOYMENT DEVELOPMENT DEPARTMEN	9112000000000	699.32
11439	11/27/24	DATAFLOW BUSINESS SYSTEMS	9112000000000	326.20
11440	11/27/24	MONTEREY ONE WATER	9112000000000	246.44
11441	11/27/24	LAW OFFICES OF YOUNG, MINNEY & CORR	9112000000000	11,078.50
11442	11/27/24	PG COMPUTERS / ACC	9112000000000	425.00
11443	11/27/24	THE POST BOX	9112000000000	399.00
11444	11/27/24	REVOLUTION FOODS, INC.	9112000000000	17,261.39
11445	11/27/24	TASC	9112000000000	122.19
11446	11/27/24	PRESENCE LEARNING, INC.	9112000000000	4,542.32
Total				294,057.12

Oasis Charter School
Board Agenda Supplemental Information

TITLE OF AGENDA ITEM: 8.3 CONSENT: Current Cash Flow as of 10/31/24

BOARD MEETING DATE: 12/10/24

ITEM TYPE: ACTION

BOARD AGENDA ITEM INFORMATION:

The current cash flow will be available at the 12/10/24 Board meeting.

ESTIMATED COST: N/A

Administrative Recommendation: Approve ✓ Information_____

Person submitting item: Annie Millar, Executive Director

Oasis Charter School
Board Agenda Supplemental Information

TITLE OF AGENDA ITEM: 8.4 CONSENT: Current Enrollment and Average Daily Attendance (ADA)

BOARD MEETING DATE: 12/10/24

BOARD AGENDA ITEM INFORMATION:

"As of" Date	Enrollment	Average Daily Attendance
8/21/24	200	97.41%
9/16/24	195	94.23%
10/17/24	193	93.43%
11/14/24	187	93.10%
12/05/24	187	92.93%

Administration Recommendation: Approve ✓ Information_____

Person submitting item: Annie Millar, Executive Director

Oasis Charter School
Board Agenda Supplemental Information

TITLE OF AGENDA ITEM: CONSENT: 8.5 Proposed UCEN Policy for Section I - Governance, Article VIII - Use of Traditional and Virtual Teleconferencing Options under the Ralph M. Brown Act

BOARD MEETING DATE: 12/10/24

ITEM TYPE: CONSENT (ACTION)

BOARD AGENDA ITEM INFORMATION:

This item was provided by the school's legal counsel and covers options for traditional and virtual teleconferencing under current state law.

This item was brought to the Board for discussion at the 11/19/24 Board meeting.

ESTIMATED COST: Staff Time

Administrative Recommendation: Approve ✓ Information_____

Person submitting item: Annie Millar, Executive Director

Oasis Charter School
Board Agenda Supplemental Information

TITLE OF AGENDA ITEM: 12.1 PRESENTATION: Overview of the 2024 CAASPP Results and the current California Department of Education Dashboard for Oasis Charter Public School

BOARD MEETING DATE: 12/10/24

ITEM TYPE: PRESENTATION

BOARD AGENDA ITEM INFORMATION:

Every public school is required to review and analyze academic performance on an annual basis. This should be followed up by an action plan to address any identified gaps as quickly as possible. For this initial presentation, a review of the 2023/24 CAASPP results and the California Department of Education's Dashboard will be presented.

This presentation will cover:

- 1) 2023/24 CAASPP Results
- 2) California Department of Education Dashboard for Oasis Charter Public Schools

ESTIMATED COST: None has been determined at this time

ATTACHMENTS:

- 1) CAASPP Results Comparison of 3 School Years (21/22, 22/23, 23/24)
- 2) Analysis of CDE Dashboard for Oasis Charter Public Schools

Administrative Recommendation: Approve _____ Information ✓

Person submitting item: Annie Millar, Executive Director

**Oasis Charter Public School
 CAASPP Results (California Assessment of Student Performance and Progress)
 Comparison of Three School Years: 2021/22, 2022/23 and 2023/24
 12/10/24**

Analysis

- CAASPP scores at Oasis rose between 2021-22 and 2022-23 and dropped between 2022-23 and 2023-24
- In 2023-24, Oasis is performing substantially below Salinas City Elementary School District
- Oasis and Salinas City Elementary School District are both performing below statewide and subgroup test results in each of the years included in the analysis

Data reports the percentage of students at or above grade level on the California Assessment of Student Performance and Progress

- Compares test scores from Oasis with Salinas City Elementary School District and with California overall/statewide
- Test is administered to students in grades 3-6 in English Language Arts (ELA) and Math
 - In 2023-24, 91 students were enrolled in grades 3-6; 89 of these students were tested
- Test is administered to students in grade 5 in Science
 - In 2023-24, 22 students were enrolled in grade 5; 21 of these students were tested
- At Oasis, Hispanic/Latino is the only race/ethnicity significantly sized subgroup (10 or more students per grade level at the grades tested). There are no other race/ethnicity subgroups of a significant size (10 or more students per grade level at the grades tested) at Oasis at this time.
- Source: [CAASPP Scores Website](#)

**English Language Arts and Math
 All Students**

	23/24 ELA	22/23 ELA	21/22 ELA	23/24 Math	22/23 Math	21/22 Math
Oasis	13.48	23.86	14.59	10.11	19.32	10.52
Salinas City	25.16	24.50	26.14	22.09	21.90	20.35
California	47.04	46.66	47.06	35.54	34.62	33.38

Hispanic/Latino

	23/24 ELA	22/23 ELA	21/22 ELA	23/24 Math	22/23 Math	21/22 Math
Oasis	12.50	25.00	14.81	10.00	18.42	12.34
Salinas City	23.16	22.60	24.51	20.64	20.40	18.80
California	36.78	36.08	36.40	23.73	22.69	21.24

English Only Students (English is the student's first language as reported by family)

	23/24 ELA	22/23 ELA	21/22 ELA	23/24 Math	22/23 Math	21/22 Math
Oasis	9.09	24.33	20.00	9.10	21.62	10.26
Salinas City	32.04	30.64	33.51	27.11	27.61	24.26
California	51.51	51.30	51.81	39.71	38.85	37.76

English Only, Initial Fluent English Proficient and Reclassified English Proficient Students

	23/24 ELA	22/23 ELA	21/22 ELA	23/24 Math	22/23 Math	21/22 Math
Oasis	18.03	31.04	19.41	9.84	27.59	15.16
Salinas City	38.99	38.46	42.08	32.07	33.22	31.74
California	54.21	59.95	54.57	39.71	39.84	38.65

English Learner Students (A language other than English is the student's first language as reported by family)

	23/24 ELA	22/23 ELA	21/22 ELA	23/24 Math	22/23 Math	21/22 Math
Oasis	3.57	10.00	3.45	10.71 (1)	3.33	0.00
Salinas City	6.39	6.68	7.97	8.65	7.62	7.42
California	10.29	10.87	12.47	10.25	9.93	9.71

(1) This is the only test score in this analysis which exceeds Salinas City Elementary and the California statewide scores.

Socioeconomically Disadvantaged

	23/24 ELA	22/23 ELA	21/22 ELA	23/24 Math	22/23 Math	21/22 Math
Oasis	9.84	26.83	15.55	4.92	14.64	11.23
Salinas City	20.23	20.23	21.59	18.20	18.20	16.71
California	36.81	35.27	35.24	24.98	22.91	21.23

Not Socioeconomically Disadvantaged

	23/24 ELA	22/23 ELA	21/22 ELA	23/24 Math	22/23 Math	21/22 Math
Oasis	21.43	21.28	(2)	21.43	23.41	(2)
Salinas City	41.17	37.98	39.68	36.94	33.60	31.16
California	66.13	65.78	64.66	55.24	54.26	51.45

(2) Not a significantly sized subgroup (10 or more students)

Students Without Disabilities

	23/24 ELA	22/23 ELA	21/22 ELA	23/24 Math	22/23 Math	21/22 Math
Oasis	15.79	23.75	14.61	11.84	20.00	10.23
Salinas City	27.73	26.71	28.48	24.14	23.83	22.10
California	51.61	50.98	51.26	38.87	37.71	37.71

Science**All Students**

	23/24 Science	22/23 Science	21/22 Science
Oasis	0.00	22.75	15.38
Salinas City	15.30	14.08	12.58
California	30.70	30.18	29.45

Oasis Charter Public School
California Department of Education Dashboard Comparison (2023 and 2024)
12/10/24

Data

- The Dashboard measures five key indicators based on a scale ranging from red (low) to blue (high) based on test scores and required data reporting

	2023	2024	Change	Notes
Chronic Absenteeism	Yellow	Yellow	same	Declined 11.6%
Suspension Rate	Red	Orange	Decrease one level	Increased 4.4%
English Learner Progress	Blue	Red	Decrease four levels	Declined 20.9%
English Language Arts	Yellow	Red	Decrease two levels	Declined 15.1 points
Math	Yellow	Orange	Decrease one level	Declined 4.5 points

Analysis

- Prior to the release of the 2024 Dashboard, Oasis was in the middle performance tier. Charter schools in the middle performance tier may be eligible for renewal for a five year term.
 - It is likely that Oasis will move to the low performance tier once the performance tiers are updated with the current Dashboard information. A school in the low performing tier may be eligible for a two year term if additional criteria are met including plans to increase student achievement.
- The 2024 Dashboard for Oasis Charter Public School will create need for the following:
 - A thorough understanding of charter law regarding the Dashboard and the additional criteria.
 - Explanation of why students are not making adequate progress on the CAASPP and ELPAC
 - A plan to accelerate Oasis students' academic performance and English language acquisition

- State assistance may be provided to charter schools based on the accountability model system

Resources

- **Data Source: CDE Dashboard for Oasis Charter Public School**
- **Background Information on the Dashboard: California's Accountability and Continuous Improvement System**
- **Performance Categories (updated 10/24; does not include 2024 Dashboard as of 12/6/24)**

Oasis Charter School
Board Agenda Supplemental Information

TITLE OF AGENDA ITEM: 12.2 ACTION: Approval of the First Interim Budget Report for the 2024/25 School Year

BOARD MEETING DATE: 12/10/24

ITEM TYPE: ACTION

BOARD AGENDA ITEM INFORMATION:

The Board is required to approve updates of the 2024-25 budget according to the following schedule:

- By December 15: First Interim Budget Report
- By March 15: Second Interim Budget Report

At the request of Monterey County Office of Education, a third interim budget report may be required. This report would be due on or before June 1.

This item includes two attachments:

- A draft of letter to the Monterey County Office of Education explaining the assumptions that went into the budget update
- The First Interim Budget Update showing a \$276,000 deficit for the current year

This deficit spending will result in a negative cash flow which is forecast for the end of the second year of the multi-year projections (for the 2025-26 school year). This is likely to result in a “qualified” certification for the budget (options are having a positive, qualified or negative certification). Being in “qualified” status will initiate several actions including additional actions from the Authorizer. Oasis and ARI Finance staff are working closely with Monterey County Office of Education through this process.

ESTIMATED COST: Budget information is provided in the back-up materials.

ATTACHMENTS:

- 1) Draft of the letter to Monterey County Office of Education
- 2) Draft of the First Interim Budget Report

Administrative Recommendation: Approve ✓ Information_____

Person submitting item: Annie Millar, Executive Director



Oasis Charter Public School

A small school for kids with BIG ideas.

1135 Westridge Parkway Salinas, CA 93907

Office: (831) 424-9003 Fax: (831) 424-9005

www.oasischarterschool.org

December 10, 2024 (draft)

Monterey County Office of Education
Attn: Dr. Colleen Stanley, Chief Business Official
901 Blanco Circle
Salinas, CA 93912

Subject: 2024/25 First Interim Budget Report Submission

Enclosed is the First Interim Budget Submission for Oasis Charter Public School. The submission includes the following items as required by the State of California:

- Charter Schools Alternative Form
 - Including Cash Flow Statement + Multi-Year Projections
- LCFF Calculator v25.2a

Assumptions/Changes Since the July 1 Budget:

- Enrollment is currently being estimated at 183, a decrease from 190 at July 1. The LCFF revenues (State Aid, In-Lieu and EPA) are calculated using an ADA of 170.98, which is a 93% ADA assumption of enrollment.
- For the 2024/25 First Interim Budget Report, staffing is budgeted as follows:
 - 11.72 FTE Certificated
 - 14.1 FTE Classified
 - 2.0 Administrative
- Lottery is being calculated using 2023/24 P-2 ADA of 153.99, using \$191.00 for unrestricted and \$82.00 for restricted revenues. The ADA/revenue calculations have been updated to reflect prior year adjustments.
- Property/Building Rental was calculated for two sites, the main Westridge Parkway site as well as the adjacent parking lot and play field. The lease for the adjacent parking lot and play field was renegotiated this summer which resulted in an increase of \$23k in our rental expense in 2024/25, a \$14k increase in 2025/26 and another \$13k increase in 2026/27.
- The 2024/25 District Oversight fee is currently estimated at \$21,893 (1% of LCFF revenues).
- Total Salaries have decreased by \$419k since 2023/24. Total Benefits were decreased by \$197k, partly due to a newly implemented ER Cap on employee benefits.
- Special Education expenses for 2024/25 have increased significantly, and are estimated at \$768,632, an increase of approximately \$243k from 2023/24. This is estimated to increase the 2024/25 SpEd contribution to \$639,850.

- o Around 17% of the student population at Oasis are in the Special Education program. In 2022, the number of students in California with Individualized Education Plans (IEP's) was 13% according to EdSource.
- o There is a significant number of Oasis students who are supported by registered behavior technicians and board certified behavior analysts through their IEP's. Cost for this behavior support continues to increase annually.
- o Three (3) Special Education vendors have been contracted with to provide speech and language services, specialized academic instruction and case management services as well adding a full-time Special Education paraprofessional to assist with managing the on-line delivery of services.
- Current cash flow projections based on enrollment/attendance revenue projections indicate that at the current rate of expenses, Oasis will have a negative cash balance towards the end of the 2025/26 school year and through the 2026/27 school year.

The Under Construction Educational Network Board has reviewed this information during the development of the First Interim Budget Report. We are working to provide the most accurate budget possible and to correct historical Oasis practices including:

- Over-projection of revenues;
- Under-projection of expenses;
- Careful monitoring of expenditures; and,
- Not planning for or building a substantial reserve in preparation for the end of the ESSER and other supplemental funding received during the pandemic.

These practices contributed to a significant change in the financial picture between the 2023/24 and 2024/25 school years. In March, with the Second Interim Budget report, a deficit of approximately \$74,000 was projected. By the time of the unaudited actuals in September, this deficit had increased to approximately \$780,000. This resulted in a significant hit to the school's reserved funds leaving the organization with limited reserves.

We are committed to working with you to address the financial issues which the organization is facing. Towards that end, we are working to explore additional revenue sources and to reduce expenditures. In addition to the significant staff reductions which were made last year, we have not filled some additional vacant positions. The Oasis staff is acknowledged for stepping up to fulfill key responsibilities without the additional staffing.

Sincerely,

Annie Millar
Executive Director
(831) 424-9003



Oasis Charter Public School

2024/25 1st Interim Budget

	PY		1st Interim		Projected 2025-26	Projected 2026-27
	Unaudited		Budget			
	Actuals 2023-24	Jul 1 Budget 2024-25	2024-25	2024-25		
12/3/2024						
Ready for Board Approval						
Enrollment	166	190	183	183	183	183
Estimated ADA	153.99	176.70	170.98	170.98	170.98	170.98
COLA	8.22%	1.07%	1.07%	2.93%	3.08%	3.08%
CPI	3.55%	3.10%	3.23%	2.86%	2.81%	2.81%
Revenue Limit Sources						
8011000000000000	1,425,850	1,140,690	1,412,993	1,456,087	1,498,454	1,498,454
8012140000000000	234,014	601,820	262,614	270,308	278,633	278,633
8019000000000000	-32,197	0	0	0	0	0
8019140000000000	937	0	0	0	0	0
8096000000000000	462,689	531,307	513,738	513,738	513,738	513,738
8097000000000000	31,260	0	0	0	0	0
Total LCFF Funding	2,122,553	2,273,817	2,189,345	2,240,133	2,290,825	2,290,825
Federal Revenues						
8181331000000000	30,169	30,169	30,169	31,678	33,262	33,262
8182332750000000	0	0	0	0	0	0
8220531000000000	49,795	77,330	77,330	77,330	77,330	77,330
8290301000000000	71,663	74,753	74,753	74,753	74,753	74,753
8290321300000000	259,735	0	0	0	0	0
8290321400000000	22,193	0	0	0	0	0
8290321800000000	13,865	0	0	0	0	0
8290321900000000	23,901	0	0	0	0	0
8290403500000000	4,413	4,498	4,498	4,723	4,959	4,959
Total Federal Revenues	475,734	186,750	186,750	188,484	190,304	190,304



Oasis Charter Public School
2024/25 1st Interim Budget

Expenses						
Certificated Salaries						
Teacher Salaries						
110100001110000	Teacher Salaries-Regular	317,931	9,942	268,915	254,652	249,716
110111001100000	Teacher Salaries-Lottery (Non-Prop)	20,426	34,179	30,930	37,498	34,109
110114001110000	Teacher Salaries-EPA	234,014	581,820	262,614	270,308	278,633
110126001110000	Teacher Salaries-ELO-P (Winter Session)	46,497	0	0	0	0
110132181110000	Teacher Salaries-ESSER III	13,865	0	0	0	0
110132191110000	Teacher Salaries-ESSER III	1,599	0	0	0	0
110133105711200	Teacher Salaries-SpEd-IDEA	30,169	30,169	0	31,678	31,678
110165005711200	Teacher Salaries-SpEd	26,510	43,073	0	0	0
110174351110000	Teacher Salaries-LREBG	35,631	0	0	0	0
110200001110000	Teacher Salaries-Substitute	26,796	0	11,760	11,995	12,235
110265005711300	Teacher Salaries-Substitute-SpEd	1,260	0	0	0	0
110474351110000	Cert Teacher-ELD-LREBG	0	0	19,812	20,208	20,612
117500001110000	Teacher Stipend	1,000	0	0	0	0
117593001110000	Teacher Stipend-STRS PY	38	0	0	0	0
120165005731500	Cert SpEd Speech & Language	0	0	17,509	17,509	17,509
121000001131100	Cert Counselor	19,698	62,089	61,769	61,769	61,769
121032131131100	Cert Counselor-ESSER III	33,867	0	0	0	0
121033271131100	Cert Counselor-Fed ERMHS/IDEA	7,910	0	0	0	0
128000001131100	Cert Counselor-Medical Stipend	2,555	0	0	0	0
	Total Teacher Salaries	819,766	761,273	673,309	705,618	706,262
Administrator Salaries						
131100001127000	Cert Executive Director	131,413	125,000	125,000	128,575	132,188
132100001121000	Curriculum Coordinator	112,989	90,664	90,664	93,384	96,185
132100001121000	Curriculum Coordinator-Medical Stipend	4,088	0	0	0	0
137500001127000	Admin Stipend/Bonus	0	0	0	0	0
138000001127000	Admin Medical Stipend	0	0	0	0	0
	Total Administrator Salaries	248,490	215,664	215,664	221,959	228,373
Other Certificated Salaries						
	Total Other Certificated Salaries					
	Total Certificated Salaries	1,068,256	976,936	888,973	927,577	934,636

Oasis Charter Public School
2024/25 1st Interim Budget

Classified Salaries						
Paraeducator Salaries						
210100001110000	Class Teach/Inst Aide Sal-Reg	218,986	81,319	67,474	108,016	108,016
210126001110000	Class Teach/Inst Aide-Winter Session Add'l D	8,891	0	0	0	0
210130101110000	Class Teach/Inst Aide Sal-Title I	48,746	47,971	47,971	47,971	47,971
210132191110000	Class Teach/Inst Aide Sal-ESSER III	11,059	0	0	0	0
210165005711300	Class Teach/Inst Aide Sal-SpEd	46,884	47,716	71,962	71,962	71,962
210174351110000	Class Teach/Inst Aide Sal-Intervention	51,422	40,542	40,542	0	0
210674351110000	Class Teacher/Inst Aide - ELD-LREBG	43,252	17,452	0	0	0
211132135711300	Class Behavior Coor-ESSER III	20,657	0	0	0	0
211132145711300	Class Behavior Coor-ESSER III	19,167	0	0	0	0
218000001110000	Class Teacher Medical Stipend	0	0	0	0	0
Total Paraeducator Salaries		469,064	235,000	227,949	227,949	227,949
Support Services Salaries						
220153101137000	Food Service Staff	27,153	16,622	16,164	16,488	16,817
220500001124950	Classified Community Liaison	0	0	10,325	10,532	10,742
220530101124950	Classified Community Liaison-Title I	15,941	25,238	25,237	25,742	26,257
221100001181000	Classified Maintenance Salaries	78,927	53,136	48,167	48,649	49,135
221126001181000	Classified Maintenance Salaries-ELO-P	0	0	5,172	5,275	5,381
227500001181000	Classified Maintenance Stipend/Bonus	0	0	0	0	0
Total Support Services Salaries		122,021	94,995	105,066	106,686	108,333
Supervisor Salaries						
230100001127000	Classified Office Manager-Salary	57,957	61,166	67,226	68,570	69,942
230130101127000	Classified Office Manager-Title I Salary	6,942	0	0	0	0
Total Supervisor Salaries		64,899	61,166	67,226	68,570	69,942
Office/Technical Salaries						
240100001127000	Cler/Office Salaries-Reg	45,940	41,782	41,783	41,783	41,783
247530101127000	Cler/Office Salaries-Title I - Homeless	0	1,544	1,544	1,544	1,544
248000001127000	Clerical/Office Medical Stipend	4,088	0	0	0	0
2901260001139000	After School Coordinator-LASP-ELO-P	21,486	28,412	28,113	28,676	29,249
2902260001139000	After School Assistant-LASP-ELO-P	89,146	55,934	105,276	107,381	109,529
Total Office/Technical Salaries		160,660	127,672	176,716	179,384	182,105
Total Classified Salaries		816,644	518,833	576,957	582,589	588,329
Total Salaries		1,884,900	1,495,769	1,465,930	1,510,166	1,522,965



Oasis Charter Public School
2024/25 1st Interim Budget

Employee Benefits						
	Total STRS	185,783	186,595	240,438	251,595	252,943
OASDI/Medicare						
	Total OASDI/Medicare	75,359	52,774	57,028	58,018	58,559
Health and Welfare						
	Total Health and Welfare	338,168	159,600	104,664	107,658	110,683
Unemployment Insurance						
	Total Unemployment Insurance	944	1,248	4,233	1,255	1,261
Workers' Compensation						
	Total Workers' Compensation	19,169	15,633	15,954	18,367	19,449
	Total Employee Benefits	619,423	415,850	422,317	436,893	442,896



Oasis Charter Public School 2024/25 1st Interim Budget

Books and Supplies						
Books/Reference						
411000001110000	Textbooks/Core Curricula	26,588	28,000	28,000	28,801	29,610
411063001110000	Textbooks/Core Curricula-Lottery	2,301	0	2,388	2,456	2,525
421000001110000	Books/Reference Materials	168	1,500	1,500	500	750
	Total Books/Reference	29,057	29,500	31,888	31,757	32,885
Instructional Materials/Supplies						
431000001110000	Instruct Materials/Supplies	5,122	25,000	25,000	25,000	25,703
431000001142000	Instruct Materials/Supplies-Athletics	629	100	100	103	106
431026001110000	Instruct Materials/Supplies-ELO-P	1,710	1,710	1,710	0	0
431032131110000	Instruct Materials/Supplies-ESSER III	278	0	0	0	0
431063001110000	Instruct Materials/Supplies-Lottery P20	15,435	15,358	13,777	16,099	14,644
431065005711300	Instruct Materials/Supplies-Sp Ed	2,001	2,000	2,000	2,057	2,115
431090141110000	Instruct Materials/Supplies-AVID	1,900	0	0	0	0
	Total Instructional Materials/Supplies	27,075	44,168	42,587	43,259	42,567
Supplies/Stores						
432000001127000	All Other Materials/Supplies-Admin	19,366	10,000	10,000	10,000	10,281
432000001142000	All Other Materials/Supplies-Athletic	1,698	500	500	100	100
432000001181000	All Other Materials/Supplies-Custod	6,189	1,943	1,943	1,944	1,999
432026001110000	All Other Materials/Supplies-ELO-P	2,126	500	500	500	500
432026001139000	All Other Materials/Supplies-ELO-P-LAS	1,498	0	1,000	0	0
432030101110000	All Other Materials/Supplies-Title I	34	0	0	0	0
432032131127000	All Other Materials/Supplies-Admin-ESS III	1,066	0	0	0	0
432032131181000	All Other Materials/Supplies-Cust-ESS III	535	0	0	0	0
432053100037000	All Other Materials/Supplies-Food Svc	264	1,000	1,000	1,029	1,058
432065005711300	All Other Materials/Supplies-SpEd	220	300	300	309	317
432070281137000	All Other Materials/Supplies-KIT Grant	4,688	0	0	0	0
432090301110000	All Other Matls/Supplies-Inst-Taylor Farms	71	258	258	0	0
432090301127000	All Other Matls/Supplies-Admin-TayFarms	143	2,212	2,212	0	0
432590021127000	All Other Mtls/Supplies-Fundraising	10,416	5,800	5,800	5,966	6,134
	Total Supplies/Stores	48,314	22,513	23,513	19,847	20,388



Oasis Charter Public School
2024/25 1st Interim Budget

Non-Capitalized Cptr/Equip									
441000001110000	Non-Capitalized Equipment-Instr	9,096	9,000	24,720	25,427	26,141			
441000001127000	Non-Capitalized Equipment-Admin	5,386	5,500	5,500	0	0			
441032131110000	Non-Capitalized Equip-Instruct-ESSER II	39,920	0	0	0	0			
441032131127000	Non-Capitalized Equip-Admin-ESSER II	7,303	0	0	0	0			
441053101137000	Non-Capitalized Equip-Food Svc	293	0	500	0	0			
441065005711300	Non-Capitalized Equip-SpEd	3,388	4,600	4,600	4,732	4,865			
441070281137000	Non-Capitalized Equip-KIT	8,624	0	0	0	0			
441090301137000	Non-Capitalized Equip-Taylor Funds	2,076	2,076	0	0	0			
441090901110000	Non-Capitalized Equip-Declining Enroll	15,432	13,644	0	0	0			
441090901127000	Non-Capitalized Equip-Declining Enroll	6	0	0	0	0			
Total Non-Capitalized Equipment		91,524	34,820	35,320	30,159	31,006			
Food Service Supplies									
470053101137000	Food Service Expenditures	116,430	115,000	115,000	118,289	121,613			
Total Food Service Supplies		116,430	115,000	115,000	118,289	121,613			
Total Books and Supplies		312,400	246,001	248,308	243,311	248,459			



Oasis Charter Public School
2024/25 1st Interim Budget

Travel/Conferences						
523000001110000	Travel/Mileage-Instr	4,700	1,000	1,000	1,029	1,058
523000001127000	Travel/Mileage-Admin	2,688	200	1,000	1,029	1,058
523065005711900	Travel/Mileage-Sp Ed	591	1,000	1,000	1,029	1,058
524000001110000	Meals/Entertainment-Instr	4,207	1,000	1,000	1,029	1,058
524000001127000	Meals/Entertainment-Admin	3,435	500	500	514	529
524065005711900	Meals/Entertainment-Sp Ed	375	250	250	257	264
	Total Travel/Conferences	15,996	3,950	4,750	4,886	5,023
Dues/Memberships						
531000001110000	Dues and Memberships-Instr	5,776	7,633	7,633	7,851	8,072
531000001127000	Dues and Memberships-Admin	7,679	6,000	6,000	6,172	6,345
531099981127000	Dues and Memberships-LCAP	0	0	0	0	0
	Total Dues/Memberships	33,170	13,633	13,633	14,023	14,417
Insurance						
540000001127000	Insurance	37,392	35,267	35,267	36,276	37,295
	Total Insurance	37,392	35,267	35,267	36,276	37,295
Operations/Housekeeping						
550000001181000	Utilities	75,511	64,708	64,708	66,559	68,429
550500001181000	Contracted Custodial	0	0	0	0	0
	Total Operations/Housekeeping	75,511	64,708	64,708	66,559	68,429



Oasis Charter Public School
2024/25 1st Interim Budget

Rentals/Leases/Repairs									
560500001187000	Event Rentals	3,750	2,000	2,000	2,057	2,200			
561000001127000	Equipment Rental-Office	20,117	14,640	14,640	15,059	15,051			
561500001127000	Equipment Repair/Maint	0	4,836	4,836	4,974	5,114			
562000001187000	Property/Building Rental	7,164	68,970	20,928	117,616	117,616			
562060301187000	Property/Building Rental-SB740	275,880	206,910	206,910	206,910	206,910			
562067621187000	Property/Building Rental-AMIM	0	0	78,248	0	0			
563000001187000	Property/Building Repair	20,858	30,000	37,603	38,678	39,765			
563032131187000	Property/Building Repair-ESSER III	16,920	0	0	0	0			
563090901187000	Property/Building Repair-Declining Enroll	7,603	7,603	0	0	0			
564000001187000	Property/Building Maint	17,380	15,000	35,876	36,902	37,939			
564090901187000	Property/Building Maint-Declining Enroll	17,376	17,376	0	0	0			

Professional Service: Total Rentals/Leases/Repairs **387,048** **367,335** **401,041** **422,197** **424,596**



Oasis Charter Public School

2024/25 1st Interim Budget

580600000073000	ARI Administration Contract	50,077	50,000	50,000	50,000	50,000	50,000
581090031110000	Field Trips/Transportation	1,040	0	0	15,000	15,000	15,000
581090301110000	Field Trips/Transportation-Taylor Funds	28,297	4,500	4,500	0	0	0
582000000076000	Oversight Fee	21,226	22,738	21,893	22,519	23,152	23,152
583000001127000	Temp Employment/Advertising Fees	28,562	10,000	10,000	5,143	5,288	5,288
583065005711900	Advertising/Employment Fees-SpEd Temp	0	0	145,000	74,574	76,669	76,669
583090901127000	Advertising/Employment Fees-Decln Enroll	13,540	0	0	0	0	0
585000001127000	Legal Services	38,049	25,000	25,000	25,715	26,438	26,438
585065365711900	Legal Services Contracts-SPED Dispute Prev	0	1,709	0	0	0	0
585200000071910	Audit Services	10,780	12,180	12,180	12,528	12,880	12,880
585400001127000	Consulting Service Contracts	1,750	3,000	13,000	13,372	13,748	13,748
585500001127000	Consulting Services-Policy Liaison	7,350	0	0	0	0	0
585600001110000	Technology Service - Students	386	5,100	5,100	5,246	5,393	5,393
585600001127000	Technology Service -Admin	21,263	18,000	18,000	18,515	19,035	19,035
585690901127000	Technology Service -Admin-Declining Enroll	68,345	0	0	0	0	0
585700001110000	SIS Service Contracts	15,188	22,274	22,274	22,911	23,555	23,555
585800001110000	Other Svcs/Operating Exp-Instr	12,752	0	0	0	0	0
585800001127000	Other Svcs/Operating Exp-Admin	16,094	5,500	5,500	5,657	5,816	5,816
585826001139000	Other Svcs/Oper Exp-Inst.-ELO-P-LAS	0	3,500	3,500	0	0	0
585833105711900	Other Svcs/Operating Exp - IDEA	0	0	30,169	0	0	0
585853101137000	Other Svcs/Operating Exp - Food Service	11,316	12,000	12,000	12,343	12,690	12,690
585865005711900	Other Svcs/Operating Exp-SpEd-Instr	390,300	300,000	539,000	539,000	539,000	539,000
585865375711900	Other Svcs/Operating Exp - SpEd Learn Reco	0	0	0	0	0	0
585865461131400	Other Svcs/Oper Exp-Occ. Therapy-ERMHS	0	10,000	0	0	0	0
585865465711900	Other Svcs/Operating Exp-State MH	8,551	12,250	12,250	12,600	12,954	12,954
585867621110000	Other Svcs/Oper Exp-AMIM	0	0	10,000	0	0	0
585867701110000	Other Svcs/Oper Exp-AMS (Prop 28)	12,000	0	10,125	10,415	10,707	10,707
585890301110000	Other Svcs/Operating Exp-Taylor-Instruct	4,780	2,485	2,485	0	0	0
585900001127000	Oth Svc-Payroll Processing Fees	14,221	10,800	10,800	11,109	11,421	11,421
586000001127000	Penalties/Late Fees	111	500	500	514	529	529
587500001110000	Staff Development Expense-Instr	6,258	0	0	0	0	0
587500001127000	Staff Development Expense-Admin	127	2,000	2,000	2,057	2,115	2,115
587540351110000	Staff Development Expense-Instr-Title II	4,284	4,420	4,420	4,546	4,674	4,674
587540351127000	Staff Development Expense-Admin-Title II	129	78	78	80	82	82
587553101137000	Staff Development Expense-Food Svc	40	500	500	514	529	529
587562661110000	Staff Development Expense-EduEff66	6,216	5,000	0	0	0	0
587562661127000	Staff Development Expense-EduEff66	0	4,832	3,616	0	0	0
587590141127000	Staff Development Expense-Admin-AVID	645	0	0	0	0	0
Communications		989,931	548,366	973,890	864,359	871,675	871,675
Total Professional Services		989,931	548,366	973,890	864,359	871,675	871,675



Oasis Charter Public School
2024/25 1st Interim Budget

591000001127000	Postage and Shipping	812	2,200	2,200	2,263	2,327
592000001127000	Internet Services	11,675	10,000	10,000	5,000	5,141
593000001127000	Telephones - Landlines	11,895	8,000	8,000	8,229	8,460
593100001127000	Telephones - Cellular/Mobile	3,250	2,500	2,500	2,572	2,644
	Total Communications	27,632	22,700	22,700	18,063	18,571
	Total Services/Operating Expenses	1,566,680	1,055,959	1,515,990	1,426,362	1,440,006
	Capital Outlay					
617000001185000	Sites/Improvement of Sites	0	0	0	0	0
620000001185000	Buildings/Improvement of Bldgs	0	0	0	0	0
640000001110000	Capitalized Equipment	0	0	0	0	0
690000001110000	Depreciation Expense	97,541	96,801	96,801	96,801	96,801
690032121110000	Depreciation Expense-ESSER II	2,160	586	586	0	0
690032131110000	Depreciation Expense-ESSER III	5,532	1,761	1,761	0	0
690032201110000	Depreciation Expense-LLMF	1,116	1,761	1,761	0	0
690070281110000	Depreciation Expense-KIT	196	0	0	0	0
	Total Capital Outlay	106,545	100,909	100,909	96,801	96,801
	Total Expenses	4,489,948	3,314,487	3,753,453	3,713,533	3,751,127



Oasis Charter Public School
2024/25 1st Interim Budget

Other Sources and Uses					
Other Sources					
8979999500000000	All Other Financing Sources-PPP Loan	0	0	0	0
8980000000000000	Contrib from Unrestr Resource	-436,603	-313,340	-668,468	0
8980531000000000	Contrib from Unrestr Res- Food Service	57,632	11,101	11,109	0
8980650050000000	Contrib from Unrestr Res-SpEd	378,971	302,239	657,359	0
Other Uses	Total Other Sources	0	0	0	0
743899950091000	Debt Svcs Interest Payments-PPP Loan	0	0	0	0
743900000091000	Debt Svcs Principal Payments	0	0	0	0
Total Other Uses	Total Other Sources and Uses	0	0	0	0
	Net Increase/Decrease in Fund Balance	-779,868	334,074	-276,613	-488,188
					-498,347

Oasis Charter School
Board Agenda Supplemental Information

TITLE OF AGENDA ITEM: 12.3 ACTION: Approval of the Audit for the 2023/24 School Year

BOARD MEETING DATE: 12/10/24

ITEM TYPE: ACTION

BOARD AGENDA ITEM INFORMATION:

The UCEN Board is required to approve an annual audit to ensure that reporting, processes and procedures are accurate. Areas examined include attendance reporting, financial procedures and other key functions.

Staff from the organization's auditor, Christy White Associates, has worked with ARI Finance and Oasis staff to collect information and to compile it into the annual audit.

Following Board approval, the audit will be submitted to the California Department of Education according to the timeline.

For the 2023/24 school year, there were no findings.

ESTIMATED COST: Cost of the audit preparation

ATTACHMENT: Draft of the Oasis 2023/24 Audit

Administrative Recommendation: Approve ✓ Information_____

Person submitting item: Annie Millar, Executive Director

UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.

AUDIT REPORT

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

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

Oasis Charter Public School (Charter No. 0412)



Oasis Charter Public School

A small school for kids with BIG ideas.

**UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
TABLE OF CONTENTS
JUNE 30, 2024**

FINANCIAL SECTION

Independent Auditors' Report..... 1
Financial Statements
 Statement of Financial Position..... 4
 Statement of Activities..... 5
 Statement of Functional Expenses 6
 Statement of Cash Flows 7
Notes to Financial Statements 8

SUPPLEMENTARY INFORMATION

Schedule of Average Daily Attendance..... 17
Schedule of Instructional Time 18
Reconciliation of Financial Report – Alternative Form with Audited Financial Statements 19

OTHER INFORMATION

Local Education Agency Organization Structure 20

OTHER INDEPENDENT AUDITORS' REPORTS

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* 21
Report on State Compliance and on Internal Control over Compliance for State Programs 24

FINDINGS AND QUESTIONED COSTS SECTION

Schedule of Findings and Questioned Costs..... 27

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Under Construction Educational Network, Inc.
dba Oasis Charter Public School
Salinas, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Under Construction Educational Network, Inc. dba Oasis Charter Public School which comprise the statement of financial position as of June 30, 2024, 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 Under Construction Educational Network, Inc. as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Under Construction Educational Network, Inc. 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 Under Construction Educational Network, Inc.'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.

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

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.

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 Under Construction Educational Network, Inc.'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 Under Construction Educational Network, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December XX, 2024, on our consideration of Under Construction Educational Network, Inc.'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.

Other Reporting Required by Government Auditing Standards (continued)

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 Under Construction Educational Network, Inc.'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 Under Construction Educational Network, Inc.'s internal control over financial reporting and compliance.

San Diego, California
December XX, 2024

UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

ASSETS

Current assets	
Cash and cash equivalents	\$ 909,802
Accounts receivable	218,319
Prepaid expenses	44,665
Total current assets	<u>1,172,786</u>

Noncurrent assets	
Right-of-use asset	535,076
Capital assets, net	536,379
Total noncurrent assets	<u>1,071,455</u>
Total Assets	<u>\$ 2,244,241</u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable	\$ 281,842
Operating lease liability	534,892
Deferred revenue	318,608
Total liabilities	<u>1,135,342</u>

Net assets	
Without donor restrictions	1,108,899
Total net assets	<u>1,108,899</u>
Total Liabilities and Net Assets	<u>\$ 2,244,241</u>

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

**UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Without Donor Restrictions</u>
SUPPORT AND REVENUES	
Federal and state support and revenues	
Local control funding formula, state aid	\$ 1,628,604
Federal revenues	475,734
Other state revenues	934,332
Total federal and state support and revenues	<u>3,038,670</u>
Local support and revenues	
Payments in lieu of property taxes	493,949
Grants and donations	207,447
Investment income, net	5,005
Other local revenues	35,761
Total local support and revenues	<u>742,162</u>
Total Support and Revenues	<u>3,780,832</u>
EXPENSES	
Program services	3,220,687
Management and general	1,340,013
Total Expenses	<u>4,560,700</u>
CHANGE IN NET ASSETS	(779,868)
Net Assets - Beginning	<u>1,888,767</u>
Net Assets - Ending	<u>\$ 1,108,899</u>

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

UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024

EXPENSES	Program Services	Management and General	Total
Personnel expenses			
Certificated salaries	\$ 936,843	\$ 131,413	\$ 1,068,256
Non-certificated salaries	622,791	193,853	816,644
Pension plan contributions	234,489	22,047	256,536
Payroll taxes	75,747	19,724	95,471
Other employee benefits	266,361	71,807	338,168
Total personnel expenses	<u>2,136,231</u>	<u>438,844</u>	<u>2,575,075</u>
Non-personnel expenses			
Books and supplies	259,915	52,485	312,400
Insurance	-	37,392	37,392
Facilities	-	462,559	462,559
Professional services	686,873	281,832	968,705
Depreciation	106,545	-	106,545
Fees to authorizing agency	-	21,226	21,226
Other operating expenses	31,123	45,675	76,798
Total non-personnel expenses	<u>1,084,456</u>	<u>901,169</u>	<u>1,985,625</u>
Total Expenses	<u>\$ 3,220,687</u>	<u>\$ 1,340,013</u>	<u>\$ 4,560,700</u>

DRAFT

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

UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ (779,868)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Depreciation	106,545
Lease expense - amortization of right-of-use asset	(184)
(Increase) decrease in operating assets	
Accounts receivable	756,805
Prepaid expenses	20,806
Increase (decrease) in operating liabilities	
Accounts payable	(195,262)
Deferred revenue	(191,103)
Net cash provided by (used in) operating activities	<u>(282,261)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of capital assets	<u>(45,645)</u>
Net cash provided by (used in) investing activities	<u>(45,645)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(327,906)
Cash and cash equivalents - Beginning	<u>1,237,708</u>
Cash and cash equivalents - Ending	<u>\$ 909,802</u>

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

**UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS,
JUNE 30, 2024**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Under Construction Educational Network, Inc. (the “Organization”) was formed as a nonprofit public benefit corporation on October 9, 1998 under the name All Children of Tomorrow, Inc. In May 2008 amended articles of incorporation were filed to change the name to Under Construction Educational Network, Inc. The purpose of the Organization is to operate a California public school located in Monterey County, Oasis Charter Public School (the “Charter”). The Charter is numbered by the State Board of Education as California Charter No. 0412. During the year ended June 30, 2024, the Charter served grades K to 6.

Oasis Charter Public School is authorized to operate as a charter school through Monterey County Office of Education (the “authorizing agency”). In May 2021, the Monterey County Board of Directors approved a charter petition renewal for a five-year term beginning July 1, 2021 and expiring on June 30, 2026. As a result of SB 114, the charter petition end date is extended to June 30, 2027. 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 Organization’s policy is to prepare its financial statements on the accrual basis of accounting; consequently, revenues are recognized when earned rather than when cash is received and certain expenses and purchases of assets are recognized when the obligation is incurred rather than when cash is disbursed.

C. Financial Statement Presentation

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958. Under Construction Educational Network, Inc. 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, the Organization 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 Organization’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.

UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

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 local school district. In lieu of distributing funds out of property tax proceeds, the authorizing agency makes monthly payments to Oasis Charter Public School. Revenues are recognized by the Organization 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 Investments

Under Construction Educational Network, Inc. considers all highly liquid deposits and investments with an original maturity of less than ninety days to be cash equivalents. The Organization's method of accounting for most investments is the fair value method. Fair value is determined by published quotes when they are readily available. Gains and losses resulting from adjustments to fair values are included in the accompanying statement of activities. Investment return is presented net of any investment fees.

I. Receivables and Allowances

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

UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Capital Assets

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

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

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

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

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. Lease Arrangements

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

UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 2 – CASH AND CASH EQUIVALENTS

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

Cash in county treasury	\$ 447,048
Cash in banks, non-interest bearing	462,754
Total Cash and Cash Equivalents	\$ 909,802

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. Under Construction Educational Network, Inc. does not have a policy for custodial credit risk for deposits. The FDIC insures up to \$250,000 per depositor per insured bank. As of June 30, 2024, \$310,161 of the Organization'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 2 – CASH AND CASH EQUIVALENTS (continued)

Cash in County Treasury

Policies and Practices

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

General Authorizations

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

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

UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 2 – CASH AND CASH EQUIVALENTS (continued)

Cash in County Treasury

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of the investment, the greater the sensitivity of its fair value to changes in the market interest rates. The Charter has managed its exposure to interest rate risk by investing in the County Treasury. The Charter's investments in the Monterey County Investment Pool, which combines the Charter's share of the portfolio, has a combined fair value of \$444,202 and an amortized book value of \$447,048 as of June 30, 2024. The average weighted maturity for this pool is 408 days.

Fair Value Measurement

Cash in county treasury is measured at Level 1 using the fair value input levels noted in Note 1M. The funds were not previously measured. The Charter has reclassified these funds as Level 1 because the amounts invested in the county treasury pooled investment fund primarily consist of investment types having observable inputs that reflect quoted prices. The investment types include those noted under the general authorizations section. As such, the carrying value consists of the amortized book value presented as "cash in county treasury" offset by the "county treasury fair value adjustment" to arrive at the combined fair value amount noted under the interest rate risk section.

NOTE 3 – ACCOUNTS RECEIVABLE

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

Federal sources	\$	71,898
Other state sources		96,295
In lieu property tax payments		50,126
Total Accounts Receivable	\$	218,319

NOTE 4 – CAPITAL ASSETS

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

	Balance July 1, 2023	Additions	Disposals	Balance June 30, 2024
Property and equipment				
Site and leasehold improvements	\$ 1,316,704	\$ 36,758	\$ -	\$ 1,353,462
Furniture and equipment	89,873	8,887	-	98,760
Total property and equipment	1,406,577	45,645	-	1,452,222
Less accumulated depreciation	(809,298)	(106,545)	-	(915,843)
Capital Assets, net	\$ 597,279	\$ (60,900)	\$ -	\$ 536,379

UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 5 – ACCOUNTS PAYABLE

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

Salaries and benefits	\$ 147,140
Vendor payables	75,862
Due to grantor government	53,247
Credit card liability	5,593
Total Accounts Payable	<u>\$ 281,842</u>

NOTE 6 – OPERATING LEASE

In June 2021, the Organization entered into a fourth amendment to the lease agreement to occupy space located at 1125, 1133, 1135, and 1139 Westridge Parkway in Salinas, California. The facility is utilized for instructional services in order to meet the goals established by the Charter. The lease amendment covers a term beginning July 1, 2021 through June 30, 2026 and calls for monthly base rent of \$22,990. The Organization also holds a lease agreement for storage space. The lease agreement covers a term beginning July 1, 2020 through June 30, 2026 and calls for monthly rent of \$563.

In June 14, 2023, the Organization entered into a copier lease agreement. The lease agreement covers a term beginning July 1, 2023, through June 30, 2028. During the fiscal year ended June 30, 2024, the Organization paid \$4,380 in lease payments under this finance lease.

The following table shows the present value of the operating lease liability as the actual lease payments less the implied discount rate and the right-of-use asset as the lease expense over the straight-line basis reduced by the implied discount rate. The Organization has accounted for its lease agreements using an implied discount rate of 6.2%. The associated asset and liability are amortized over the remaining term of the lease as follows:

Fiscal Year Ending June 30,	Operating Lease Liability	Right-of-Use Asset
2025	\$ 280,711	\$ 280,666
2026	280,711	280,667
2027	4,831	4,786
2028	4,831	4,786
2029	217	580
Total lease payments	<u>571,301</u>	<u>571,485</u>
NPV adjustment	<u>(36,409)</u>	<u>(36,409)</u>
Total	<u>\$ 534,892</u>	<u>\$ 535,076</u>

NOTE 7 – DEFERRED REVENUE

Deferred revenue as of June 30, 2024, consists of \$318,608 from state sources. Deferred revenue includes funding that has been received in cash, however, has not yet been earned as of June 30, 2024. Funding conditions are expected to be met and revenue will be recognized in the subsequent fiscal year.

UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024

NOTE 8 – NET ASSETS

As of June 30, 2024, 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 Organization. At June 30, 2024, the Organization’s net assets without donor restrictions consist of the following:

Net investment in capital assets	\$ 536,379
Undesignated	<u>572,520</u>
Total Net Assets without Donor Restrictions	<u>\$ 1,108,899</u>

NOTE 9 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

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

Financial Assets	
Cash and cash equivalents	\$ 909,802
Accounts receivable	218,319
Prepaid expenses	<u>44,665</u>
Total Financial Assets, excluding noncurrent	<u>\$ 1,172,786</u>
Contractual or donor-imposed restrictions	
Cash held for conditional contributions	<u>(318,608)</u>
Financial Assets available to meet cash needs for expenditures within one year	<u>\$ 854,178</u>

NOTE 10 – EMPLOYEE RETIREMENT PLAN

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 all employees who do not qualify for CalSTRS.

Plan Description

Oasis Charter Public 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 2023-24 salary depending on the employee’s membership date in the plan. The required employer contribution rate for fiscal year 2023-24 was 19.10% of annual payroll. The contribution requirements of the plan members are established by state statute.

**UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2024**

NOTE 10 – EMPLOYEE RETIREMENT PLAN (continued)

Funding Policy (continued)

The Charter’s contributions to CalSTRS for the last three fiscal years were as follows:

	<u>Contribution</u>	<u>Percent of Required Contribution</u>
2023-24	\$ 185,783	100%
2022-23	\$ 143,569	100%
2021-22	\$ 112,678	100%

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 Under Construction Educational Network, Inc. is estimated at \$70,753. The on-behalf payment amount is computed as the proportionate share of total 2022-23 State on-behalf contributions.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Charter School Authorization

As mentioned in Note 1A, Oasis Charter Public School is approved to operate as a public charter school through authorization by the Monterey County Office of Education. 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 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, 2027.

The Charter makes payments to the authorizing agency to provide required services for special education and other purchased services in addition to fees for oversight. Fees associated with oversight consisted of 1% of revenue from local control funding formula sources. Total fees for oversight amounted to \$21,226 for the fiscal year ending June 30, 2024.

Governmental Funds

Under Construction Educational Network, Inc. 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. CalSTRS has estimated that the Charter’s share of withdrawal liability is approximately \$923,412 as of June 30, 2023. The Organization does not currently intend to withdraw the Charter from CalSTRS. Refer to Note 10 for additional information on employee retirement plans.

**UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2024**

NOTE 11 – COMMITMENTS AND CONTINGENCIES (continued)

Pending or Threatened Litigation

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

NOTE 12 – DONATED GOODS AND SERVICES

During the year, many parents, administrators and other individuals donated significant amounts of time and services to Under Construction Educational Network, Inc. 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. The Charter did not receive any donated items during the year ended June 30, 2024.

NOTE 13 – SUBSEQUENT EVENTS

Under Construction Educational Network, Inc. has evaluated subsequent events for the period from June 30, 2024 through December XX, 2024, the date the financial statements were available to be issued. Management did not identify any transactions or events that require disclosure or that would have an impact on the financial statements.

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**UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
 SCHEDULE OF AVERAGE DAILY ATTENDANCE
 FOR THE YEAR ENDED JUNE 30, 2024**

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

	Second Period Report	Annual Report
	<u>Classroom-Based</u>	
Grade Span		
Regular		
Kindergarten through third	96.29	99.36
Fourth through sixth	55.48	56.36
Total Average Daily Attendance - Classroom-Based	<u>151.77</u>	<u>155.72</u>

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

DRAFT

**UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
 SCHEDULE OF INSTRUCTIONAL TIME
 FOR THE YEAR ENDED JUNE 30, 2024**

This schedule presents information on the amount of instructional time offered per grade level by the charter school and whether the charter school complied with the provisions of *Education Code Section 47612.5*.

Grade Level	Minutes Requirement	2023-24 Instructional Minutes	2023-24 Number of Days	Status
Kindergarten	36,000	51,950	180	Complied
Grade 1	50,400	53,900	180	Complied
Grade 2	50,400	53,900	180	Complied
Grade 3	50,400	53,900	180	Complied
Grade 4	54,000	54,000	180	Complied
Grade 5	54,000	54,000	180	Complied
Grade 6	54,000	54,000	180	Complied

UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.

**UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
RECONCILIATION OF FINANCIAL REPORT – ALTERNATIVE FORM WITH AUDITED FINANCIAL
STATEMENTS
JUNE 30, 2024**

There were no adjustments made to reconcile fund balance/net position reported on the Financial Report - Alternative Form (Charter School Unaudited Actuals) to net assets per the audited financial statements as of June 30, 2024.

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OTHER INFORMATION

**UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
 LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
 JUNE 30, 2024**

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

Under Construction Educational Network, Inc., located in Monterey County, was formed as a nonprofit public benefit corporation on October 9, 1998. The charter school operated by the nonprofit, Oasis Charter Public School, is numbered by the State Board of Education as Charter No. 0412. The Charter is authorized by the Monterey County Office of Education. During 2023-24, the Charter served approximately 159 students in grades K to 6.

BOARD OF DIRECTORS

<u>Name</u>	<u>Office</u>	<u>Term Expiration</u>
Jacqueline Vasquez	President	June 2024
Margie Weibusch	Vice President	December 2024
Steven Duran Jr.	Treasurer*	February 2024
Fernando Elizondo, Ed.D.	Treasurer*	February 2027
Jamie Stracuzzi	Member	March 2024
Maria Alvarez	Member	August 2024

ADMINISTRATION

Natalie Zayas, MS, Ed.D.
Executive Director

Stephanie Curley, M.Ed.
Instructional Coordinator

*Dr. Elizondo assumed the Treasurer role after Mr. Duran’s term ended in February 2024.

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
Under Construction Educational Network, Inc.
dba Oasis Charter Public School
Salinas, 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 Under Construction Educational Network, Inc. (the "Organization") dba Oasis Charter Public School as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Charter's basic financial statements and have issued our report thereon dated December XX, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

San Diego, California
December XX, 2024

DRAFT

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

Independent Auditors' Report

To the Board of Directors of
Under Construction Educational Network, Inc.
dba Oasis Charter Public School
Salinas, California

Report on State Compliance

Opinion on State Compliance

We have audited Under Construction Educational Network, Inc.'s compliance with the requirements specified in the *2023-24 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, applicable to Under Construction Educational Network, Inc.'s state program requirements for the fiscal year ended June 30, 2024. Reference to Under Construction Educational Network, Inc. within this letter is inclusive of Oasis Charter Public School (Charter No. 0412).

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

Basis for Opinion on State Compliance

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

We are required to be independent of Under Construction Educational Network, Inc. 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 Under Construction Educational Network, Inc.'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 Under Construction Educational Network, Inc.'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 Under Construction Educational Network, Inc.'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 Under Construction Educational Network, Inc.'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 Under Construction Educational Network, Inc.'s compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Under Construction Educational Network, Inc.'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 Under Construction Educational Network, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed; and
- Select and test transactions and records to determine Under Construction Educational Network, Inc.'s compliance with the state laws and regulations to the following items:

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

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies or material weaknesses in internal control over compliance that we identified during the audit

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of State Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the K-12 Audit Guide. Accordingly, this report is not suitable for any other purpose.

San Diego, California
December XX, 2024

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FINDINGS AND QUESTIONED COSTS SECTION

2014

**UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2024**

PART I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued	<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>No</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>2023-24 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>

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

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

**UNDER CONSTRUCTION EDUCATIONAL NETWORK, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS, continued
FOR THE YEAR ENDED JUNE 30, 2024**

PART II – FINANCIAL STATEMENT FINDINGS

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

PART III – STATE AWARD FINDINGS AND QUESTIONED COSTS

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

PART IV – SUMMARY OF PRIOR AUDIT FINDINGS

This section presents the status of actions taken by the 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, 2023.

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