



Method Schools Corporation

BOARD PACK

for

Board of Directors Meeting

Tuesday, December 12, 2023

6:00 PM (PST)

Held at:

Method Schools HQ

38750 Sky Canyon Drive, Suite B, Murrieta, CA 92563

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AGENDA



BOARD OF DIRECTORS MEETING

Name:	Method Schools Corporation
Date:	Tuesday, December 12, 2023
Time:	6:00 PM to 7:30 PM (PST)
Location:	Method Schools HQ, 38750 Sky Canyon Drive, Suite B, Murrieta, CA 92563 https://methodschools.zoom.us/j/9807801621?pwd=MVI3bjQ5YmJzN08wOHhLTUVTdndGUT09&_ga=2.112093700.1644563992.1702096176-1865057409.1688578270
Board Members:	Steven Dorsey, Tyler Roberts, Gloria Vargas, Carolyn Andrews, Shannon Clark
Attendees:	Tracy Robertson, Jade Fernandez, Stefanie Bryant, Jessica Spallino, Mark Holley, Tanaya Burnham, Yvette Serratos
Apologies:	Sarah Delawder

1. Public Comment

1.1 Instructions for Presentations to the Board by Parents and Citizens

Instructions for Presentations to the Board by Parents and Citizens

Method Schools ("School") welcomes your participation at the School's Board meetings. The purpose of a public meeting of the Board of Directors ("Board") is to conduct the affairs of the School in public. Your participation assures us of continuing community interest in our School. To assist you in the ease of speaking/participating in our meetings, the following guidelines are provided:

- Agendas and "Submit a Public Comment" forms are available via the link on our website on the Board Page. If you wish to speak, please fill out the form and specify the agenda item on which you wish to speak. When addressing the Board, speakers are requested to state their name and address and adhere to the time limits set forth.
Public Communication on Non-Agenda Issues: This is an opportunity for members of the audience to raise issues that are not specifically on the agenda. You will be given an opportunity to speak for a maximum of three (3) minutes and total time allotted to non-agenda items will not exceed fifteen (15) minutes. Non-English speakers requiring translation are allotted a maximum of six (6) minutes. Due to public meeting laws, the Board can only listen to your issue and not respond or take action. The Board may give direction to staff to respond to your concern or you may be offered the option of returning with a citizen- requested item
- Agenda items: To address the Board on agenda items, please specify the item on which you wish to speak on your "Public Comment". You will be given an opportunity to speak for up to three (3) minutes when the Board discusses that item.
- Public Records: Any public records relating to an agenda item for an open session of the Board that are distributed to the Board members shall be available for public inspection at the School office. Minutes of each Board meeting will also be available at the School office.

Americans with Disabilities Act (ADA): Upon request, the School will furnish reasonable auxiliary aids and services to qualified individuals with disabilities. Individuals who require appropriate assistance in order participate in Board meetings are invited to contact Method Board Secretary Shannon Clark at sclark@methodschools.org by noon of the business day preceding the board meeting.

Translation services: Translation services are available by notifying the above school office by noon of the business day preceding the board meeting.

2. Opening Meeting

2.1 Roll Call

3. Management Reports

3.1 CEO Report

Jessica Spallino

- End of Semester Updates- [Link to Q2 Visme](#)

3.2 CBO Report

Mark Holley

- Marketing update

Supporting Documents:

3.2.a	Dec-2023-CBO-report-for-board.pdf	7
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3.3 CFO Report

Stefanie Bryant

3.4 CAO Report

Jade Fernandez

- Student Highlights
- LCAP mid-year update

Supporting Documents:

3.4.a	Method SD LCAP Supplement Mid-Year Report (1).pdf	11
3.4.b	Method LA LCAP Supplement Mid-Year Report (1).pdf	13

4. Major Decisions

4.1 Final Audited 22-23 Financial Statements Approval

Stefanie Bryant

Approval of Final Audited 22-23 Financial Statements Approval

Supporting Documents:

4.1.a	Method Schools Corporation 2023 Audit Signed Governance Communicaton (1).pdf	15
4.1.b	Method Schools Corporation 2023 Signed Final Report and Financial Statements (1).pdf	19

4.2 1st Interim Budget Reports Approval

Stefanie Bryant

Approval for 1st Interim Budget Reports

Supporting Documents:

4.2.a	Method San Diego 2023-24 1st Interim Budget Narrative (1).docx	51
4.2.b	2023-24 SD First Interim Budget Alternative Form and MYP - Final.pdf	54
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4.2.f	2023-24 Method LA First Interim Budget SACS Cash Flow.pdf	73

5. Consent Items

5.1 Confirm Minutes- 9-12-2023

Consent Items: All matters listed under the consent agenda are considered by the Board to be routine and will be approved/enacted by the Board in one motion in the form listed below. Unless specifically requested by a Board member for further discussion or removed from the agenda, there will be no discussion of these items prior to the Board's votes on them.

Supporting Documents:

5.1.a	Minutes : Method Schools- Board of Directors Meeting - 12 Sep 2023	76
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5.2 Check Register- September 2023-November 2023

Consent Items: All matters listed under the consent agenda are considered by the Board to be routine and will be approved/enacted by the Board in one motion in the form listed below. Unless specifically requested by a Board member for further discussion or removed from the agenda, there will be no discussion of these items prior to the Board's votes on them.

Supporting Documents:

5.2.a	Method Schools Check Register September - November 2023.pdf	84
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6. Discussion

6.1 Founder Evaluations

Review 22-23 Founder evaluations

Supporting Documents:

6.1.a	CEO Evaluation 22-23 final.pdf	93
6.1.b	CBO Evaluation 22-23 complete.pdf	117

7. Close Meeting

7.1 Close the meeting

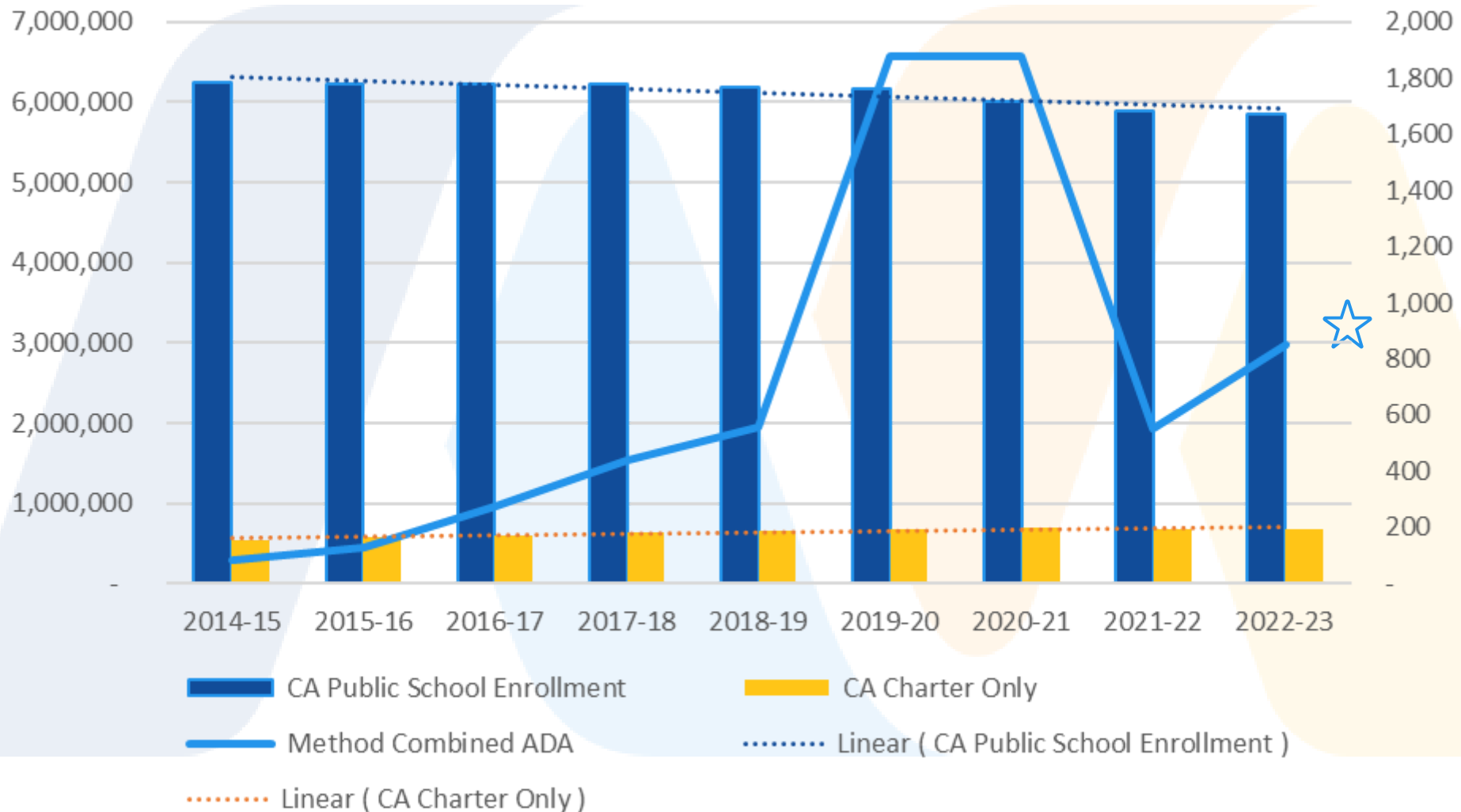
Next meeting: Method Schools- Board of Directors Meeting - Mar 12, 2024, 8:00 PM

CBO Report: **Enrollment Trends** **& Implications**



CA/Charter/Method Student enrollment figures

One Chart Tells The Story



CA/Charter/Method Student enrollment figures

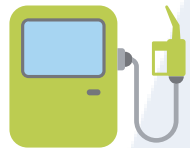
Causes



Declining birth (fertility) rate: national issue, in CA we aren't even near (1.52) replacement level (2.1)



California exodus: cost of living and political differences



Covid 19: added fuel to exodus, created wild spikes for us

CA/Charter/Method Student enrollment figures

Implications



Market shrinking: smaller pie, same amount of pieces (expansion: need more pieces)



Districts increasingly protective and territorial



CTA ramps up legislative lobbying to unlevel the playing field



We work harder for enrollments: more programs, better service, get more pieces

Method Schools
2023-24 LCAP Supplement Mid-Year Expenditures Summary
 For the Period July 1, 2023 - November 30, 2023

LCAP Goal #	Total 2023-24 LCAP Planned Expenditures (A)	Total LCAP Mid- Year Actual Expenditures (YTD July - Nov) (B)	% of Mid-Year Expenditures to Planned (Budgeted) Expenditures (B) / (A)	% Planned Expenditures Remaining
1	425,000	189,752	45%	55%
2	369,000	133,281	36%	64%
3	268,000	70,301	26%	74%
4	-	-	#DIV/0!	#DIV/0!
5	-	-	#DIV/0!	#DIV/0!
6	-	-	#DIV/0!	#DIV/0!
Grand Total	1,062,000	393,334		

Goal 1 expenditures trending with report date cut off
 Goal 2 includes a large budget (\$275K) for social/mental health - re
 Goal 3 has one action item that is not yet started



Mid Year Budget Update			
Budget Item	Adopted 23-24 Budget Amount	1st Interim 23-24 Budget Amount	Difference
Total LCFF funds	\$ 6,086,103.00	\$ 5,848,989.00	\$ (237,114.00)
LCFF supplemental and concentration grants	\$ 551,516.00	\$ 594,778.00	\$ 43,262.00
All other state funds	\$ 577,687.00	\$ 1,172,116.00	\$ 594,429.00
All local funds	\$ 70,000.00	\$ 340,000.00	\$ 270,000.00
All federal funds	\$ 77,715.00	\$ 228,948.00	\$ 151,233.00
Total projected revenue	\$ 7,363,021.00	\$ 8,184,831.00	\$ 821,810.00
Total budgeted general fund expenditures	\$ 5,383,860.00	\$ 6,467,113.00	\$ 1,083,253.00

Method LA

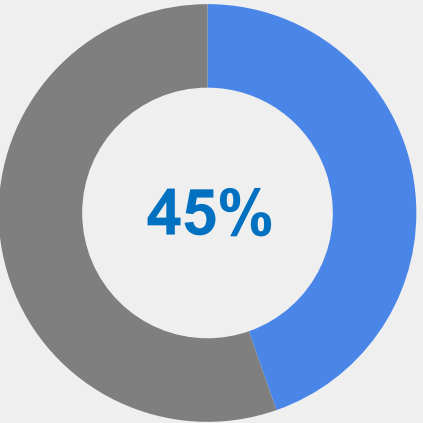
2023-24 LCAP Supplement Mid-Year Expenditures Summary

For the Period July 1, 2023 - November 30, 2023

LCAP Goal #	Total 2023-24 LCAP Planned Expenditures (A)	Total LCAP Mid- Year Actual Expenditures (YTD July - Nov) (B)	% of Mid-Year Expenditures to Planned (Budgeted) Expenditures (B) / (A)	% Planned Expenditures Remaining
1	425,000	189,752	45%	55%
2	369,000	133,281	36%	64%
3	268,000	70,301	26%	74%
4	-	-	#DIV/0!	#DIV/0!
5	-	-	#DIV/0!	#DIV/0!
6	-	-	#DIV/0!	#DIV/0!
Grand Total	1,062,000	393,334		

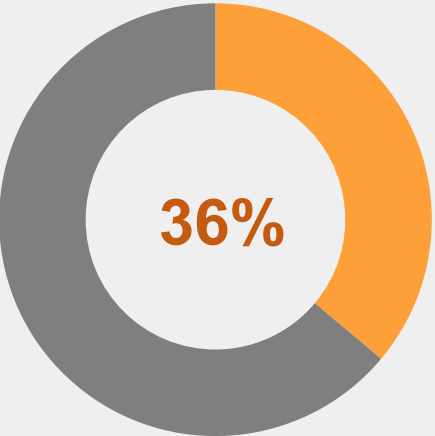
Goal 1 expenditures trending with report date cut off
Goal 2 includes a large budget (\$275K) for social/mental health - re
Goal 3 has one action item that is not yet started

2023-24 LCAP Goal 1



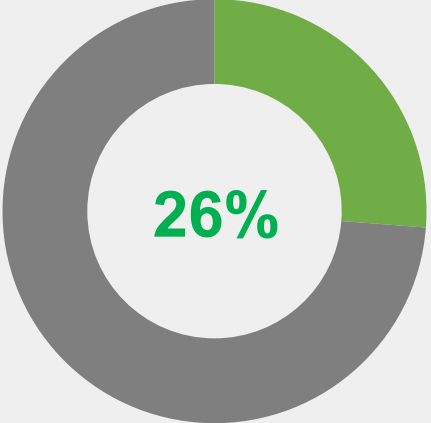
Goal 1 Total Budgeted Expenditures = \$425,000

2023-24 LCAP Goal 2



Goal 2 Total Budgeted Expenditures = \$472,000

2023-24 LCAP Goal 3



Goal 3 Total Budgeted Expenditures = \$268,000

Mid Year Budget Update			
Budget Item	Adopted 23-24 Budget Amount	1st Interim 23-24 Budget Amount	Difference
Total LCFF funds	\$ 6,198,812.00	\$ 5,791,160.00	\$ (407,652.00)
LCFF supplemental and concentration grants	\$ 597,898.00	\$ 837,922.00	\$ 240,024.00
All other state funds	\$ 579,777.00	\$ 820,931.00	\$ 241,154.00
All local funds	\$ -	\$ 1,000.00	\$ 1,000.00
All federal funds	\$ 77,175.00	\$ 112,818.00	\$ 35,643.00
Total projected revenue	\$ 7,453,662.00	\$ 7,563,831.00	\$ 110,169.00
Total budgeted general fund expenditures	\$ 5,383,860.00	\$ 6,015,552.00	\$ 631,692.00



CliftonLarsonAllen LLP
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Board of Directors
Method Schools Corporation
Murrieta, California

We have audited the financial statements of Method Schools Corporation (the School) as of and for the year ended June 30, 2023, and have issued our report thereon dated October 20, 2023. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards, and the 2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting, published by the Education Appeals Panel*, as well as certain information related to the planned scope and timing of our audit in our planning communication dated July 11, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Method Schools Corporation are described in Note 1 to the financial statements.

The School changed accounting policies related to the change in accounting principle by adopting Financial Accounting Standards Board (FASB) Accounting Standards Update No. 2016-02, Leases (ASC 842), for the year ended June 30, 2023.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no accounting estimates affecting the financial statements which were particularly sensitive or required substantial judgments by management.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Significant unusual transactions

We identified no significant unusual transactions.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatements

Management did not identify and we did not notify them of any financial statement misstatements detected as a result of audit procedures.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated October 20, 2023.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Supplementary information in relation to the financial statements as a whole

With respect to the Schedule of Instructional Time, Schedule of Average Daily Attendance (ADA), and Reconciliation of Annual Financial Report with Audited Financial Statements (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated October 20, 2023.

The Local Education Agency Organization Structure accompanying the financial statements, which is the responsibility of management, was prepared for purposes of additional analysis and is not a required part of the financial statements. Such information was not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we did not express an opinion or provide any assurance on it.

* * *

Upcoming accounting standards

Our promise is to get to know you and help you. For your consideration, we provided recent accounting standards applicable to your entity.

Accounting Estimates and Risk Assessment –

- Effective for fiscal years beginning after December 15, 2023. For your entity – June 30, 2024's financial statements.
- Enhanced financial reporting framework surrounding management estimates, including a method, assumptions, and further audit process on the data (Statement on Auditing Standards (SAS) No. 143).
- Enhances the requirements and guidance on identifying and assessing the risks of material misstatement, particularly the areas of understanding the entity's system of internal control and assessing control risk (SAS 145).
- Additional consideration on the entity and its control environment, requiring separate assessment of inherent risk and control risk.
- Expanded testing and disclosures for the use of specialists and pricing information from external information sources (SAS 144).

Board of Directors
Method Schools Corporation
Page 4

This communication is intended solely for the information and use of the Board of Directors and management of Method Schools Corporation and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The script is cursive and fluid, with the letters connected in a continuous line.

CliftonLarsonAllen LLP

Glendora, California
October 20, 2023

METHOD SCHOOLS CORPORATION

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2023

OPERATING:

**Method Schools - #1617
Method Schools, LA - #1697**



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAcnn.com

**METHOD SCHOOLS CORPORATION
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Method Schools Corporation
Murrieta, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Method Schools Corporation (the School), a California nonprofit public benefit corporation, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the School as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Method Schools Corporation 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; and for 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 the School's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Board of Directors
Method Schools Corporation

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

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

Board of Directors
Method Schools Corporation

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the School's financial statements as a whole. The Method Schools, Method Schools, LA, and eliminations columns in the statements of financial position, activities and cash flows as well as the accompanying supplementary schedules as identified in the table of contents are presented for purposes of additional analysis and are not a required part of the basic 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. The Local Education Agency Organization Structure, which is marked "unaudited", has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated October 20, 2023 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness on the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Glendora, California
October 20, 2023

METHOD SCHOOLS CORPORATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023

	Method Schools	Method Schools, LA	Eliminations	Total
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 12,470,416	\$ 17,114,697	\$ -	\$ 29,585,113
Accounts Receivable	153,600	239,073	-	392,673
Accounts Receivable - Intercompany	-	2,640,049	(2,640,049)	-
Prepaid Expenses and Other Assets	18,730	11,082	-	29,812
Total Current Assets	12,642,746	20,004,901	(2,640,049)	30,007,598
NONCURRENT ASSETS				
Operating Right-of-Use Asset	73,230			73,230
Property, Plant, and Equipment, Net	95,221	-	-	95,221
Total Long-Term Assets	168,451	-	-	168,451
Total Assets	<u>\$ 12,811,197</u>	<u>\$ 20,004,901</u>	<u>\$ (2,640,049)</u>	<u>\$ 30,176,049</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts Payable and Accrued Liabilities	\$ 368,519	\$ 2,267,516	\$ -	\$ 2,636,035
Accounts Payable - Intercompany	2,640,049	-	(2,640,049)	-
Current Lease Liability - Operating	41,521	-	-	41,521
Total Current Liabilities	3,050,089	2,267,516	(2,640,049)	2,677,556
LONG-TERM LIABILITIES				
Long-Term Lease Liability - Operating	32,985	-	-	32,985
Deferred Revenue	1,020,232	1,679,925		2,700,157
Total Long-Term Liabilities	1,053,217	1,679,925		2,733,142
Total Liabilities	4,103,306	3,947,441	(2,640,049)	5,410,698
NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>8,707,891</u>	<u>16,057,460</u>		<u>24,765,351</u>
Total Liabilities and Net Assets	<u>\$ 12,811,197</u>	<u>\$ 20,004,901</u>	<u>\$ (2,640,049)</u>	<u>\$ 30,176,049</u>

See accompanying Notes to Financial Statements.

METHOD SCHOOLS CORPORATION
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

	Method Schools	Method Schools, LA	Total
REVENUES, WITHOUT DONOR RESTRICTIONS			
State Revenue:			
State Aid	\$ 5,127,324	\$ 5,352,180	\$ 10,479,504
Other State Revenue	305,655	446,751	752,406
Federal Revenue:			
Grants and Entitlements	48,593	194,726	243,319
Local Revenue:			
In-Lieu Property Tax Revenue	130,030	250,970	381,000
Investment Income	263,736	194	263,930
Other Revenue	53,294	16,594	69,888
Total Revenues	<u>5,928,632</u>	<u>6,261,415</u>	<u>12,190,047</u>
EXPENSES			
Program Services	4,433,409	4,946,545	9,379,954
Management and General	534,043	553,224	1,087,267
Total Expenses	<u>4,967,452</u>	<u>5,499,769</u>	<u>10,467,221</u>
CHANGE IN NET ASSETS	961,180	761,646	1,722,826
Net Assets Without Donor Restrictions - Beginning of Year	<u>7,746,711</u>	<u>15,295,814</u>	<u>23,042,525</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR	<u><u>\$ 8,707,891</u></u>	<u><u>\$ 16,057,460</u></u>	<u><u>\$ 24,765,351</u></u>

See accompanying Notes to Financial Statements.

METHOD SCHOOLS CORPORATION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	Program Services	Management and General	Total Expenses
Salaries and Wages	\$ 6,600,588	\$ 217,140	\$ 6,817,728
Pension Expense	185,708	5,744	191,452
Other Employee Benefits	718,380	22,216	740,596
Payroll Taxes	459,487	14,211	473,698
Management Fees	-	92,608	92,608
Legal Expenses	-	33,833	33,833
Accounting Expenses	-	113,520	113,520
Other Fees for Services	228,406	10,494	238,900
Advertising and Promotion Expenses	23,144	124,165	147,309
Office Expenses	7,521	62,349	69,870
Instructional Materials	664,969	-	664,969
Information Technology Expenses	256,736	48,883	305,619
Occupancy Expenses	10,500	241,441	251,941
Travel Expenses	55,403	-	55,403
Depreciation Expense	-	44,395	44,395
Insurance Expense	-	50,633	50,633
Other Expenses	169,112	5,635	174,747
	<u>\$ 9,379,954</u>	<u>\$ 1,087,267</u>	<u>\$ 10,467,221</u>
Total Expenses by Function	<u>\$ 9,379,954</u>	<u>\$ 1,087,267</u>	<u>\$ 10,467,221</u>

See accompanying Notes to Financial Statements.

METHOD SCHOOLS CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

	Method Schools	Method Schools, LA	Eliminations	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Change in Net Assets	\$ 961,180	\$ 761,646	\$ -	\$ 1,722,826
Adjustments to Reconcile Change in Net Assets				
Net Cash Provided (Used) by Operating Activities:				
Depreciation	44,395	-	-	44,395
Change in Operating Assets and Liabilities:				
Accounts Receivable	515,540	(66,935)	-	448,605
Accounts Receivable- Intercompany		622,618	(622,618)	-
Prepaid Expenses and Other Assets	25,396	1,988	-	27,384
Operating ROU Asset	(73,230)			(73,230)
Accounts Payable and Accrued Liabilities	(2,261)	(3,378,904)	-	(3,381,165)
Accounts Payable- Intercompany	(622,618)	-	622,618	-
Lease Liability - Operating	74,506			74,506
Deferred Rent Liability	(9,437)	-	-	(9,437)
Deferred Revenue	673,586	1,005,708	-	1,679,294
Net Cash Provided by Operating Activities	1,587,057	(1,053,879)	-	533,178
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of Property, Plant, and Equipment	(37,687)	-	-	(37,687)
Net Cash Used in Investing Activities	(37,687)	-	-	(37,687)
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,549,370	(1,053,879)	-	1,770,576
Cash and Cash Equivalents - Beginning of Year	10,921,046	18,168,576	-	29,089,622
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 12,470,416</u>	<u>\$ 17,114,697</u>	<u>\$ -</u>	<u>\$ 30,860,198</u>

See accompanying Notes to Financial Statements.

**METHOD SCHOOLS CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Method Schools Corporation (the School) was formed as a nonprofit public benefit corporation on July 18, 2013 for the purpose of operating public schools. The School operates two California public schools: Method Schools and Methods Schools, LA. The School is economically dependent on state and federal funding.

Method Schools Corporation is authorized to operate as a charter school through the Dehesa School District in San Diego County. In July 2018, the board of directors of the Dehesa School District approved a charter petition for the Charter for a five-year term beginning July 1, 2019 and expiring on June 30, 2024. Method Schools, LA is authorized by the Acton Agua Dulce Unified School District in Los Angeles County. The charter petitions approved by the Acton Agua Dulce Unified School District are for a five-year term beginning July 1, 2020 and expiring on June 30, 2025. In July 2021, Governor Gavin Newsom signed into law a requirement to extend most charter school petitions terms by two years. The extension apply to all charter that would otherwise expire on or between January 1, 2022 and June 30, 2025. Therefore, Method Schools' and Method Schools, LA's charter term are extended to June 30, 2026 and 2027, respectively.

The mission of Method Schools Corporation is to provide innovative tools and educational practices to maximize personalization and empower students to become problem solvers, effective communicators, critical thinkers, and creative innovators.

Basis of Accounting

The financial statements have been prepared on the accrual method of accounting and accordingly reflect all significant receivables and liabilities.

Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Financial Accounting Standards Board.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosures. Accordingly, actual results could differ from those estimates.

METHOD SCHOOLS CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

Costs of providing the School's programs and other activities have been presented in the statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. The expenses that are allocated include salaries and wages, pension expense, other employee benefits, other fees for service, advertising and promotion, and office expense, which are allocated on the basis of time and effort. Other expenses that are allocated are information technology, occupancy, and other expenses which are allocated on the basis of expense nature.

Cash and Cash Equivalents

The School defines its cash and cash equivalents to include only cash on hand, demand deposits, and liquid investments with original maturities of three months or less.

Accounts Receivable

Accounts receivable primarily represent amounts due from federal and state governments as of June 30, 2023. Management believes that all receivables are fully collectible, therefore no provisions for uncollectible accounts were recorded.

Compensated Absences

The School does not allow employees to carryover unused vacation. Accordingly, there were no accumulated compensated absence benefits at June 30, 2023.

Net Asset Classes

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

METHOD SCHOOLS CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost, if purchased, or at estimated fair value, if donated. Depreciation is provided on a straight-line basis over the estimated useful lives of the asset. The School capitalizes all expenditures for land, buildings and equipment in excess of \$5,000.

Revenue Recognition

Amounts received from the California Department of Education are conditional and recognized as revenue by the School based on the average daily attendance (ADA) of students. Revenue that is restricted is recorded as an increase in net assets without donor restrictions, if the restriction expires in the reporting period in which the revenue is recognized. All other restricted revenues are reported as increases in net assets with donor restrictions.

Contributions

All contributions are considered to be available for use unless specifically restricted by the donor. Amounts received that are restricted to specific use or future periods are reported as contributions with donor restrictions. Restricted contributions that are received and released in the same period are reported as promises to give without donor restrictions. Unconditional promises to give expected to be received in one year or less are recorded at net realizable value. Unconditional promises to give expected to be received in more than one year are recorded at fair value at the date of the promise. Conditional promises to give (those with a measurable performance or other barrier and a right of return) are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

Conditional Grants

Grants and contracts that are conditioned upon the performance of certain requirements or the incurrence of allowable qualifying expenses (barriers) are recognized as revenues in the period in which the conditions are met. Amounts received are recognized as revenue when the School has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenues in the statement of financial position. As of June 30, 2023, the School has conditional grants of \$3,221,926 of which \$2,700,157 is recognized as deferred revenue in the statement of financial position.

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and are payable in two installments on or before November 1 and February 1. Unsecured property taxes are not a lien against real property and are payable in one installment on or before August 31. The County bills and collects property taxes for all taxing agencies within the County and distributes these collections to the various agencies. The sponsor agency of the School is required by law to provide in-lieu property tax payments on a monthly basis, from August through July. The amount paid per month is based upon an allocation per student, with a specific percentage to be paid each month.

METHOD SCHOOLS CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The School is a nonprofit entity exempt from the payment of income taxes under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d. Accordingly, no provision has been made for income taxes. Management has determined that all income tax positions are more likely than not of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required. The School is subject to income tax on net income that is derived from business activities that are unrelated to the exempt purposes. The School files an exempt school return and applicable unrelated business income tax return in the U.S. federal jurisdiction and with the California Franchise Tax Board.

Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-02, *Leases* (ASC 842). The School determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, and operating lease liabilities on the statement of financial position. Finance leases are included in financing ROU assets, and lease liabilities – financing on the statement of financial position.

ROU assets represent the School's right to use an underlying asset for the lease term and lease liabilities represent the School's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term.

As most of leases do not provide an implicit rate, the School uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the School will exercise that option. The School has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or ROU assets on the statement of financial position.

Adoption of New Accounting Standards

In February 2016, the FASB issued Accounting Standards Update 2016-02, *Leases* (ASC 842). The new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent of the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The School adopted the requirements of the guidance effective July 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption with certain practical expedients available.

METHOD SCHOOLS CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards (Continued)

The School elected the available practical expedients to account for existing capital leases and operating leases as finance leases and operating leases, respectively, under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of capital leases or operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

In addition, the School elected the hindsight practical expedient to determine the lease term for existing leases. The election of the hindsight practical expedient resulted in the shortening of the lease term for the existing lease and the useful life of the corresponding leasehold improvements.

As a result of the adoption of the new lease accounting guidance, the School recognized on July 1, 2022 a ROU asset at the carrying amount of the operating lease asset of \$112,842. The School also recognized on July 1, 2022 a lease liability of \$112,842, which represents the present value of the remaining finance lease payments discounted using the School's incremental borrowing rate of 4%.

Evaluation of Subsequent Events

The School has evaluated subsequent events through October 20, 2023, the date these financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure are those without donor or other restrictions limiting their use within one year of the statement of financial position date. Financial assets available for general expenditures comprise cash and cash equivalents and grants receivable for the total amount of \$29,977,786.

As part of its liquidity management plan, the School monitors liquidity required and cash flows to meet operating needs on a monthly basis. The School structures its financial assets to be available as general expenditures, liabilities and other obligations come due.

METHOD SCHOOLS CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 3 CASH AND CASH EQUIVALENTS

Cash in County Treasury

Method Schools Corporation (Charter No. 1617) is a voluntary participant in an external investment pool with the San Diego County Treasurer. The fair value of the School's investment in the pool is reported in the financial statements at amounts based upon the School'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.

Except for investments by trustees of debt proceeds, the authority to invest school 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.

Cash in Banks

The School maintains cash balances held in banks and revolving funds which are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC). At times, cash in these accounts exceeds the insured amounts. The School has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

NOTE 4 PROPERTY, PLANT, AND EQUIPMENT

Property, plant and equipment in the accompanying financial statements is presented net of accumulated depreciation. Depreciation expense was \$44,395 for the year ended June 30, 2023. The components of property, plant, and equipment as of June 30, 2023 are as follows:

Leasehold Improvements	\$ 29,600
Equipment	228,259
Total	<u>257,859</u>
Less: Accumulated Depreciation	<u>(162,638)</u>
Property, Plant and Equipment, Net	<u><u>\$ 95,221</u></u>

METHOD SCHOOLS CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 OPERATING LEASES – ASC 842

The School leases equipment as well as certain operating and office facilities for various terms under long-term, non-cancelable lease agreements. The facility is to be utilized by Method Schools for instructional services in order to meet the educational goals established by the charter school as well as School administrative offices. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases. Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. Additionally, the agreements generally require the School to pay real estate taxes, insurance, and repairs.

In July 2017, the School amended a multi-tenant office lease to occupy space located in Murrieta, California, which ended on December 31, 2022. In addition to monthly lease payments, the lease calls for common area maintenance (CAM) charges. The School paid a total of \$112,581 in lease payments and CAM fees during the fiscal year ended June 30, 2023.

In March of 2022, the School entered into an Office Lease for the School's Headquarters. This lease ends in March 2025.

In April of 2022, the School entered into a month-to-month Office Lease for workspace with monthly payments of \$1,266.

The following table provides quantitative information concerning the Office Lease for the School's Headquarters for the year ended June 30, 2023:

Lease Cost:	Amount
Operating Lease Cost	\$ 165,307
Month-to-Month Lease Cost	15,278
Total lease cost	<u>\$ 180,585</u>
Other Information:	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 164,030
Right-of-use assets obtained in exchange for new operating lease liabilities:	\$ 233,852
Weighted-average remaining lease term - operating leases	1.8 years
Weighted-average discount rate - operating leases	4.00%

METHOD SCHOOLS CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 OPERATING LEASES – ASC 842 (CONTINUED)

The School classifies the total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2023, is as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ 43,605
2025	33,426
Total Lease Payments	77,031
Less: Interest	2,525
Present Value of Lease Liabilities	<u>\$ 74,506</u>

Subsequent to June 30, 2023, the School has entered into an additional operating leases, for facility rental.

NOTE 6 COMMITMENTS

Method Schools entered into a facility use agreement with Dehesa Elementary School District (DESD) in November, 2022. The agreement ends on August 31, 2023. Total facility use fees paid to DESD amounted to \$10,800 for the fiscal year ended June 30, 2023.

NOTE 7 DISTRICT OVERSIGHT FEES

The School makes payments to the authorizing agencies, Dehesa Elementary School District and Acton Agua Dulce Unified School District, for fees related to oversight. Fees associated with oversight consist of 3% of revenue from local control funding formula sources generated by each charter school. Total fees paid to the authorizing agencies for oversight amounted to \$87,165 for the fiscal year ended June 30, 2023.

NOTE 8 EMPLOYEE RETIREMENT

The School offers an Internal Revenue Code Section 403(b) retirement plan to each of its qualifying employees. The School matches up to 3% for classified employees. During the year ended June 30, 2023, the School contributed \$191,452 to this plan.

NOTE 9 CONTINGENCIES, RISKS AND UNCERTAINTIES

The School has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, it is believed that any required reimbursement would not be material.

METHOD SCHOOLS CORPORATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 10 SUBSEQUENT EVENTS

In July 2023, the School entered into a multi-tenant office lease to occupy space located in Oceanside, California. The facility is to be utilized by Method Schools for instructional services in order to meet the educational goals established by the charter school as well as School administrative offices. The operating lease will commence as of July 1, 2023 with a lease term expiring in June 2026. The future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ 54,144
2025	55,768
2026	57,441
Future Minimum Lease Payments	<u>\$ 167,353</u>

In July 2023, Governor Gavin Newsom signed into law a requirement to extend most charter school petitions terms by an additional year. Therefore, Method Schools' and Method Schools, LA's charter term are extended to June 30, 2027 and 2028, respectively.

METHOD SCHOOLS CORPORATION
LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
YEAR ENDED JUNE 30, 2023
(SEE INDEPENDENT AUDITORS' REPORT)
UNAUDITED

Method Schools Corporation was established in 2013 when it was granted its charter through Dehesa School District in San Diego County and its charter school status from the California Department of Education. The charter school number is 1617.

Method Schools, LA was established in 2015 when it was granted its charter through Acton-Agua Dulce Unified School District in Los Angeles County and its charter school status from the California Department of Education. The charter school number is 1697.

The board of directors and the administrators as of the year ended June 30, 2023 were as follows:

BOARD OF DIRECTORS

Member	Office	Term Expires (Three-Year Term)
Carolyn Andrews	President	June 30, 2025
Tyler Roberts	Vice President	June 30, 2025
Shannon Clark	Secretary	June 30, 2025
Gloria Vargas	Board Member	June 30, 2025
Steven Dorsey	Board Member	June 30, 2025

ADMINISTRATORS

Jessica Spallino	Chief Executive Officer
Mark Holley	Chief Business Officer

**METHOD SCHOOLS CORPORATION
SCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2023**

N/A – This School is nonclassroom based.

See accompanying Independent Auditors' Report and the Notes to Supplementary Information.

METHOD SCHOOLS CORPORATION
SCHEDULE OF AVERAGE DAILY ATTENDANCE
YEAR ENDED JUNE 30, 2023

	Second Period Report		Annual Report	
	Classroom	Total	Classroom	Total
Method Schools:				
Grades TK / K-3	-	16.75	-	18.83
Grades 4-6	-	30.84	-	34.67
Grades 7-8	-	56.35	-	61.69
Grades 9-12	-	341.08	-	314.79
ADA Totals	-	445.02	-	429.98
Method Schools, LA:				
Grades TK / K-3	-	10.54	-	11.28
Grades 4-6	-	20.71	-	22.01
Grades 7-8	-	19.78	-	24.22
Grades 9-12	-	406.21	-	348.16
ADA Totals	-	457.24	-	405.67
Grand Total	-	902.26	-	835.65

See accompanying Independent Auditors' Report and the Notes to Supplementary Information.

METHOD SCHOOLS CORPORATION
RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH
AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

	<u>Method Schools</u>	<u>Method Schools, LA</u>
June 30, 2023 Annual Financial Report Fund Balances (Net Assets)	\$ 8,707,891	\$ 16,057,460
Adjustments and Reclassifications:		
Cash and Cash Equivalents	-	(64)
Accounts Receivable - Federal and State	568	616
Accounts Receivable - Intercompany	-	(586)
Prepaid Expenses and Other Assets	8,501	-
Operating Right-of-Use Asset	(9,069)	-
Accounts Payable and Accrued Liabilities	-	34
Net Adjustments and Reclassifications	<u>-</u>	<u>-</u>
June 30, 2023 Audited Financial Statement Fund Balances (Net Assets)	<u>\$ 8,707,891</u>	<u>\$ 16,057,460</u>

See accompanying Independent Auditors' Report and the Notes to Supplementary Information.

**METHOD SCHOOLS CORPORATION
NOTES TO SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2023**

PURPOSE OF SCHEDULES

NOTE 1 SCHEDULE OF INSTRUCTIONAL TIME

This schedule presents information on the amount of instructional time offered by the School and whether the School complied with the provisions of California Education Code.

NOTE 2 SCHEDULE OF AVERAGE DAILY ATTENDANCE

Average daily attendance is a measurement of the number of pupils attending classes of 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.

NOTE 3 RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH AUDITED FINANCIAL STATEMENTS

This schedule provides the information necessary to reconcile the net assets of the charter schools as reported on the Annual Financial Report form to the audited financial statements.



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**INDEPENDENT AUDITORS' 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***

Board of Directors
Method Schools Corporation
Murrieta, California

We have audited, in accordance with the 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 Method Schools Corporation (the School), a nonprofit California public benefit corporation, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, the related notes to the financial statements, and have issued our report thereon dated October 20, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School'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 School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School'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 a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the School'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 have not been identified.

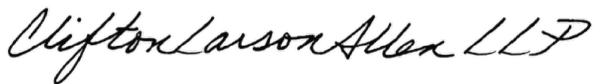
Board of Directors
Method Schools Corporation

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School'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 School'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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Glendora, California
October 20, 2023



CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Directors
Method Schools Corporation
Murrieta, California

Report on Compliance

Opinion on State Compliance

We have audited Method Schools Corporation's (the School) compliance with the types of compliance requirements applicable to the School described in the *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, published by the Education Audit Appeals Panel for the year ended June 30, 2023. The School's applicable State compliance requirements are identified in the table below.

In our opinion, the School complied, in all material respects, with the compliance requirements referred to above that are applicable to the School for the year ended June 30, 2023.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards and *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with 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. Our audit does not provide a legal determination of the School's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School's state programs.

Auditors' Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that 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, it would influence the judgment made by a reasonable user of the report on compliance about the School's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* 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 the School's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* but not for the purpose of expressing an opinion on the effectiveness of the School's internal control over compliance. Accordingly, no such opinion is expressed.

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 and material weaknesses in internal control over compliance that we identified during the audit.

Board of Directors
Method Schools Corporation

Compliance Requirements Tested

In connection with the audit referred to above, we selected and tested transactions and records to determine the School's compliance with the laws and regulations applicable to the following items:

<u>Description</u>	<u>Procedures Performed</u>
School Districts, County Offices of Education, and Charter Schools:	
California Clean Energy Jobs Act	Not Applicable ¹
After/Before School Education and Safety Program	Not Applicable ²
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 ³
Immunizations	Not Applicable ⁴
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant (CTEIG)	Not Applicable ⁵
Transitional Kindergarten	Not Applicable ⁶
Charter Schools:	
Attendance	Yes
Mode of Instruction	Not Applicable ⁷
Nonclassroom-Based Instruction/Independent Study	Yes
Determination of Funding for Nonclassroom-Based Instruction	Yes
Annual Instructional Minutes – Classroom Based	Not Applicable ⁷
Charter School Facility Grant Program	Not Applicable ⁸

Not Applicable¹: The School did not have any expenditures for California Clean Energy Jobs Act in the year under audit or a completed project between 12 and 15 months prior to any month in the audit year.

Not Applicable²: The School did not operate an after or before school program component of this grant.

Not Applicable³: The School did not report ADA pursuant to Education Code section 51749.5.

Not Applicable⁴: The School did not have any charter school subject to audit of immunizations as listed in the California Department of Public Health (CDPH) website as listed in the *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*.

Not Applicable⁵: The School did not receive a CTEIG allocation for the audit year.

Not Applicable⁶: The School did not report ADA for the audit year for transitional kindergarten.

Not Applicable⁷: The School did not report any ADA as generated through classroom-based instruction.

Not Applicable⁸: The School did not receive Charter School Facility Grant Program funding for the year audited.

Board of Directors
Method Schools Corporation

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 on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a compliance requirement 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 that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention from 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 Compliance section above 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, as defined above. 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 *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Glendora, California
October 20, 2023

**METHOD SCHOOLS CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

All audit findings must be identified as one or more of the following categories:

<u>Five Digit Code</u>	<u>Finding Types</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Program
43000	Apprenticeship
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accounting Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards* or the *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*.

METHOD SCHOOLS CORPORATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2023

There were no findings and questioned costs related to the basic financial statements or state awards for the prior year.



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2023-24 1st Interim Budget Report Narrative – Method Schools San Diego

1. Key Statistics

2021-22 P2 ADA: 333.27

2022-23 P2 ADA: 445.02

2023-24 Adopted Budget ADA: 525

2023-24 1st Interim Budget ADA: 498

2. Revenue Assumptions

Enrollment and ADA estimates at 1st Interim are trending slightly lower than the Adopted Budget estimates – our Adopted Budget projected 525 ADA and the 1st Interim Budget is projecting 498 ADA. LCFF revenues have only been adjusted to the 498 ADA based on the most recent version of the LCFF Calculator.

LCFF Revenues, including LCFF (8011), EPA (8012) and In-Lieu Taxes (8096) were all based on the calculations provided by the most recently released FCMAT LCFF Calculator. Total Revenues for these sources are estimated at \$6,443,767. Despite a projected drop of 27 ADA, LCFF revenue is only projected to drop by \$193,852 compared to the adopted budget due to a higher percentage of the ADA being in grades 9-12.

The basis for Other State Revenues is a combination of the following revenue sources: Non-Prop Lottery (\$84,660), Prop-20 Lottery (\$33,366), Mandate Block Grant (\$22,762), and State Special Education & Mental Health Funding (\$482,323). All revenue sources are based on the most recent projections from California School Services and El Dorado Charter SELPA.

Method San Diego is also projecting \$57,206 of one-time Educator Effectiveness Revenue and \$210,885 of one-time revenue from the Arts, Music and Instructional Block Grant. Finally, Method SD is also projecting \$48,457 from the newly implemented Prop 28 Program.

Federal Special Education Funds are expected to be \$44,460 and the only other Federal Revenue projected is \$184,488 from Federal portion of the Expanded Learning Opportunities Grant (ELOG). Method SD does not expect any additional Federal Revenue as Method San Diego does not participate in any other Federal Programs.

Method San Diego is also projecting \$340,000 of Interest Income from funds kept in the San Diego County Treasury.

Overall, when comparing Adopted Budget Revenue to 1st Interim Report Revenue, Method San Diego is projecting an increase of \$822,350 in total revenue - \$7,362,481 at Adopted Budget vs. \$8,184,831 at 1st Interim. As mentioned before, despite the drop in projected ADA estimated revenues increase due to a much greater proportion of grade 9-12 students and the allocation of a significant amount one-time revenue.

3. Expenditure Assumptions

Method San Diego will have approximately 35 Certificated FTEs on staff during 2023-24. The total budgeted Certificated Salaries of \$2,783,504 equates to an average of \$79,850 per FTE including teachers and administrators.

Method San Diego offers competitive teacher salaries along with a competitive Health & Dental Medical and 403(b) Plans with a 1:1 company match to our employees. Method San Diego does not participate in CALSTRS or CALPERS.

MYP expense projections assume a 5% COLA increase each year over the previous year.

Other Notable Financial Narrative Notes

Any New Notices of Assignment and Dates of Repayment

Response: No new Notices of Assignment, see number 7 below for debt obligations.

Obligations for Debt Repayment

Response: Method San Diego has \$0.00 of debt. The only small liability Method SD has in our financials is a small *Due to Grantor Governments* balance. This liability came from a 2022-23 FY overpayment in LCFF. Method repays the LCFF overpayment back to the CDE with each month's monthly LCFF Apportionment and it is estimated to be paid back entirely by 6-30-2023.

Changes in Ending Fund Balances

Response: Method San Diego is projected to end the 2023-24 fiscal year with a surplus of \$1,717,718. Method San Diego beginning fund balance as of July 1st, 2023 was \$8,711,239, therefore the cumulative projected ending fund balance of \$10,428,957.

Assignment of Ending Fund Balances

Response: Method San Diego has no commitments of the Ending Fund Balance.

Cash Flow Statement

Response: Method Schools San Diego has no projected cash flow shortages during the 2023-24 fiscal year. As projected in the cashflow the school has a significant cash surplus each operating month. Generally, all Accounts Payables are paid on receipt as there are no cash restraints and therefore Method San Diego does not carry any significant month to month liabilities.

**CHARTER SCHOOL PRELIMINARY BUDGET
FINANCIAL REPORT -- ALTERNATIVE FORM**
July 1, 2023 to June 30, 2024

Charter School Certification

Charter School Name:	Method Schools
CDS #:	37-68049-0129221
Charter Approving Entity:	Dehesa Elementary
County:	San Diego
Charter #:	1617

For information regarding this report, please contact:

For Approving Entity:

Bradley Johnson

Name

Superintendent

Title

619-444-2161

Telephone

bradley.johnson@dehesasd.net

E-mail address

For Charter School:

Stefanie Bryant

Name

CFO

Title

801.360.9819

Telephone

sbryant@methodschoools.org

E-mail address

To the entity that approved the charter school:

☒) 2023-24 CHARTER SCHOOL FIRST INTERIM FINANCIAL REPORT -- ALTERNATIVE FORM: This report has been approved, and is hereby filed by the charter school pursuant to *Education Code* Section 42100(b).

Signed: _____

Date: _____

Charter School Official
(Original signature required)

Printed

Name: Stefanie Bryant

Title: CFO

To the Dehesa Elementary School District

☒) 2023-24 CHARTER SCHOOL FIRST INTERIM FINANCIAL REPORT -- ALTERNATIVE FORM: This report is hereby filed with the County Superintendent pursuant to *Education Code* Section 42100(a).

Signed: _____

Date: _____

Authorized Representative of
Charter Approving Entity
(Original signature required)

Printed

Name: _____

Title: _____

To the Superintendent of Public Instruction:

☒) 2023-24 CHARTER SCHOOL FIRST INTERIM FINANCIAL REPORT -- ALTERNATIVE FORM: This report verified for mathematical accuracy by the County Superintendent of Schools pursuant to *Education Code* Section 42100(a).

Signed: _____

Date: _____

County Superintendent/Designee
(Original signature required)

CHARTER SCHOOLS FIRST INTERIM
FINANCIAL REPORT -- ALTERNATIVE FORM
July 1, 2023 to June 30, 2024

Charter School Name:	Method Schools
CDS #:	37-68049-0129221
Charter Approving Entity:	Dehesa Elementary
County:	San Diego
Charter #:	1617

This charter school uses the following basis of accounting:
Please enter an "X" in the applicable box below; check only one box

<input checked="" type="checkbox"/>	Accrual Basis (Applicable Capital Assets/Interest on Long-Term Debt/Long-Term Liabilities objects are 6900, 7438, 9400-9499, and 9660-9669)
<input type="checkbox"/>	Modified Accrual Basis (Applicable Capital Outlay/Debt Service objects are 6100-6170, 6200-6500, 7438, and 7439)

Description	Object Code	Original Budget	Board Approved Operating Budget (B)	Actuals to Date	First Interim Budget Unrestricted	First Interim Budget Restricted	First Interim Budget Total (D)	Difference (Col B & D)
A. REVENUES								
1. LCFF Sources								
State Aid - Current Year	8011	6,407,454	6,407,454	1,532,786	6,194,911		6,194,911	(212,543)
Education Protection Account - Current Year	8012	105,000	105,000	22,251	99,600		99,600	(5,400)
State Aid - Prior Years	8019	0	0	0	0		0	0
Transfer of Charter Schools in Lieu of Property Taxes	8096	125,165	125,165	0	149,256		149,256	24,091
Other LCFF Transfers	8091, 8097	0	0	0	0		0	0
Total, LCFF Sources		6,637,619	6,637,619	1,555,037	6,443,767		6,443,767	(193,852)
2. Federal Revenues (see NOTE on last page)								
No Child Left Behind	8290	77,175	77,715	0		0	0	(77,715)
Special Education - Federal	8181, 8182	0	0	0		44,460	44,460	44,460
Child Nutrition - Federal	8220	0	0	0		0	0	0
Other Federal Revenues	8290	0	0	184,488	0	184,488	184,488	184,488
Total, Federal Revenues		77,175	77,715	184,488	0	228,948	228,948	151,233
3. Other State Revenues								
Special Education - State	StateRevSE	430,500	430,500	151,498		482,323	482,323	51,823
Child Nutrition Programs	8520	0	0	0		0	0	0
Mandated Costs Reimbursements	8550	22,762	22,762	0	22,762		22,762	0
Lottery - Unrestricted and Instructional Materials	8560	124,425	124,425	0	84,660	33,366	118,026	(6,399)
Low Performing Student Block Grant	8590	0	0	0	0	0	0	0
All Other State Revenues	StateRevAO	0	0	503,763	0	549,005	549,005	549,005
Total, Other State Revenues		577,687	577,687	655,261	107,422	1,064,694	1,172,116	594,429
4. Other Local Revenues								
Transfers from Sponsoring LEAs to Charter Schools	8791	0	0	0	0		0	0
All Other Local Revenues	LocalRevAO	70,000	70,000	135,900	340,000	0	340,000	270,000
Total, Local Revenues		70,000	70,000	135,900	340,000	0	340,000	270,000
5. TOTAL REVENUES		7,362,481	7,363,021	2,530,686	6,891,189	1,293,642	8,184,831	821,810
B. EXPENDITURES								
1. Certificated Salaries								
Teachers' Salaries	1100	2,180,626	2,180,626	1,066,471	2,194,265	261,361	2,455,626	(275,000)
Certificated Pupil Support Salaries	1200	0	0	0	0	0	0	0
Certificated Supervisors' and Administrators' Salaries	1300	302,878	302,878	93,405	327,878	0	327,878	(25,000)
Other Certificated Salaries	1900	0	0	0	0	0	0	0
Total, Certificated Salaries		2,483,504	2,483,504	1,159,876	2,522,143	261,361	2,783,504	(300,000)
2. Non-certificated Salaries								
Instructional Aides' Salaries	2100	333,845	333,845	65,662	156,935	116,000	272,935	60,910
Non-certificated Support Salaries	2200	69,261	69,261	21,027	69,261	0	69,261	0
Non-certificated Supervisors' and Administrators' Sal.	2300	384,986	384,986	81,234	263,140	0	263,140	121,846
Clerical and Office Salaries	2400	144,674	144,674	156,763	496,650	0	496,650	(351,976)
Other Non-certificated Salaries	2900	0	0	0	0	0	0	0
Total, Non-certificated Salaries		932,766	932,766	324,686	985,986	116,000	1,101,986	(169,220)

CHARTER SCHOOLS FIRST INTERIM
FINANCIAL REPORT -- ALTERNATIVE FORM
July 1, 2023 to June 30, 2024

Charter School Name: Method Schools
CDS #: 37-68049-0129221

Description	Object Code	Original Budget	Board Approved Operating Budget (B)	Actuals to Date	First Interim Budget Unrestricted	First Interim Budget Restricted	First Interim Budget Total (D)	Difference (Col B & D)
3. Employee Benefits								
STRS	3101-3102	0	0	0	0	0	0	0
PERS	3201-3202	0	0	0	0	0	0	0
OASDI / Medicare / Alternative	3301-3302	261,345	261,345	99,025	272,837	15,874	288,711	(27,366)
Health and Welfare Benefits	3401-3402	350,000	350,000	165,545	276,900	215,985	492,885	(142,885)
Unemployment Insurance	3501-3502	17,083	17,083	11,210	25,225	0	25,225	(8,142)
Workers' Compensation Insurance	3601-3602	34,162	34,162	9,630	34,163	0	34,163	(1)
Retiree Benefits	3701-3702	0	0	0	0	0	0	0
PERS Reduction (for revenue limit funded schools)	3801-3802	0	0	0	0	0	0	0
Other Employee Benefits	3901-3902	100,000	100,000	47,793	111,554	32,446	144,000	(44,000)
Total, Employee Benefits		762,590	762,590	333,203	720,679	264,305	984,984	(222,394)
4. Books and Supplies								
Approved Textbooks and Core Curricula Materials	4100	202,500	202,500	56,406	202,500	0	325,000	(122,500)
Books and Other Reference Materials	4200	150,000	150,000	74,234	25,000	300,000	325,000	(175,000)
Materials and Supplies	4300	50,000	50,000	19,638	16,634	33,366	50,000	0
Noncapitalized Equipment	4400	82,500	82,500	16,108	82,500	0	82,500	0
Food	4700	0	0	0	0	0	0	0
Total, Books and Supplies		485,000	485,000	166,386	326,634	333,366	660,000	(297,500)
5. Services and Other Operating Expenditures								
Subagreeemnts for Services	5100	0	0	0	0	0		
Travel and Conferences	5200	95,000	95,000	16,536	55,000	57,206	112,206	(17,206)
Dues and Memberships	5300	7,500	7,500	1,422	7,500	0	7,500	0
Insurance	5400	40,000	40,000	34,787	40,000	0	40,000	0
Operations and Housekeeping Services	5500	13,000	13,000	1,599	13,000	0	13,000	0
Rentals, Leases, Repairs, and Noncap. Improvements	5600	83,000	83,000	26,208	83,000	0	83,000	0
Professional/Consulting Services and Operating Expend.	5800	416,500	416,500	163,372	274,529	261,404	535,933	(119,433)
Communications	5900	65,000	65,000	34,379	100,000	0	100,000	(35,000)
Total, Services and Other Operating Expenditures		720,000	720,000	278,303	573,029	318,610	891,639	(171,639)
6. Capital Outlay								
(Objects 6100-6170, 6200-6500 for modified accrual basis only)								
Land and Land Improvements	6100-6170	0	0	0	0	0	0	0
Buildings and Improvements of Buildings	6200	0	0	0	0	0	0	0
Books and Media for New School Libraries or Major Expansion of School Libraries	6300	0	0	0	0	0	0	0
Equipment	6400	0	0	0	0	0	0	0
Equipment Replacement	6500	0	0	0	0	0	0	0
Depreciation Expense (for accrual basis only)	6900	0	0	0	45,000	0	45,000	(45,000)
Total, Capital Outlay		0	0	0	45,000	0	45,000	(45,000)
7. Other Outgo								
Tuition to Other Schools	7110-7143	0	0	0	0	0	0	0
Transfers of Pass-Through Revenues to Other LEAs	7211-7213	0	0	0	0	0	0	0
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	0	0	0	0	0	0	0
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO	0	0	0	0	0	0	0
All Other Transfers	7280-7299	0	0	0	0	0	0	0
Debt Service:								
Interest	7438	0	0	0	0	0	0	0
Principal (for modified accrual basis only)	7439	0	0	0	0	0	0	0
Total, Other Outgo		0	0	0	0	0	0	0
8. TOTAL EXPENDITURES		5,383,860	5,383,860	2,262,453	5,173,471	1,293,642	6,467,113	(1,205,753)
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		1,978,621	1,979,161	268,233	1,717,718	0	1,717,718	261,443

CHARTER SCHOOLS FIRST INTERIM
FINANCIAL REPORT -- ALTERNATIVE FORM
July 1, 2023 to June 30, 2024

Charter School Name: Method Schools
CDS #: 37-68049-0129221

Description	Object Code	Original Budget	Board Approved Operating Budget (B)	Actuals to Date	First Interim Budget Unrestricted	First Interim Budget Restricted	First Interim Budget Total (D)	Difference (Col B & D)
D. OTHER FINANCING SOURCES / USES								
1. Other Sources	8930-8979	0	0	0	0	0	0	0
2. Less: Other Uses	7630-7699	0	0	0	0	0	0	0
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999	0	0	0	0	0	0	0
4. TOTAL OTHER FINANCING SOURCES / USES		0	0	0	0	0	0	0
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		1,978,621	1,979,161	268,233	1,717,718	0	1,717,718	261,443
F. FUND BALANCE, RESERVES								
1. Beginning Fund Balance								
a. As of July 1	9791	8,428,804	8,428,804		8,711,239		8,711,239	282,435
b. Adjustments/Restatements to Beginning Balance	9793, 9795	0	0				0	0
c. Adjusted Beginning Balance		8,428,804	8,428,804		8,711,239	0	8,711,239	
2. Ending Fund Balance, Oct 31 (E + F.1.c.)		10,407,425	10,407,965		10,428,957	0	10,428,957	
Components of Ending Fund Balance:								
Reserve for Revolving Cash (equals object 9130)	9711	0	0		0	0	0	
Reserve for Stores (equals object 9320)	9712	0	0		0	0	0	
Reserve for Prepaid Expenditures (equals object 9330)	9713	0	0		0	0	0	
All Others	9719	0	0		0	0	0	
Legally Restricted Balance	9740	0	0			0	0	
Designated for Economic Uncertainties	9770	269,193	269,193		323,356		323,356	
Other Designations	9775, 9780	0	0		0	0	0	
Net Investment in Capital Assests (Accrual Basis Only)	9796	0	0		0	0	0	
Undesignated / Unappropriated Amount	9790	10,138,232	10,138,772		10,105,601	0	10,105,601	0

CHARTER SCHOOL
MULTI-YEAR PROJECTION - ALTERNATIVE FORM

Charter School Name:	Method Schools
CDS #:	37-68049-0129221
Charter Approving Entity:	Dehesa Elementary
County:	San Diego
Charter #:	1617
Fiscal Year:	2023-24

2023-24 (populated from Alternative Form Tab)					Totals for 2024 25	Totals for 2025-26
Description	Object Code	First Interim Budget Unrestricted	First Interim Budget Restricted	First Interim Budget Total		
A. REVENUES						
1. LCFF Sources						
State Aid - Current Year	8011	6,194,911		6,194,911	6,454,403	6,658,837
Education Protection Account - Current Year	8012	99,600		99,600	99,600	99,600
State Aid - Prior Years	8019	0		0	0	0
Transfer of Charter Schools in Lieu of Property Taxes	8096	149,256		149,256	149,256	149,256
Other LCFF Transfers	8091, 8097	0		0	0	0
Total, LCFF Sources		6,443,767		6,443,767	6,703,259	6,907,693
2. Federal Revenues						
No Child Left Behind	8290		0	0	0	0
Special Education - Federal	8181, 8182		44,460	44,460	44,460	44,460
Child Nutrition - Federal	8220		0	0	0	0
Other Federal Revenues	8290	0	184,488	184,488	0	0
Total, Federal Revenues		0	228,948	228,948	44,460	44,460
3. Other State Revenues						
Special Education - State	StateRevSE		482,323	482,323	482,323	482,323
Child Nutrition Programs	8520		0	0	0	0
Mandated Costs Reimbursements	8550	22,762		22,762	22,762	22,762
Lottery - Unrestricted and Instructional Materials	8560	84,660	33,366	118,026	118,026	118,026
Low Performing Student Block Grant	8590	0	0	0	0	0
All Other State Revenues	StateRevAO	0	549,005	549,005	0	0
Total, Other State Revenues		107,422	1,064,694	1,172,116	623,111	623,111
4. Other Local Revenues						
Transfers from Sponsoring LEAs to Charter Schools	8791	0		0	0	0
All Other Local Revenues	LocalRevAO	340,000	0	340,000	340,000	340,000
Total, Local Revenues		340,000	0	340,000	340,000	340,000
5. TOTAL REVENUES		6,891,189	1,293,642	8,184,831	7,710,830	7,915,264
B. EXPENDITURES						
1. Certificated Salaries						
Teachers' Salaries	1100	2,194,265	261,361	2,455,626	2,578,407	2,707,327
Certificated Pupil Support Salaries	1200	0	0	0	0	0
Certificated Supervisors' and Administrators' Salaries	1300	327,878	0	327,878	344,272	361,486
Other Certificated Salaries	1900	0	0	0	0	0
Total, Certificated Salaries		2,522,143	261,361	2,783,504	2,922,679	3,068,813
2. Non-certificated Salaries						
Instructional Aides' Salaries	2100	156,935	116,000	272,935	286,582	300,911
Non-certificated Support Salaries	2200	69,261	0	69,261	72,724	76,360
Non-certificated Supervisors' and Administrators' Sal.	2300	263,140	0	263,140	276,297	290,112
Clerical and Office Salaries	2400	496,650	0	496,650	521,483	547,557
Other Non-certificated Salaries	2900	0	0	0	0	0
Total, Non-certificated Salaries		985,986	116,000	1,101,986	1,157,086	1,214,940

Description	Object Code	First Interim Budget Unrestricted	First Interim Budget Restricted	First Interim Budget Total	Totals for 2024 25	Totals for 2025-26
3. Employee Benefits						
STRS	3101-3102	0	0	0	0	0
PERS	3201-3202	0	0	0	0	0
OASDI / Medicare / Alternative	3301-3302	272,837	15,874	288,711	303,147	318,304
Health and Welfare Benefits	3401-3402	276,900	215,985	492,885	517,529	543,406
Unemployment Insurance	3501-3502	25,225	0	25,225	26,486	27,810
Workers' Compensation Insurance	3601-3602	34,163	0	34,163	35,871	37,665
Retiree Benefits	3701-3702	0	0	0	0	0
PERS Reduction (for revenue limit funded schools)	3801-3802	0	0	0	0	0
Other Employee Benefits	3901-3902	111,554	32,446	144,000	151,200	158,760
Total, Employee Benefits		720,679	264,305	984,984	1,034,233	1,085,945
4. Books and Supplies						
Approved Textbooks and Core Curricula Materials	4100	202,500	0	202,500	212,625	223,256
Books and Other Reference Materials	4200	25,000	300,000	325,000	341,250	358,313
Materials and Supplies	4300	16,634	33,366	50,000	52,500	55,125
Noncapitalized Equipment	4400	82,500	0	82,500	86,625	90,956
Food	4700	0	0	0	0	0
Total, Books and Supplies		326,634	333,366	660,000	693,000	727,650
5. Services and Other Operating Expenditures						
Subagreeemnts for Services	5100	0	0	0	0	0
Travel and Conferences	5200	55,000	57,206	112,206	117,816	123,707
Dues and Memberships	5300	7,500	0	7,500	7,875	8,269
Insurance	5400	40,000	0	40,000	42,000	44,100
Operations and Housekeeping Services	5500	13,000	0	13,000	13,650	14,333
Rentals, Leases, Repairs, and Noncap. Improvements	5600	83,000	0	83,000	87,150	91,508
Professional/Consulting Services and Operating Expend.	5800	274,529	261,404	535,933	562,730	590,867
Communications	5900	100,000	0	100,000	105,000	110,250
Total, Services and Other Operating Expenditures		573,029	318,610	891,639	936,221	983,034
6. Capital Outlay						
(Objects 6100-6170, 6200-6500 for modified accrual basis only)						
Land and Land Improvements	6100-6170	0	0	0	0	0
Buildings and Improvements of Buildings	6200	0	0	0	0	0
Books and Media for New School Libraries or Major Expansion of School Libraries	6300	0	0	0	0	0
Equipment	6400	0	0	0	0	0
Equipment Replacement	6500	0	0	0	0	0
Depreciation Expense (for accrual basis only)	6900	45,000	0	45,000	0	0
Total, Capital Outlay		45,000	0	45,000	0	0
7. Other Outgo						
Tuition to Other Schools	7110-7143	0	0	0	0	0
Transfers of Pass-Through Revenues to Other LEAs	7211-7213	0	0	0	0	0
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	0	0	0	0	0
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO	0	0	0	0	0
All Other Transfers	7280-7299	0	0	0	0	0
Debt Service:						
Interest	7438	0	0	0	0	0
Principal (for modified accrual basis only)	7439	0	0	0	0	0
Total, Other Outgo		0	0	0	0	0
8. TOTAL EXPENDITURES		5,173,471	1,293,642	6,467,113	6,743,219	7,080,382
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		1,717,718	0	1,717,718	967,611	834,882

Description	Object Code	First Interim Budget Unrestricted	First Interim Budget Restricted	First Interim Budget Total	Totals for 2024 25	Totals for 2025-26
D. OTHER FINANCING SOURCES / USES						
1. Other Sources	8930-8979	0	0	0	0	0
2. Less: Other Uses	7630-7699	0	0	0	0	0
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999	0	0	0	0	0
4. TOTAL OTHER FINANCING SOURCES / USES		0	0	0	0	0
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		1,717,718	0	1,717,718	967,611	834,882
F. FUND BALANCE, RESERVES						
1. Beginning Fund Balance		0	0			
a. As of July 1	9791	8,711,239	0	8,711,239	10,428,957	11,396,568
b. Adjustments/Restatements to Beginning Balance	9793, 9795	0	0	0	0	0
c. Adjusted Beginning Balance		8,711,239	0	8,711,239	10,428,957	11,396,568
2. Ending Fund Balance, Oct 31 (E + F.1.c.)		10,428,957	0	10,428,957	11,396,568	12,231,450
Components of Ending Fund Balance:						
Reserve for Revolving Cash (equals object 9130)	9711	0	0	0	0	0
Reserve for Stores (equals object 9320)	9712	0	0	0	0	0
Reserve for Prepaid Expenditures (equals object 9330)	9713	0	0	0	0	0
All Others	9719	0	0	0	0	0
Legally Restricted Balance	9740		0	0	0	0
Designated for Economic Uncertainties	9770	323,356		323,356	337,161	354,019
Other Designations	9775, 9780	0	0	0	0	0
Net Investment in Capital Assests (Accrual Basis Only)	9796	0	0	0	0	0
Undesignated / Unappropriated Amount	9790	10,105,601	0	10,105,601	11,059,407	11,877,431

Method Schools - Cash Flow Statement 11/30/2023

Object		2023-24 First Interim Budget	July	August	September	October	November	December	January	February
Actuals required through the month of : October			Actuals	Actuals	Actuals	Actuals	Projection	Projection	Projection	Projection
A. BEGINNING CASH			12,470,416	12,398,383	12,046,927	12,333,060	12,475,587	12,563,987	12,674,639	12,763,039
B. RECEIPTS										
LCFF/Revenue Limit Sources										
Principal Apportionment	8010-8019	6,294,511	273,712	273,712	514,932	492,681	492,681	514,932	492,681	636,816
In Lieu Property Taxes	8099	149,256	0	0	0	0	0	0	0	0
Miscellaneous Funds										
Federal Revenue	8100-8299	228,948	46,123		56,610	81,755				
Other State Revenue	8300-8599	1,172,116	427,017	26,362	50,821	47,953	77,495	77,495	77,495	77,495
Other Local Revenue	8600-8799	340,000	44,704	113	73,857	17,228	25,512	25,512	25,512	25,512
Interfund Transfers In	8910-8929									
All Other Financing Sources	8930-8979									
TOTAL RECEIPTS		8,184,831	791,556	300,187	696,220	639,617	595,689	617,940	595,689	739,824
C. DISBURSEMENTS										
Certificated Salaries	1000-1999	2,783,504	348,576	393,300	202,552	203,521	204,444	204,444	204,444	204,444
Classified Salaries	2000-2999	1,101,986	58,216	93,275	78,800	80,344	98,919	98,919	98,919	98,919
Employee Benefits	3000-3999	984,984	130,609	85,960	34,207	79,345	81,858	81,858	81,858	81,858
Books and Supplies	4000-4999	660,000	44,138	21,745	33,497	66,738	61,735	61,735	61,735	61,735
Services	5000-5999	891,639	53,815	66,417	54,048	104,291	76,633	76,633	76,633	76,633
Capital Outlay	6000-6599	45,000								
Other Outgo	7000-7499									
Interfund Transfers Out	7600-7629									
All Other Financing Uses	7630-7699									
TOTAL DISBURSEMENTS		6,467,113	635,354	660,699	403,104	534,240	523,590	523,590	523,590	523,590
D. BALANCE SHEET ITEMS		Beginning Balances								
<u>Assets and Deferred Outflows</u>										
Cash Not In Treasury	9111-9199									
Accounts Receivable	9200-9299	156,378	11,128		1,883	68,056				
Due From Other Funds	9310									
Stores	9320									
Prepaid Expenditures	9330	10,229	10,229							
Other Current Assets	9340									
Deferred Outflows of Resources	9490									
SUBTOTAL		166,607	21,357	0	1,883	68,056	0	0	0	0
<u>Liabilities and Deferred Inflows</u>										
Accounts Payable	9500-9599	187,430	(187,430)							
Due To Other Funds	9610	181,117	(9,056)	(9,056)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)	(16,301)
Current Loans	9640									
Unearned Revenues	9650	1,020,232	446,078		25,166	47,207				
Deferred Inflows of Resources	9690									
SUBTOTAL		1,388,779	249,592	(9,056)	8,865	30,906	(16,301)	(16,301)	(16,301)	(16,301)
<u>Nonoperating</u>										
Suspense Clearing	9910									
TOTAL BALANCE SHEET ITEMS		(1,222,172)	(228,235)	9,056	(6,982)	37,150	16,301	16,301	16,301	16,301
E. NET INCREASE/DECREASE (B - C + D)			(72,033)	(351,456)	286,133	142,527	88,400	110,651	88,400	232,536
F. ENDING CASH (A + E)			12,398,383	12,046,927	12,333,060	12,475,587	12,563,987	12,674,639	12,763,039	12,995,575
G. ENDING CASH, PLUS ACCRUALS										

Method Schools - Cash Flow Statement 11/30/2023

Object		2023-24 First Interim Budget	March Projection	April Projection	May Projection	June Projection	Accruals	Adjustments	TOTAL
Actuals required through the month of : October									
A. BEGINNING CASH			12,995,575	13,255,659	13,488,195	13,720,730			
B. RECEIPTS									
LCFF/Revenue Limit Sources									
Principal Apportionment	8010-8019	6,294,511	664,365	636,816	636,816	664,365			6,294,511
In Lieu Property Taxes	8099	149,256	0	0	0	0	149,256		149,256
Miscellaneous Funds	8080-8098								0
Federal Revenue	8100-8299	228,948					44,460		228,948
Other State Revenue	8300-8599	1,172,116	77,495	77,495	77,495	77,495			1,172,116
Other Local Revenue	8600-8799	340,000	25,512	25,512	25,512	25,512			340,000
Interfund Transfers In	8910-8929								0
All Other Financing Sources	8930-8979								0
TOTAL RECEIPTS		8,184,831	767,373	739,824	739,824	767,373	193,716	0	8,184,831
C. DISBURSEMENTS									
Certificated Salaries	1000-1999	2,783,504	204,444	204,444	204,444	204,444			2,783,504
Classified Salaries	2000-2999	1,101,986	98,919	98,919	98,919	98,919			1,101,986
Employee Benefits	3000-3999	984,984	81,858	81,858	81,858	81,858			984,984
Books and Supplies	4000-4999	660,000	61,735	61,735	61,735	61,735			660,000
Services	5000-5999	891,639	76,633	76,633	76,633	76,633			891,639
Capital Outlay	6000-6599	45,000							0
Other Outgo	7000-7499								0
Interfund Transfers Out	7600-7629								0
All Other Financing Uses	7630-7699								0
TOTAL DISBURSEMENTS		6,467,113	523,590	523,590	523,590	523,590	0	0	6,422,113
D. BALANCE SHEET ITEMS		Beginning Balances							
Assets and Deferred Outflows									
Cash Not In Treasury	9111-9199								0
Accounts Receivable	9200-9299	156,378					75,311		156,378
Due From Other Funds	9310								0
Stores	9320								0
Prepaid Expenditures	9330	10,229							10,229
Other Current Assets	9340								0
Deferred Outflows of Resources	9490								0
SUBTOTAL		166,607	0	0	0	0	75,311	0	166,607
Liabilities and Deferred Inflows									
Accounts Payable	9500-9599	187,430							(187,430)
Due To Other Funds	9610	181,117	(16,301)	(16,301)	(16,301)	(16,296)			(181,117)
Current Loans	9640								0
Unearned Revenues	9650	1,020,232							518,451
Deferred Inflows of Resources	9690								0
SUBTOTAL		1,388,779	(16,301)	(16,301)	(16,301)	(16,296)	0	0	149,904
Nonoperating									
Suspense Clearing	9910								0
TOTAL BALANCE SHEET ITEMS		(1,222,172)	16,301	16,301	16,301	16,296	75,311	0	16,703
E. NET INCREASE/DECREASE (B - C + D)			260,085	232,536	232,536	260,080	269,027	0	1,779,421
F. ENDING CASH (A + E)			13,255,659	13,488,195	13,720,730	13,980,810			
G. ENDING CASH, PLUS ACCRUALS									14,249,837



2023-24 1st Interim Budget Report Narrative – Method Schools, LA

1. Key Statistics

2021-22 P2 ADA:198.37

2022-23 P2 ADA: 457.24

2023-24 Adopted Budget ADA: 525

2023-24 1st Interim Budget ADA: 488

2. Revenue Assumptions

Enrollment and ADA estimates at 1st Interim are trending slightly lower than the Adopted Budget estimates – our Adopted Budget projected 525 ADA and the 1st Interim Budget is projecting 488 ADA. LCFF revenues have only been adjusted to the 488 ADA based on the most recent version of the LCFF Calculator.

LCFF Revenues, including LCFF (8011), EPA (8012) and In-Lieu Taxes (8096) were all based on the calculations provided by the most recently released FCMAT LCFF Calculator. Total Revenues for these sources are estimated at \$6,629,082. Despite a projected drop of 37 ADA, LCFF revenue is only projected to drop by \$167,628 compared to the adopted budget due to a much higher percentage of the ADA being in grades 9-12.

The basis for Other State Revenues is a combination of the following revenue sources: Non-Prop Lottery (\$82,960), Prop-20 Lottery (\$32,696), Mandate Block Grant (\$24,862), and State Special Education & Mental Health Funding (\$472,384). All revenue sources are based on the most recent projections from California School Services and El Dorado Charter SELPA. Method LA is also projecting \$52,374 of one-time Educator Effectiveness Revenue and \$125,523 of one-time revenue from the Arts, Music and Instructional Block Grant. Finally, Method LA is also projecting \$30,142 from the newly implemented Prop 28 Program.

Federal Special Education Funds are expected to be \$25,220 and the only other Federal Revenue projected is the Federal portion of the Expanded Learning Opportunities Grant (ELOG). Method LA does not expect any additional Federal Revenue as Method LA does not participate in any other Federal Programs.

No significant local revenues are expected to be received.

Overall, when comparing Adopted Budget Revenue to 1st Interim Report Revenue, Method LA is projecting an increase of \$110,169 in total revenue - \$7,453,662 at Adopted Budget vs. \$7,563,831 at 1st Interim. As mentioned before, despite the drop in projected ADA estimated revenues increase due to a much greater proportion of grade 9-12 students and the allocation of one-time revenue.

3. Expenditure Assumptions

Method Los Angeles will have approximately 35 Certificated FTEs on staff during 2023-24. The total budgeted Certificated Salaries of \$2,794,504 equates to an average of \$79,850 per FTE including teachers and administrators.

Method LA offers competitive teacher salaries along with a competitive Health & Dental Medical and 403(b) Plans with a 1:1 company match to our employees. Method Los Angeles does not participate in CALSTRS or CALPERS.

MYP expense projections assume a 5% COLA increase each year over the previous year.

Other Notable Financial Narrative Notes

Any New Notices of Assignment and Dates of Repayment

Response: No new Notices of Assignment, see number 7 below for debt obligations.

Obligations for Debt Repayment

Response: Method Los Angeles has \$0.00 of debt. The only significant liability that Method LA has in our financials is a *Due to Grantor Governments* balance. This liability came from a 2022-23 FY overpayment in LCFF and Special Education Funding. Method repays the LCFF overpayment back to the CDE with each month's monthly LCFF Apportionment on the same 5,5,9,9,9 schedule. Since the beginning of the fiscal year Method has paid back \$539,409 – which is documented in the 1st Interim Cash Flow Projection along with the projected payments for the remaining months.

Changes in Ending Fund Balances

Response: Method Los Angeles is projected to end the 2023-24 fiscal year with a surplus of \$1,548,279. Method Los Angeles beginning fund balance as of July 1st, 2023 was \$16,057,461, therefore the cumulative projected ending fund balance of \$17,605,740.

Assignment of Ending Fund Balances

Response: Method Los Angeles has no commitments of the Ending Fund Balance.

Cash Flow Statement

Response: Method Schools LA has no projected cash flow shortages during the 2023-24 fiscal year. As projected in the cashflow the school has a significant cash surplus each operating month. Generally all Accounts Payables are paid on receipt as there are no cash restraints and therefore Method LA does not carry any significant month to month liabilities.

CHARTER SCHOOLS FIRST INTERIM
FINANCIAL REPORT -- ALTERNATIVE FORM
July 1, 2023 to June 30, 2024

Charter School Name:	Method Schools LA
CDS #:	19-175309-0137703
Charter Approving Entity:	Acton-Aqua Dulce Unified School District
County:	Los Angeles
Charter #:	1697

This charter school uses the following basis of accounting:
Please enter an "X" in the applicable box below; check only one box

<input checked="" type="checkbox"/>	Accrual Basis (Applicable Capital Assets/Interest on Long-Term Debt/Long-Term Liabilities objects are 6900, 7438, 9400-9499, and 9660-9669)
<input type="checkbox"/>	Modified Accrual Basis (Applicable Capital Outlay/Debt Service objects are 6100-6170, 6200-6500, 7438, and 7439)

Description	Object Code	Original Budget	Board Approved Operating Budget (B)	Actuals to Date	First Interim Budget Unrestricted	First Interim Budget Restricted	First Interim Budget Total (D)	Difference (Col B & D)
A. REVENUES								
1. LCFF Sources								
State Aid - Current Year	8011	6,420,700.00	6,420,700	1,600,902	6,263,628		6,263,628	(157,072)
Education Protection Account - Current Year	8012	105,000.00	105,000	22,862	97,600		97,600	(7,400)
State Aid - Prior Years	8019		0	0	0		0	0
Transfer of Charter Schools in Lieu of Property Taxes	8096	271,010.00	271,010	65,252	267,854		267,854	(3,156)
Other LCFF Transfers	8091, 8097	0.00	0	0	0		0	0
Total, LCFF Sources		6,796,710	6,796,710	1,689,016	6,629,082		6,629,082	(167,628)
2. Federal Revenues (see NOTE on last page)								
No Child Left Behind	8290	0.00	0	0		0	0	0
Special Education - Federal	8181, 8182	77,175.00	77,175	0		25,220	25,220	(51,955)
Child Nutrition - Federal	8220	0.00	0	0		0	0	0
Other Federal Revenues	8290	0.00	0	0	0	87,598	87,598	87,598
Total, Federal Revenues		77,175	77,175	0	0	112,818	112,818	35,643
3. Other State Revenues								
Special Education - State	StateRevSE	430,500.00	430,500	317,397		472,384	472,384	41,884
Child Nutrition Programs	8520	0.00	0	0		0	0	0
Mandated Costs Reimbursements	8550	24,852.00	24,852	0	24,852		24,852	0
Lottery - Unrestricted and Instructional Materials	8560	124,425.00	124,425	0	82,960	32,696	115,656	(8,769)
Low Performing Student Block Grant	8590	0.00	0	0	0	0	0	0
All Other State Revenues	StateRevAO	0.00	0	179,812	0	208,039	208,039	208,039
Total, Other State Revenues		579,777	579,777	497,209	107,812	713,119	820,931	241,154
4. Other Local Revenues								
Transfers from Sponsoring LEAs to Charter Schools	8791	0	0	0	0		0	0
All Other Local Revenues	LocalRevAO	0	0	419	1,000	0	1,000	1,000
Total, Local Revenues		0	0	419	1,000	0	1,000	1,000
5. TOTAL REVENUES		7,453,662	7,453,662	2,186,644	6,737,894	825,937	7,563,831	110,169
B. EXPENDITURES								
1. Certificated Salaries								
Teachers' Salaries	1100	2,180,626	2,180,626	1,042,619	2,252,265	214,361	2,466,626	(286,000)
Certificated Pupil Support Salaries	1200	0	0	0	0	0	0	0
Certificated Supervisors' and Administrators' Salaries	1300	302,878	302,878	93,405	327,878	0	327,878	(25,000)
Other Certificated Salaries	1900	0	0	0	0	0	0	0
Total, Certificated Salaries		2,483,504	2,483,504	1,136,024	2,580,143	214,361	2,794,504	(311,000)
2. Non-certificated Salaries								
Instructional Aides' Salaries	2100	333,845	333,845	37,602	156,935	43,800	200,735	133,110
Non-certificated Support Salaries	2200	69,261	69,261	21,027	69,261	0	69,261	0
Non-certificated Supervisors' and Administrators' Sal.	2300	384,986	384,986	81,234	263,140	0	263,140	121,846
Clerical and Office Salaries	2400	144,674	144,674	156,763	496,650	0	496,650	(351,976)
Other Non-certificated Salaries	2900	0	0	0	0	0	0	0
Total, Non-certificated Salaries		932,766	932,766	296,626	985,986	43,800	1,029,786	(97,020)

CHARTER SCHOOLS FIRST INTERIM
FINANCIAL REPORT -- ALTERNATIVE FORM
July 1, 2023 to June 30, 2024

Charter School Name: Method Schools LA
CDS #: 19-175309-0137703

Description	Object Code	Original Budget	Board Approved Operating Budget (B)	Actuals to Date	First Interim Budget Unrestricted	First Interim Budget Restricted	First Interim Budget Total (D)	Difference (Col B & D)
3. Employee Benefits								
STRS	3101-3102	0	0	0	0	0	0	0
PERS	3201-3202	0	0	0	0	0	0	0
OASDI / Medicare / Alternative	3301-3302	261,345	261,345	99,025	272,837	15,874	288,711	(27,366)
Health and Welfare Benefits	3401-3402	350,000	350,000	165,545	276,900	130,623	407,523	(57,523)
Unemployment Insurance	3501-3502	17,083	17,083	11,210	25,225	0	25,225	(8,142)
Workers' Compensation Insurance	3601-3602	34,162	34,162	9,630	34,163	0	34,163	(1)
Retiree Benefits	3701-3702	0	0	0	0	0	0	0
PERS Reduction (for revenue limit funded schools)	3801-3802	0	0	0	0	0	0	0
Other Employee Benefits	3901-3902	100,000	100,000	41,631	121,554	5,446	127,000	(27,000)
Total, Employee Benefits		762,590	762,590	327,041	730,679	151,943	882,622	(120,032)
4. Books and Supplies								
Approved Textbooks and Core Curricula Materials	4100	202,500	202,500	56,406	202,500	0	202,500	0
Books and Other Reference Materials	4200	150,000	150,000	7,791	25,000	43,800	68,800	81,200
Materials and Supplies	4300	50,000	50,000	19,638	17,304	32,696	50,000	0
Noncapitalized Equipment	4400	82,500	82,500	16,108	82,500	0	82,500	0
Food	4700	0	0	0	0	0	0	0
Total, Books and Supplies		485,000	485,000	99,943	327,304	76,496	403,800	81,200
5. Services and Other Operating Expenditures								
Subagreeemnts for Services	5100	0	0	0	0	0		
Travel and Conferences	5200	95,000	95,000	16,536	55,000	52,374	107,374	(12,374)
Dues and Memberships	5300	7,500	7,500	1,422	7,500	0	7,500	0
Insurance	5400	40,000	40,000	34,787	40,000	0	40,000	0
Operations and Housekeeping Services	5500	13,000	13,000	1,599	13,000	0	13,000	0
Rentals, Leases, Repairs, and Noncap. Improvements	5600	83,000	83,000	26,208	83,000	0	83,000	0
Professional/Consulting Services and Operating Expend.	5800	416,500	416,500	168,373	267,003	286,963	553,966	(137,466)
Communications	5900	65,000	65,000	34,379	100,000	0	100,000	(35,000)
Total, Services and Other Operating Expenditures		720,000	720,000	283,303	565,503	339,337	904,840	(184,840)
6. Capital Outlay								
(Objects 6100-6170, 6200-6500 for modified accrual basis only)								
Land and Land Improvements	6100-6170	0	0	0	0	0	0	0
Buildings and Improvements of Buildings	6200	0	0	0	0	0	0	0
Books and Media for New School Libraries or Major Expansion of School Libraries	6300	0	0	0	0	0	0	0
Equipment	6400	0	0	0	0	0	0	0
Equipment Replacement	6500	0	0	0	0	0	0	0
Depreciation Expense (for accrual basis only)	6900	0	0	0	0	0	0	0
Total, Capital Outlay		0	0	0	0	0	0	0
7. Other Outgo								
Tuition to Other Schools	7110-7143	0	0	0	0	0	0	0
Transfers of Pass-Through Revenues to Other LEAs	7211-7213	0	0	0	0	0	0	0
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	0	0	0	0	0	0	0
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO	0	0	0	0	0	0	0
All Other Transfers	7280-7299	0	0	0	0	0	0	0
Debt Service:								
Interest	7438	0	0	0	0	0	0	0
Principal (for modified accrual basis only)	7439	0	0	0	0	0	0	0
Total, Other Outgo		0	0	0	0	0	0	0
8. TOTAL EXPENDITURES		5,383,860	5,383,860	2,142,937	5,189,615	825,937	6,015,552	(631,692)
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		2,069,802	2,069,802	43,707	1,548,279	0	1,548,279	521,523

CHARTER SCHOOLS FIRST INTERIM
FINANCIAL REPORT -- ALTERNATIVE FORM
July 1, 2023 to June 30, 2024

Charter School Name: Method Schools LA
CDS #: 19-175309-0137703

Description	Object Code	Original Budget	Board Approved Operating Budget (B)	Actuals to Date	First Interim Budget Unrestricted	First Interim Budget Restricted	First Interim Budget Total (D)	Difference (Col B & D)
D. OTHER FINANCING SOURCES / USES								
1. Other Sources	8930-8979	0	0	0	0	0	0	0
2. Less: Other Uses	7630-7699	0	0	0	0	0	0	0
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999	0	0	0	0	0	0	0
4. TOTAL OTHER FINANCING SOURCES / USES		0	0	0	0	0	0	0
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		2,069,802	2,069,802	43,707	1,548,279	0	1,548,279	521,523
F. FUND BALANCE, RESERVES								
1. Beginning Fund Balance								
a. As of July 1	9791	15,521,067	15,521,067		16,057,461		16,057,461	536,394
b. Adjustments/Restatements to Beginning Balance	9793, 9795						0	0
c. Adjusted Beginning Balance		15,521,067	15,521,067		16,057,461	0	16,057,461	
2. Ending Fund Balance, Oct 31 (E + F.1.c.)		17,590,869	17,590,869		17,605,740	0	17,605,740	
Components of Ending Fund Balance:								
Reserve for Revolving Cash (equals object 9130)	9711	0	0		0	0	0	
Reserve for Stores (equals object 9320)	9712	0	0		0	0	0	
Reserve for Prepaid Expenditures (equals object 9330)	9713	0	0		0	0	0	
All Others	9719	0	0		0	0	0	
Legally Restricted Balance	9740	0	0			0	0	
Designated for Economic Uncertainties	9770	269,193	269,193		300,778		300,778	
Other Designations	9775, 9780	0	0		0	0	0	
Net Investment in Capital Assests (Accrual Basis Only)	9796	0	0		0	0	0	
Undesignated / Unappropriated Amount	9790	17,321,676	17,321,676		17,304,962	0	17,304,962	0

CHARTER SCHOOL
MULTI-YEAR PROJECTION - ALTERNATIVE FORM

Charter School Name:	Method Schools Los Angeles
CDS #:	19-175309-0137703
Charter Approving Entity:	Acton-Agua Dulce Unified School Dsitric
County:	Los Angeles
Charter #:	1697
Fiscal Year:	2023-24

2022-23 (populated from Alternative Form Tab)						
Description	Object Code	First Interim Budget Unrestricted	First Interim Budget Restricted	First Interim Budget Total	Totals for 2024 25	Totals for 2025-26
A. REVENUES						
1. LCFF Sources						
State Aid - Current Year	8011	6,263,628		6,263,628	6,618,403	6,854,838
Education Protection Account - Current Year	8012	97,600		97,600	97,600	97,600
State Aid - Prior Years	8019	0		0	0	0
Transfer of Charter Schools in Lieu of Property Taxes	8096	267,854		267,854	267,854	267,854
Other LCFF Transfers	8091, 8097	0		0	0	0
Total, LCFF Sources		6,629,082		6,629,082	6,983,857	7,220,292
2. Federal Revenues						
No Child Left Behind	8290		0	0	0	0
Special Education - Federal	8181, 8182		25,220	25,220	25,220	25,220
Child Nutrition - Federal	8220		0	0	0	0
Other Federal Revenues	8290	0	87,598	87,598	0	0
Total, Federal Revenues		0	112,818	112,818	25,220	25,220
3. Other State Revenues						
Special Education - State	StateRevSE		472,384	472,384	47,283	472,384
Child Nutrition Programs	8520		0	0	0	0
Mandated Costs Reimbursements	8550	24,852		24,852	24,852	24,852
Lottery - Unrestricted and Instructional Materials	8560	82,960	32,696	115,656	115,656	115,656
Low Performing Student Block Grant	8590	0	0	0	0	0
All Other State Revenues	StateRevAO	0	208,039	208,039	208,039	0
Total, Other State Revenues		107,812	713,119	820,931	395,830	612,892
4. Other Local Revenues						
Transfers from Sponsoring LEAs to Charter Schools	8791	0		0	0	0
All Other Local Revenues	LocalRevAO	1,000	0	1,000	2,000	2,000
Total, Local Revenues		1,000	0	1,000	2,000	2,000
5. TOTAL REVENUES		6,737,894	825,937	7,563,831	7,406,907	7,860,404
B. EXPENDITURES						
1. Certificated Salaries						
Teachers' Salaries	1100	2,252,265	214,361	2,466,626	2,589,957	2,719,455
Certificated Pupil Support Salaries	1200	0	0	0	0	0
Certificated Supervisors' and Administrators' Salaries	1300	327,878	0	327,878	344,272	361,486
Other Certificated Salaries	1900	0	0	0	0	0
Total, Certificated Salaries		2,580,143	214,361	2,794,504	2,934,229	3,080,941
2. Non-certificated Salaries						
Instructional Aides' Salaries	2100	156,935	43,800	200,735	210,772	221,311
Non-certificated Support Salaries	2200	69,261	0	69,261	72,724	76,360
Non-certificated Supervisors' and Administrators' Sal.	2300	263,140	0	263,140	276,297	290,112
Clerical and Office Salaries	2400	496,650	0	496,650	521,483	547,555
Other Non-certificated Salaries	2900	0	0	0	0	0
Total, Non-certificated Salaries		985,986	43,800	1,029,786	1,081,276	1,135,338

Description	Object Code	First Interim Budget Unrestricted	First Interim Budget Restricted	First Interim Budget Total	Totals for 2024 25	Totals for 2025-26
3. Employee Benefits						
STRS	3101-3102	0	0	0	0	0
PERS	3201-3202	0	0	0	0	0
OASDI / Medicare / Alternative	3301-3302	272,837	15,874	288,711	303,147	318,304
Health and Welfare Benefits	3401-3402	276,900	130,623	407,523	427,889	449,283
Unemployment Insurance	3501-3502	25,225	0	25,225	26,486	27,811
Workers' Compensation Insurance	3601-3602	34,163	0	34,163	35,871	37,665
Retiree Benefits	3701-3702	0	0	0	0	0
PERS Reduction (for revenue limit funded schools)	3801-3802	0	0	0	0	0
Other Employee Benefits	3901-3902	121,554	5,446	127,000	133,350	140,018
Total, Employee Benefits		730,679	151,943	882,622	926,743	973,081
4. Books and Supplies						
Approved Textbooks and Core Curricula Materials	4100	202,500	0	202,500	212,625	223,256
Books and Other Reference Materials	4200	25,000	43,800	68,800	72,740	76,377
Materials and Supplies	4300	17,304	32,696	50,000	52,500	55,125
Noncapitalized Equipment	4400	82,500	0	82,500	86,625	90,956
Food	4700	0	0	0	0	0
Total, Books and Supplies		327,304	76,496	403,800	424,490	445,714
5. Services and Other Operating Expenditures						
Subagreements for Services	5100	0	0	0	0	0
Travel and Conferences	5200	55,000	52,374	107,374	112,743	118,380
Dues and Memberships	5300	7,500	0	7,500	7,875	8,269
Insurance	5400	40,000	0	40,000	42,000	44,100
Operations and Housekeeping Services	5500	13,000	0	13,000	13,650	14,333
Rentals, Leases, Repairs, and Noncap. Improvements	5600	83,000	0	83,000	87,150	91,508
Professional/Consulting Services and Operating Expend.	5800	267,003	286,963	553,966	581,664	610,747
Communications	5900	100,000	0	100,000	105,000	110,250
Total, Services and Other Operating Expenditures		565,503	339,337	904,840	950,082	997,587
6. Capital Outlay						
(Objects 6100-6170, 6200-6500 for modified accrual basis only)						
Land and Land Improvements	6100-6170	0	0	0	0	0
Buildings and Improvements of Buildings	6200	0	0	0	0	0
Books and Media for New School Libraries or Major Expansion of School Libraries	6300	0	0	0	0	0
Equipment	6400	0	0	0	0	0
Equipment Replacement	6500	0	0	0	0	0
Depreciation Expense (for accrual basis only)	6900	0	0	0	0	0
Total, Capital Outlay		0	0	0	0	0
7. Other Outgo						
Tuition to Other Schools	7110-7143	0	0	0	0	0
Transfers of Pass-Through Revenues to Other LEAs	7211-7213	0	0	0	0	0
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	0	0	0	0	0
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO	0	0	0	0	0
All Other Transfers	7280-7299	0	0	0	0	0
Debt Service:						
Interest	7438	0	0	0	0	0
Principal (for modified accrual basis only)	7439	0	0	0	0	0
Total, Other Outgo		0	0	0	0	0
8. TOTAL EXPENDITURES		5,189,615	825,937	6,015,552	6,316,820	6,632,661
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		1,548,279	0	1,548,279	1,090,087	1,227,743

Description	Object Code	First Interim Budget Unrestricted	First Interim Budget Restricted	First Interim Budget Total	Totals for 2024 25	Totals for 2025-26
D. OTHER FINANCING SOURCES / USES						
1. Other Sources	8930-8979	0	0	0	0	0
2. Less: Other Uses	7630-7699	0	0	0	0	0
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999	0	0	0	0	0
4. TOTAL OTHER FINANCING SOURCES / USES		0	0	0	0	0
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		1,548,279	0	1,548,279	1,090,087	1,227,743
F. FUND BALANCE, RESERVES						
1. Beginning Fund Balance		0	0			
a. As of July 1	9791	16,057,461	0	16,057,461	17,605,740	18,695,827
b. Adjustments/Restatements to Beginning Balance	9793, 9795	0	0	0	0	0
c. Adjusted Beginning Balance		16,057,461	0	16,057,461	17,605,740	18,695,827
2. Ending Fund Balance, Oct 31 (E + F.1.c.)		17,605,740	0	17,605,740	18,695,827	19,923,570
Components of Ending Fund Balance:						
Reserve for Revolving Cash (equals object 9130)	9711	0	0	0	0	0
Reserve for Stores (equals object 9320)	9712	0	0	0	0	0
Reserve for Prepaid Expenditures (equals object 9330)	9713	0	0	0	0	0
All Others	9719	0	0	0	0	0
Legally Restricted Balance	9740		0	0	0	0
Designated for Economic Uncertainties	9770	300,778		300,778	315,841	331,663
Other Designations	9775, 9780	0	0	0	0	0
Net Investment in Capital Assests (Accrual Basis Only)	9796	0	0	0	0	0
Undesignated / Unappropriated Amount	9790	17,304,962	0	17,304,962	18,379,986	19,591,907

Object		2023-24 First Interim Budget	July	August	September	October	November	December	January
Actuals required through the month of : October			Actuals	Actuals	Actuals	Actuals	Projection	Projection	Projection
A. BEGINNING CASH			17,114,761	16,424,182	15,990,495	15,997,453	16,075,297	16,051,488	15,995,680
B. RECEIPTS									
LCFF/Revenue Limit Sources									
Principal Apportionment	8010-8019	6,361,228	285,875	285,875	537,438	514,576	514,576	537,438	514,576
In Lieu Property Taxes	8099	267,854		15,058	30,116	20,078	20,078	20,078	20,078
Miscellaneous Funds	8080-8098								
Federal Revenue	8100-8299	112,818	0	0	0	0	0	0	0
Other State Revenue	8300-8599	820,931	174,615	56,176	103,414	163,004	81,631	81,631	81,631
Other Local Revenue	8600-8799	1,000	17	113	142	147	73	73	73
Interfund Transfers In	8910-8929								
All Other Financing Sources	8930-8979								
TOTAL RECEIPTS		7,563,831	460,507	357,222	671,110	697,805	616,358	639,220	616,358
C. DISBURSEMENTS									
Certificated Salaries	1000-1999	2,794,504	348,576	393,300	202,552	191,595	197,310	197,310	197,310
Classified Salaries	2000-2999	1,029,786	58,216	93,275	71,795	73,339	91,645	91,645	91,645
Employee Benefits	3000-3999	882,622	130,609	85,960	54,207	56,264	69,448	69,448	69,448
Books and Supplies	4000-4999	403,800	36,610	21,745	13,992	27,598	37,982	37,982	37,982
Services	5000-5999	904,840	54,440	66,417	57,408	105,037	77,692	77,692	77,692
Capital Outlay	6000-6599	0							
Other Outgo	7000-7499								
Interfund Transfers Out	7600-7629								
All Other Financing Uses	7630-7699								
TOTAL DISBURSEMENTS		6,015,552	628,451	660,699	399,954	453,834	474,077	474,077	474,077
D. BALANCE SHEET ITEMS		Beginning Balances							
Assets and Deferred Outflows									
Cash Not In Treasury	9111-9199	17,114,761							
Accounts Receivable	9200-9299	238,457	(194,824)	(629)	(71,453)	25,131	0	(22,862)	22,862
Due From Other Funds	9310								
Stores	9320								
Prepaid Expenditures	9330								
Other Current Assets	9340								
Deferred Outflows of Resources	9490								
SUBTOTAL		17,353,218	(194,824)	(629)	(71,453)	25,131	0	(22,862)	22,862
Liabilities and Deferred Inflows									
Accounts Payable	9500-9599	173,799	117,096	37,305	(4,022)	8,052			
Due To Other Funds	9610	2,093,749	92,276	92,276	171,651	183,206	166,089	198,089	166,089
Current Loans	9640		0	0	0	0	0	0	0
Unearned Revenues	9650	1,679,925	118,439		25,116				
Deferred Inflows of Resources	9690								
SUBTOTAL		3,947,473	327,811	129,581	192,745	191,259	166,089	198,089	166,089
Nonoperating									
Suspense Clearing	9910								
TOTAL BALANCE SHEET ITEMS		13,405,745	(522,635)	(130,210)	(264,198)	(166,127)	(166,089)	(220,951)	(143,227)
E. NET INCREASE/DECREASE (B - C + D)			(690,579)	(433,687)	6,958	77,843	(23,808)	(55,808)	(946)
F. ENDING CASH (A + E)			16,424,182	15,990,495	15,997,453	16,075,297	16,051,488	15,995,680	15,994,734
G. ENDING CASH, PLUS ACCRUALS									

Object		2023-24 First Interim Budget	February Projection	March Projection	April Projection	May Projection	June Projection	Accruals	Adjustments
Actuals required through the month of : October									
A. BEGINNING CASH			15,994,734	15,889,295	15,905,759	15,956,167	15,920,255		
B. RECEIPTS									
LCFF/Revenue Limit Sources									
Principal Apportionment	8010-8019	6,361,228	623,800	649,738	623,800	623,800	649,738		
In Lieu Property Taxes	8099	267,854	20,078	40,763	20,382	20,382	20,382	20,382	
Miscellaneous Funds	8080-8098								
Federal Revenue	8100-8299	112,818	0	0	0	0	0	112,818	
Other State Revenue	8300-8599	820,931	0	44,680	0	0	0	34,149	
Other Local Revenue	8600-8799	1,000	73	73	73	73	73		
Interfund Transfers In	8910-8929								
All Other Financing Sources	8930-8979								
TOTAL RECEIPTS		7,563,831	643,950	735,253	644,254	644,254	670,192	167,349	0
C. DISBURSEMENTS									
Certificated Salaries	1000-1999	2,794,504	197,310	197,310	197,310	237,310	237,310		
Classified Salaries	2000-2999	1,029,786	91,645	91,645	91,645	91,645	91,645		
Employee Benefits	3000-3999	882,622	69,448	69,448	69,448	69,448	69,448		
Books and Supplies	4000-4999	403,800	37,982	37,982	37,982	37,982	37,982		
Services	5000-5999	904,840	77,692	77,692	77,692	77,692	77,692		
Capital Outlay	6000-6599	0							
Other Outgo	7000-7499								
Interfund Transfers Out	7600-7629								
All Other Financing Uses	7630-7699								
TOTAL DISBURSEMENTS		6,015,552	474,077	474,077	474,077	514,077	514,077	0	0
D. BALANCE SHEET ITEMS		Beginning Balances							
Assets and Deferred Outflows									
Cash Not In Treasury	9111-9199	17,114,761							
Accounts Receivable	9200-9299	238,457	(109,224)	(46,623)	46,320	(0)	(25,938)	615,697	
Due From Other Funds	9310								
Stores	9320								
Prepaid Expenditures	9330								
Other Current Assets	9340								
Deferred Outflows of Resources	9490								
SUBTOTAL		17,353,218	(109,224)	(46,623)	46,320	(0)	(25,938)	615,697	0
Liabilities and Deferred Inflows									
Accounts Payable	9500-9599	173,799							
Due To Other Funds	9610	2,093,749	166,089	198,089	166,089	166,089	327,717		
Current Loans	9640		0	0	0	0	0		
Unearned Revenues	9650	1,679,925							
Deferred Inflows of Resources	9690								
SUBTOTAL		3,947,473	166,089	198,089	166,089	166,089	327,717	0	0
Nonoperating									
Suspense Clearing	9910								
TOTAL BALANCE SHEET ITEMS		13,405,745	(275,313)	(244,712)	(119,769)	(166,089)	(353,655)	615,697	0
E. NET INCREASE/DECREASE (B - C + D)			(105,439)	16,464	50,408	(35,912)	(197,540)	783,046	0
F. ENDING CASH (A + E)			15,889,295	15,905,759	15,956,167	15,920,255	15,722,715		
G. ENDING CASH, PLUS ACCRUALS									

Actuals required through the month of : October		2023-24 First Interim Budget	TOTAL
A. BEGINNING CASH			
B. RECEIPTS			
LCFF/Revenue Limit Sources			
Principal Apportionment	8010-8019	6,361,228	6,361,228
In Lieu Property Taxes	8099	267,854	267,854
Miscellaneous Funds	8080-8098		0
Federal Revenue	8100-8299	112,818	112,818
Other State Revenue	8300-8599	820,931	820,931
Other Local Revenue	8600-8799	1,000	1,000
Interfund Transfers In	8910-8929		0
All Other Financing Sources	8930-8979		0
TOTAL RECEIPTS		7,563,831	7,563,831
C. DISBURSEMENTS			
Certificated Salaries	1000-1999	2,794,504	2,794,504
Classified Salaries	2000-2999	1,029,786	1,029,786
Employee Benefits	3000-3999	882,622	882,622
Books and Supplies	4000-4999	403,800	403,800
Services	5000-5999	904,840	904,840
Capital Outlay	6000-6599	0	0
Other Outgo	7000-7499		0
Interfund Transfers Out	7600-7629		0
All Other Financing Uses	7630-7699		0
TOTAL DISBURSEMENTS		6,015,552	6,015,552
D. BALANCE SHEET ITEMS		Beginning Balances	
<u>Assets and Deferred Outflows</u>			
Cash Not In Treasury	9111-9199	17,114,761	0
Accounts Receivable	9200-9299	238,457	238,457
Due From Other Funds	9310		0
Stores	9320		0
Prepaid Expenditures	9330		0
Other Current Assets	9340		0
Deferred Outflows of Resources	9490		0
SUBTOTAL		17,353,218	238,457
<u>Liabilities and Deferred Inflows</u>			
Accounts Payable	9500-9599	173,799	158,432
Due To Other Funds	9610	2,093,749	2,093,749
Current Loans	9640		0
Unearned Revenues	9650	1,679,925	143,555
Deferred Inflows of Resources	9690		0
SUBTOTAL		3,947,473	2,395,736
<u>Nonoperating</u>			
Suspense Clearing	9910		0
TOTAL BALANCE SHEET ITEMS		13,405,745	(2,157,279)
E. NET INCREASE/DECREASE (B - C + D)			(609,000)
F. ENDING CASH (A + E)			
G. ENDING CASH, PLUS ACCRUALS			16,505,761

MINUTES (in Review)



METHOD SCHOOLS- BOARD OF DIRECTORS MEETING

Name:	Method Schools Corporation
Date:	Tuesday, September 12, 2023
Time:	5:59 PM to 7:22 PM (PDT)
Location:	Method Schools HQ, 38750 Sky Canyon Drive, Suite B, Murrieta, CA 92563
Board Members:	Steven Dorsey, Tyler Roberts, Carolyn Andrews
Attendees:	Tracy Robertson, Jessica Spallino, Jade Fernandez, Mark Holley, Sarah Delawder, Stefanie Bryant, Yvette Serratos
Apologies:	Gloria Vargas, Shannon Clark
Guests/Notes:	Method Representative- Cory Cavanah

1. Opening Meeting

1.1 Roll Call

Board Members

1. Carolyn Andrews
2. Tyler Roberts
3. Steven Dorsey

Staff

1. Jade Fernandez
2. Jessica Spallino
3. Mark Holley
4. Yvette Serratos
5. Tracy Robertson
6. Stefanie Bryant
7. Sarah DeLawder
8. CBO- Cory Cavanah

2. Management Reports

2.1 CEO Report

OKR/CAASPP Data

- Jessica Spallino: I'd like to revisit the 22-23 academic OKRs. The goal was that 50% of all grade levels would be proficient in ELA and 30% in Math, and only one grade level met each target. We need to improve. When we're getting reauthorized, we're comparing to other schools like us that are going to get reauthorized.

- Question: Carolyn Andrews: How do these compare to the state average?
- Jessica Spallino: It is similar.
- Carolyn Andrews: Do they come in to test, and could that be part of the challenge?
- Jade Fernandez: It is all remote. I think it could be part of it, but there's also a huge burden on parents to bring them to testing.
- Jessica Spallino: 2023-24 Updates: 1) Our current enrollment is 575, 2) We're hiring new teachers, student success managers, and a receptionist, 3) We are using a new assessment tool NWEA and we're hoping it'll help. We feel the diversification of content may fill some gaps. We have a variety of trainings that all instructional staff are required to attend. 2023-24 OKRs: 1) Academics Objective- we want our academic performance to be competitive to schools similar to ours. 2) Experience Objective- our program exceeds expectations of students, parents, and staff. 3) Development Objective- advance our tools and practices in order to serve more students in need of our model.

2.2 CBO Report

Marketing Update

- Mark Holley: We had a brand update. We have a new website, we try to update it every 3 years, it should be ready next month. We have a Dehesa Method Sports Academy website. Online reviews- we really try to push people to review Method. Net Promoter Score- we started net promoter score in 2018, and I think it is the most critical metric for us. Website Chats- this is a key business indicator. ADA Update- because we have an increased volume of enrollments in July-August, ADA is a much better measure of enrollment.
- Question: Jessica Spallino: Could we hire some part time homeroom teachers to work on the night chats?
- Jade Fernandez: Yes.

2.3 CFO Report

Banking Issue

- Stefanie Bryant: We had some fraudulent checks come in at the end of July. Tracy R. and I worked on it and had the checks reversed. We suspect that a vendor's employee photocopied a check. We put a freeze on the bank account, shut it down, and have a new account now. We reported it to the local authorities and have it under control.

2.4 CAO Report

- Jade Fernandez: We met most of our summer objectives- we're currently at 93% attendance, 89% of courses were passed, and the NPS score was 44. Diagnostic Testing- we had 98% iReady participation rate, and 78% NWEA participation rate. Upcoming events- flag football season started yesterday, we have some field trips coming up, and will be having ASB elections. We have about 20 students at DMSA (Dehesa Method Sports Academy).

3. Major Decisions

3.1 Unaudited Financial Statement

- Stefanie Bryant: These are unaudited numbers, but I don't foresee these numbers changing much when we get to the final report. The two schools together netted about \$1.7 million, our ending fund balances are steady at \$24.8 million, our cash in the bank is \$29.6 million.

**Approval of 6/30/2023 Unaudited Reports**

- Steven Dorsey
- Tyler Roberts
- Carolyn Andrews

Decision Date: Sep 12, 2023
Mover: Steven Dorsey
Second: Tyler Roberts
Outcome: Approved

**Unaudited Financial Statement**

Approval of 6/30/2023 Unaudited Reports

0 Supported:

0 Opposed:

0 Abstained:

Decision Date: Sep 12, 2023
Mover: Stefanie Bryant
Outcome: Approved

3.2 Investment Diversification and Accounts

- Stefanie Bryant: Investment Policy 3040 was previously approved. We have about \$12 million or \$13 million in our bank and we're ready to get it moved to an investment broker. Charles Schwab and Fidelity seemed to be at the top. We would like to have the approval of transferring funds of up to \$10 million. We estimated we could generate about half a million.

**Approval for Investment Diversification and Accounts**

- Steven Dorsey
- Tyler Roberts
- Carolyn Andrews

Decision Date: Sep 12, 2023
Mover: Tyler Roberts
Second: Steven Dorsey
Outcome: Approved

**Investment Diversification and Accounts**

Approval for Investment Diversification and Accounts

0 Supported:

0 Opposed:

0 Abstained:

Decision Date: Sep 12, 2023
Mover: Stefanie Bryant
Outcome: Approved

3.3 K-12 Course Catalog

- Sarah DeLawder: We added the company K12 to support middle school. All underperforming middle school students were moved to K12, and all on-grade level are in SmartFox.

- Question: Carolyn Andrews: Is K12 written for NGSS, includes the Fair Act, and such?
- Sarah DeLawder: Yes.



Approval of K-12 Course Catalog

- Steven Dorsey
- Tyler Roberts
- Carolyn Andrews

Decision Date: Sep 12, 2023
Mover: Steven Dorsey
Second: Tyler Roberts
Outcome: Approved



K-12 Course Catalog

0 Supported:

0 Opposed:

0 Abstained:

Decision Date: Sep 12, 2023
Mover: Sarah Delawder
Outcome: Approved

3.4 UC Scout Course Catalog

- Sarah DeLawder: We went with UC Scout for high school. They offer AP courses, college-prep courses, and all are a-g.



Approval of UC Scout Course Catalog

- Steven Dorsey
- Tyler Roberts
- Carolyn Andrews

Decision Date: Sep 12, 2023
Mover: Steven Dorsey
Second: Tyler Roberts
Outcome: Approved



UC Scout Course Catalog

0 Supported:

0 Opposed:

0 Abstained:

Decision Date: Sep 12, 2023
Mover: Sarah Delawder
Outcome: Approved

3.5 Dehesa-Method Agreement

- Jessica Spallino: These next four items are for DMSA. The agreement went back to another review with the attorneys and then went back to Dehesa, they board-approved it, and it came back to us. This is the same version you've previously seen; no changes were made. It represents the agreement between us and Dehesa, on all of the parameters of DMSA.

**Approval of Dehesa-Method Agreement**

- Steven Dorsey
- Tyler Roberts
- Carolyn Andrews

Decision Date: Sep 12, 2023
Mover: Tyler Roberts
Seconders: Steven Dorsey
Outcome: Approved

**Dehesa-Method Agreement****0 Supported:****0 Opposed:****0 Abstained:**

Decision Date: Sep 12, 2023
Mover: Jessica Spallino
Outcome: Approved

3.6 Dehesa Facilities Use Agreement**Approval of Dehesa Facilities Use Agreement**

- Steven Dorsey
- Tyler Roberts
- Carolyn Andrews

Decision Date: Sep 12, 2023
Mover: Tyler Roberts
Seconders: Steven Dorsey
Outcome: Approved

**Dehesa Facilities Use Agreement**

Approval of Dehesa Facilities Use Agreement, between Method Schools and Dehesa School District, for purposes of Dehesa Method Sports Academy

0 Supported:**0 Opposed:****0 Abstained:**

Decision Date: Sep 12, 2023
Mover: Jessica Spallino
Outcome: Approved

3.7 Dehesa Charter Material Revision**Approval of Dehesa Charter Material Revision**

- Steven Dorsey
- Tyler Roberts
- Carolyn Andrews

Decision Date: Sep 12, 2023
Mover: Tyler Roberts
Seconders: Steven Dorsey
Outcome: Approved

**Dehesa Charter Material Revision**

Approve material revision of Method Schools charter to expand operations to Dehesa School District site for implementation of Dehesa Method Sports Academy

0 Supported:

0 Opposed:

0 Abstained:

Decision Date: Sep 12, 2023
Mover: Jessica Spallino
Outcome: Approved

3.8 DMSA Student/Parent Handbook**Approval of student-parent handbook for Dehesa Method Sports Academy families**

- Steven Dorsey
- Tyler Roberts
- Carolyn Andrews

Decision Date: Sep 12, 2023
Mover: Tyler Roberts
Second: Steven Dorsey
Outcome: Approved

**DMSA Student/Parent Handbook**

0 Supported:

0 Opposed:

0 Abstained:

Decision Date: Sep 12, 2023
Mover: Jessica Spallino
Outcome: Approved

3.9 Proposed CEO Vehicle Allowance Amendment

Removed from agenda.

Decison:

- Mover: Tyler Roberts
- Second: Steven Dorsey
- Ayes: Tyler Roberts, Steven Dorsey, Carolyn Andrews
- Noes: 0
- Action: Removal of item 3.9 "Proposed CEO Vehicle Allowance Amendment" from the agenda, passed.

**Proposed CEO Vehicle Allowance Amendment**

0 Supported:

0 Opposed:

0 Abstained:

Decision Date: Sep 12, 2023
Mover: Mark Holley
Outcome: Not Approved

3.10 2023-24 Creative Back Office Services Contract

- Stefanie Bryant: This contract hasn't changed much since last year's. There was a bit of addition in regard to the growing number of restrictive programs, and a bit of a price increase of \$7,500 per year. It needs approval because it exceeds our purchasing approval threshold.
- Mark Holley: Cory's expertise provides at a much more affordable price rather than creating a finance team. It is a good value.



Approval of 2023-24 Creative Back Office Services Contract

- Steven Dorsey
- Carolyn Andrews
- Tyler Roberts

Decision Date: Sep 12, 2023
Mover: Tyler Roberts
Seconder: Steven Dorsey
Outcome: Approved



2023-24 Creative Back Office Services Contract

Approval of 23-24 Creative Back Office contract

0 Supported:

0 Opposed:

0 Abstained:

Decision Date: Sep 12, 2023
Mover: Stefanie Bryant
Outcome: Approved

4. Consent Items

4.1 Confirm Minutes- 6-15-2023



Approval of 6-15-2023 Meeting Minutes

- Steven Dorsey
- Tyler Roberts
- Carolyn Andrews

Decision Date: Sep 12, 2023
Mover: Tyler Roberts
Seconder: Steven Dorsey
Outcome: Approved

4.2 Check Register



Approval of Check Register

- Steven Dorsey
- Tyler Roberts
- Carolyn Andrews

Decision Date: Sep 12, 2023

Mover: Tyler Roberts
Seconded: Steven Dorsey
Outcome: Approved

5. Actions from Previous Meetings

5.1 Action List

None

6. Discussion

6.1 FDIC Insurance Amounts

- Stefanie Bryant: FDIC insurance amounts with banks are \$250,000. I think the likelihood of banks going completely bankrupt are slim. The board just needs to be aware that our cash balances are in excess of the FDIC's amounts.

6.2 Amazon Purchases

- Stefanie Bryant: There were some questions about some Amazon purchases in the audit. Our Amazon purchases are on a business account, there are three of us that are administrators on the account, and there are four people who are allowed to purchase on that site. I added some controls regarding levels of approval. There is internal control in case something looks odd.

6.3 Gym Pass

- Tracy Robertson: This is a new perk we added to our employee benefit program. It gives them access to go to one gym everyday. 58 out of 84 employees have registered, and 34 are using it. We pay per employee enrolled.

6.4 BoardPro

- Tracy Robertson: We've been looking at options. BoardPro is about \$2000 per year, it helps us compile our board packets easily.

7. Close Meeting

7.1 Close the meeting

Next meeting: Board of Directors Meeting - Dec 12, 2023, 6:00 PM

Signature: _____

Date: _____

Method Schools Corporation

Check Detail

September - November, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	CLR	AMOUNT
9120-4 Checking #2						
09/05/2023	Bill Payment (Check)	7016	TIMMEJ Designs, LLC		C	-1,460.00
						-1,460.00
09/05/2023	Bill Payment (Check)	7017	Unbreakable Designs LLC		C	-200.00
						-200.00
09/05/2023	Bill Payment (Check)	7018	Wave Nine Inc.		C	-2,916.67
						-2,916.67
09/06/2023	Bill Payment (Check)	7019	Creative Bar Acquisitions, LLC		C	-3,500.00
						-3,500.00
09/06/2023	Bill Payment (Check)	7020	BSN Sports		C	-1,661.99
						-1,661.99
09/06/2023	Bill Payment (Check)	7023	Louch & Langston Training, LLC (The W Training Facility)		C	-4,800.00
						-4,800.00
09/11/2023	Bill Payment (Check)		K12 Management	Invoice no. INV-36128	C	-25.00
						-25.00
09/11/2023	Bill Payment (Check)	7024	Platinum Athletics Prep Academy		C	-2,700.00
						-2,700.00
09/12/2023	Bill Payment (Check)	7025	Carl Hudson		C	-1,025.00
						-1,025.00
09/12/2023	Bill Payment (Check)	7026	Brainstorm Fitness LLC		C	-2,050.00
						-2,050.00
09/13/2023	Bill Payment (Check)		Alpha Therapy Center Inc.	Invoice no. August 2023	C	-
						13,783.75
						-
						13,783.75

Method Schools Corporation

Check Detail

September - November, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	CLR	AMOUNT
09/13/2023	Bill Payment (Check)	7027	California Department of Education		C	- 25,166.00 - 25,166.00
09/13/2023	Bill Payment (Check)	7028	California Department of Education		C	- 25,166.00 - 25,166.00
09/13/2023	Bill Payment (Check)	7029	California Department of Education		C	-5,562.00 -5,562.00
09/14/2023	Bill Payment (Check)	7030	Creative Back Office		C	- 18,750.00 - 18,750.00
09/15/2023	Bill Payment (Check)		UMB Bank - FBO PlanMember Services	Invoice no. #803006558 - 8/31/23	C	- 19,718.82 - 19,718.82
09/18/2023	Bill Payment (Check)	7031	Limitless Fitness Training LLC		C	-7,230.00 -7,230.00
09/18/2023	Bill Payment (Check)		Zoom		C	-1,130.80 -1,130.80
09/18/2023	Bill Payment (Check)	7032	Jostens		C	-261.00 -261.00
09/20/2023	Bill Payment (Check)		UMB Bank - FBO PlanMember Services	Invoice no. #803006558-9/15/23 403b	C	- 20,015.96 - 20,015.96
09/21/2023	Bill Payment (Check)		APA Benefits Inc.	Invoice no. B.Aceron09-2023 - Brittney Acheron	C	-500.00 -500.00

Method Schools Corporation

Check Detail

September - November, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	CLR	AMOUNT
09/21/2023	Bill Payment (Check)	7034	Analytic Baseball Academy			-200.00
						-200.00
09/25/2023	Bill Payment (Check)	7035	MetLife Small Business Center		C	-4,999.57
						-4,999.57
09/25/2023	Bill Payment (Check)	7036	Carolyn Andrews		C	-500.00
						-500.00
09/25/2023	Bill Payment (Check)	7037	Gloria Vargas		C	-500.00
						-500.00
09/25/2023	Bill Payment (Check)	7038	Shannon Clark		C	-500.00
						-500.00
09/25/2023	Bill Payment (Check)	7039	Steve Dorsey		C	-500.00
						-500.00
09/25/2023	Bill Payment (Check)	7040	Tyler Roberts		C	-500.00
						-500.00
09/25/2023	Bill Payment (Check)		Marsh & McLennan Agency	Invoice no. 2416020	C	-3,936.00
						-3,936.00
09/25/2023	Bill Payment (Check)		Grattan Holdings, Inc.	Invoice no. Oct 2023 Rent	C	-4,967.00
						-4,967.00
09/25/2023	Bill Payment (Check)	7041	Tyler Roberts		C	-388.53
						-388.53
09/27/2023	Bill Payment (Check)	7042	Riverside County of Eduction		C	-186.65
						-186.65

Method Schools Corporation

Check Detail

September - November, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	CLR	AMOUNT
09/27/2023	Bill Payment (Check)	7043	Carolyn Andrews		C	-74.36
						-74.36
09/28/2023	Bill Payment (Check)		Gympass	CUS41041 - Invoice no. INUS_22854	C	-1,979.67
						-1,979.67
09/28/2023	Bill Payment (Check)		Zoom	Acct. 852295 - Invoice no. INV219659933	C	-627.00
						-627.00
09/28/2023	Bill Payment (Check)		Fast Development	Invoice no. 1	C	-1,500.00
						-1,500.00
10/02/2023	Bill Payment (Check)	7044	Creative Back Office		C	-6,250.00
						-6,250.00
10/03/2023	Bill Payment (Check)	7045	Creative Bar Acquisitions, LLC		C	-3,501.00
						-3,501.00
10/04/2023	Bill Payment (Check)		UMB Bank - FBO PlanMember Services	Invoice no. # 803006558 - 9/29/23	C	-
						22,812.88
						-
						22,812.88
10/05/2023	Bill Payment (Check)		Riffs Music	Invoice no. 23/24 #1 Sep	C	-455.00
						-455.00
10/05/2023	Bill Payment (Check)		Louch & Langston Training, LLC (The W Training Facility)	Invoice no. 30739	C	-5,100.00
						-5,100.00
10/05/2023	Bill Payment (Check)		Louch & Langston Training, LLC (The W Training Facility)	Invoice no. 30740	C	-600.00
						-600.00
10/05/2023	Bill Payment (Check)		Limitless Fitness Training LLC	Invoice no. 10927	C	-
						10,650.00
						-
						10,650.00

Method Schools Corporation

Check Detail

September - November, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	CLR	AMOUNT
10/05/2023	Bill Payment (Check)		Platinum Athletics Prep Academy	Invoice no. 0923	C	-2,400.00
						-2,400.00
10/05/2023	Bill Payment (Check)		K12 Management	Invoice no. INV-41988	C	-
						21,750.00
						-
						21,750.00
10/05/2023	Bill Payment (Check)		Tabari Hines	Invoice no. 1	C	-100.00
						-100.00
10/05/2023	Bill Payment (Check)		Carl Hudson	Invoice no. 2 9/4-9/28	C	-1,750.00
						-1,750.00
10/05/2023	Bill Payment (Check)		eDynaiaic Learning		C	-
						11,825.00
						-
						11,825.00
10/06/2023	Bill Payment (Check)		K12 Management	Invoice no. INV-40716	C	-750.00
						-750.00
10/06/2023	Bill Payment (Check)		Team Elite Sports Academy	Invoice no. 1429	C	-1,500.00
						-1,500.00
10/06/2023	Bill Payment (Check)		Brainstorm Fitness LLC	Invoice no. 2	C	-2,200.00
						-2,200.00
10/09/2023	Bill Payment (Check)	7046	Ruben Robles		C	-2,070.79
						-2,070.79
10/11/2023	Bill Payment (Check)	7048	Cavco Enterprises, Inc.		C	-1,078.00
						-1,078.00
10/13/2023	Bill Payment (Check)		Alpha Therapy Center Inc.	Invoice no. September 2023	C	-
						31,678.75

Method Schools Corporation

Check Detail

September - November, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	CLR	AMOUNT
						-
						31,678.75
10/16/2023	Bill Payment (Check)	7049	CodeWizardsHQ		C	-447.00
						-447.00
10/16/2023	Bill Payment (Check)	7050	MetLife Small Business Center		C	-5,543.72
						-5,543.72
10/17/2023	Bill Payment (Check)		UMB Bank - FBO PlanMember Services	Invoice no. #803006558-10/13/23	C	-
						22,061.14
						-
						22,061.14
10/24/2023	Bill Payment (Check)	7051	Creative Bar Acquisitions, LLC		C	-3,501.00
						-3,501.00
10/24/2023	Bill Payment (Check)	7052	Little Passports		C	-183.63
						-183.63
10/24/2023	Bill Payment (Check)		Little Global Citizens LLC	Invoice no. 1155	C	-134.85
						-134.85
10/24/2023	Bill Payment (Check)		Little Global Citizens LLC	Invoice no. 1156	C	-134.85
						-134.85
10/24/2023	Bill Payment (Check)		Limitless Fitness Training LLC	Invoice no. 11019	C	-9,780.00
						-9,780.00
10/26/2023	Bill Payment (Check)	7053	Carolyn Andrews		C	-500.00
						-500.00
10/26/2023	Bill Payment (Check)	7054	Gloria Vargas		C	-500.00
						-500.00
10/26/2023	Bill Payment	7055	Shannon Clark		C	-500.00

Method Schools Corporation

Check Detail

September - November, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	CLR	AMOUNT
	(Check)					-500.00
10/26/2023	Bill Payment (Check)	7056	Steve Dorsey		C	-500.00
						-500.00
10/26/2023	Bill Payment (Check)	7057	Tyler Roberts		C	-500.00
						-500.00
10/27/2023	Bill Payment (Check)		Zoom	Invoice no. INV223834400	C	-665.70
						-665.70
10/27/2023	Bill Payment (Check)		Grattan Holdings, Inc.	Invoice no. Nov 2023 Rent	C	-4,967.00
						-4,967.00
10/31/2023	Bill Payment (Check)		Louch & Langston Training, LLC (The W Training Facility)	Invoice no. 30744	C	-5,100.00
						-5,100.00
10/31/2023	Bill Payment (Check)	7058	Riverside County Office of Education		C	-675.00
						-675.00
10/31/2023	Bill Payment (Check)	7059	HubSpot, Inc.		C	-
						76,421.70
						-
						76,421.70
11/02/2023	Bill Payment (Check)		Carl Hudson	Invoice no. 3 10/3-10/31	C	-1,025.00
						-1,025.00
11/02/2023	Bill Payment (Check)		Tabari Hines	Invoice # 002 & 003	C	-675.00
						-675.00
11/02/2023	Bill Payment (Check)	7060	Fox Banquet and Events		C	-2,960.00
						-2,960.00
11/03/2023	Bill Payment		Creative Back Office	Invoice no. 1678	C	-6,250.00

Method Schools Corporation

Check Detail

September - November, 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	CLR	AMOUNT
	(Check)					-6,250.00
11/03/2023	Bill Payment (Check)		Riffs Music	Invoice no. 23/24 #2 Oct	C	-910.00
						-910.00
11/06/2023	Bill Payment (Check)		UMB Bank - FBO PlanMember Services	Invoice no. #803006558 - 10/31/23	C	-
						21,956.72
						-
						21,956.72
11/08/2023	Bill Payment (Check)		Brainstorm Fitness LLC	Invoice no. 3	C	-1,750.00
						-1,750.00
11/09/2023	Bill Payment (Check)		Platinum Athletics Prep Academy	Invoice no. 1023	C	-3,900.00
						-3,900.00
11/13/2023	Bill Payment (Check)	7064	Marsh & McLennan Agency		C	-
						10,536.00
						-
						10,536.00
11/13/2023	Bill Payment (Check)	7062	Ariel Macon-Richard		C	-175.00
						-175.00
11/14/2023	Bill Payment (Check)		K12 Management	Invoice no. INV-42770	C	-2,900.00
						-2,900.00
11/14/2023	Bill Payment (Check)		Legends Athletic Performance	Invoice no. 1	C	-1,500.00
						-1,500.00
11/14/2023	Bill Payment (Check)	7063	HubSpot, Inc.		C	-769.77
						-769.77
11/16/2023	Bill Payment (Check)	7065	LACOE - Los Angeles County Office of Education		C	-1,025.00
						-1,025.00

Method Schools Corporation

Check Detail

September - November, 2023

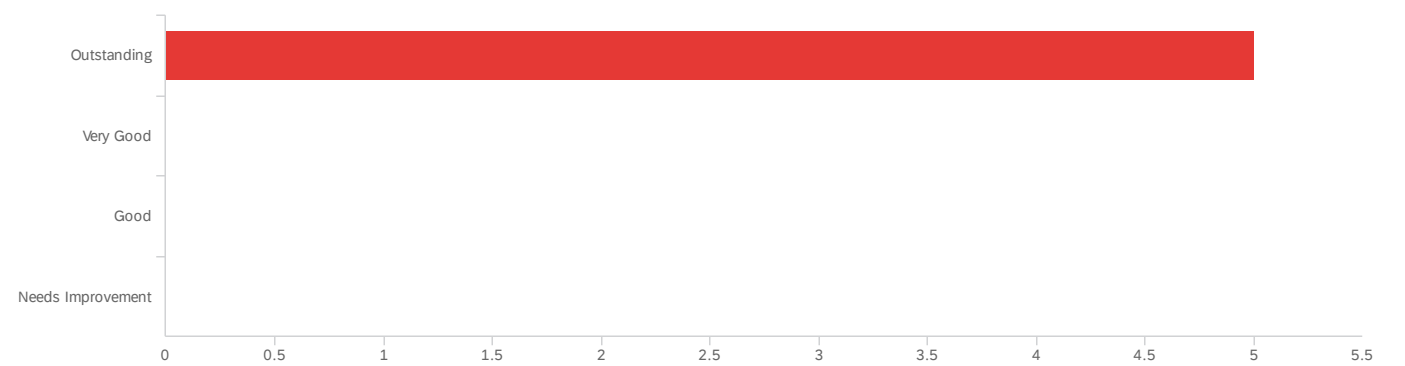
DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	CLR	AMOUNT
11/17/2023	Bill Payment (Check)		UMB Bank - FBO PlanMember Services	Invoice no. #803006558-11/15/23	C	- 23,033.36 - 23,033.36
11/17/2023	Bill Payment (Check)		Fast Development	Invoice no. 2	C	-1,925.00 -1,925.00
11/21/2023	Bill Payment (Check)		Gympass	Invoice no. INUS_23984	C	-3,378.01 -3,378.01
11/29/2023	Bill Payment (Check)	7066	Blake Geston			-250.00 -250.00
11/29/2023	Bill Payment (Check)	7067	Carolyn Andrews			-500.00 -500.00
11/29/2023	Bill Payment (Check)	7068	Gloria Vargas		C	-500.00 -500.00
11/29/2023	Bill Payment (Check)	7069	Shannon Clark			-500.00 -500.00
11/29/2023	Bill Payment (Check)	7070	Steve Dorsey			-500.00 -500.00
11/29/2023	Bill Payment (Check)	7071	Tyler Roberts		C	-500.00 -500.00

Default Report

2022-23 CEO Evaluation

December 8, 2023 8:41 PM MST

1 - Works with the Board and staff to develop strategies for achieving mission, goals and financial viability



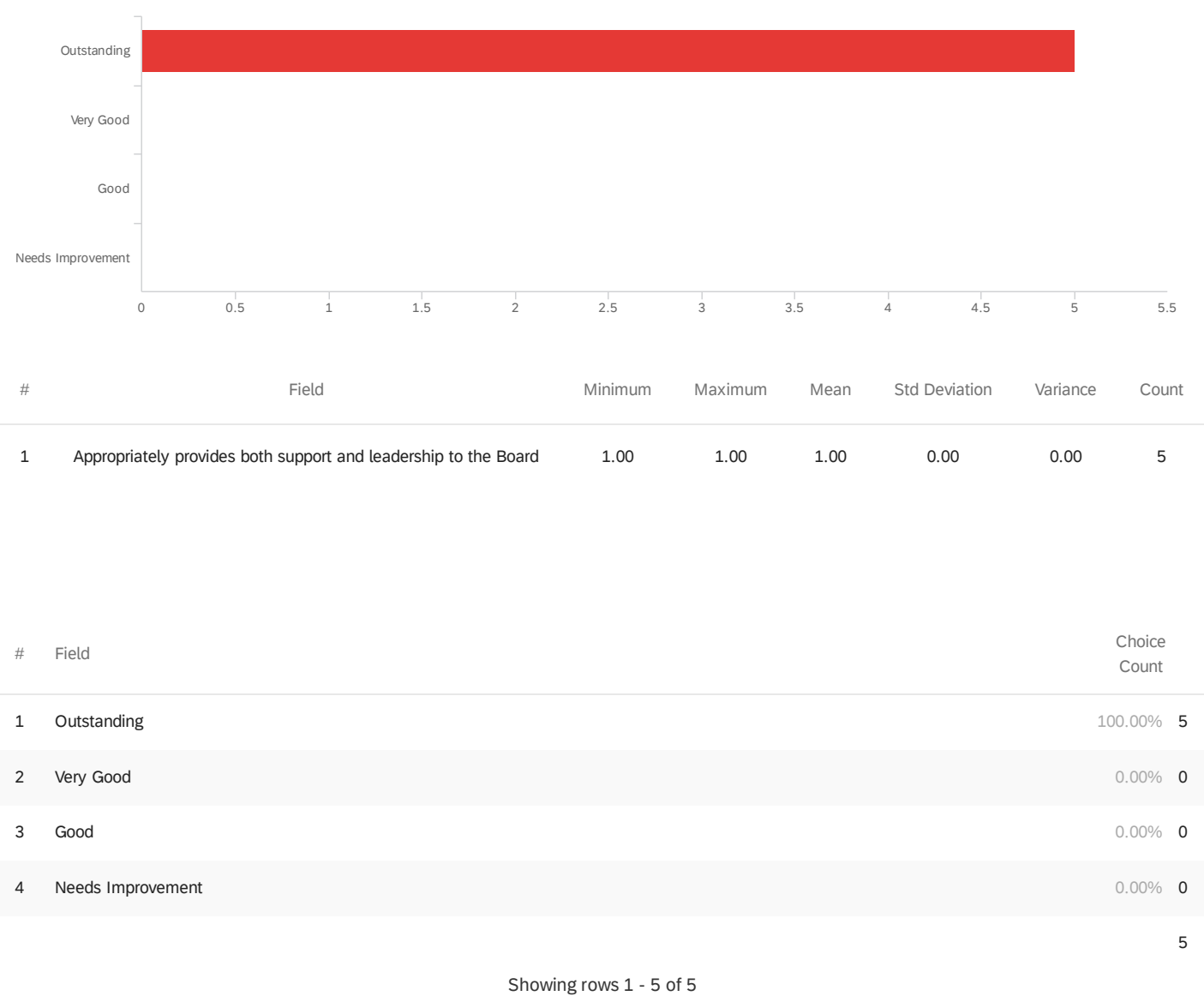
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Works with the Board and staff to develop strategies for achieving mission, goals and financial viability	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

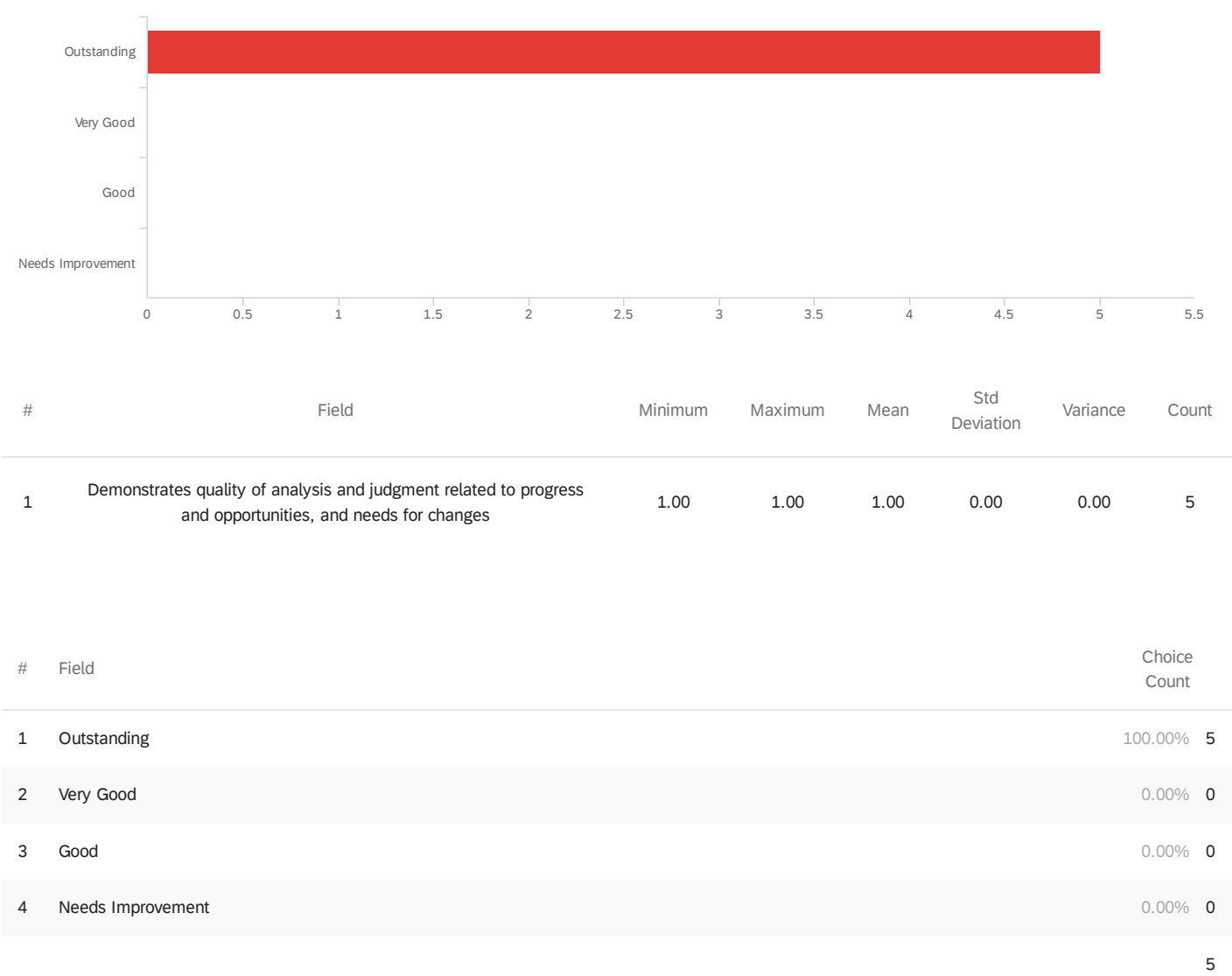
5

Showing rows 1 - 5 of 5

2 - Appropriately provides both support and leadership to the Board

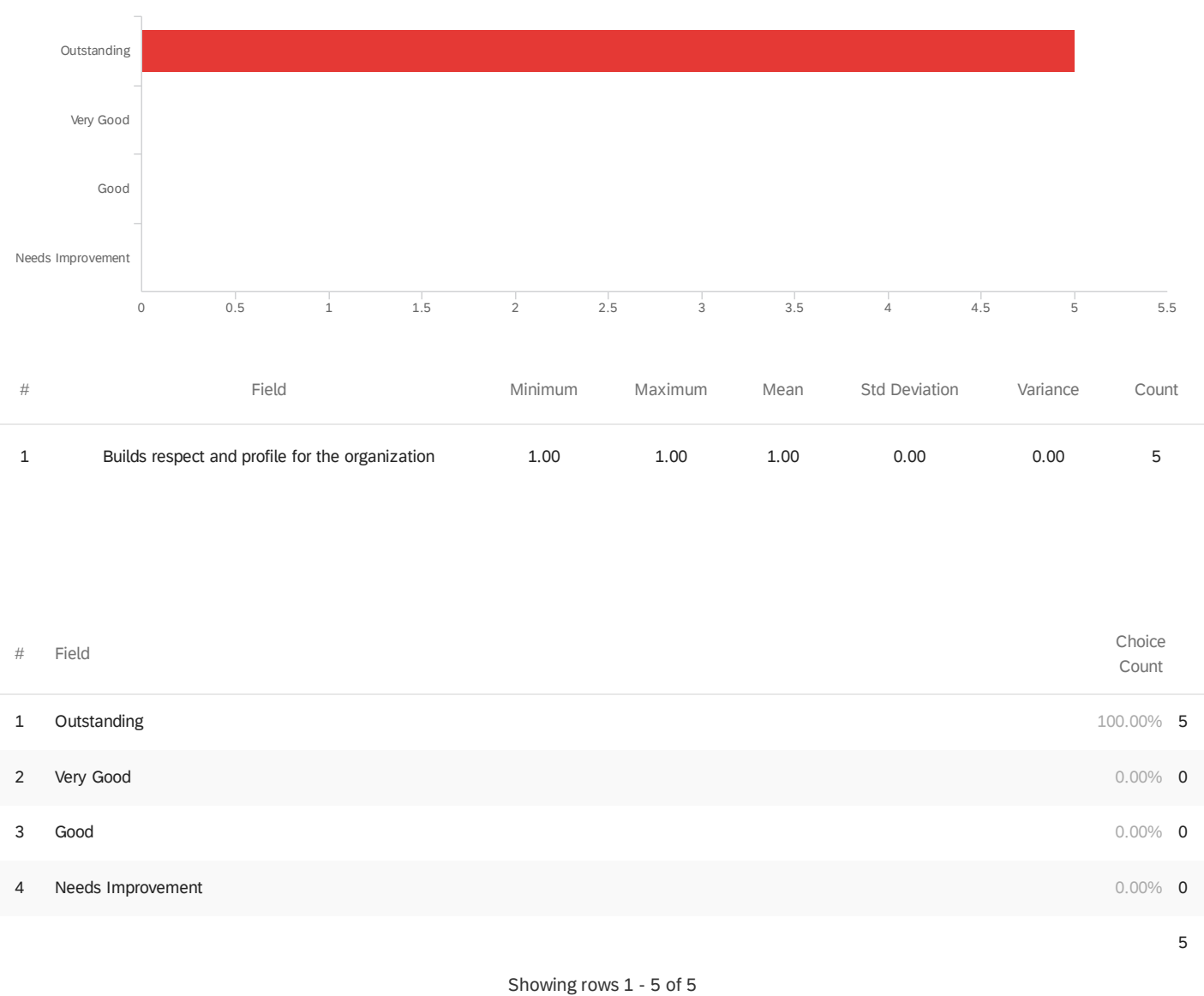


3 - Demonstrates quality of analysis and judgment related to progress and opportunities,
and needs for changes



Showing rows 1 - 5 of 5

4 - Builds respect and profile for the organization



5 - Establishes ambitious goals for excellence and impact and initiates, maintains, and adapts all programs



Showing rows 1 - 5 of 5

6 - Comments on Overall Organizational Performance

Comments on Overall Organizational Performance

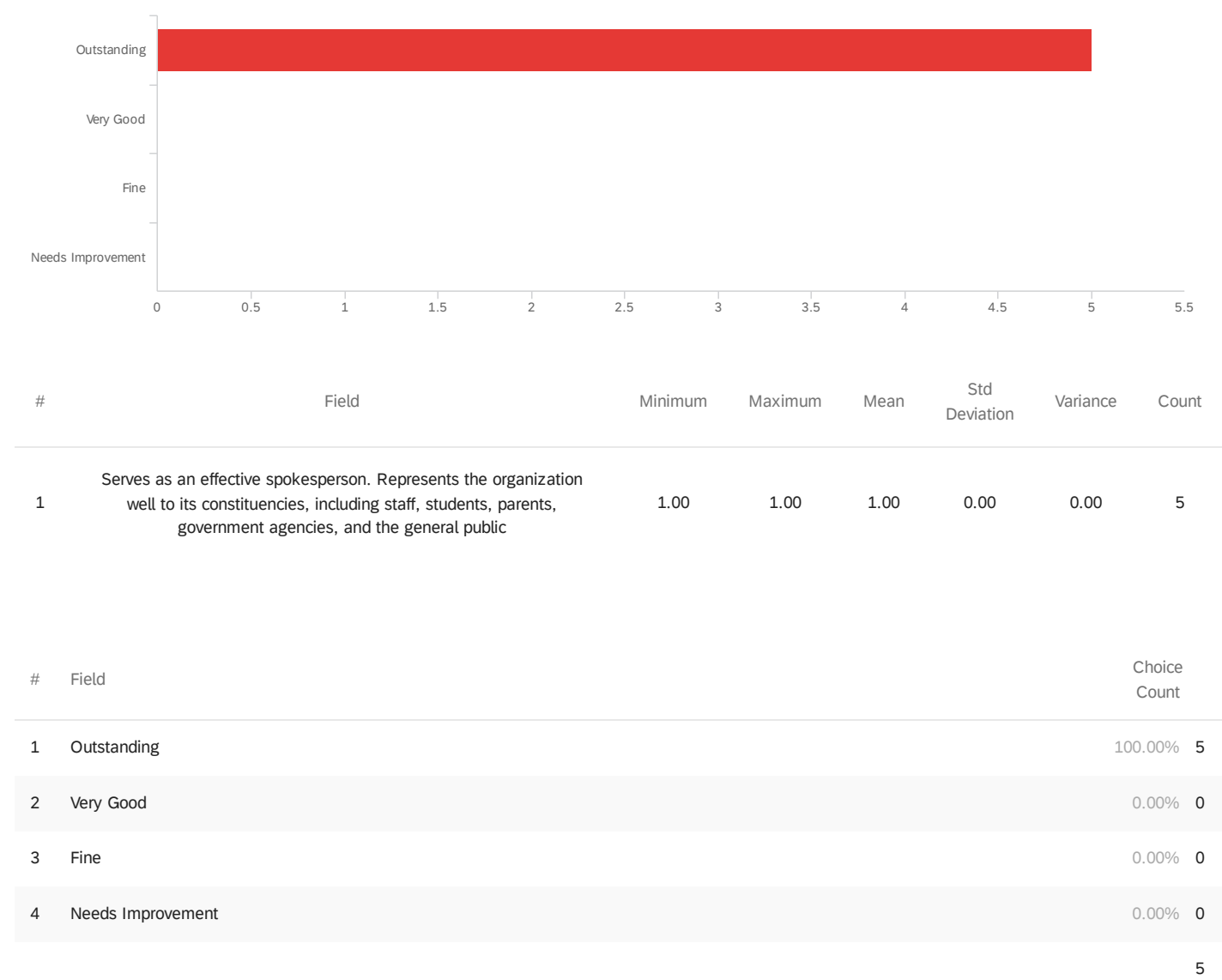
Jessica always focuses on the future strategy based on student outcomes and needs.

Continued excellence in service of our students and staff

Excellent and transparent leadership!

Jessica is an inspirational leader. Her decision-making is rooted in unwavering morals and ethics. She puts what's best for the students above everything else – 100% of the time. Jessica's clear vision and open communication help everyone involved with the school understand what's expected, meet high standards and achieve new goals meant to help the school achieve its mission. I admire Jessica's passion for education and her constant thirst for knowledge – that is felt throughout the organization and is just one of her many qualities that makes Jessica an exceptional CEO and driving force behind Method's success.

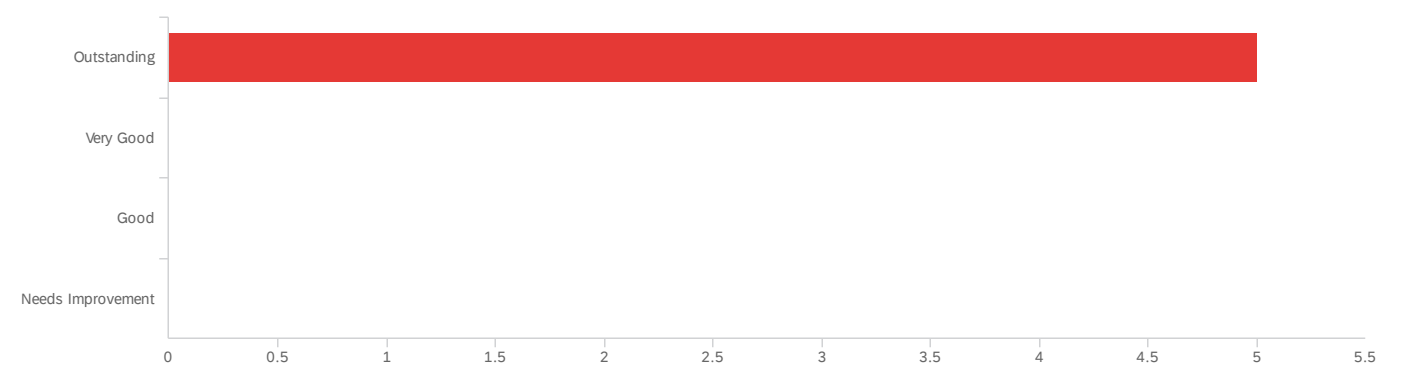
7 - Serves as an effective spokesperson. Represents the organization well to its constituencies, including staff, students, parents, government agencies, and the general public



5

Showing rows 1 - 5 of 5

8 - Establishes and makes use of working relationships with organizations and individuals in the field



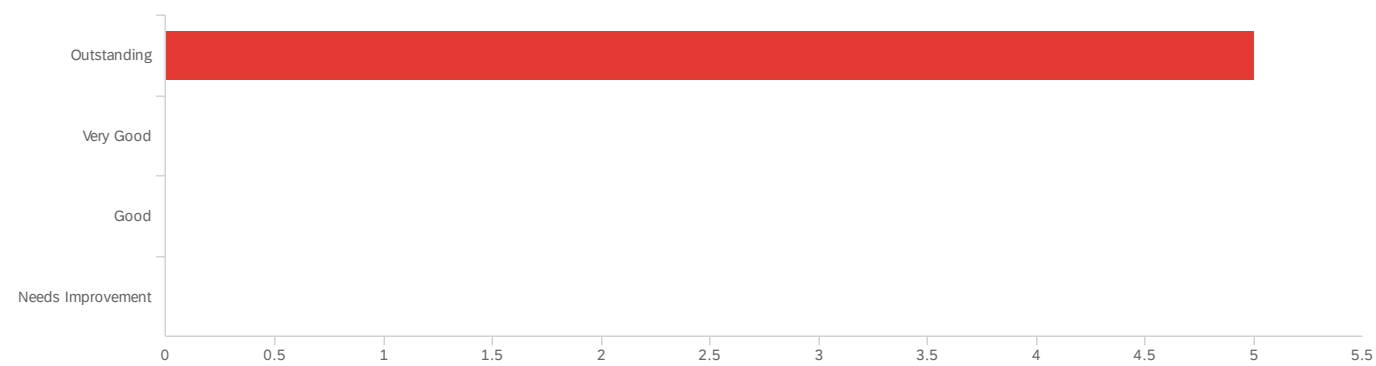
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Establishes and makes use of working relationships with organizations and individuals in the field	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

5

Showing rows 1 - 5 of 5

9 - Sees that communication vehicles are developed and utilized well



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Sees that communication vehicles are developed and utilized well	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

5

Showing rows 1 - 5 of 5

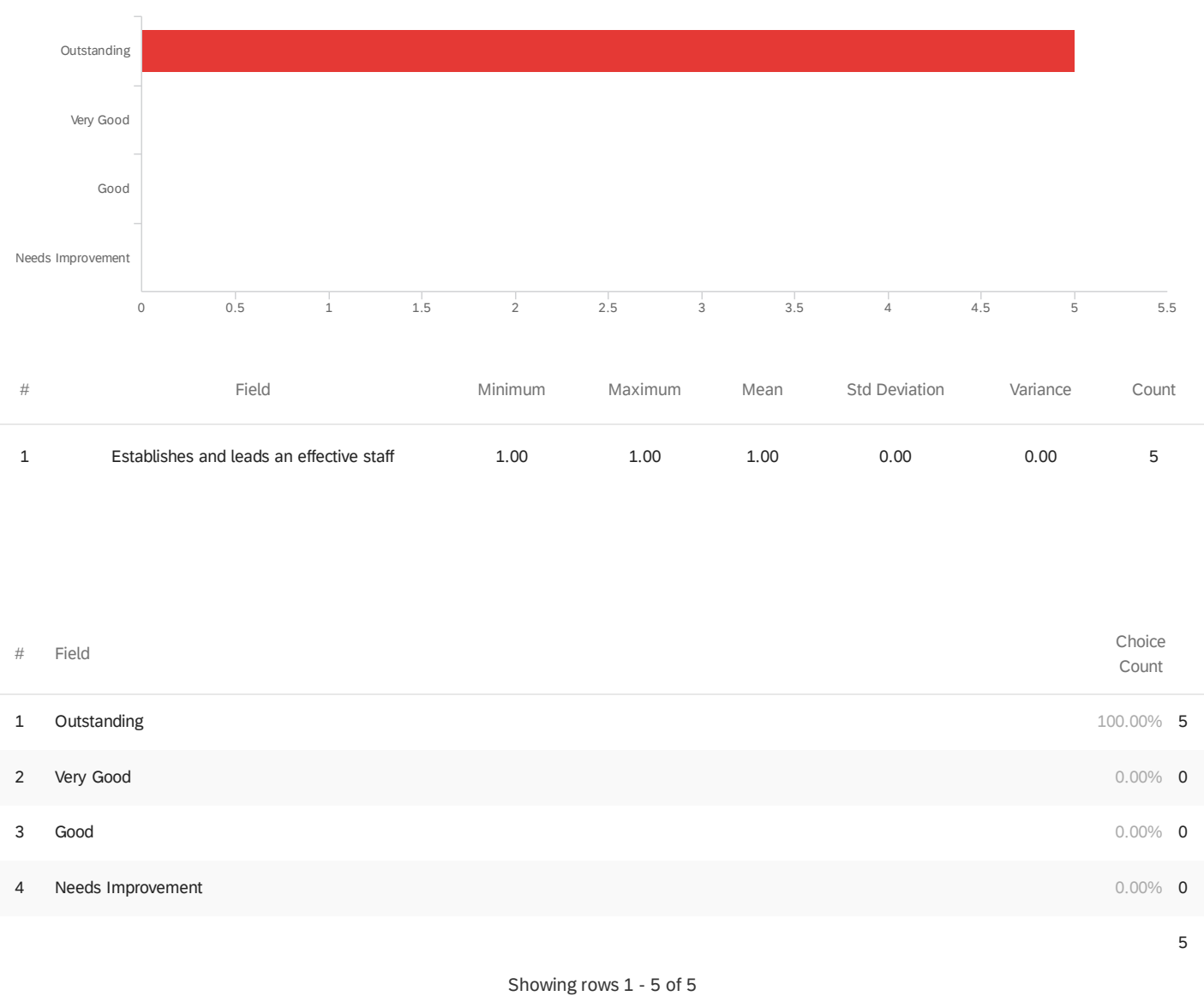
10 - Comments on Community Leadership

Comments on Community Leadership

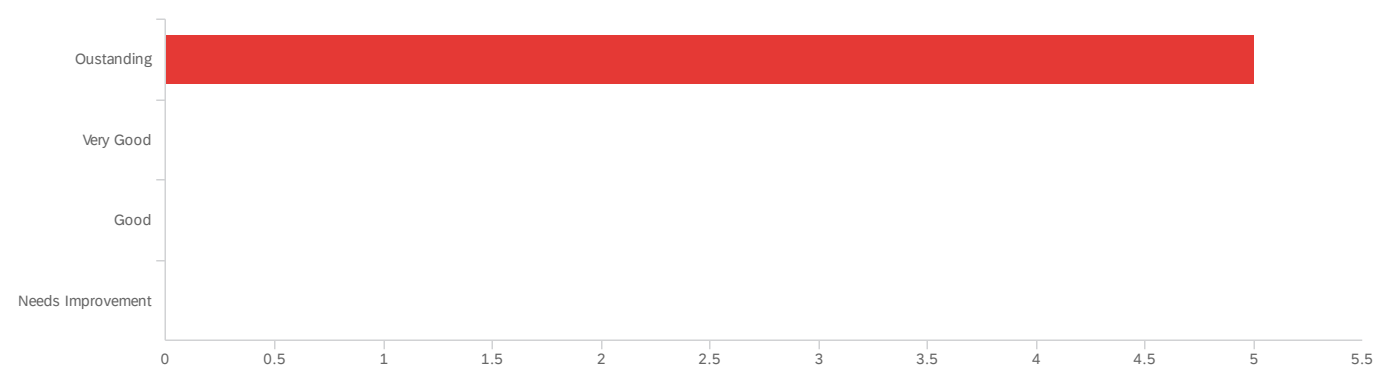
Jessica consistently works with the local community to ensure communication is two way and feedback is incorporated into the strategy.

Jessica's deep roots in Southern California are obvious when it comes to her serving the community. From educating kids to creating a diverse and inclusive environment, she gives her time, money, and passion to helping make the area a better place for everyone and I love that about her.

11 - Establishes and leads an effective staff



12 - Recruits and retains a diverse staff



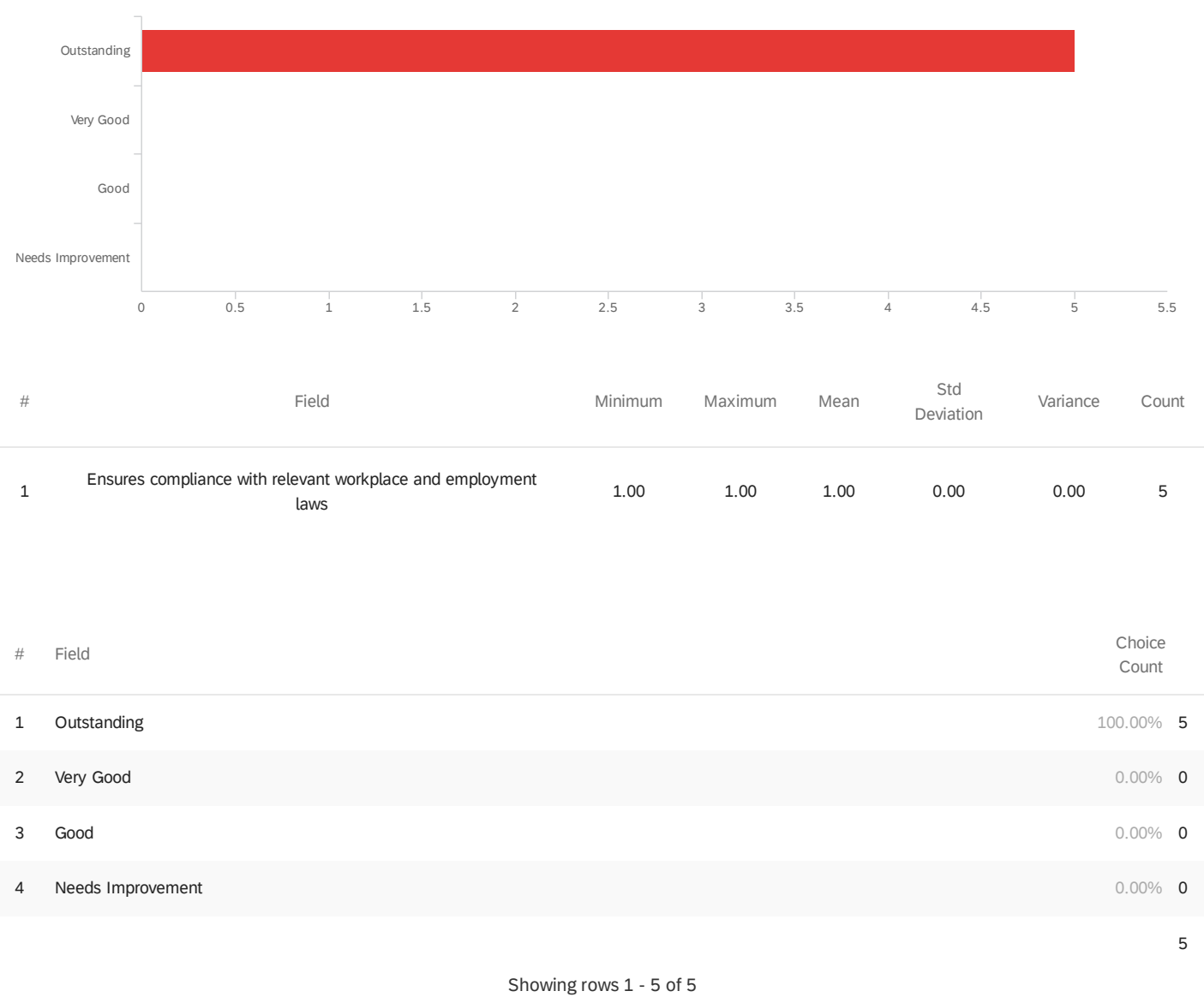
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Recruits and retains a diverse staff	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

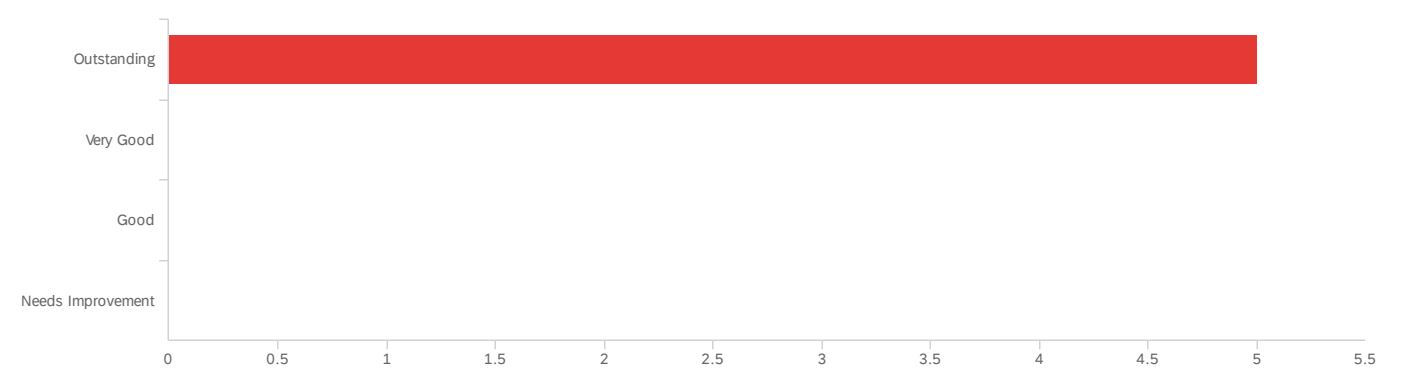
5

Showing rows 1 - 5 of 5

13 - Ensures compliance with relevant workplace and employment laws



14 - Sees that employees are credentialed as required and that appropriate background checks are conducted



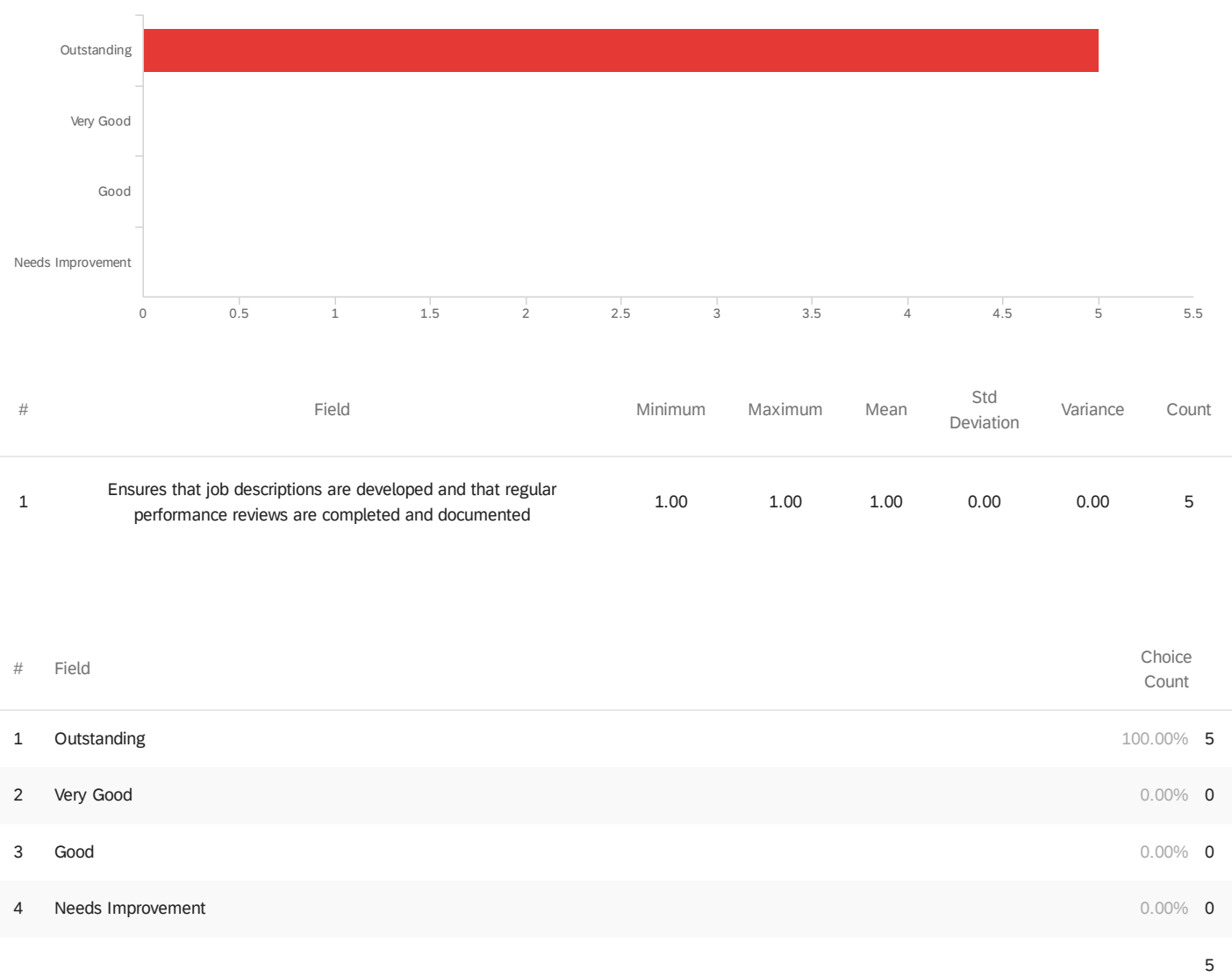
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Sees that employees are credentialed as required and that appropriate background checks are conducted	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

5

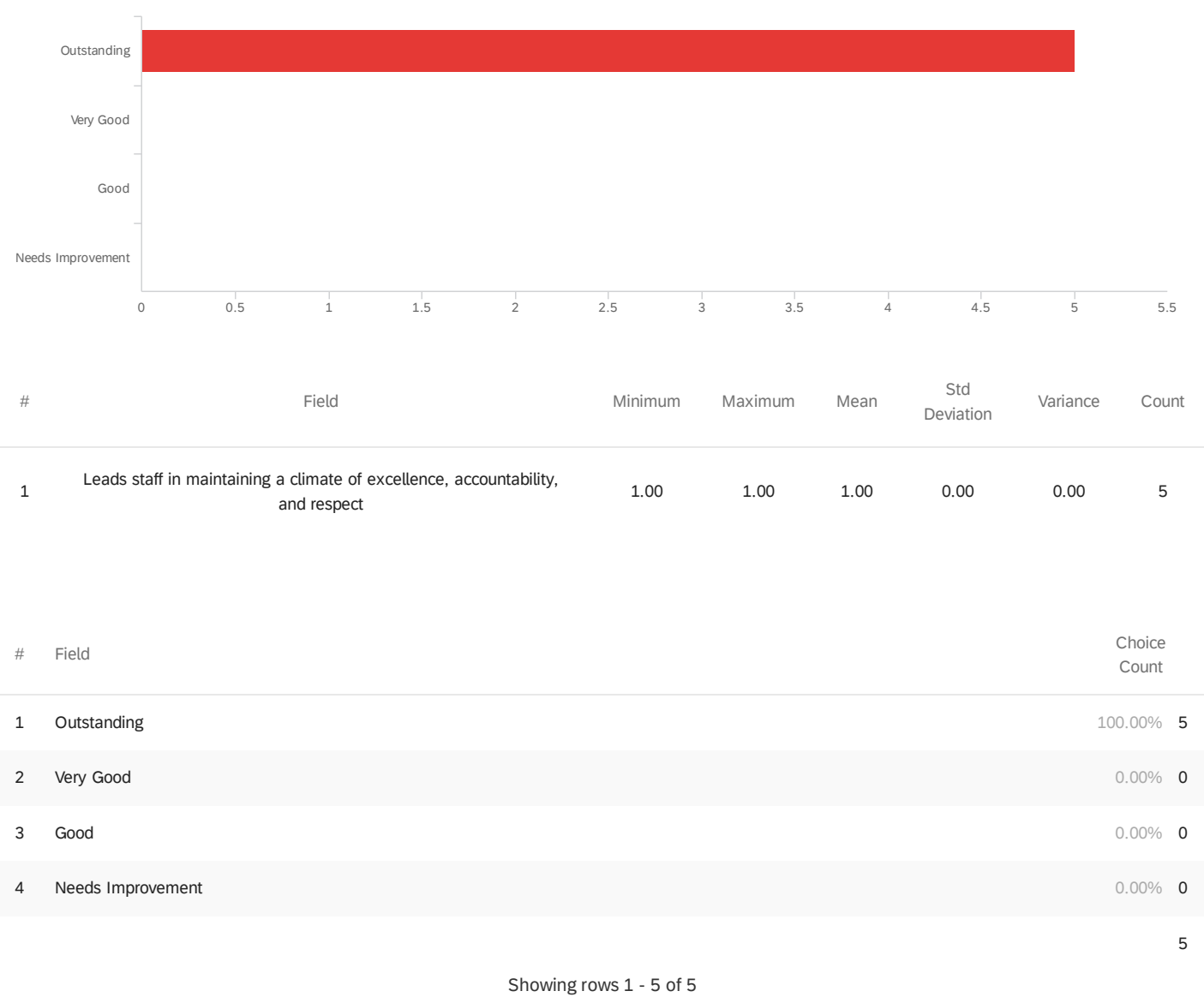
Showing rows 1 - 5 of 5

15 - Ensures that job descriptions are developed and that regular performance reviews are completed and documented



Showing rows 1 - 5 of 5

16 - Leads staff in maintaining a climate of excellence, accountability, and respect



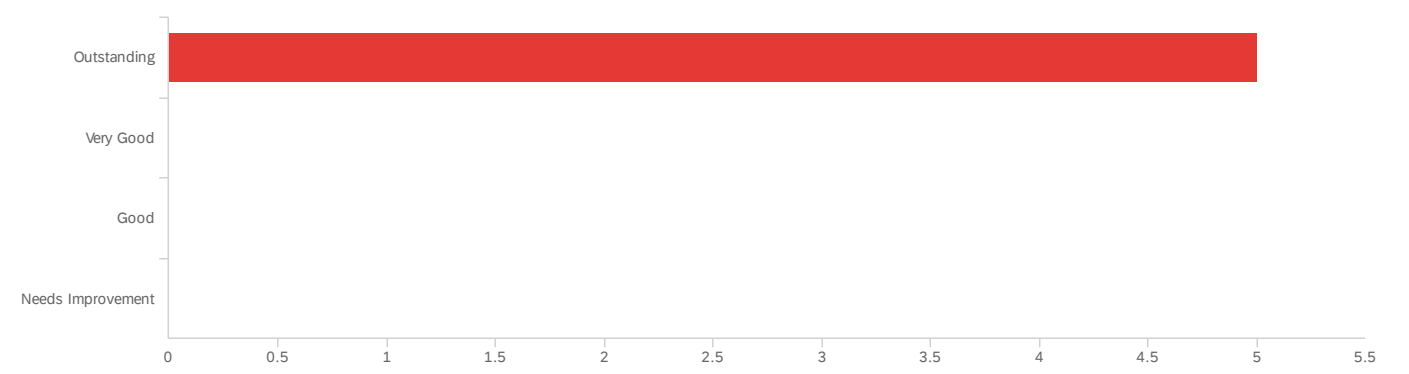
17 - Comments on Administration and HR

Comments on Administration and HR

Jessica leads the Method staff and faculty with development and diversity at the forefront of our goals. She is consistently rated highly in staff surveys and promotes an environment of empowerment and accountability.

An organization is only as good as the people that run it, and the people at Method are high quality from top to bottom. At every level, the staff are a good fit for Method's mission, and that's because the CEO has made a commitment to find, hire, train and inspire the best people available.

18 - Assures adequate control and accounting of all funds, including maintaining sound financial practices



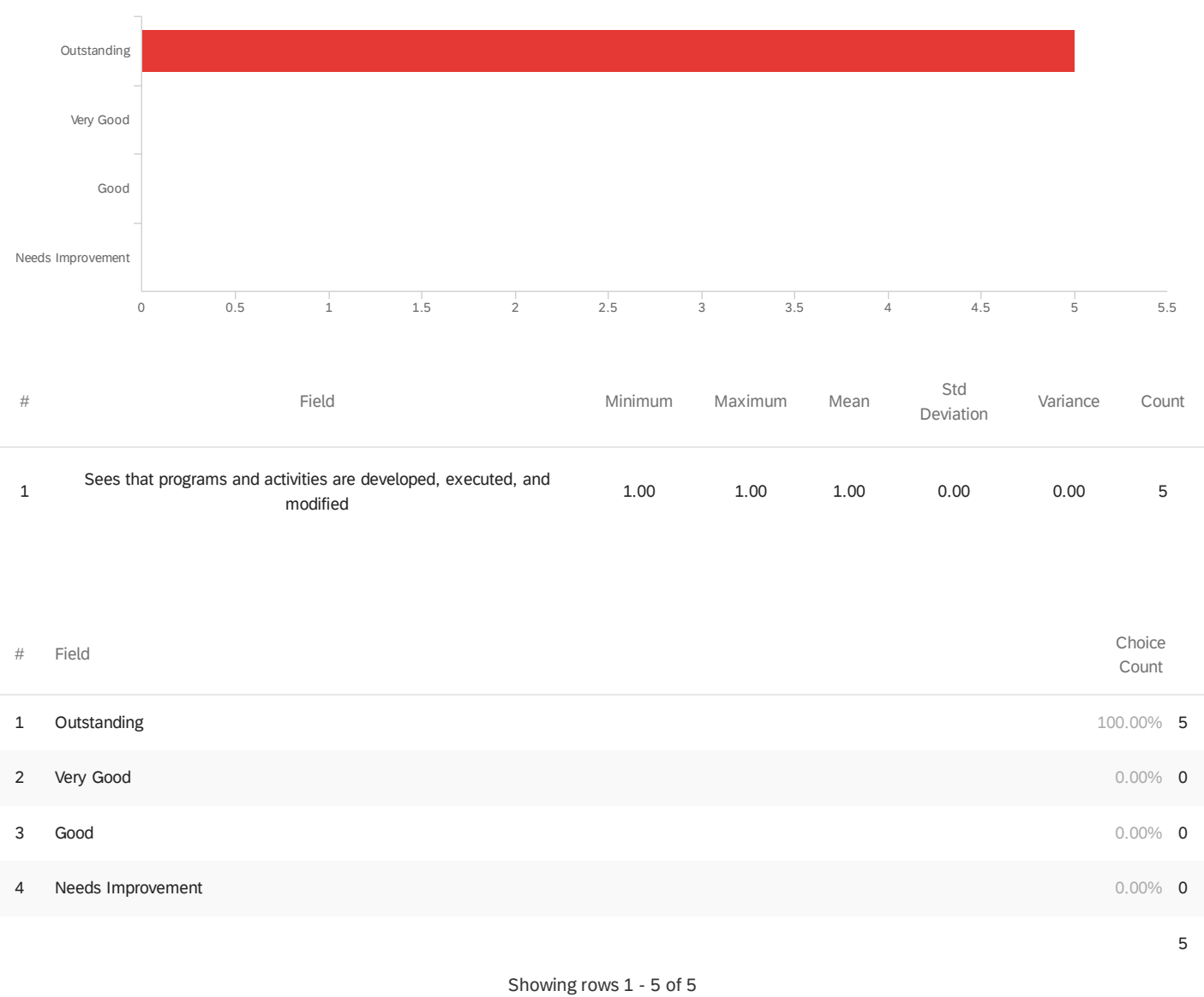
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Assures adequate control and accounting of all funds, including maintaining sound financial practices	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

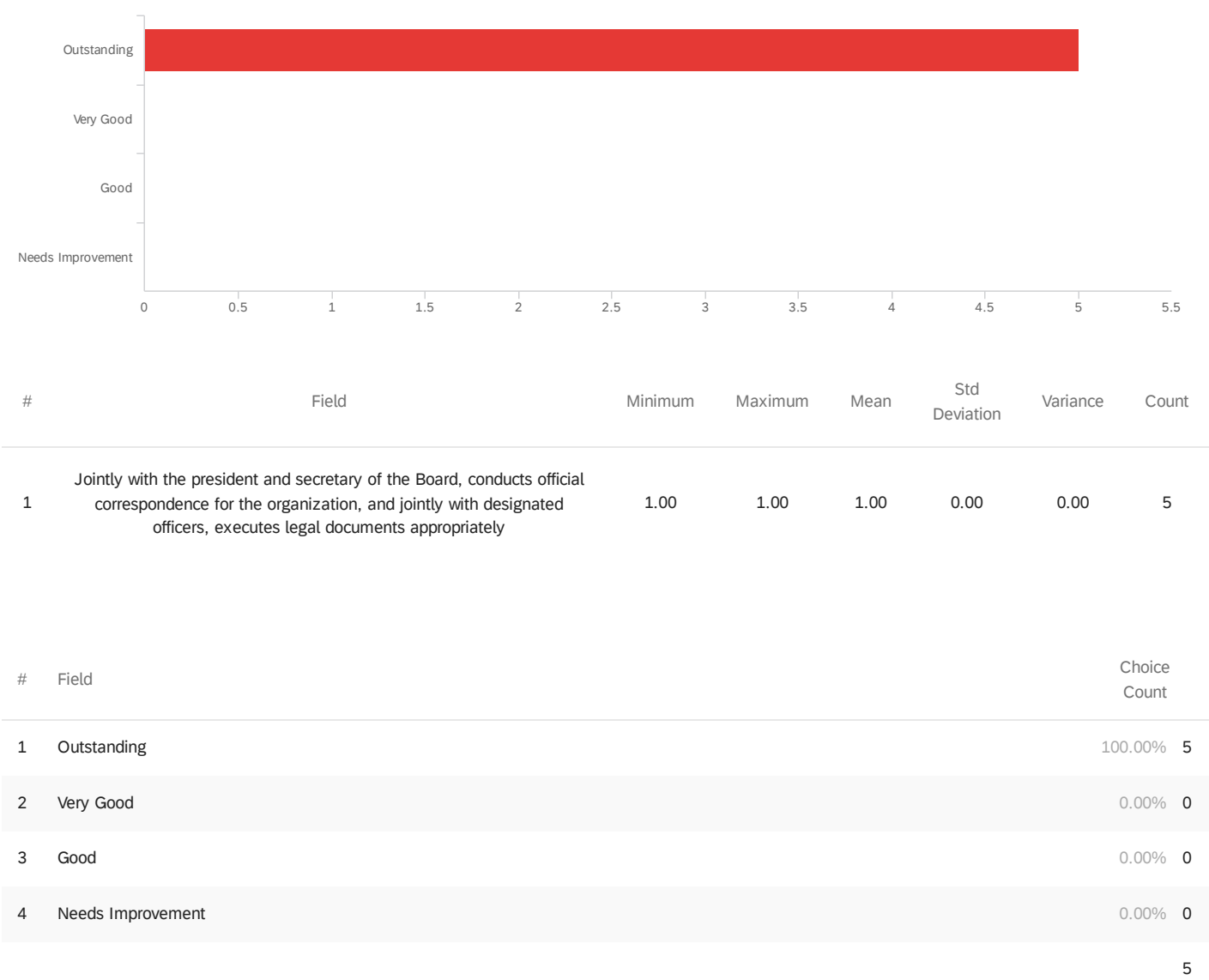
5

Showing rows 1 - 5 of 5

19 - Sees that programs and activities are developed, executed, and modified



20 - Jointly with the president and secretary of the Board, conducts official correspondence for the organization, and jointly with designated officers, executes legal documents appropriately



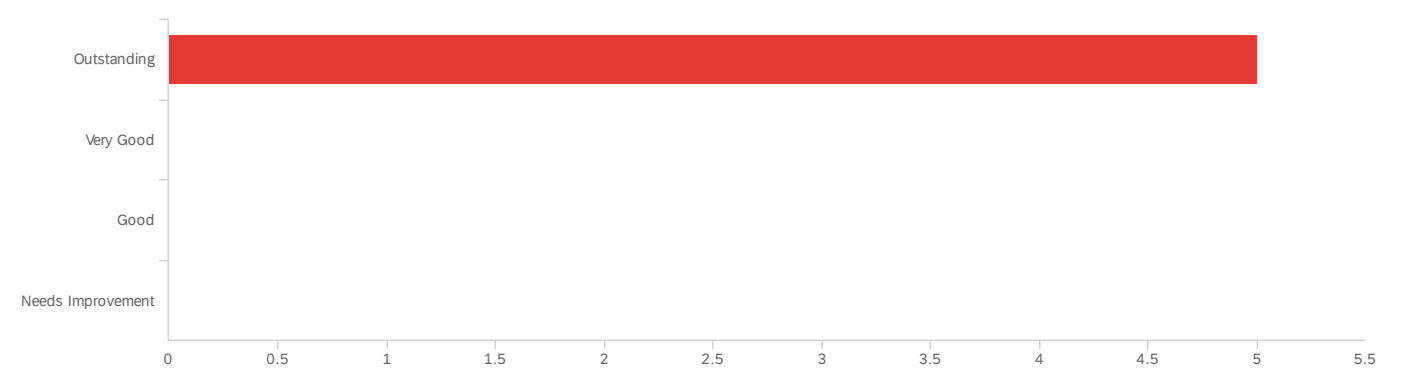
Showing rows 1 - 5 of 5

21 - Comments on Financial Sustainability and Mission Impact

Comments on Financial Sustainability and Mission Impact

Method has always focused on fiscal responsibility. Jessica understands that we can only serve our students by protecting the viability of Method.

22 - Sees that Board members are kept fully informed in a timely way on the condition of the organization and important factors influencing it



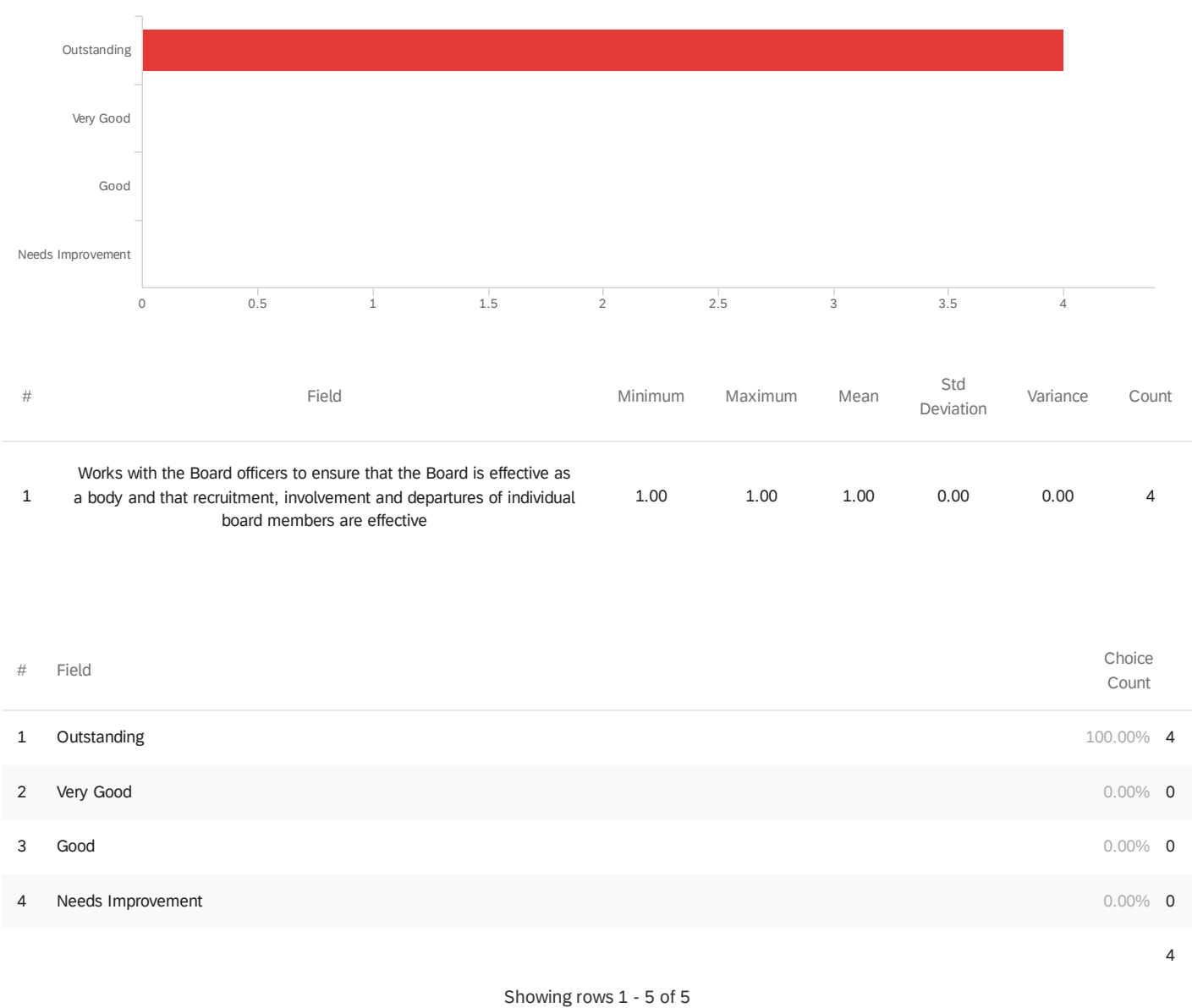
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Sees that Board members are kept fully informed in a timely way on the condition of the organization and important factors influencing it	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

5

Showing rows 1 - 5 of 5

23 - Works with the Board officers to ensure that the Board is effective as a body and that recruitment, involvement and departures of individual board members are effective



24 - Comments

Comments

As a board member if feel well informed and consulted. Jessica listens thoughtfully to our feedback and recommendations.

I love that Jessica is the CEO of Method. She's a wonderful person and an inspiring leader - Method is lucky to have her.

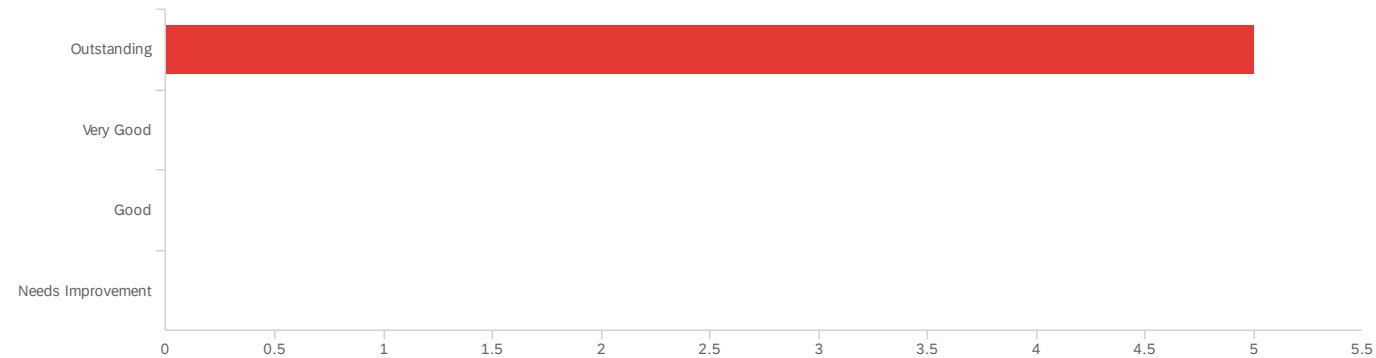
End of Report

Default Report

2022-23 CBO Evaluation

December 8, 2023 8:59 PM MST

1 - Works with the board to develop strategies for achieving mission, goals and financial viability



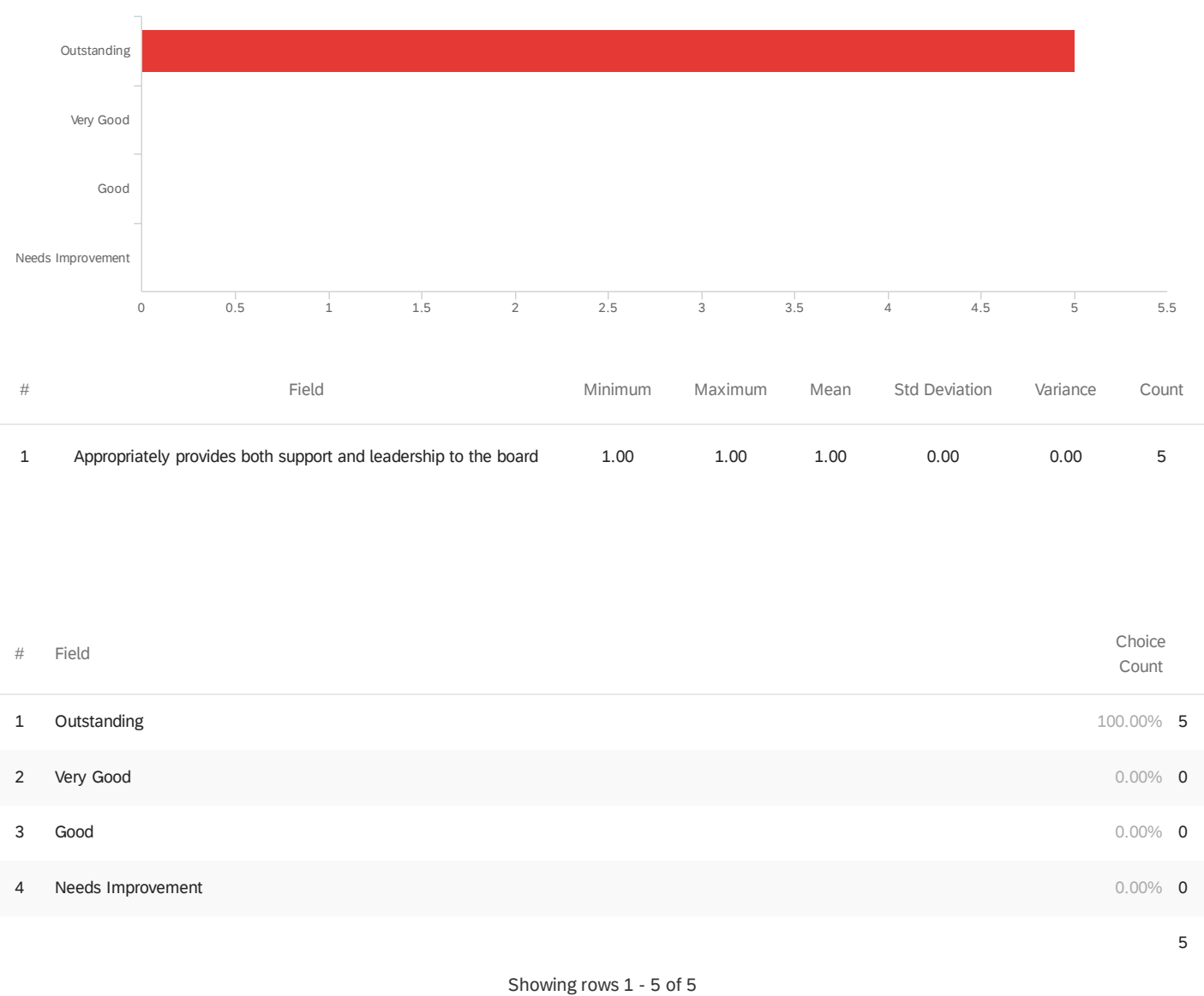
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Works with the board to develop strategies for achieving mission, goals and financial viability	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

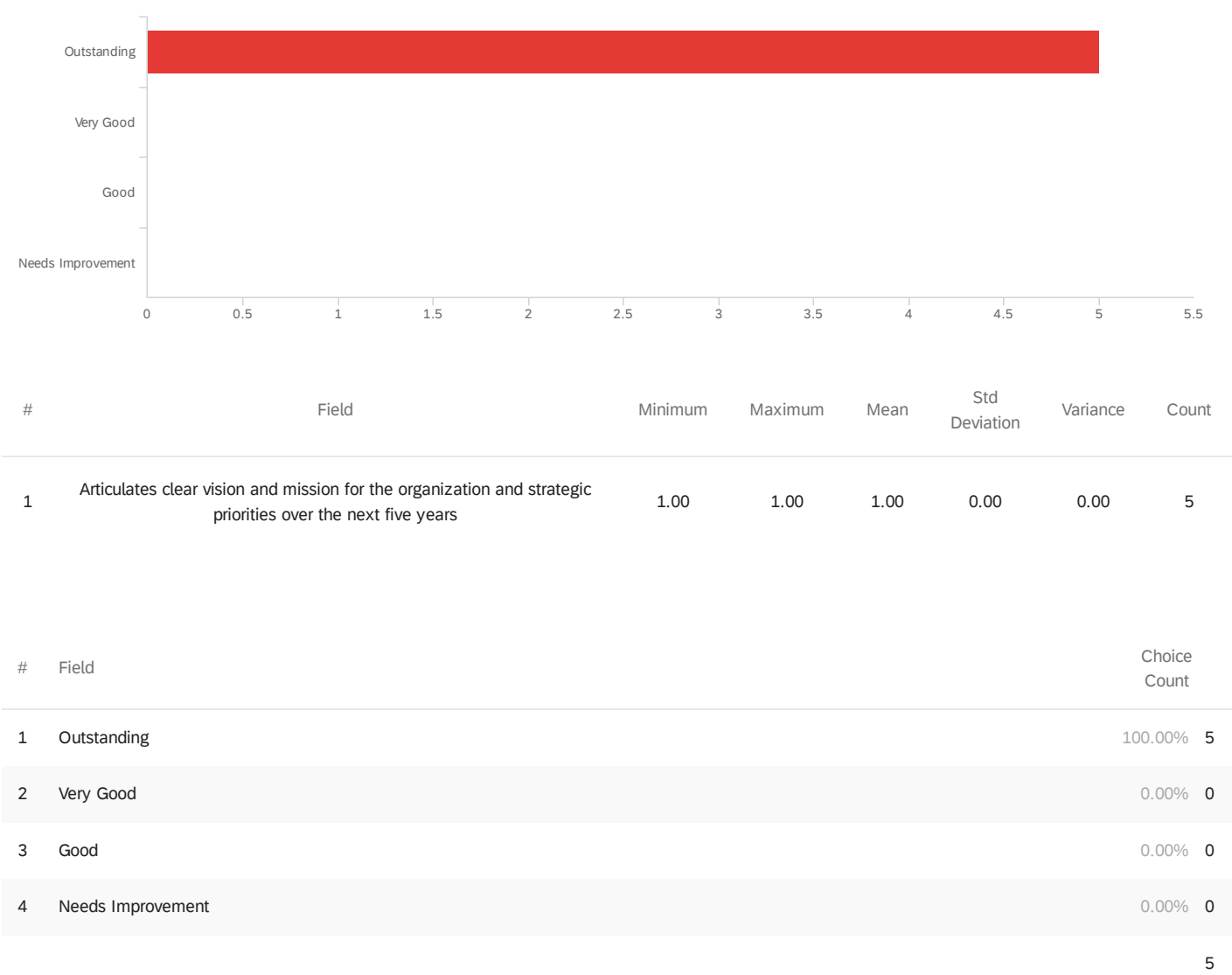
5

Showing rows 1 - 5 of 5

2 - Appropriately provides both support and leadership to the board

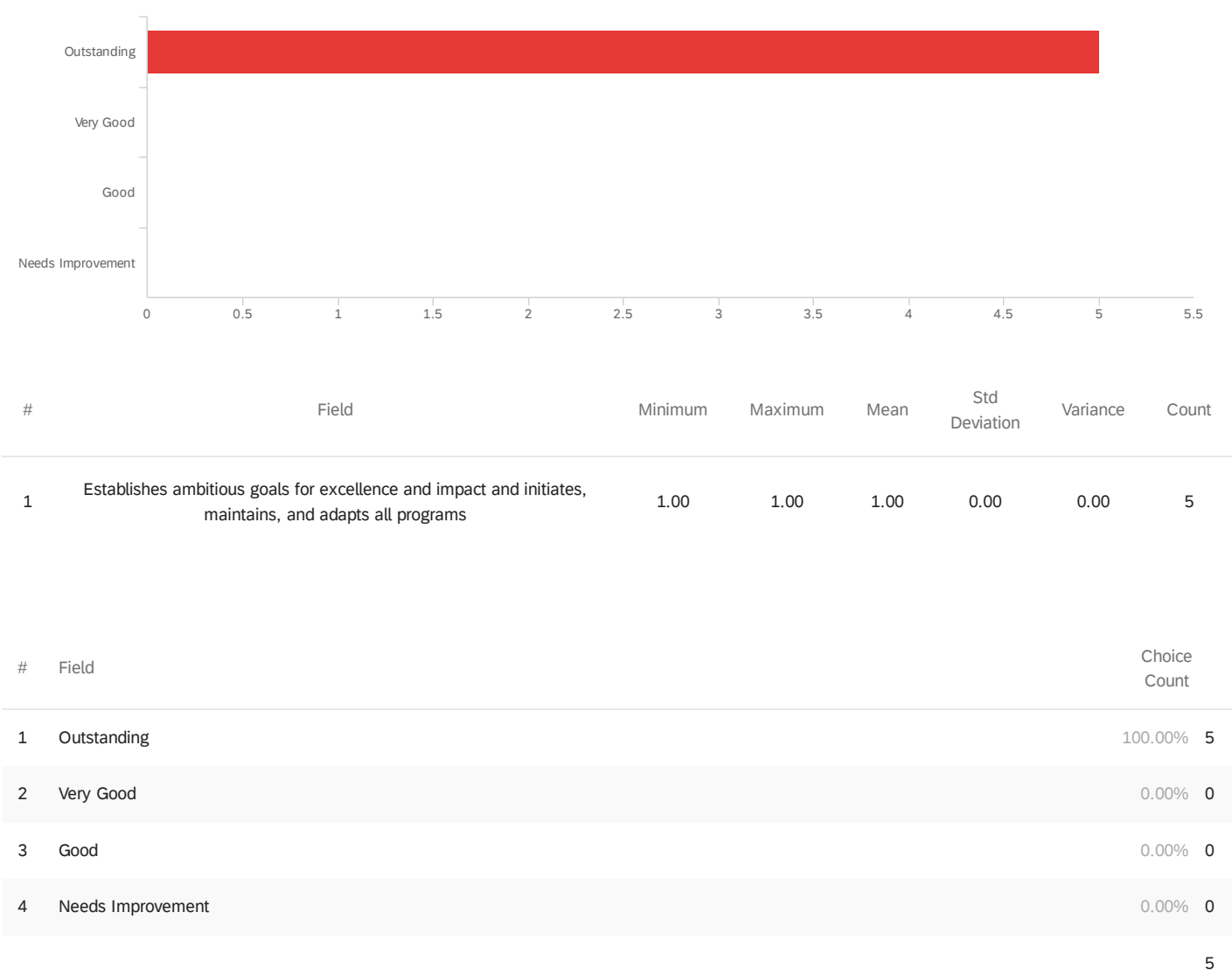


3 - Articulates clear vision and mission for the organization and strategic priorities over the next five years



Showing rows 1 - 5 of 5

4 - Establishes ambitious goals for excellence and impact and initiates, maintains, and adapts all programs



Showing rows 1 - 5 of 5

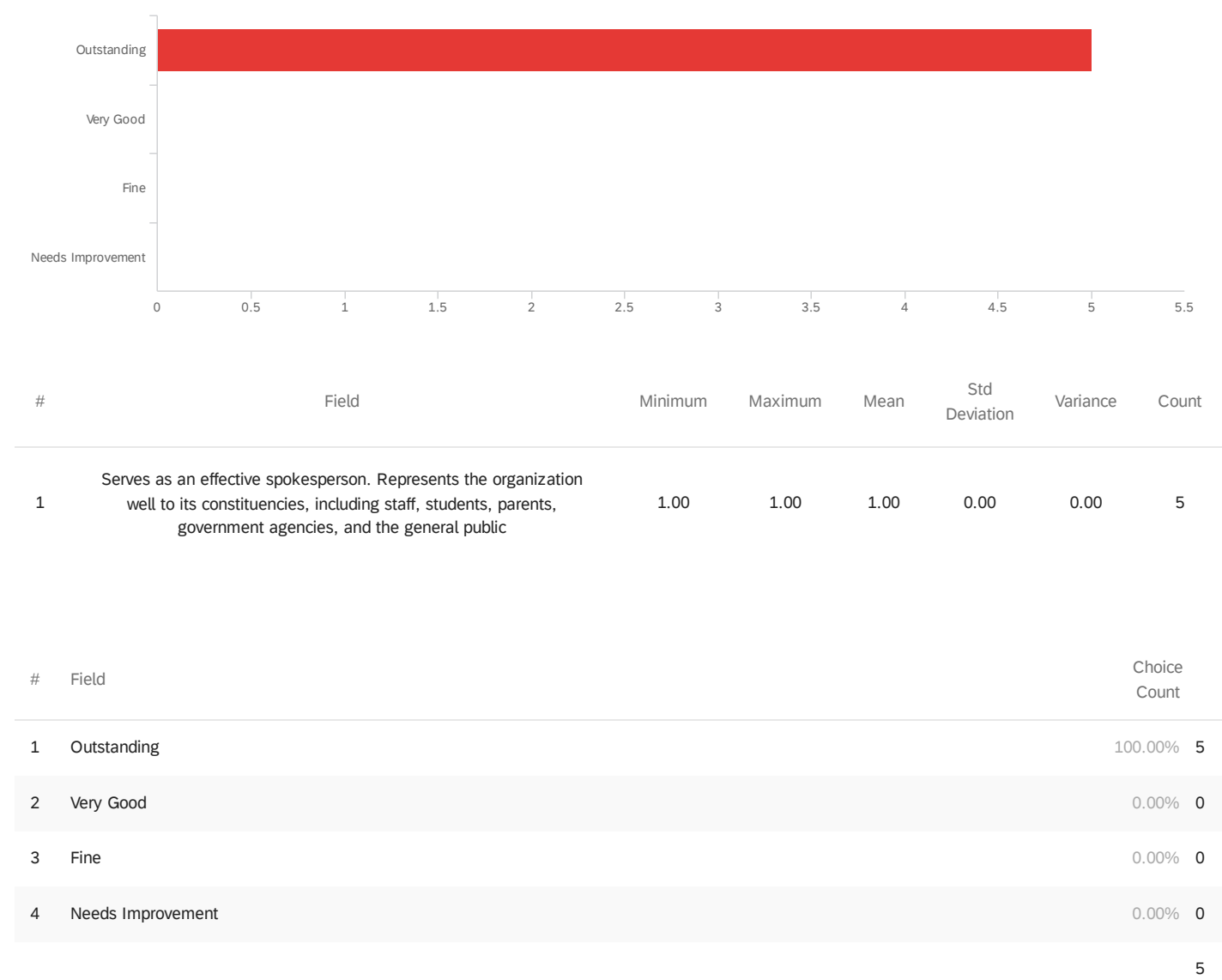
5 - Comments on Overall Organizational Performance

Comments on Overall Organizational Performance

Mark is a thought leader in ensuring our curriculum is delivered on industry leading technology that reflects our mission.

Mark is a natural leader whose charisma inspires and motivates those that are lucky enough to work with him. He consistently demonstrates a creative approach to problem solving, finding innovative and strategically sound solutions and opportunities that allow Method to thrive. Method sits on a rock solid financial foundation that was largely built and maintained by Mark. Because of his business acumen, the school will continue to grow, serve and educate its community for a very long time.

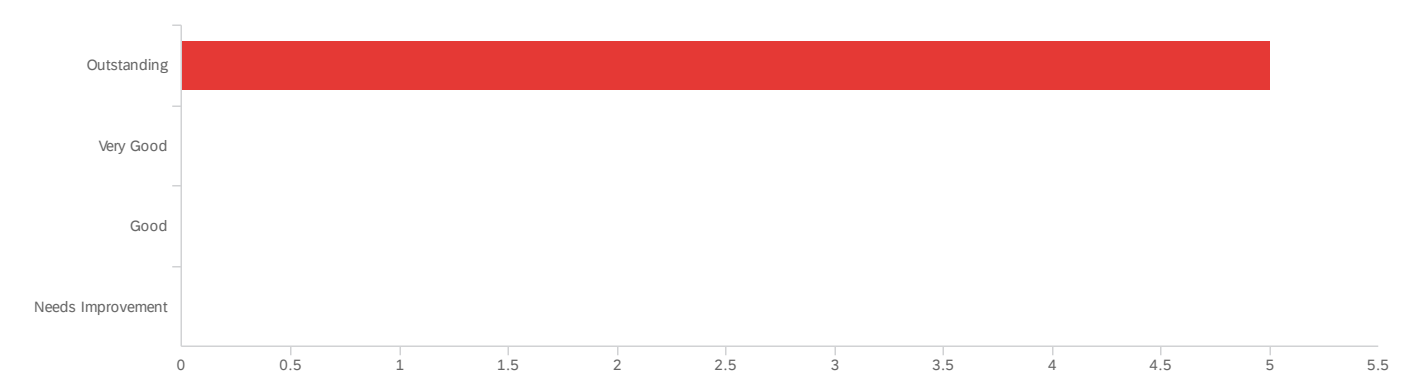
6 - Serves as an effective spokesperson. Represents the organization well to its constituencies, including staff, students, parents, government agencies, and the general public



5

Showing rows 1 - 5 of 5

7 - Leads organization's efforts to develop positive relationships in the industry and the community



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Leads organization's efforts to develop positive relationships in the industry and the community	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

5

Showing rows 1 - 5 of 5

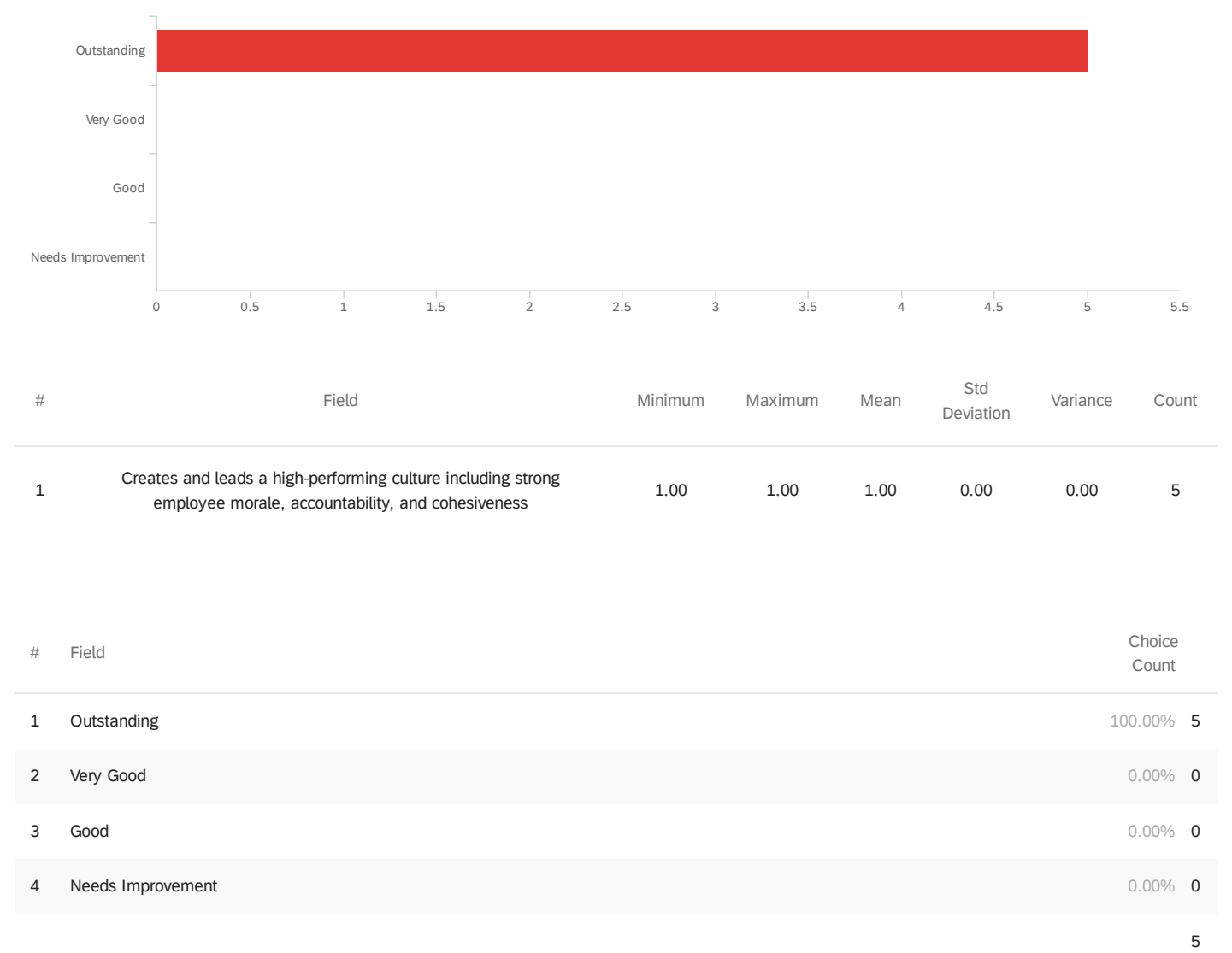
8 - Comments on Community Leadership

Comments on Community Leadership

Marks ability to use data to connect to the community has helped Method identify student needs and support diversity in our enrollment.

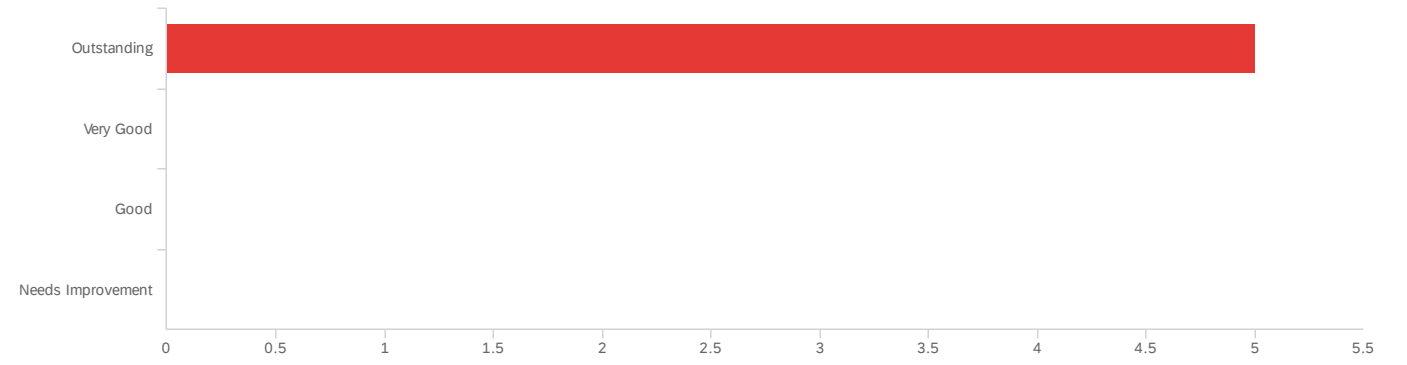
Mark's love for the community is obvious by his involvement in it. From coaching youth sports to creating and riding mountain bike trails in the area to founding a school that has provided a free education to thousands of kids, Mark is consistently involved in make the area better than he found it.

9 - Creates and leads a high-performing culture including strong employee morale, accountability, and cohesiveness



Showing rows 1 - 5 of 5

10 - Treats everyone in the organization fairly without sexism, discrimination, or favoritism



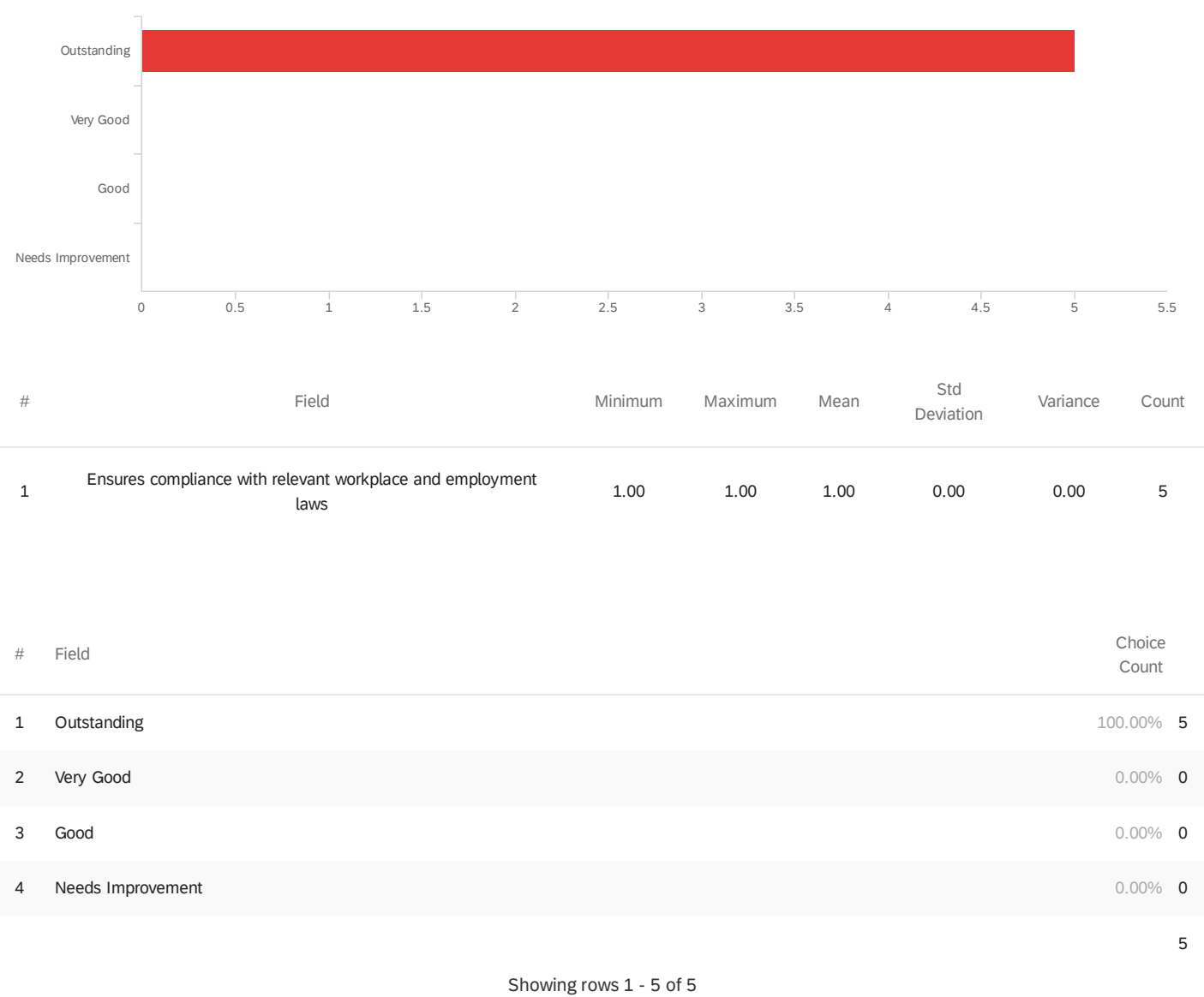
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Treats everyone in the organization fairly without sexism, discrimination, or favoritism	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

5

Showing rows 1 - 5 of 5

11 - Ensures compliance with relevant workplace and employment laws

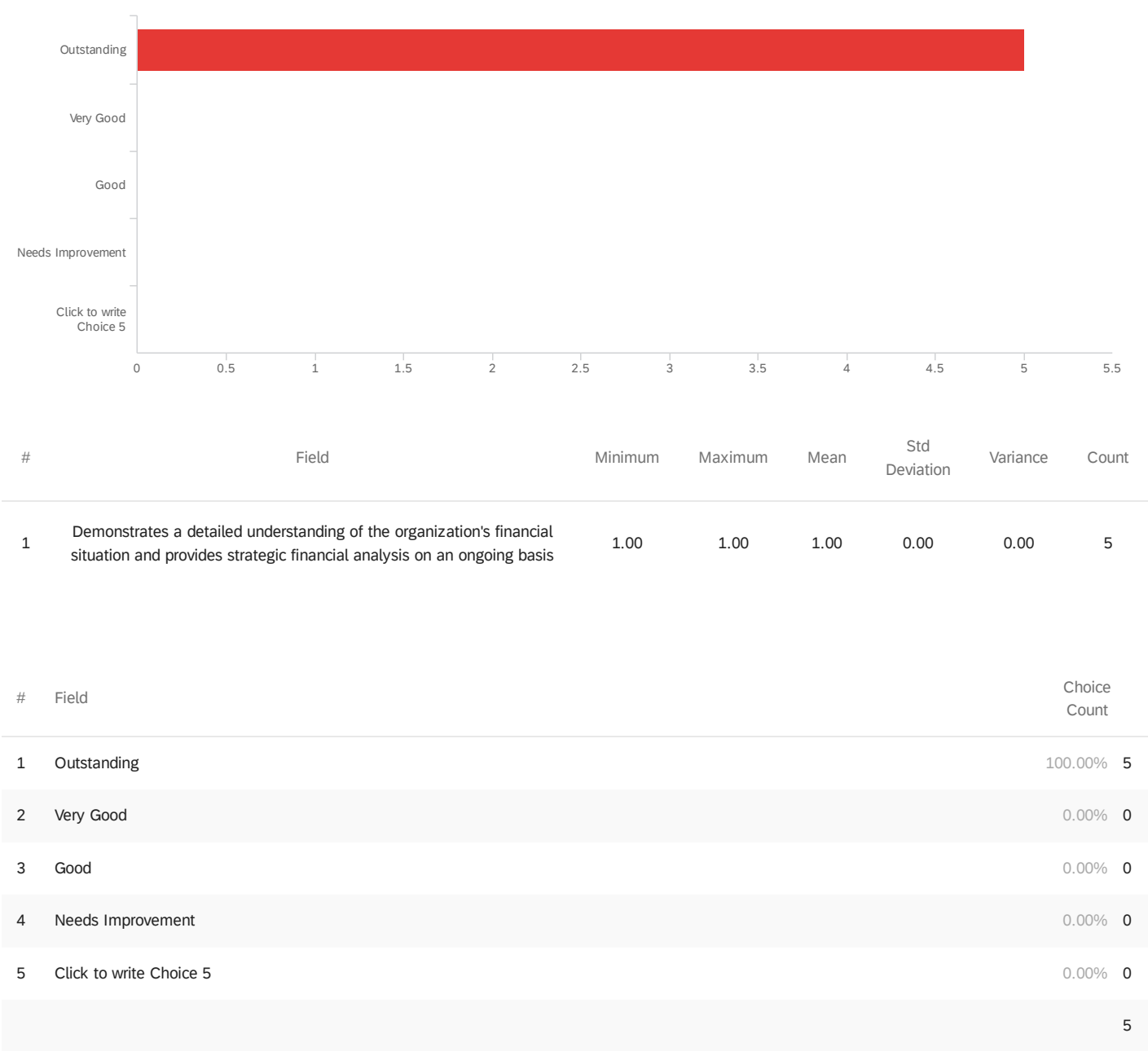


12 - Comments on Administration and HR

Comments on Administration and HR

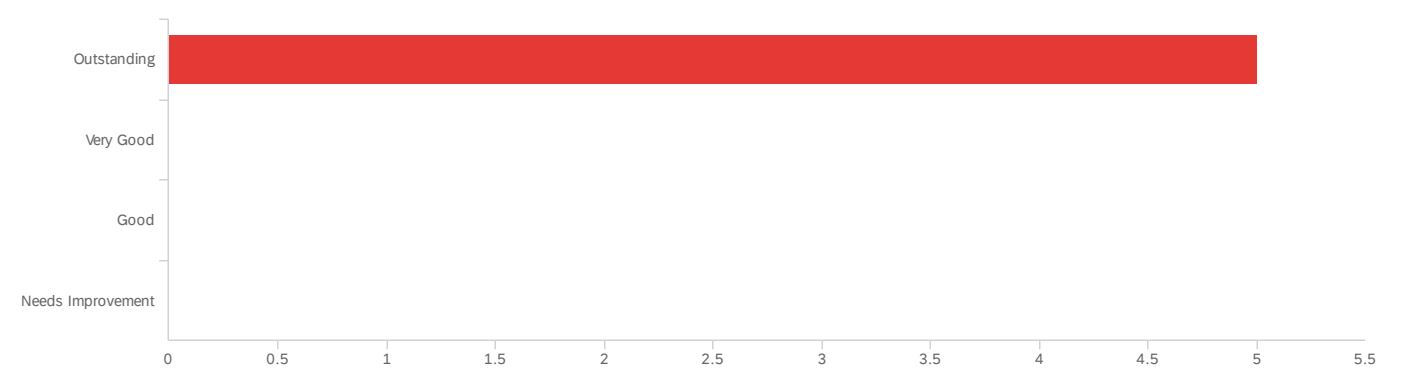
Mark represents Method with both professionalism and kindness.

13 - Demonstrates a detailed understanding of the organization's financial situation and provides strategic financial analysis on an ongoing basis



Showing rows 1 - 6 of 6

14 - Assures adequate control and accounting of all funds, including maintaining sound financial practices



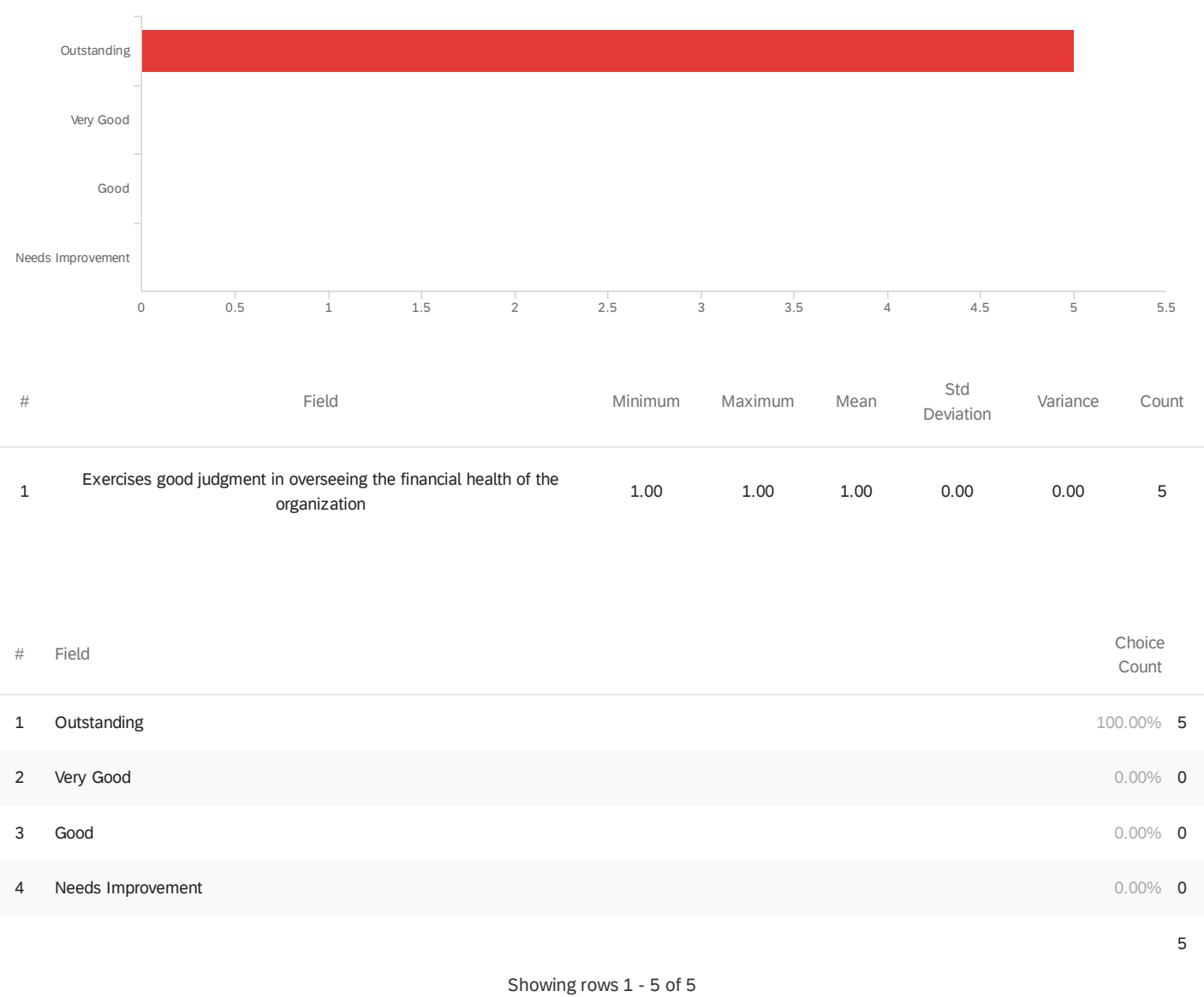
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Assures adequate control and accounting of all funds, including maintaining sound financial practices	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

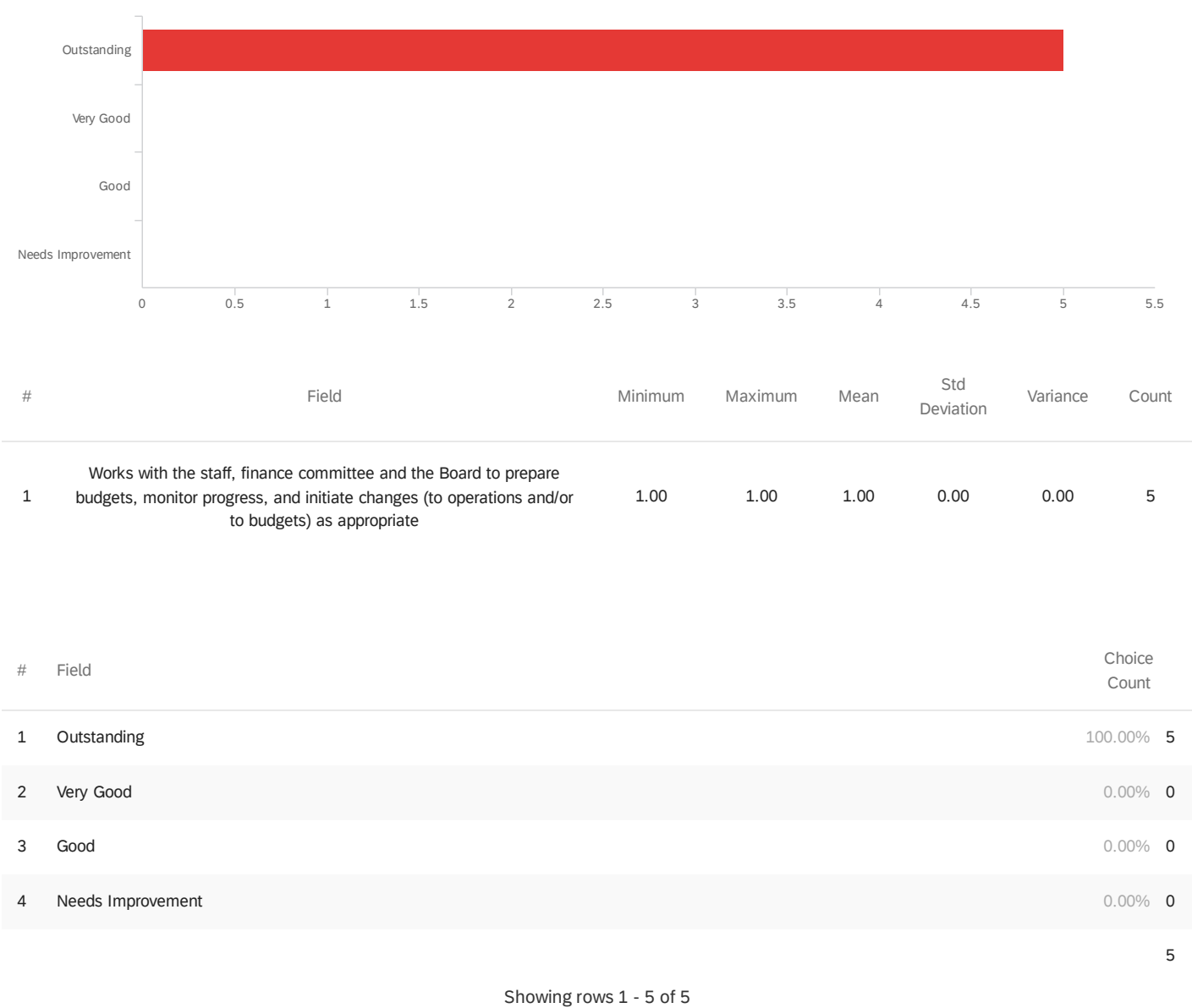
5

Showing rows 1 - 5 of 5

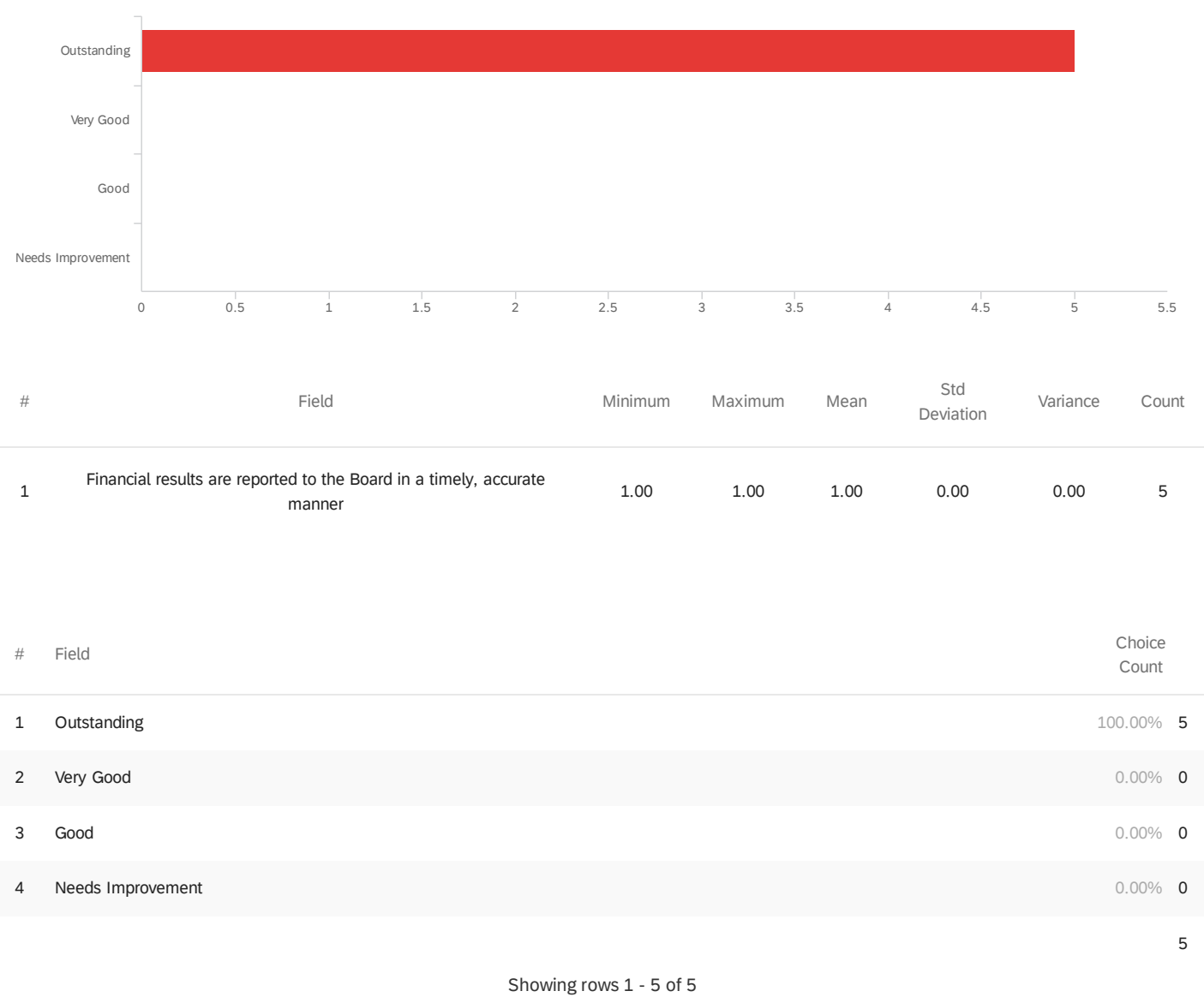
15 - Exercises good judgment in overseeing the financial health of the organization



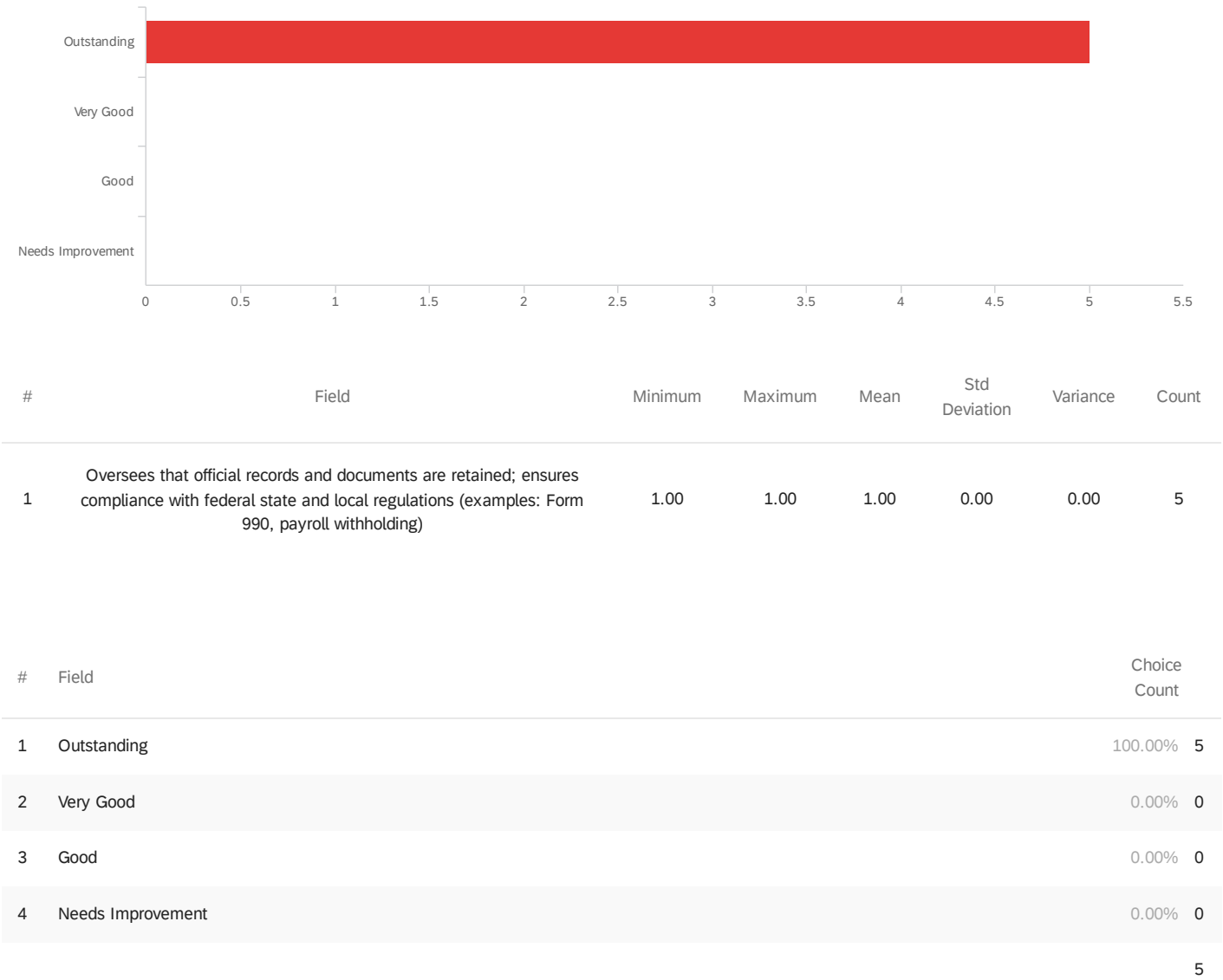
16 - Works with the staff, finance committee and the Board to prepare budgets, monitor progress, and initiate changes (to operations and/or to budgets) as appropriate



17 - Financial results are reported to the Board in a timely, accurate manner

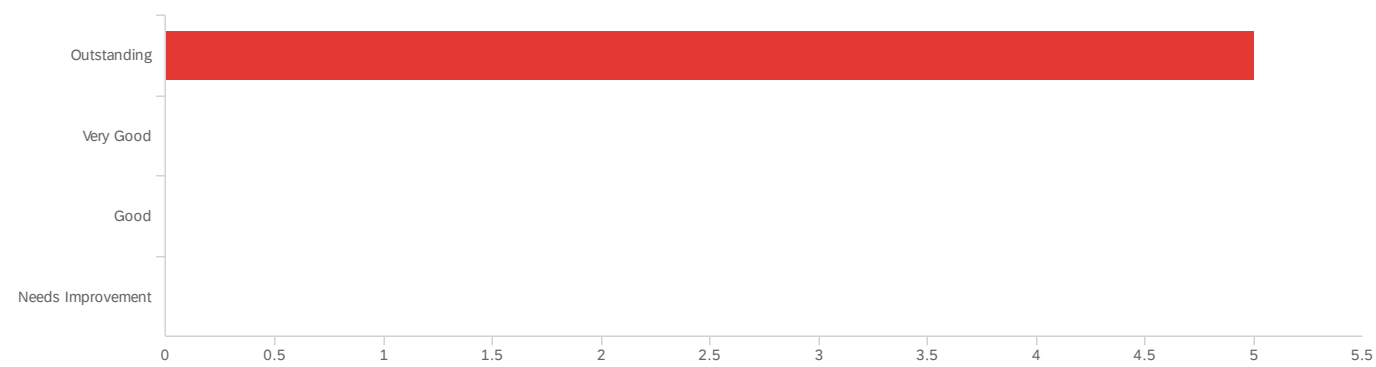


18 - Oversees that official records and documents are retained; ensures compliance with federal state and local regulations (examples: Form 990, payroll withholding)



Showing rows 1 - 5 of 5

19 - Ensures that the organization's accounting meets professional standards of approval
set by the auditors



#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Ensures that the organization's accounting meets professional standards of approval set by the auditors	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

5

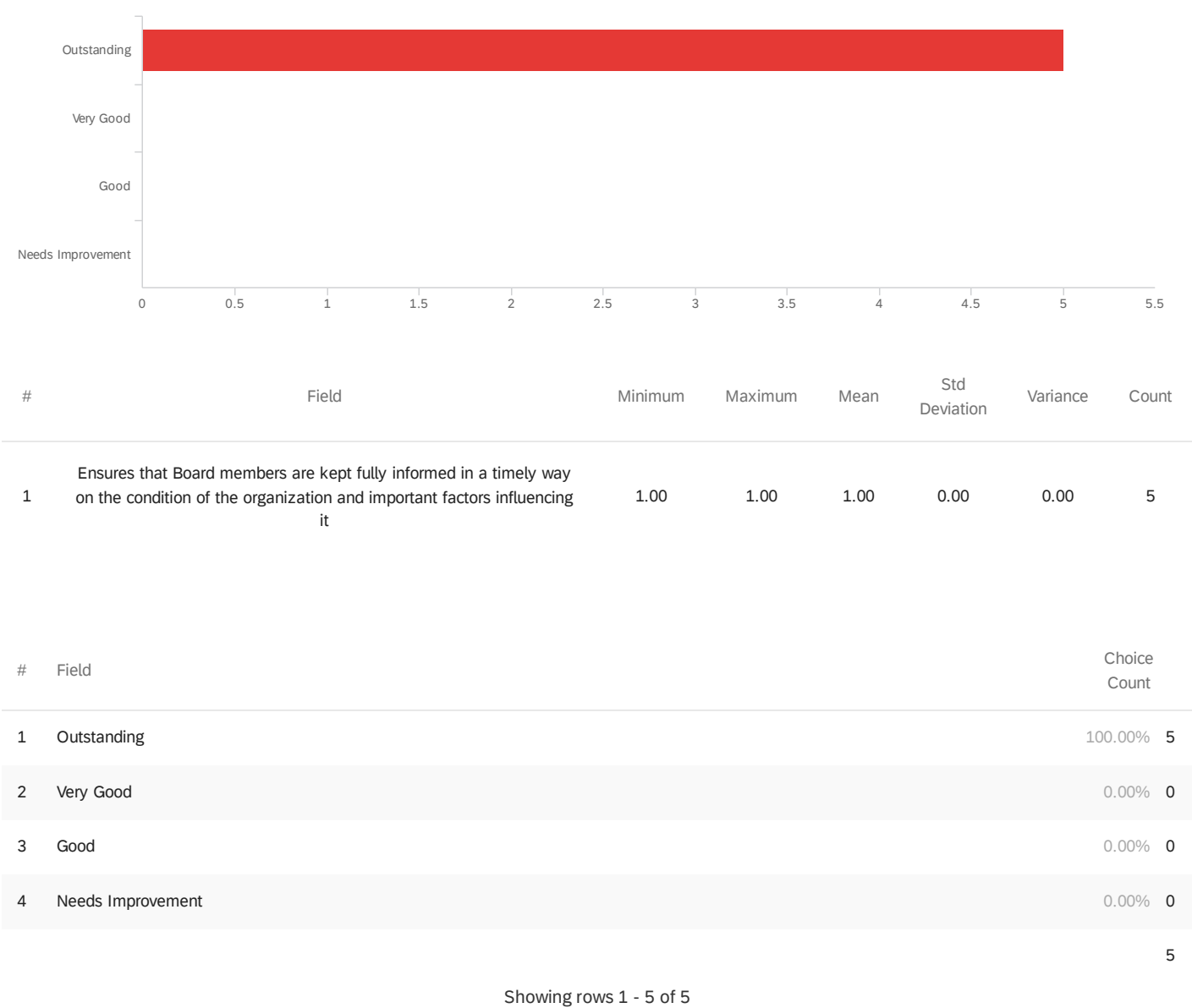
Showing rows 1 - 5 of 5

20 - Comments on Financial Sustainability and Mission Impact

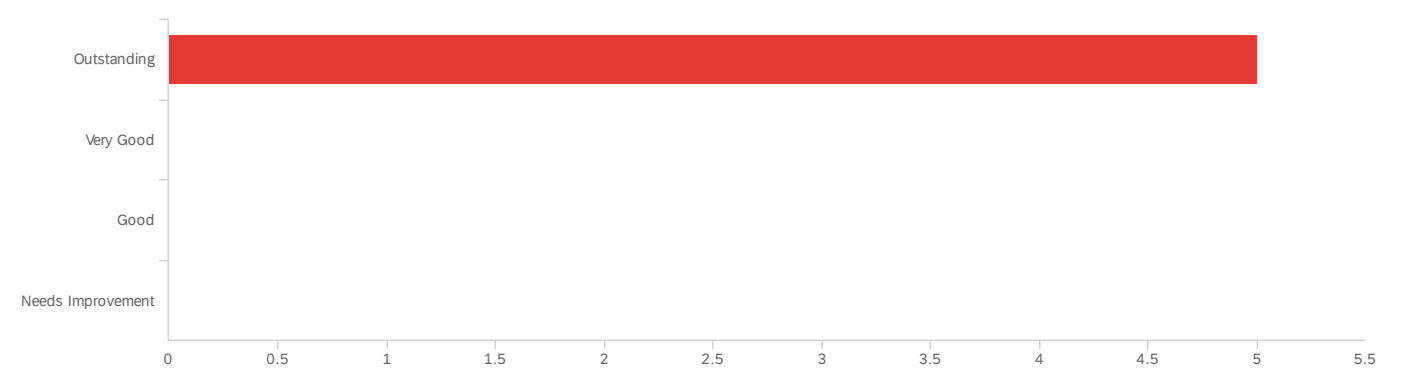
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21 - Ensures that Board members are kept fully informed in a timely way on the condition

of the organization and important factors influencing it



22 - Demonstrates respectful understanding of the Board's governance role and has supported the Board in its oversight of the organization



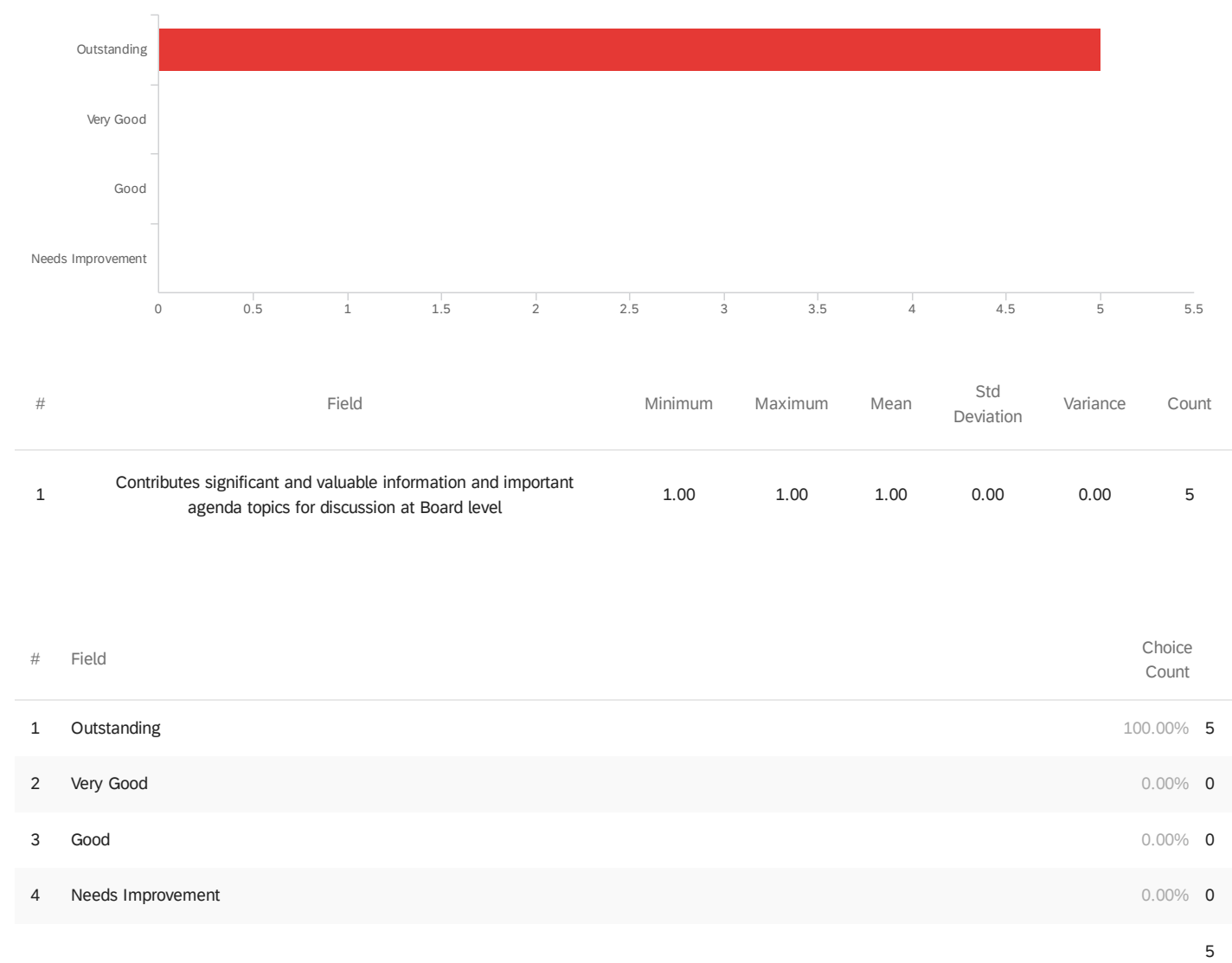
#	Field	Minimum	Maximum	Mean	Std Deviation	Variance	Count
1	Demonstrates respectful understanding of the Board's governance role and has supported the Board in its oversight of the organization	1.00	1.00	1.00	0.00	0.00	5

#	Field	Choice Count
1	Outstanding	100.00% 5
2	Very Good	0.00% 0
3	Good	0.00% 0
4	Needs Improvement	0.00% 0

5

Showing rows 1 - 5 of 5

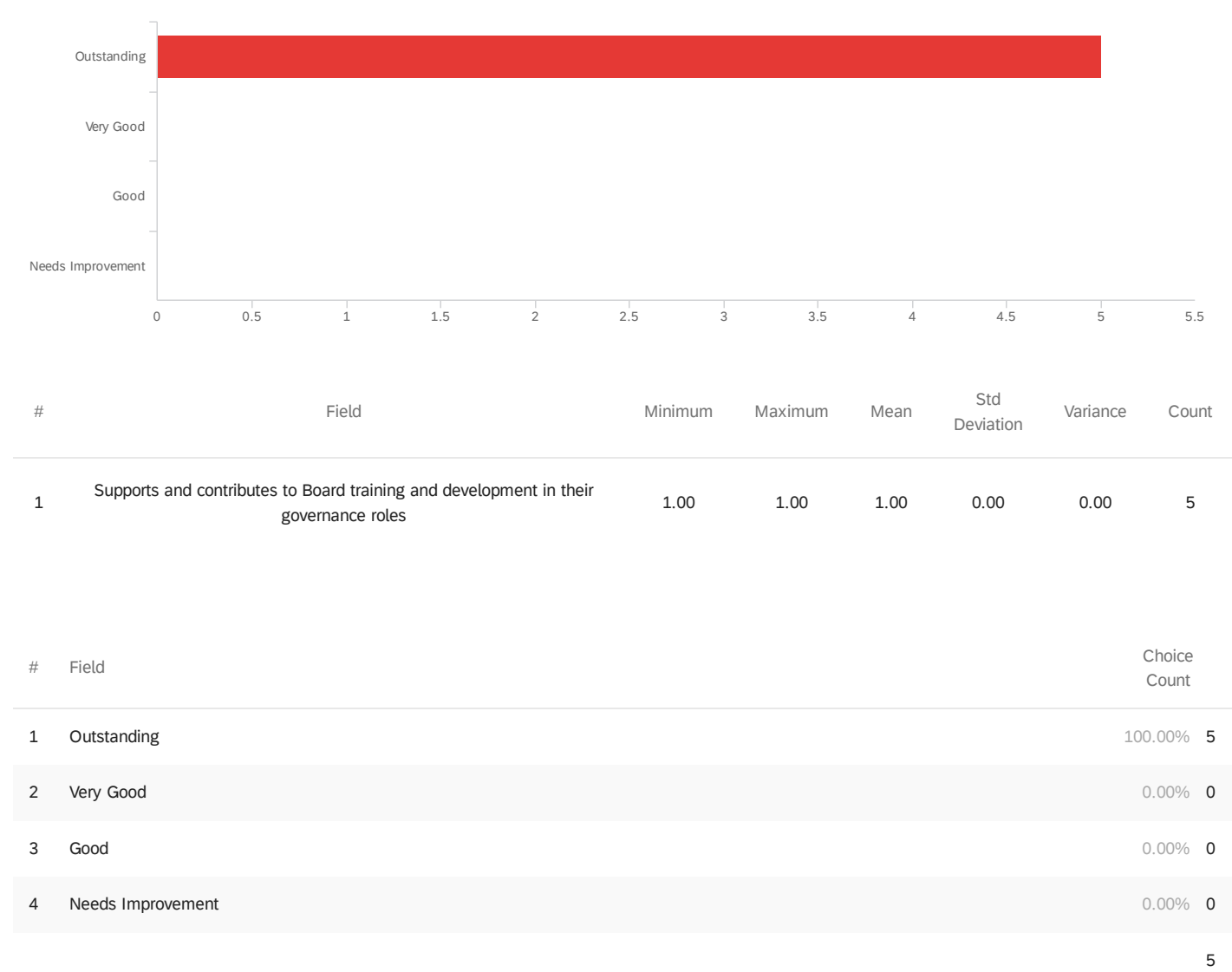
23 - Contributes significant and valuable information and important agenda topics for discussion at Board level



Showing rows 1 - 5 of 5

24 - Supports and contributes to Board training and development in their governance

roles



Showing rows 1 - 5 of 5

25 - Comments

Comments

Mark supports our development as a board. He also listens thoughtfully to our input and incorporates our feedback into Method's strategy.

I love that Mark is the CBO at Method. He's an amazing businessman and an even better person.

End of Report