

*The Camptonville Academy*

**Agenda Item G1**

TO: Board of Directors  
FROM: Dr. David E. Guthrie, Advisor to the Board  
DATE: December 13, 2007  
ITEM: **Legislative Analyst Office (LAO) Fiscal Outlook Report**

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**Background:**

The LAO publishes annually a “Fiscal Outlook Report” that is a 5-year forecast of the State’s economic condition and the source from which the Governor and Legislature develop their budget assumptions. The Report is the most authoritative independent assessment of the outlook for California’s economy, demographics, revenues, and expenditures. The LAO was first to recognize the structural deficits and the \$10 billion surprise the Governor and Legislature will need to address in next year’s budget and many more to come.

**Current Consideration:**

During the meeting, we will discuss the Report and what the Program can anticipate for the upcoming budget year. The Governor will deliver the budget plan in early January that will reveal his revenue and spending priorities and how he will address the deficits to balance the budget. A softening economy and sub-prime mortgage crisis that may linger into 2009 are moderating the State’s revenue projections. The LAO offers some intriguing solutions but whether there is the political will to implement a solution to the deficit problem remains to be seen. The LAO is projecting K-12 Education will receive a 4.81% COLA but we do not expect to see this significant increase for many years. Typically, the Governor has discounted the per-student dollars we receive to balance the budget in the near term and backfills when times are good.

**Financial/Educational Impact:**

None.

**Recommendation:**

The Board of Directors discusses the LAO Report during the meeting.

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**Agenda Item G2**

TO: Board of Directors  
FROM: Dr. David E. Guthrie, Advisor to the Board  
DATE: December 13, 2007  
ITEM: **Budget Development Calendar and Guidelines**

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**Background:**

The annual budget is a significant part of the overall planning process for a Charter School. The budget is not merely an accounting tool; it is the Charter's education program expressed in monetary terms. The budget should reflect the philosophy of the organization and its constituents. The governing board, administration, and staff need to participate and understand the budgeting process to develop a financial plan that aligns with the education program's goals and objectives.

**Current Consideration:**

During the meeting, we will discuss the budget process for the 2008/09 fiscal year budget development structure, calendar, guidelines, Governor's budget, SB740, and the Butte and Placer County charter schools developments as they impact the budget. The agenda item provides the Board with an opportunity to discuss the course of budget development through adoption at their regularly scheduled meeting in June.

**Financial/Educational Impact:**

None.

**Recommendation:**

The Board of Directors discuss the budget development process, calendar, and guidelines during the meeting.

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**Agenda Item G3**

TO: Board of Directors  
FROM: Dr. David E. Guthrie, Advisor to the Board  
DATE: December 13, 2007  
ITEM: **2007/08 First Interim Report Approval**

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**Background:**

Charter Schools must submit periodic financial reports to their sponsoring school districts so they can determine the financial health and viability of their charter schools. This Interim Report fulfills the financial reporting and accountability provisions contained in AB 1137. The financial reporting and analysis is presented 4 times during the fiscal year: Budget Adoption (by June 30), First Interim (by December 15), Second Interim (by March 15), and Unaudited Actuals (by September 15). The financial information contained in these reports is an indication of the financial health of the Charter School. The First Interim Report provides an update about the Charter's financial status as of October 31, 2007.

**Current Consideration:**

The 2007/08 First Interim Report will be presented at the Board meeting as the Yuba County Office of Education is finalizing the financial information for the report (*a copy of the report will be delivered via E-mail prior to the meeting*). From our own analysis, the School continues on its course as an ongoing and viable concern that has sufficient reserves and excess funds from operations allowing TCA to respond effectively to initiatives such as facilities investment and consideration of new charter schools mandated by AB 1994. The Report will show that the school is financially sound and will be able to declare a "positive certification" for this reporting period based on the financial information we have in the financial system. Forecasting shows the school will remain financial sound as well.

**Financial/Educational Impact:**

None

**Recommendation:**

The Board of Directors approves the 2007/08 First Interim Report.

*The Camptonville Academy*

**Agenda Item G4**

TO: Board of Directors  
FROM: Dr. David E. Guthrie, Advisor to the Board  
DATE: December 13, 2007  
ITEM: **2006/07 Audit Report Presentation and Acceptance**

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**Background:**

Education Code #41020 declares annual financial audits are required “. . . to encourage sound fiscal management practices among local education agencies for the most efficient and effective use of public funds for the education of children in California by strengthening fiscal accountability . . .” The fiscal year audit must be transmitted to the State by December 15<sup>th</sup> and reported to the School Board by January with recommendations to correct audit exceptions by March 15<sup>th</sup>.

**Current Consideration:**

The 2006/07 Audit Report prepared by Hosaka & Nagel, Auditors, will be presented to the Board during the meeting. The Audit is without exceptions as the Auditor noted nothing from their testing were non-compliant or disclose a material weakness. This is evidence of good accounting and internal control.

**Financial/Educational Impact:**

None.

**Recommendation:**

The Board of Directors discuss and accept the audit report.

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**Agenda Item G5**

TO: Board of Directors  
FROM: Jan Jablecki, Executive Director  
DATE: December 13, 2007  
ITEM: Executive Director, 50% Shared Position (discussion/action)

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**Background:**

The position of Executive Director is currently covered through the MOU between The Camptonville Academy, Inc. and C.O.R.E., Inc. During the November Board meeting the CORE, Inc. board approved the hiring of the ED as a half time position.

**Current Consideration:**

In order to clarify the organizational structure and give the C.O.R.E., Inc. Board authority over the Executive Director the CORE, Inc. board approved the 50% position of Executive Director for the C.O.R.E. Butte Charter School. This requires a reduction from the full time position of ED for CORE @ The Camptonville Academy to 50%. The ED, therefore, becomes the employee of both the CORE, Inc. and CORE @ The Camptonville Academy Boards.

**Financial/Educational Impact:**

Currently the position is included in the TCA/CORE MOU. Upon revision in the spring this amount will be removed from the MOU. The 50% salary, \$66,580, and benefits, in the amount \$6,132.00, of will be added to the CORE Butte school budget and an equal reduction will be credited to the CORE @ The Camptonville Academy budget.

**Recommendation:**

The Board of Directors approves reducing the position from full time to the 50% ED position.

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**Agenda Item G6**

TO: Board of Directors  
FROM: Jan Jablecki, Executive Director  
DATE: December 13, 2007  
ITEM: Single School Board for CORE Schools (discussion/action)

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**Background:**

Ed. Code 47605.1 (c )(2), passed in July of 2002, caused the governing board of CORE @ The Camptonville Academy to direct the Executive Director to petition for a new charter in Butte County. This petition was successful and the CORE Butte Charter School opened in August,2007. The petition was approved by the Butte county Board of Education with the understanding that there would be a separate governance board.

**Current Consideration:**

There are now two Boards that govern the CORE Schools. The operation of the schools could be done more efficiently and less expensively if a single board governed the schools. A single group at a single meeting would decide the development of the programs in accordance with the Mission, Vision and Goals.

**Financial/Educational Impact:**

Savings in time and cost of key personnel.

**Recommendation:**

The Board of Directors directs the ED to pursue the unification of the two School boards.