



**The Yuba Environmental Science
Charter Academy
(YES Charter Academy)**

"YES to Excellence in Education"

**CHARTER PETITION
Miscellaneous Provisions**

Prepared in compliance with the terms, conditions, and requirements of
The Charter Schools Act, Education Code Section 47600, *et seq.*, and related
statutes



A. Accountability, Budgets, and Reporting

Attached, as Appendix B please find the cash flow and financial projections for the first five years of operation. These documents are based upon the best data available to the Petitioners at this time.

1. Financial Reporting

YES CHARTER ACADEMY shall provide reports to the County Office of Education as follows, and may provide additional fiscal reports as requested by the County Office of Education by the following dates:

1. July 1, a preliminary budget for the current fiscal year. For the first year of operation, the financial statements submitted with this charter petition pursuant to Education Code Section 47605(g) shall satisfy this requirement.

2. December 15, an interim financial report for the current fiscal year reflecting changes through October 31. Additionally, on December 15, a copy of the YES CHARTER ACADEMY annual, independent financial audit report for the preceding fiscal year shall be delivered to the County Office of Education, State Controller, State Department of Education, and County Superintendent of Schools.

3. March 15, a second interim financial report for the current fiscal year reflecting changes through January 31.

4. September 15, a final unaudited report for the full prior year. The report submitted to the County Office of Education shall include an annual statement of all the YES CHARTER ACADEMY receipts and expenditures for the preceding fiscal year.

YES CHARTER ACADEMY elects to receive direct funding under the state's funding model. The sponsoring County Office of Education agrees to provide Charter oversight required by law and YES CHARTER ACADEMY and the sponsoring County Office of Education agree to enter into a Memorandum of Understanding in which the County Office of Education may provide services such as Risk Management, Administrative Services, Fiscal Services, Legal Services, Policy Guidance, and Special Educational Services. Services not provided by the sponsoring County Office of Education may be contracted out to a third party. YES CHARTER ACADEMY is solely responsible for the fulfillment of outside contracts.

2. Insurance

YES CHARTER ACADEMY shall finance and maintain general liability, worker's compensation, and other necessary insurance of the types and in the amounts required for an enterprise of similar purpose and circumstance. The County Office of Education shall be named as an additional insured on all policies of the YES CHARTER ACADEMY.

B. Administrative Services

The Director of the YES CHARTER ACADEMY Board of Directors shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of YES CHARTER ACADEMY



properties and transactions. The Director will provide such financial statements and reports as are required by law. Books of account shall be open to inspection by the County Office of Education and to YES CHARTER ACADEMY Board Members upon request.

1. Financial Management

Plan for Sound Fiscal Management: To ensure effective financial management, YES CHARTER ACADEMY will work with a back-office service contractor with expertise in finance, facilities, business management, and administration. At all times YES CHARTER ACADEMY will retain final authority and control over these functions.

The school director at YES CHARTER ACADEMY will oversee the work of the selected business service company, which will handle all back-office business functions, including: accounts payable/receivable; general accounting; payroll; and insurance and benefits administration. YES CHARTER ACADEMY will purchase Power School Student Information System to track attendance and other statistics accurately and efficiently. The company will assist the school in setting up its attendance accounting systems and will ensure that all reporting is submitted accurately and in a timely way. The company will help the director and Council of Directors to create and monitor the annual budget and will provide monthly budget and cash flow projections.

Internal Control Objectives: YES CHARTER ACADEMY will also develop internal controls and effective practices to ensure sound financial management. Examples of internal controls will include: separation of duties to prevent embezzlement; adoption of a school conflict of interest policy; rules that all cash and deposits will be accounted for in detail and deposited in the main account; and approval by the Council of Directors of the check register of recently cut checks at each board meeting. YES CHARTER ACADEMY will require a 2-week turn-around on payables; 100% compliance with all applicable rules and regulations; and transparency of financial reports to the board.

YES CHARTER ACADEMY will work with the company to generate monthly financial reports and annual budgeting that conform to the requirements of the board, County Office of Education, and county. These monthly reports will show budget expenditures, actual expenditures, the variance between budget and actual, and the end- of-year forecasted surplus or deficit. We will draw on the company's expertise, legal advice, and national best practices to also create a corrective action procedure to immediately rectify any violation of the internal controls.