

April 23, 2024

Literacy First Charter School  
Debbie Beyer, Executive Director  
799 East Washington Avenue  
El Cajon, CA 92020

Re: 2023-24 Second Interim Report

Dear Ms. Beyer:

Our office has completed its review of Literacy First Charter School's second interim report in compliance with the provisions of Education Code Section 47604.33 et seq. The charter school's second interim report has been analyzed in the context of the 2023-24 State Budget Act.

In accordance with the provisions of Education Code Section 47604.33, as the chartering authority of the charter school, the San Diego County Office of Education has assessed the fiscal condition of Literacy First Charter School and believes the charter school will meet all its financial obligations for the current and two subsequent fiscal years based on the financial reporting and analysis at this time.

#### **Local Control Accountability Plan Midyear Update Report**

Literacy First Charter School presented a midyear update report for their 2023-24 Local Control Accountability Plan (LCAP) and Budget Overview for Parents on or before February 28, 2024, at a regularly scheduled board meeting.

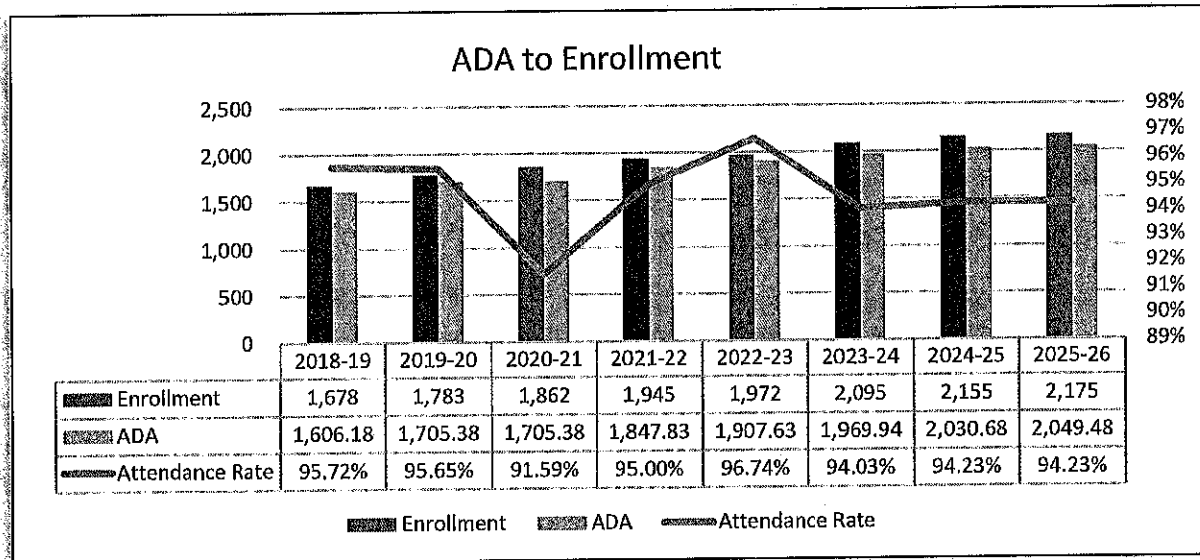
#### **Financial Status in 2023-24**

##### **Attendance and Enrollment**

Literacy First Charter School is projecting an increase in enrollment from 2022-23 to 2023-24 of 6.24% by 123 students. The charter school's average daily attendance (ADA) is projected to be 1,969.94 in 2023-24 with an enrollment to ADA percentage of 94.03%. The two subsequent years project enrollment increases of 2.86% and 0.93%.

Historical enrollment and attendance figures, and the assumptions included in the charter school's multiyear projection, are presented in the following chart.

*Note: The graph reflects the hold harmless prior year ADA in 2020-21.*

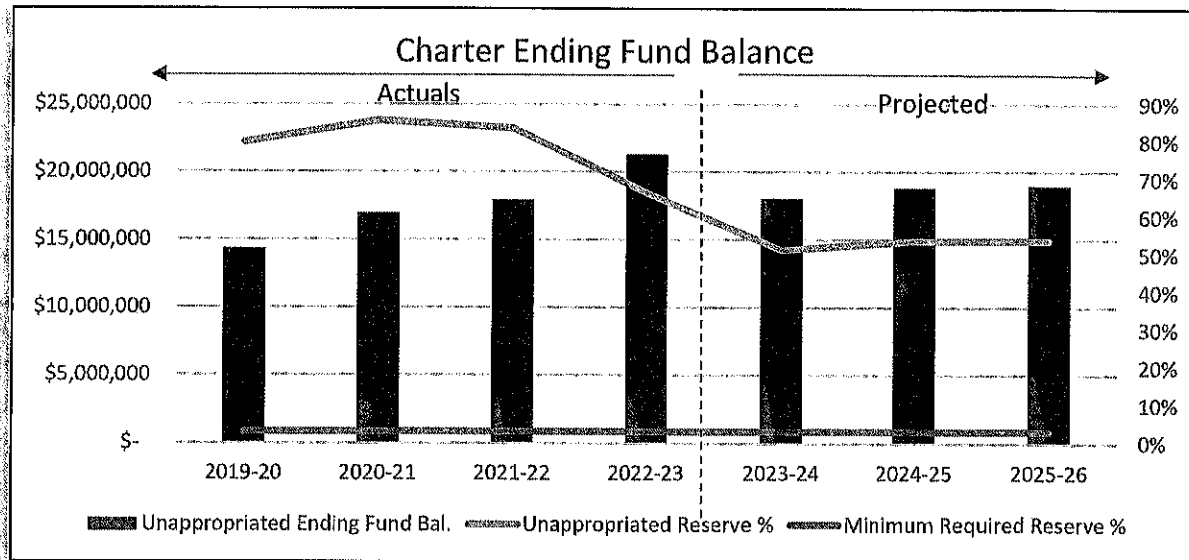


**Deficit Spending / Ending Fund Balance / Reserve for Economic Uncertainties**  
The 2023-24 second interim report the following impacts to the unrestricted general fund:

Fiscal Year	Surplus/(Deficit)	Ending Fund Balance	Reserve for Economic Uncertainties (Ending Fund Balance/Total Expenditures)
2023-24	\$2.43 million	\$18.06 million	51.36%
2024-25	\$794,816	\$18.86 million	53.78%
2025-26	\$122,057	\$18.98 million	53.70%

The San Diego County Office of Education requires the charter school to maintain a Reserve for Economic Uncertainties (REU) equal to 3% of expenditures. The charter school projects that it will meet this requirement in 2023-24 and beyond.

The following chart displays the charter school's ending fund balance and REU from fiscal year 2019-20 through the projection period.



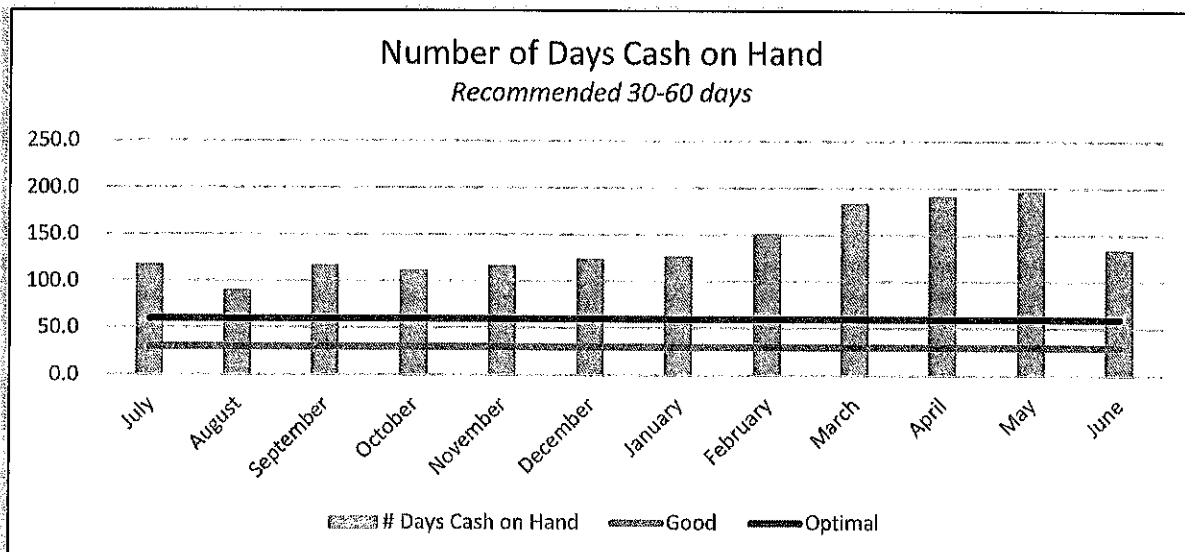
### Multiyear Projection

We have reviewed the charter school's assumptions for the multiyear projection, and they appear to be reasonable. Based upon these assumptions, the charter school will meet the required reserve percentage.

### Cash Flow

The cash flow submitted with the 2023-24 second interim report projects a positive cash balance in all months.

The charter school industry recommends that charter schools maintain a cash balance between 30 and 60 days of cash on hand. Cash on hand for Literacy First Charter School is projected to range from 90 to 197 days.



### **Audit Adjustments or Restatements**

The charter school had audit adjustments and restatements in their 2022-23 audit report in the amount of (\$8,546,399). The audit adjustments and restatements have been reflected in the second interim report.

### **Audit Findings**

The charter school had the following audit finding(s) in their 2022-23 audit report:

<b>Audit Finding</b>
<p><b><u>2023-001: Financial Statement Reporting (30000) Material Weaknesses</u></b></p> <p>Financial controls for best business practices should include reconciliation and review of all balance sheet accounts, and proper monitoring and oversight related to these functions. It is management's responsibility to ensure financial statements are compliant with generally accepted accounting principles (GAAP) applicable to nonprofit organizations, including principles of consolidation and implementation of new accounting standards. The new accounting pronouncement issued by FASB, ASU No. 2016-02, Leases (Topic 842) is applicable to any entity that enters into a lease.</p> <p>Review and reconciliation of balance sheet accounts were not completed. Adjustments related to ASC 842 were not considered during the closing process. Audit adjustments were necessary to properly report cash with fiscal agent, capital assets, deferred revenue, deferred rent, beginning net assets, and bonded debt. Additionally, the Organization did not record balances relating to the new FASB standard on leases (ASC 842) which includes a right-of-use asset and related lease liability be recognized for all lease agreements.</p> <p>Auditor Recommendation: Account balances should be reconciled at year-end. This may include maintaining supplemental schedules for bonded debt issuances and related repayment schedule, listing of capital assets and related depreciation, bank statements for funds held with a fiscal agent, etc. Management should also evaluate all lease agreements and review the new FASB lease standard.</p>
<b>Financial Impact</b>
No resulting penalty or questioned costs.

The charter school has provided an explanation of how the school has cured and corrected the findings. The corrective action plan includes processes for year-end reconciliation steps to ensure recording of leases, Fair Market Value adjustments of deposits in the San Diego County Treasury, CalSTRS On-Behalf payments, and working with SDCOE to establish appropriate accounting codes in the PeopleSoft system.

**Long-Term Debt and Liabilities**

Literacy First Charter School entered into a lease agreement with Literacy First Charter School Issuer, LLC on November 1, 2019, for use of the facilities located at Main Street and Bradley Street. The minimum lease amount due in fiscal year 2023-24 is \$723,090.

**Conclusion**

Literacy First Charter School has a 6.24% increase in enrollment from the previous fiscal year of 2022-23. The projected average daily attendance (ADA) is 1,969.94 in the 2023-24 fiscal year with an ADA to enrollment ratio of 94.03%. The charter school is encouraged to adjust revenue and expenditure assumptions based on actual ADA at the second principal apportionment (P-2) reporting period to account for an increase or decrease.

The charter school is projecting a budget surplus in the multiyear projection. The charter school has projects that it will be able to meet the 3% reserve requirement over the reported projection period.

We appreciate Literacy First Charter School's efforts to ensure fiscal solvency. Should any adverse circumstances arise, that would negatively impact the financial condition of the charter school, please notify our office as soon as possible.

If you have any questions concerning this review, please feel free to contact Anna Buxbaum at [abuxbaum@sdcoe.net](mailto:abuxbaum@sdcoe.net), or at 858-290-5899.

Sincerely,



Bradley Johnson  
Senior Director, Charter School Services

cc: Priscilla Schreiber, Board President, Literacy First Charter School  
Steve Robinson, Chief Financial Official, Literacy First Charter School



**CHARTER SCHOOL  
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM**

Reporting Period: Second Interim

Charter School Name: Literacy First Charter Schools  
(continued)  
CDS #: 37-10371-6119119  
Charter Approving Entity: SDCOE  
County: San Diego  
Charter #: 405  
Fiscal Year: 2023-14

**CERTIFICATION OF FINANCIAL CONDITION**



**POSITIVE CERTIFICATION**

As the Charter School Official, I certify that based upon current projections this charter will meet its financial obligations for the current fiscal year and subsequent two fiscal years.



**QUALIFIED CERTIFICATION**

As the Charter School Official, I certify that based upon current projections this charter may not meet its financial obligations for the current fiscal year or two subsequent fiscal years.



**NEGATIVE CERTIFICATION**

As the Charter School Official, I certify that based upon current projections this charter will be unable to meet its financial obligations for the remainder of the current fiscal year or for the subsequent fiscal year.

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 47604.33.

Signed:



Date:

3.14.2024

Charter School Official  
(Original signature required)

Print

Name: Stephen Robinson

Title: CBO

To the County Superintendent of Schools:



2023-24 CHARTER SCHOOL FIRST INTERIM FINANCIAL REPORT -- ALTERNATIVE FORM: This report is hereby filed with the County Superintendent pursuant to Education Code Section 47604.33.

Signed:

Authorized Representative of  
Charter Approving Entity  
(Original signature required)

Date:

Print

Name:

Title:

For additional information on the First Interim Report, please contact:

For County Fiscal Contact:

Roxanna Travers

Name

Financial Accounting and Support Manager

Title

858.295.6700

Phone

roxanna.travers@sdcoe.net

E-mail

For Approving Entity:

Bradley Johnson

Name

Senior Director, Charter School Services

Title

858.295.6662

Phone

bradley.johnson@sdcoe.net

E-mail

This report has been verified for mathematical accuracy by the County Superintendent of Schools, pursuant to Education Code Section 47604.33.

Date





**CHARTER SCHOOL  
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM**  
Reporting Period: 2nd Interim

Charter School Name: **Literacy First Charter Schools**  
(continued)  
CDS #: **37-10371-6119119**  
Charter Approving Entity: **SDCOE**  
County: **San Diego**  
Charter #: **405**  
Fiscal Year: **2023-24**

This charter school uses the following basis of accounting:

- ☒ **Accrual Basis** (Applicable Capital Assets / Interest on Long-Term Debt / Long-Term Liabilities objects are 6900, 7438, 9400-9499, and 9660-9669)  
☐ **Modified Accrual Basis** (Applicable Capital Outlay / Debt Service objects are 6100-6170, 6200-6500, 7438, and 7439)

Description	Object Code	First Interim - October 31			Actuals thru January 31			Second Interim - January 31		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
A. REVENUES										
1. LCFF Sources										
State Aid - Current Year	8011	13,179,941		13,179,941	6,929,663		6,929,663	13,325,278		13,325,278
Education Protection Account State Aid - Current Year	8012		6,249,069	6,249,069		3,050,528	3,050,528		6,300,337	6,300,337
State Aid - Prior Years	8019			-			-			-
Transfers to Charter Schools in Lieu of Property Taxes	8096	4,564,554		4,564,554	2,255,166		2,255,166	4,537,443		4,537,443
Other LCFF Transfers	8091, 8097			-			-			-
Total, LCFF Sources		17,744,495	6,249,069	23,993,564	9,184,829	3,050,528	12,235,357	17,862,721	6,300,337	24,163,058
2. Federal Revenues										
Every Student Succeeds Act (Title I - V)	8290		483,744	483,744		273,147	273,147		589,755	589,755
Special Education - Federal	8181, 8182		256,360	256,360		73,876	73,876		330,236	330,236
Child Nutrition - Federal	8220			-			-			-
Donated Food Commodities	8221			-			-			-
Other Federal Revenues	8110, 8260-8299		1,755,069	1,755,069		514,977	514,977		1,755,069	1,755,069
Total, Federal Revenues		-	2,495,173	2,495,173	-	862,000	862,000	-	2,675,060	2,675,060
3. Other State Revenues										
Special Education - State	StateRevSE		1,628,972	1,628,972		836,574	836,574		1,800,268	1,800,268
All Other State Revenues	StateRevAO	411,945	6,850,335	7,262,280	248,996	(736,622)	(487,625)	417,231	7,903,189	8,320,420
Total, Other State Revenues		411,945	8,479,307	8,891,252	248,996	99,952	348,949	417,231	9,703,457	10,120,688
4. Other Local Revenues										
All Other Local Revenues	LocalRevAO	568,148		568,148	238,564	11,535	250,099	624,822	11,536	636,358
Total, Local Revenues		568,148	-	568,148	238,564	11,535	250,099	624,822	11,536	636,358
5. TOTAL REVENUES										
		18,724,588	17,223,549	35,948,137	9,672,389	4,024,016	13,696,405	18,904,774	18,690,390	37,595,164
B. EXPENDITURES										
1. Certificated Salaries										
Certificated Teachers' Salaries	1100	2,218,096	7,021,840	9,239,936	522,200	4,586,975	5,109,175	2,269,879	7,014,339	9,284,218
Certificated Pupil Support Salaries	1200	1,635	615,181	616,816	1,635	373,284	374,919	1,635	569,224	570,859
Certificated Supervisors' and Administrators' Salaries	1300	1,603,233	235,536	1,838,769	965,835	140,199	1,106,034	1,599,520	277,476	1,876,996
Other Certificated Salaries	1900	82,802	79,796	162,598	46,119	45,726	91,845	83,810	79,996	163,806
Total, Certificated Salaries		3,905,766	7,952,353	11,858,119	1,535,789	5,146,184	6,681,973	3,954,844	7,941,035	11,895,879
2. Non-certificated Salaries										
Non-certificated Instructional Aides' Salaries	2100	191,897	580,693	772,590	103,046	339,842	442,888	169,055	667,431	836,486
Non-certificated Support Salaries	2200	854,274	79,884	934,158	482,934	33,624	516,558	829,156	82,625	911,781
Non-certificated Supervisors' and Administrators' Sal.	2300			-	-	-	-	-	-	-
Clerical and Office Salaries	2400	1,076,272	61,130	1,137,402	671,397	22,229	693,626	1,083,123	61,130	1,144,253
Other Non-certificated Salaries	2900	371,165	71,716	442,881	176,551	38,167	214,718	333,552	70,250	403,802
Total, Non-certificated Salaries		2,493,608	793,423	3,287,031	1,433,928	433,862	1,867,790	2,414,886	881,436	3,296,322
3. Employee Benefits										
STRS	3101-3102	728,091	1,327,687	2,055,778	269,221	1,634,503	1,903,724	669,891	2,136,781	2,806,672
PERS	3201-3202	590,238	266,573	856,811	322,359	172,763	495,122	563,190	317,695	880,885
OASDI / Medicare / Alternative	3301-3302	229,602	207,535	437,137	130,765	132,034	262,799	233,473	220,139	453,612
Health and Welfare Benefits	3401-3402	706,086	629,867	1,335,953	328,599	531,308	859,907	727,840	821,656	1,549,496
Unemployment Insurance	3501-3502	2,715	4,706	7,421	1,482	2,852	4,334	2,741	5,219	7,960
Workers' Compensation Insurance	3601-3602	115,754	149,136	264,890	50,154	97,098	147,252	108,416	151,435	259,851
OPEB, Allocated	3701-3702			-			-			-
OPEB, Active Employees	3751-3752			-			-			-
Other Employee Benefits	3901-3902	39,838	65,417	105,255	18,976	45,878	64,854	42,718	64,225	106,943
Total, Employee Benefits		2,412,324	2,650,921	5,063,245	1,121,556	2,616,436	3,737,992	2,348,269	3,717,150	6,065,419
4. Books and Supplies										
Approved Textbooks and Core Curricula Materials	4100	150,443	93,816	244,259	26,741	20,887	47,628	150,443	93,816	244,259
Books and Other Reference Materials	4200	55,983	115,376	171,359	30,705	10,941	41,646	55,983	115,376	171,359
Materials and Supplies	4300	794,462	1,043,023	1,837,485	525,714	102,652	628,366	813,128	1,079,821	1,892,949
Noncapitalized Equipment	4400	106,206	621,258	727,464	63,640	147,021	210,661	90,358	607,183	697,541
Food	4700			-			-			-
Total, Books and Supplies		1,107,094	1,873,473	2,980,567	646,800	281,501	928,301	1,109,912	1,886,196	3,006,108
5. Services and Other Operating Expenditures										
Subagreements for Services	5100			-			-			-
Travel and Conferences	5200	98,106	50,884	148,990	43,806	7,465	51,271	109,951	52,173	162,124
Dues and Memberships	5300	50,004	291	50,295	22,651	-	22,651	35,409	291	35,700
Insurance	5400	285,351	-	285,351	237,664	-	237,664	285,401	-	285,401
Operations and Housekeeping Services	5500	421,784	11,080	432,864	295,231	11,080	306,311	466,828	11,080	477,908
Rentals, Leases, Repairs, and Noncap. Improvements	5600	1,997,194	872,958	2,870,152	1,572,817	432,159	2,004,976	2,401,992	805,708	3,207,700
Transfers of Direct Costs	5700-5799			-			-			-
Professional/Consulting Services and Operating Expend.	5800	1,530,597	4,326,738	5,857,335	623,101	540,654	1,163,755	1,609,532	4,752,683	6,362,215
Communications	5900	133,490	5,369	138,859	46,021	5,322	51,343	85,232	5,369	90,601
Total, Services and Other Operating Expenditures		4,516,526	5,267,320	9,783,846	2,841,291	996,680	3,837,971	4,994,345	5,627,304	10,621,649





<b>6. Capital Outlay (Objects 6100-6170, 6200-6500 for modified accrual basis only)</b>									
Land and Land Improvements	6100-6170			-			-		-
Buildings and Improvements of Buildings	6200			-			-		-
Books and Media for New School Libraries or Major Expansion of School Libraries	6300			-			-		-
Equipment	6400			-	(18,510)	(18,510)		(18,510)	(18,510)
Equipment Replacement	6500			-			-		-
Depreciation Expense (for accrual basis only)	6900	300,000		300,000				300,000	300,000
Total, Capital Outlay		300,000	-	300,000	-	(18,510)	(18,510)	300,000	281,490
<b>7. Other Outgo</b>									
Tuition to Other Schools	7110-7143			-			-		-
Transfers of Pass-through Revenues to Other LEAs	7211-7213			-			-		-
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE			-			-		-
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO			-			-		-
All Other Transfers	7281-7299			-			-		-
Transfers of Indirect Costs	7300-7399			-			-		-
Debt Service:									
Interest	7438			-			-		-
Principal (for modified accrual basis only)	7439			-			-		-
Total, Other Outgo		-	-	-	-	-	-	-	-
<b>8. TOTAL EXPENDITURES</b>									
		14,735,318	18,537,490	33,272,808	7,579,364	9,456,153	17,035,517	15,122,256	20,044,611
<b>C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)</b>									
		3,989,270	(1,313,941)	2,675,329	2,093,025	(5,432,137)	(3,339,112)	3,782,518	(1,354,221)
<b>D. OTHER FINANCING SOURCES / USES</b>									
1. Other Sources	8930-8979			-			-		-
2. Less: Other Uses	7630-7699			-			-		-
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999			-			-		-
<b>4. TOTAL OTHER FINANCING SOURCES / USES</b>									
		-	-	-	-	-	-	-	-
<b>E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)</b>									
		3,989,270	(1,313,941)	2,675,329	2,093,025	(5,432,137)	(3,339,112)	3,782,518	(1,354,221)
<b>F. FUND BALANCE, RESERVES</b>									
1. Beginning Fund Balance									
a. As of July 1	9791	24,180,279		24,180,279			-	24,180,279	24,180,279
b. Adjustments to Beginning Balance	9793, 9795	(8,546,399)		(8,546,399)			-	(8,546,399)	(8,546,399)
c. Adjusted Beginning Balance		15,633,880	-	15,633,880	-	-	-	15,633,880	15,633,880
2. Ending Fund Balance, June 30 (E + F.1.c.)		19,623,150	(1,313,941)	18,309,209	2,093,025	(5,432,137)	(3,339,112)	19,416,398	(1,354,221)
<b>Components of Ending Fund Balance :</b>									
a. Nonspendable									
Revolving Cash (equals object 9130)	9711			-			-		-
Stores (equals object 9320)	9712			-			-		-
Prepaid Expenditures (equals object 9330)	9713			-			-		-
All Others	9719			-			-		-
b. Restricted	9740			-			-		-
c. Committed									
Stabilization Arrangements	9750			-			-		-
Other Commitments	9760			-			-		-
d. Assigned									
Other Assignments	9780			-			-		-
e. Unassigned/Unappropriated									
Reserve for Economic Uncertainties	9789			-			-		-
Unassigned/Unappropriated Amount	9790			-			-		-





**CHARTER SCHOOL  
INTERIM FINANCIAL REPORT - ALTERNATIVE FORM**  
Reporting Period:

Charter School Name: Literacy First Charter Schools  
(continued)  
CDS #: 37-10371-6119119  
Charter Approving Entity: SDCOE  
County: San Diego  
Charter #: 405  
Fiscal Year: 2023-24

					2nd Interim vs. 1st Interim Increase, (Decrease)	
Description	Object Code	1st Interim Budget (X)	Actuals thru 1/31 (Y)	2nd Interim Budget (Z)	\$ Difference (Z) vs. (X)	% Change (Z) vs. (X)
<b>A. REVENUES</b>						
1. LCFF/Revenue Limit Sources						
State Aid - Current Year	8011	13,179,941.00	6,929,663.00	13,325,278.00	145,337.00	1.10%
Education Protection Account State Aid - Current Year	8012	6,249,069.00	3,050,528.00	6,300,337.00	51,268.00	0.82%
State Aid - Prior Years	8019	-	-	-	-	-
Transfers to Charter Schools Funding in Lieu of Property Taxes	8096	4,564,554.00	2,255,166.00	4,537,443.00	(27,111.00)	-0.59%
Other LCFF Transfers	8091, 8097	-	-	-	-	-
Total, LCFF Sources		23,993,564.00	12,235,357.00	24,163,058.00	169,494.00	0.71%
2. Federal Revenues						
Every Student Succeeds Act (Title I-V)	8290	483,744.00	273,147.00	589,755.00	106,011.00	21.91%
Special Education - Federal	8181, 8182	256,360.00	73,876.00	330,236.00	73,876.00	28.82%
Child Nutrition - Federal	8220	-	-	-	-	-
Donated Food Commodities	8221	-	-	-	-	-
Other Federal Revenues	8110, 8260-8299	1,755,069.00	514,977.49	1,755,069.00	-	0.00%
Total, Federal Revenues		2,495,173.00	862,000.49	2,675,060.00	179,887.00	7.21%
3. Other State Revenues						
Special Education - State	StateRevSE	1,628,972.00	836,574.00	1,800,268.00	171,296.00	10.52%
All Other State Revenues	StateRevAO	7,262,280.00	(487,625.41)	8,320,420.00	1,058,140.00	14.57%
Total, Other State Revenues		8,891,252.00	348,948.59	10,120,688.00	1,229,436.00	13.83%
4. Other Local Revenues						
All Other Local Revenues	LocalRevAO	568,148.00	250,099.30	636,358.00	68,210.00	12.01%
Total, Local Revenues		568,148.00	250,099.30	636,358.00	68,210.00	12.01%
5. TOTAL REVENUES		35,948,137.00	13,696,405.38	37,595,164.00	1,647,027.00	4.58%
<b>B. EXPENDITURES</b>						
1. Certificated Salaries						
Certificated Teachers' Salaries	1100	9,239,936.00	5,109,175.00	9,284,218.00	44,282.00	0.48%
Certificated Pupil Support Salaries	1200	616,816.00	374,919.00	570,859.00	(45,957.00)	-7.45%
Certificated Supervisors' and Administrators' Salaries	1300	1,838,769.00	1,106,034.00	1,876,996.00	38,227.00	2.08%
Other Certificated Salaries	1900	162,598.00	91,845.00	163,806.00	1,208.00	0.74%
Total, Certificated Salaries		11,858,119.00	6,681,973.00	11,895,879.00	37,760.00	0.32%
2. Non-certificated Salaries						
Non-certificated Instructional Aides' Salaries	2100	772,590.00	442,888.00	836,486.00	63,896.00	8.27%
Non-certificated Support Salaries	2200	934,158.00	516,558.00	911,781.00	(22,377.00)	-2.40%
Non-certificated Supervisors' and Administrators' Sal.	2300	-	-	-	-	-
Clerical and Office Salaries	2400	1,137,402.00	693,626.00	1,144,253.00	6,851.00	0.60%
Other Non-certificated Salaries	2900	442,881.00	214,718.00	403,802.00	(39,079.00)	-8.82%
Total, Non-certificated Salaries		3,287,031.00	1,867,790.00	3,296,322.00	9,291.00	0.28%
3. Employee Benefits						
STRS	3101-3102	2,055,778.00	1,903,724.00	2,806,672.00	750,894.00	36.53%
PERS	3201-3202	856,811.00	495,122.00	880,885.00	24,074.00	2.81%
OASDI / Medicare / Alternative	3301-3302	437,137.00	262,799.00	453,612.00	16,475.00	3.77%
Health and Welfare Benefits	3401-3402	1,335,953.00	859,907.00	1,549,496.00	213,543.00	15.98%
Unemployment Insurance	3501-3502	7,421.00	4,334.00	7,960.00	539.00	7.26%
Workers' Compensation Insurance	3601-3602	264,890.00	147,252.00	259,851.00	(5,039.00)	-1.90%
OPEB, Allocated	3701-3702	-	-	-	-	-
OPEB, Active Employees	3751-3752	-	-	-	-	-
Other Employee Benefits	3901-3902	105,255.00	64,854.00	106,943.00	1,688.00	1.60%
Total, Employee Benefits		5,063,245.00	3,737,992.00	6,065,419.00	1,002,174.00	19.79%
4. Books and Supplies						
Approved Textbooks and Core Curricula Materials	4100	244,259.00	47,628.00	244,259.00	-	0.00%
Books and Other Reference Materials	4200	171,359.00	41,646.00	171,359.00	-	0.00%
Materials and Supplies	4300	1,837,485.00	628,366.00	1,892,949.00	55,464.00	3.02%
Noncapitalized Equipment	4400	727,464.00	210,661.00	697,541.00	(29,923.00)	-4.11%



Food	4700	-	-	-	-	
Total, Books and Supplies		2,980,567.00	928,301.00	3,006,108.00	25,541.00	0.86%
5. Services and Other Operating Expenditures						
Subagreements for Services	5100	-	-	-	-	
Travel and Conferences	5200	148,990.00	51,271.00	162,124.00	13,134.00	8.82%
Dues and Memberships	5300	50,295.00	22,651.00	35,700.00	(14,595.00)	-29.02%
Insurance	5400	285,351.00	237,664.00	285,401.00	50.00	0.02%
Operations and Housekeeping Services	5500	432,864.00	306,311.00	477,908.00	45,044.00	10.41%
Rentals, Leases, Repairs, and Noncap. Improvements	5600	2,870,152.00	2,004,976.00	3,207,700.00	337,548.00	11.76%
Transfers of Direct Costs	5700-5799	-	-	-	-	
Professional/Consulting Services and Operating Expend.	5800	5,857,335.00	1,163,755.00	6,362,215.00	504,880.00	8.62%
Communications	5900	138,859.00	51,343.00	90,601.00	(48,258.00)	-34.75%
Total, Services and Other Operating Expenditures		9,783,846.00	3,837,971.00	10,621,649.00	837,803.00	8.56%
6. Capital Outlay (Objects 6100-6170, 6200-6500 modified accrual basis only)						
Land and Land Improvements	6100-6170	-	-	-	-	
Buildings and Improvements of Buildings	6200	-	-	-	-	
Books and Media for New School Libraries or Major Expansion of School Libraries	6300	-	-	-	-	
Equipment	6400	-	(18,510.00)	(18,510.00)	(18,510.00)	New
Equipment Replacement	6500	-	-	-	-	
Depreciation Expense (for accrual basis only)	6900	300,000.00	-	300,000.00	-	0.00%
Total, Capital Outlay		300,000.00	(18,510.00)	281,490.00	(18,510.00)	-6.17%
7. Other Outgo						
Tuition to Other Schools	7110-7143	-	-	-	-	
Transfers of Pass-through Revenues to Other LEAs	7211-7213	-	-	-	-	
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	-	-	-	-	
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO	-	-	-	-	
All Other Transfers	7281-7299	-	-	-	-	
Transfers of Indirect Costs	7300-7399	-	-	-	-	
Debt Service:						
Interest	7438	-	-	-	-	
Principal (for modified accrual basis only)	7439	-	-	-	-	
Total, Other Outgo		-	-	-	-	
8. TOTAL EXPENDITURES		33,272,808.00	17,035,517.00	35,166,867.00	1,894,059.00	5.69%
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		2,675,329.00	(3,339,111.62)	2,428,297.00	(247,032.00)	-9.23%
D. OTHER FINANCING SOURCES / USES						
1. Other Sources	8930-8979	-	-	-	-	
2. Less: Other Uses	7630-7699	-	-	-	-	
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999	-	-	-	-	
4. TOTAL OTHER FINANCING SOURCES / USES		-	-	-	-	
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		2,675,329.00	(3,339,111.62)	2,428,297.00	(247,032.00)	-9.23%
F. FUND BALANCE, RESERVES						
1. Beginning Fund Balance						
a. As of July 1	9791	24,180,279.00	-	24,180,279.00	-	0.00%
b. Adjustments/Restatements	9793, 9795	(8,546,399.00)	-	(8,546,399.00)	-	0.00%
c. Adjusted Beginning Fund Balance		15,633,880.00	-	15,633,880.00		
2. Ending Fund Balance, June 30 (E + F.1.c.)		18,309,209.00	(3,339,111.62)	18,062,177.00		
Components of Ending Fund Balance :						
a. Nonspendable						
Revolving Cash (equals object 9130)	9711	-	-	-	-	
Stores (equals object 9320)	9712	-	-	-	-	
Prepaid Expenditures (equals object 9330)	9713	-	-	-	-	
All Others	9719	-	-	-	-	
b. Restricted	9740	-	-	-	-	
c. Committed						
Stabilization Arrangements	9750	-	-	-	-	
Other Commitments	9760	-	-	-	-	
d. Assigned						
Other Assignments	9780	-	-	-	-	
e. Unassigned/Unappropriated						
Reserve for Economic Uncertainties	9789	-	-	-	-	
Unassigned/Unappropriated Amount	9790	-	-	-	-	



**CHARTER SCHOOL  
MULTI-YEAR PROJECTION - ALTERNATIVE FORM  
2nd Interim Report - MYP**

Charter School Name: Literacy First Charter Schools  
(continued)  
CDS #: 37-10371-6119119  
Charter Approving Entity: SDCOE  
County: San Diego  
Charter #: 405  
Fiscal Year: 2023-24

This charter school uses the following basis of accounting:

- ☒ Accrual Basis (Applicable Capital Assets / Interest on Long-Term Debt / Long-Term Liabilities objects are 6900, 7438, 9400-9499, and 9660-9669)  
☐ Modified Accrual Basis (Applicable Capital Outlay / Debt Service objects are 6100-6170, 6200-6500, 7438, and 7439)

Description	Object Code	FY 2023-24			Totals for 2024-25	Totals for 2025-26
		Unrestricted	Restricted	Total		
<b>A. REVENUES</b>						
1. LCFF Sources						
State Aid - Current Year	8011	13,325,278.00	0.00	13,325,278.00	12,572,117.00	13,248,139.00
Education Protection Account State Aid - Current Year	8012	0.00	6,300,337.00	6,300,337.00	7,160,708.00	7,424,297.00
State Aid - Prior Years	8019	0.00	0.00	0.00		
Transfers of Charter Schools in Lieu of Property Taxes	8096	4,537,443.00	0.00	4,537,443.00	5,249,003.00	5,297,598.00
Other LCFF Transfers	8091, 8097	0.00	0.00	0.00		
Total, LCFF Sources		17,862,721.00	6,300,337.00	24,163,058.00	24,981,828.00	25,970,034.00
2. Federal Revenues						
Every Student Succeeds Act (Title I - V)	8290	0.00	589,755.00	589,755.00	389,526.00	389,526.00
Special Education - Federal	8181, 8182	0.00	330,236.00	330,236.00	247,281.00	259,947.00
Child Nutrition - Federal	8220	0.00	0.00	0.00	0.00	0.00
Donated Food Commodities	8221	0.00	0.00	0.00	0.00	0.00
Other Federal Revenues	8110, 8260-8299	0.00	1,755,069.00	1,755,069.00	3,063.00	3,063.00
Total, Federal Revenues		0.00	2,675,060.00	2,675,060.00	639,870.00	652,536.00
3. Other State Revenues						
Special Education - State	StateRevSE	0.00	1,800,268.00	1,800,268.00	1,731,730.00	1,785,830.00
All Other State Revenues	StateRevAO	417,231.00	7,903,189.00	8,320,420.00	7,866,847.00	6,418,834.00
Total, Other State Revenues		417,231.00	9,703,457.00	10,120,688.00	9,598,577.00	8,204,664.00
4. Other Local Revenues						
All Other Local Revenues	LocalRevAO	624,822.00	11,536.00	636,358.00	636,358.00	636,358.00
Total, Local Revenues		624,822.00	11,536.00	636,358.00	636,358.00	636,358.00
5. TOTAL REVENUES		18,904,774.00	18,690,390.00	37,595,164.00	35,856,633.00	35,463,592.00
<b>B. EXPENDITURES</b>						
1. Certificated Salaries						
Certificated Teachers' Salaries	1100	2,269,879.00	7,014,339.00	9,284,218.00	9,181,738.00	9,365,373.00
Certificated Pupil Support Salaries	1200	1,635.00	569,224.00	570,859.00	565,000.00	576,301.00
Certificated Supervisors' and Administrators' Salaries	1300	1,599,520.00	277,476.00	1,876,996.00	1,857,733.00	1,894,888.00
Other Certificated Salaries	1900	83,810.00	79,996.00	163,806.00	162,126.00	165,367.00
Total, Certificated Salaries		3,954,844.00	7,941,035.00	11,895,879.00	11,766,597.00	12,001,929.00
2. Non-certificated Salaries						
Non-certificated Instructional Aides' Salaries	2100	169,055.00	667,431.00	836,486.00	777,087.00	792,629.00
Non-certificated Support Salaries	2200	829,156.00	82,625.00	911,781.00	847,035.00	863,976.00
Non-certificated Supervisors' and Administrators' Sal.	2300	0.00	0.00	0.00	0.00	0.00
Clerical and Office Salaries	2400	1,083,123.00	61,130.00	1,144,253.00	1,056,998.00	1,078,138.00
Other Non-certificated Salaries	2900	333,552.00	70,250.00	403,802.00	375,128.00	382,630.00
Total, Non-certificated Salaries		2,414,886.00	881,436.00	3,296,322.00	3,056,248.00	3,117,373.00
3. Employee Benefits						
STRS	3101-3102	669,891.00	2,136,781.00	2,806,672.00	2,812,108.14	2,924,592.26
PERS	3201-3202	563,190.00	317,695.00	880,885.00	885,258.91	920,669.21
OASDI / Medicare / Alternative	3301-3302	233,473.00	220,139.00	453,612.00	455,864.35	474,098.89
Health and Welfare Benefits	3401-3402	727,840.00	821,656.00	1,549,496.00	1,557,189.81	1,619,477.29
Unemployment Insurance	3501-3502	2,741.00	5,219.00	7,960.00	7,999.52	8,319.50
Workers' Compensation Insurance	3601-3602	108,416.00	151,435.00	259,851.00	261,141.25	271,586.89
OPEB, Allocated	3701-3702	0.00	0.00	0.00	-	-
OPEB, Active Employees	3751-3752	0.00	0.00	0.00	-	-
Other Employee Benefits	3901-3902	42,718.00	64,225.00	106,943.00	107,474.01	111,772.96

Description	Object Code	FY 2023-24			Totals for 2024-25	Totals for 2025-26
		Unrestricted	Restricted	Total		
Total, Employee Benefits		2,348,269.00	3,717,150.00	6,065,419.00	6,087,036.00	6,330,517.00



Description	Object Code	FY 2023-24			Totals for 2024-25	Totals for 2025-26
		Unrestricted	Restricted	Total		
4. Books and Supplies						
Approved Textbooks and Core Curricula Materials	4100	150,443.00	93,816.00	244,259.00	238,050.04	192,944.19
Books and Other Reference Materials	4200	55,983.00	115,376.00	171,359.00	167,003.13	135,359.28
Materials and Supplies	4300	813,128.00	1,079,821.00	1,892,949.00	1,844,831.03	1,495,271.45
Noncapitalized Equipment	4400	90,358.00	607,183.00	697,541.00	679,809.80	550,999.07
Food	4700	0.00	0.00	0.00	0.00	0.00
Total, Books and Supplies		1,109,912.00	1,896,196.00	3,006,108.00	2,929,694.00	2,374,574.00
5. Services and Other Operating Expenditures						
Subagreements for Services	5100	0.00	0.00	0.00	0.00	0.00
Travel and Conferences	5200	109,951.00	52,173.00	162,124.00	166,712.11	171,213.33
Dues and Memberships	5300	35,409.00	291.00	35,700.00	36,710.31	37,701.49
Insurance	5400	285,401.00	0.00	285,401.00	293,477.86	301,401.75
Operations and Housekeeping Services	5500	466,828.00	11,080.00	477,908.00	491,432.81	504,701.47
Rentals, Leases, Repairs, and Noncap. Improvements	5600	2,401,992.00	805,708.00	3,207,700.00	3,298,478.01	3,387,536.76
Transfers of Direct Costs	5700-5799	0.00	0.00	0.00	0.00	0.00
Professional/Consulting Services and Operating Expend.	5800	1,609,532.00	4,752,683.00	6,362,215.00	6,542,265.88	6,718,906.74
Communications	5900	85,232.00	5,369.00	90,601.00	93,165.01	95,680.46
Total, Services and Other Operating Expenditures		4,994,345.00	5,627,304.00	10,621,649.00	10,922,242.00	11,217,142.00
6. Capital Outlay (Obj. 6100-6170, 6200-6500 for mod. accr. basis only)						
Land and Land Improvements	6100-6170	0.00	0.00	0.00	0.00	0.00
Buildings and Improvements of Buildings	6200	0.00	0.00	0.00	0.00	0.00
Books and Media for New School Libraries or Major Expansion of School Libraries	6300	0.00	0.00	0.00	0.00	0.00
Equipment	6400	0.00	(18,510.00)	(18,510.00)	0.00	0.00
Equipment Replacement	6500	0.00	0.00	0.00	0.00	0.00
Depreciation Expense (for accrual basis only)	6900	300,000.00	0.00	300,000.00	300,000.00	300,000.00
Total, Capital Outlay		300,000.00	(18,510.00)	281,490.00	300,000.00	300,000.00
7. Other Outgo						
Tuition to Other Schools	7110-7143	0.00	0.00	0.00		
Transfers of Pass-through Revenues to Other LEAs	7211-7213	0.00	0.00	0.00		
Transfers of Apportionments to Other LEAs - Spec. Ed.	7221-7223SE	0.00	0.00	0.00		
Transfers of Apportionments to Other LEAs - All Other	7221-7223AO	0.00	0.00	0.00		
All Other Transfers	7280-7299	0.00	0.00	0.00		
Transfers of Indirect Costs	7300-7399	0.00	0.00	0.00		
Debt Service:						
Interest	7438	0.00	0.00	0.00		
Principal (for modified accrual basis only)	7439	0.00	0.00	0.00		
Total, Other Outgo		0.00	0.00	0.00	0.00	0.00
8. TOTAL EXPENDITURES		15,122,256.00	20,044,611.00	35,166,867.00	35,061,817.00	35,341,534.99
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPEND. BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)		3,782,518.00	(1,354,221.00)	2,428,297.00	794,816.00	122,057.01

Description	Object Code	FY 2023-24			Totals for 2024-25	Totals for 2025-26
		Unrestricted	Restricted	Total		
Description	Object Code	FY 2023-24			Totals for 2024-25	Totals for 2025-26
		Unrestricted	Restricted	Total		
<b>D. OTHER FINANCING SOURCES / USES</b>						
1. Other Sources	8930-8979	0.00	0.00	0.00	0.00	0.00
2. Less: Other Uses	7630-7699	0.00	0.00	0.00	0.00	0.00
3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)	8980-8999	0.00	0.00	0.00	0.00	0.00
4. TOTAL OTHER FINANCING SOURCES / USES		0.00	0.00	0.00	0.00	0.00
<b>E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)</b>		3,782,518.00	(1,354,221.00)	2,428,297.00	794,816.00	122,057.01
<b>F. FUND BALANCE, RESERVES</b>						
1. Beginning Fund Balance						
a. As of July 1	9791	24,180,279.00	0.00	24,180,279.00	18,062,177.00	18,856,993.00
b. Adjustments/Restatements	9793, 9795	(8,546,399.00)	0.00	(8,546,399.00)		
c. Adjusted Beginning Balance		15,633,880.00	0.00	15,633,880.00	18,062,177.00	18,856,993.00
2. Ending Fund Balance, June 30 (E + F.1.c.)		19,416,398.00	(1,354,221.00)	18,062,177.00	18,856,993.00	18,979,050.01
Components of Ending Fund Balance:						
a. Nonspendable						
Revolving Cash (equals object 9130)	9711	0.00	0.00	0.00	0.00	0.00
Stores (equals object 9320)	9712	0.00	0.00	0.00	0.00	0.00
Prepaid Expenditures (equals object 9330)	9713	0.00	0.00	0.00	0.00	0.00
All Others	9719	0.00	0.00	0.00	0.00	0.00
b. Restricted	9740		0.00	0.00	0.00	0.00
c. Committed						
Stabilization Arrangements	9750	0.00	0.00	0.00	0.00	0.00
Other Commitments	9760	0.00	0.00	0.00	0.00	0.00
d. Assigned						
Other Assignments	9780	0.00	0.00	0.00	0.00	0.00
e. Unassigned/Unappropriated						
Reserve for Economic Uncertainties	9789	0.00	0.00	0.00	0.00	0.00
Unassigned/Unappropriated Amount	9790	0.00	0.00	0.00	0.00	0.00



[illegible]

