



ALLEGIANCE STEAM ACADEMY

REGULAR MEETING OF THE BOARD OF DIRECTORS

December 20, 2018

6:00 pm

Meeting Location:

5862 C Street, Chino, CA 91710

AGENDA

INSTRUCTIONS FOR PRESENTATIONS TO THE BOARD BY PARENTS AND CITIZENS

Allegiance STEAM Academy- Thrive charter school (“Allegiance STEAM Academy”), also known as ASA Thrive, is a direct-funded, independent, public charter school operated by the Allegiance STEAM Academy nonprofit public benefit corporation and governed by Allegiance STEAM Academy, Incorporated corporate Board of Directors (“Board”). The purpose of a public meeting of the Board, is to conduct the affairs of Allegiance STEAM Academy in public. We are pleased that you are in attendance and hope you will visit these meetings often. Your participation assures us of continuing community interest in our school.

1. Agendas are available to all audience members at the meeting. Note that the order of business on this agenda may be changed without prior notice. For more information on this agenda, please contact Allegiance at: info@asathrive.org

2. “Request to Speak” forms are available to all audience members who wish to speak on any agenda items or under the general category of “Public Comments.”

3. “Public Comments” are set aside for members of the audience to comment. However, due to public meeting laws, the Board can only listen to your issue, not take action. The public is invited to address the Board regarding items listed on the agenda. Comments on an agenda item will be accepted during consideration of that item, or prior to consideration of the item in the case of a closed session item. Please turn in comment cards to the Board Secretary prior to the item you wish to speak on. These presentations are limited to three (3) minutes.

4. In compliance with the Americans with Disabilities Act (ADA) and upon request, Allegiance STEAM Academy may furnish reasonable auxiliary aids and services to qualified individuals with disabilities. Individuals who require appropriate alternative modification of the agenda in order to participate in Board meetings are invited to contact Allegiance STEAM Academy.

I. Preliminary

A. Call to Order

The meeting was called to order by Board Chair at _____.

B. Roll Call

Present Absent

Andrew Vestey, Chairman	_____	_____
Samantha Odo, Secretary	_____	_____
Melanie Choi, Treasurer	_____	_____
Marcilyn Jones, Member	_____	_____
Jason Liso, Member	_____	_____

C. Public Comments- Items not on the Agenda

No individual presentations shall be for more than three (3) minutes. Ordinarily, Board members will not respond to presentations and no action can be taken. However, the Board may give direction to staff following a presentation.

D. Approval of Agenda for the Regular Board Meeting for December 20, 2018.

Recommended the Board of Directors approve the Agenda for Regular Board Meeting for December 20, 2018

Motion: _____ Second: _____ Roll Call: _____

II. Open Session:

A. COMMUNICATIONS

- 1. **Comments from Board of Directors**
- 2. **CEO’s report**

B. ITEMS SCHEDULED FOR INFORMATION:

- 1. **Update from Parents and Community for Kids**
- 2. **Student Presentation: Friendship Bench- *Lauren Odo***
- 3. **Update on Local Control Accountability Plan (LCAP)**
- 4. **Governance Training: Ralph M. Brown Act and Charter School Best Practices- *Ms. Greta Proctor, Procopio***
- 5. **Financial Update November 2018- *Jim Weber, Charter Impact***

C. ITEMS SCHEDULED FOR CONSENT:

1. **Minutes for the Regular Meeting of the Board of Directors November 29, 2018**
2. **Check register for month of November 2018**

Motion: _____ Second: _____ Roll Call: _____

D. ITEMS SCHEDULED FOR DISCUSSION/ACTION:

1. Factoring Agreement with Charter Asset Management

The Board will review/ discuss the Factoring Agreement presented to Allegiance STEAM Academy to provide \$200,000 to assist with operational costs.

It is recommended the Board of Directors:

- a. Adopt and approve the Factoring Agreement with Charter Asset Management in the amount of \$200,000.

Motion: _____ Second: _____ Roll Call: _____

2. Updated Report Card for Allegiance STEAM Academy Third Grade

See attached

It is recommended the Board of Directors:

- a. Adopt and approve the Updated Report Card for ASA Third Grade

Motion: _____ Second: _____ Roll Call: _____

3. Updated Progress Report for Allegiance STEAM Academy Third Grade

See attached

It is recommended the Board of Directors:

- a. Adopt and approve the Updated Progress Report for ASA Third Grade

Motion: _____ Second: _____ Roll Call: _____

D. ADJOURNMENT

It is recommended the Board of Directors:

- a. Adjourn the Regular Board Meeting for December 20, 2018 at _____

Motion: _____ Second: _____ Roll Call: _____

Local Control Accountability Plan and Annual Update (LCAP) Template

[Addendum](#): General instructions & regulatory requirements.

[Appendix A](#): Priorities 5 and 6 Rate Calculations

[Appendix B](#): Guiding Questions: Use as prompts (not limits)

[LCFF Evaluation Rubrics](#): Essential data to support completion of this LCAP. Please analyze the LEA's full data set; specific links to the rubrics are also provided within the template.

LEA Name	Contact Name and Title	Email and Phone
Allegiance STEAM Academy Thrive	Sebastian Cognetta, CEO	sebastian.cognetta@asathrive.org 909-465-5405

2018-21 Plan Summary

The Story

Describe the students and community and how the LEA serves them.

School Profile:

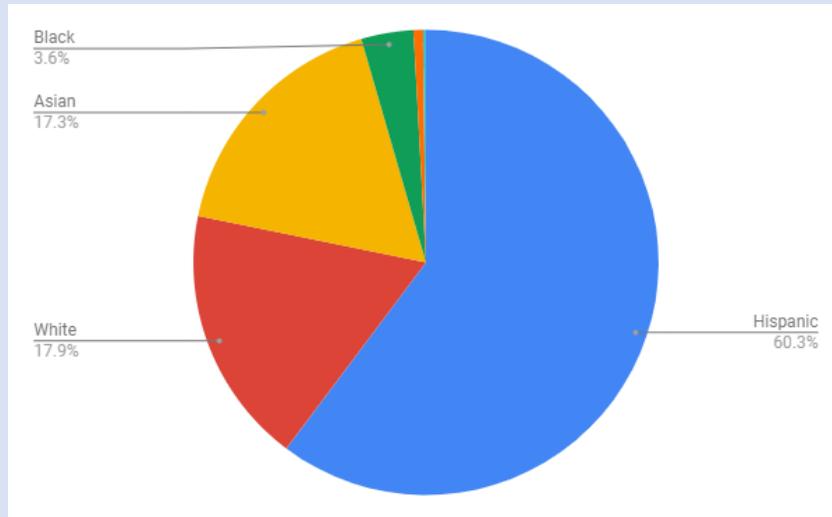
Allegiance STEAM Academy Thrive (ASA Thrive) was established in 2018 for students in grades Kindergarten through 8th grade in the Chino Valley and surrounding communities by a group of parents desiring school choice in their community. ASA Thrive operates under the authority of the Chino Valley Unified School District and is a STEAM-focused school complemented with World Languages, including Spanish and Mandarin.

The mission is to teach students the academic, social-emotional, and character skills needed to be college and career ready. ASA Thrive students will develop as critical thinkers, civic leaders, and socially responsible citizens that are integral to their communities and beyond.

The vision of ASA Thrive is establish a safe school environment in which students are inspired to take risks to gain skills to be successful in the local and global communities. Allegiance STEAM Academy Thrive will be a harbor of innovation and accountability where students, staff and families are key collaborators in the decision-making processes. By providing a school based on best practices, Allegiance STEAM Academy Thrive will be a change agent in the community.

We are ASA Thrive. We are part of the fabric of public education in the Chino Valley. We believe a STEAM-focused education provides students the competitive edge in future STEAM-related careers as well as those careers outside of the expanding STEAM umbrella. We take pride in providing a high quality education for every child.

ASA Thrive Students



LCAP Highlights

Identify and briefly summarize the key features of this year's LCAP.

ASA Thrive's first LCAP consists of 2 goals with 10 actions all of which are school-wide actions and **XX** are for identified student groups. Parents, students, and community partners were involved in the needs analysis beginning in September, 2018. An LCAP survey was administered to all stakeholders and focus group meetings were held throughout the year to ensure that staff, parents, and students had the opportunity to analyze data, read current research, and provide input. Stakeholders had further input and the opportunity to comment on the LCAP draft in the Stakeholder Advisory Committee and Subgroup meetings. This first LCAP provides baselines for future updates.

Review of Performance

Based on a review of performance on the state indicators and local performance indicators included in the LCFF Evaluation Rubrics, progress toward LCAP goals, local self-assessment tools, stakeholder input, or other information, what progress is the LEA most proud of and how does the LEA plan to maintain or build upon that success? This may include identifying any specific examples of how past increases or improvements in services for low-income students, English learners, and foster youth have led to improved performance for these students.

Greatest Progress

n/a

Referring to the LCFF Evaluation Rubrics, identify any state indicator or local performance indicator for which overall performance was in the "Red" or "Orange" performance category or where the LEA received a "Not Met" or "Not Met for Two or More Years" rating. Additionally, identify any areas that the LEA has determined need significant improvement based on review of local performance indicators or other local indicators. What steps is the LEA planning to take to address these areas with the greatest need for improvement?

Greatest Needs

[Add text here]

Referring to the LCFF Evaluation Rubrics, identify any state indicator for which performance for any student group was two or more performance levels below the “all student” performance. What steps is the LEA planning to take to address these performance gaps?

Performance Gaps

[Add text here]

If not previously addressed, identify the two to three most significant ways that the LEA will increase or improve services for low-income students, English learners, and foster youth.

Increased or Improved services

[Add text here]

Budget Summary

Complete the table below. LEAs may include additional information or more detail, including graphics.

DESCRIPTION	AMOUNT
Total General Fund Budget Expenditures For LCAP Year	\$4,726,196
Total Funds Budgeted for Planned Actions/Services to Meet The Goals in the LCAP for LCAP Year	\$ [Add amount here]

The LCAP is intended to be a comprehensive planning tool but may not describe all General Fund Budget Expenditures. Briefly describe any of the General Fund Budget Expenditures specified above for the LCAP year not included in the LCAP.

Expenditures that are not included in the LCAP are payments for indirect services,, salaries (unless identified in the LCAP), oversight fees, and operational services.

DESCRIPTION	AMOUNT
Total Projected LCFF Revenues for LCAP Year	\$2,827,470

Annual Update

LCAP Year Reviewed: XXXX–XX

Complete a copy of the following table for each of the LEA's goals from the prior year LCAP. Duplicate the table as needed.

Goal 1

All students will experience a rigorous STEAM-aligned, standards-based curriculum delivered by highly qualified staff that will lead to demonstrated growth as measured by site, state, and federal assessments.

State and/or Local Priorities addressed by this goal:

State Priorities: 1. Basic Services; 2. Implementation of State Standards; 4. Student Achievement; 7. Course Access; 8. Student Performance

Local Priorities: [Add Local Priorities Here]

Annual Measurable Outcomes

Expected	Actual
Fully credentialed staff in core content areas	Over 80% credentialed staff in core content areas
All students will have access to printed and/or digital instructional materials that are aligned to State Standards	100% of students have access to printed and/or digital materials aligned to standards
All students will gain academic content knowledge through the implementation of CCSS and NGSS.	Students receive instruction aligned to CCSS and NGSS daily
Eligible students participate in tiered interventions.	Students requiring intervention have been identified, are receiving interventions, and are progress monitored.
ASA Thrive students will achieve comparable results of the comparison public schools on CAASPP, CAST, and PFT.	[Add actual outcome here]
English Learners progress towards proficiency as measured by the ELPAC.	[Add actual outcome here]
All students will enroll in core and non-core subject areas at all grade levels, including STEAM, World Language and Music/Drama.	100% of students participate in non-core classes
All students conduct research, publish and present using technology.	[Add actual outcome here]

Actions / Services

Duplicate the Actions/Services from the prior year LCAP and complete a copy of the following table for each. Duplicate the table as needed.

Action 1

Planned Actions/Services	Actual Actions/Services	Budgeted Expenditures	Estimated Actual Expenditures
Comprehensive hiring and interview process	Over 80% of hired teachers highly qualified to teach in their positions	[Add budgeted expenditures here]	[Add estimated actual expenditures here]
Materials purchased will be aligned to State Standards	Instructional materials in Math, ELA, History and Science aligned to standards	\$70,000	\$61,562.32
Provide intervention, enrichment, and standards-aligned instruction with standards-aligned materials	In-school and before/after school intensive intervention implemented	\$5,000	\$3560.20
Enroll students in interventions both during and before/after school	SIPPS, LightSail literacy, BrainPop interventions adopted; ProdigyGames math intervention adopted	n/a	n/a
Provide internal professional development on ELD Standards and Instruction	Monthly ELD-specific professional development provided to teachers	n/a	n/a
Design schedule to ensure all students receive access to core and non-core subject courses.	Designed schedule to ensure all students receive access to core and non-core subject courses.	n/a	n/a

Analysis

Complete a copy of the following table for each of the LEA's goals from the prior year LCAP. Duplicate the table as needed. Use actual annual measurable outcome data, including performance data from the LCFF Evaluation Rubrics, as applicable.

Describe the overall implementation of the actions/services to achieve the articulated goal.

[Add text here]

Describe the overall effectiveness of the actions/services to achieve the articulated goal as measured by the LEA.

[Add text here]

Explain material differences between Budgeted Expenditures and Estimated Actual Expenditures.

[Add text here]

Describe any changes made to this goal, expected outcomes, metrics, or actions and services to achieve this goal as a result of this analysis and analysis of the LCFF Evaluation Rubrics, as applicable. Identify where those changes can be found in the LCAP.

[Add text here]

Goal 2

Allegiance STEAM Academy Thrive will provide stakeholders access to real-time relevant information regarding school operations, finances, governance and student learning.

State and/or Local Priorities addressed by this goal:

State Priorities: 3. Parental Involvement

Local Priorities: Community Involvement

Annual Measurable Outcomes

Expected	Actual
Host a minimum of two stakeholder events/ activities per trimester	Within the 1 st trimester, 6 events hosted including LCAP and PACK (foundation) meetings
Host a minimum of one parent information meeting per trimester	Within the 1 st trimester, 2 events, including a parent orientation during Back to School Night and an LCAP orientation provided
Solicit stakeholder input at least once per trimester	Within 1 st trimester, 2 stakeholder surveys conducted
Hold a minimum of six School Site Council meetings	With the passing of SB716, ASA has combined SSC with LCAP stakeholder meetings.

Actions / Services

Duplicate the Actions/Services from the prior year LCAP and complete a copy of the following table for each. Duplicate the table as needed.

Action 2

Planned Actions/Services	Actual Actions/Services	Budgeted Expenditures	Estimated Actual Expenditures
Schedule and host parent events (2/trimester)	School events scheduled and posted on school calendar	[Add budgeted expenditures here]	[Add estimated actual expenditures here]
Host parent information nights on pertinent topics and provide ongoing written communication and resources	Weekly updates distributed including stakeholder events provided by email and, when pertinent, in hardcopy; report card instructional video created/ disseminated.		
Collect Survey Data at a minimum of once per trimester	Two surveys conducted in 1 st trimester		
Host LCAP Stakeholder Meetings	LCAP stakeholder meetings have started in October, 2018		

Analysis

Complete a copy of the following table for each of the LEA's goals from the prior year LCAP. Duplicate the table as needed. Use actual annual measurable outcome data, including performance data from the LCFF Evaluation Rubrics, as applicable.

Describe the overall implementation of the actions/services to achieve the articulated goal.

[Add text here]

Describe the overall effectiveness of the actions/services to achieve the articulated goal as measured by the LEA.

[Add text here]

Explain material differences between Budgeted Expenditures and Estimated Actual Expenditures.

[Add text here]

Describe any changes made to this goal, expected outcomes, metrics, or actions and services to achieve this goal as a result of this analysis and analysis of the LCFF Evaluation Rubrics, as applicable. Identify where those changes can be found in the LCAP.

[Add text here]

Stakeholder Engagement

LCAP Year: **XXXX–XX**

Involvement Process for LCAP and Annual Update

How, when, and with whom did the LEA consult as part of the planning process for this LCAP/Annual Review and Analysis?

[Add text here]

Impact on LCAP and Annual Update

How did these consultations impact the LCAP for the upcoming year?

[Add text here]

DRAFT

Goals, Actions, & Services

Goal 3

Allegiance STEAM Academy Thrive will provide a school environment which fosters physical and emotional security and focuses the school climate on creating opportunities for students to take risks to gain the skills required in the STEAM fields

State and/or Local Priorities addressed by this goal:

State Priorities: 5. Pupil engagement; 6. School Climate

Local Priorities: Safe School Environment

Identified Need:

[Add text here]

Expected Annual Measurable Outcomes

Metrics/ Indicators	Baseline	2018-19	2019-20	2020-21
Attendance Rate	97.8% (Aug, 2018 – Nov, 2018)	97.8%	[Add outcome here]	[Add outcome here]
Percentage of students that feel safe and support at school	available January, 2019	[Add outcome here]	[Add outcome here]	[Add outcome here]
Percentage of students that feel supported at school	available January, 2019	[Add outcome here]	[Add outcome here]	[Add outcome here]

Planned Actions / Services

Action 2

Planned Actions/Services	Actual Actions/Services	Budgeted Expenditures	Estimated Actual Expenditures
Implement an attendance notification practice including home contact, excessive absences/tardies, and SARB process	Daily attendance notification practice instituted; excessive absences/tardies defined and letters mailed	\$14,000	\$14,000
Conduct a Fall and Spring School Climate Survey for students	CA Healthy Kids Survey selected; Scheduled to be delivered in December for baseline data	n/a	n/a
Provide training and resources for self-regulation and problem solving	Staff trained on Zones of Regulation; Zones of Regulation posted and used in 100% of classrooms	\$400	\$300
Develop and implement a rating scale for Zones of Regulation implementation and effectiveness			

Action 1

For Actions/Services not included as contributing to meeting the Increased or Improved Services Requirement:

Students to be Served:

(Select from All, Students with Disabilities, or Specific Student Groups)

[Add Students to be Served selection here]

Location(s):

(Select from All Schools, Specific Schools, and/or Specific Grade Spans):

[Add Location(s) selection here]

OR

For Actions/Services included as contributing to meeting the Increased or Improved Services Requirement:

Students to be Served:

(Select from English Learners, Foster Youth, and/or Low Income)

[Add Students to be Served selection here]

Scope of Services:

(Select from LEA-wide, Schoolwide, or Limited to Unduplicated Student Group(s))

[Add Scope of Services selection here]

Location(s):

(Select from All Schools, Specific Schools, and/or Specific Grade Spans)

[Add Location(s) selection here]

Actions/Services

Select from New, Modified, or Unchanged for 2017-18

[Add 2017-18 selection here]

Select from New, Modified, or Unchanged for 2018-19

[Add 2018-19 selection here]

Select from New, Modified, or Unchanged for 2019-20

[Add 2019-20 selection here]

2017-18 Actions/Services

[Describe the 2017-18 action/service here]

2018-19 Actions/Services

[Describe the 2018-19 action/service here]

2019-20 Actions/Services

[Describe the 2019-20 action/service here]

Budgeted Expenditures

Year	2017-18	2018-19	2019-20
Amount	89,4000	[Add amount here]	[Add amount here]
Source	PCSGP, LCFF	[Add source here]	[Add source here]
Budget Reference	[Add budget reference here]	[Add budget reference here]	[Add budget reference here]



Allegiance STEAM Academy Thrive

Monthly Financial Presentation – November 2018

November Highlights

Financial forecast is presented for review. Budget revisions are presented independently and not requested herein.

Highlights

- Overall surplus forecast **\$248K**, **5%** of annual expenses.
- Revenue forecast slightly favorable to budget, **\$2K**.
- Expenses forecast below budget, **\$23K** favorable.
- Cash is forecast to end year **\$207K**, **5%** of expenses.

Compliance and Reporting

- 1st Interim Report was submitted.
- Quarterly grant reporting during January.

Enrollment and Revenues

- Enrollment is forecast at budget – 473 and 449.35 ADA.

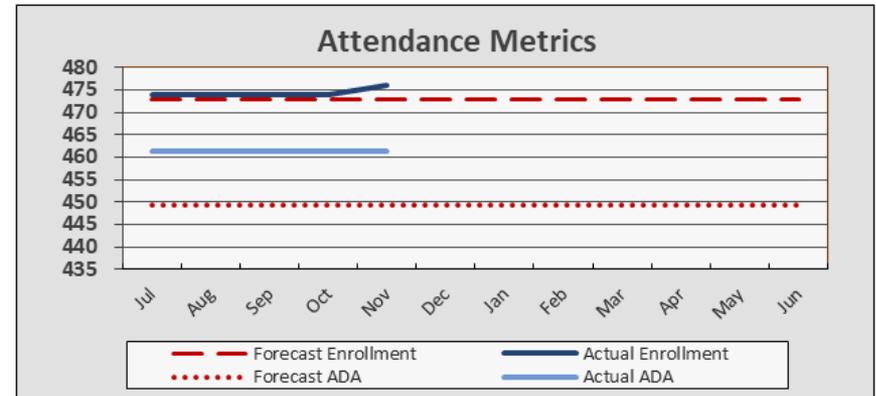
Attendance Data and Metrics



Enrollment and Per Pupil Data

Enrollment & Per Pupil Data			
	<u>Actual</u>	<u>Forecast</u>	<u>Budget</u>
<i>Average Enrollment</i>	474	473	473
<i>ADA</i>	461	449	449
<i>Attendance Rate</i>	97.3%	95.0%	95.0%
<i>Unduplicated %</i>		34.5%	34.5%
<i>Revenue per ADA</i>		\$10,523	\$10,518
<i>Expenses per ADA</i>		\$9,970	\$10,022

Attendance Metrics



Enrollment is forecast at budget (473) and 95% ADA (449.35).

Current ADA has exceeded forecast, 461 and 97%.

If maintained, 10 additional ADA could generate \$90K+ additional surplus (2%).

Revenue

- **November Updates**
 - **Current forecast has no significant variance in revenue.**
- **Ongoing**
 - **Revenues per ADA** – excluding reimbursement (PCSGP and food), revenue forecast \$9,468/ADA.

	<i>Year-to-Date</i>			<i>Annual/Full Year</i>		
	Actual	Budget	Fav/(Unf)	Forecast	Budget	Fav/(Unf)
Revenue						
State Aid-Rev Limit	\$ 1,439,452	\$ 1,439,452	\$ -	\$ 3,810,433	\$ 3,810,912	\$ (479)
Federal Revenue	54,853	64,171	(9,318)	584,503	582,911	1,592
Other State Revenue	647	515	131	328,594	328,462	131
Other Local Revenue	4,500	2,077	2,423	4,967	3,910	1,058
Total Revenue	\$ 1,499,452	\$ 1,506,215	\$ (6,764)	\$ 4,728,498	\$ 4,726,196	\$ 2,302

Expenses



- **November Update**
 - **Salaries and Benefits** – Increased cost for additional classified hourly staff, **(\$27K)**.
 - **Books and Supplies** – Forecast 1st year materials below budget **\$47K**.
 - **Subagreement Services** – Increased forecast for substitute services, **\$6K**.
 - **Facilities** – Reduced site costs through November, **\$5K**.

Expenses	Year-to-Date			Annual/Full Year		
	Actual	Budget	Fav/(Unf)	Forecast	Budget	Fav/(Unf)
Certificated Salaries	\$ 580,458	\$ 585,031	\$ 4,572	\$ 1,590,478	\$ 1,595,050	\$ 4,572
Classified Salaries	228,956	211,816	(17,139)	580,903	550,061	(30,842)
Benefits	210,358	213,300	2,942	599,606	599,083	(523)
Books and Supplies	204,474	370,676	166,202	442,028	489,220	47,192
Subagreement Services	22,370	41,272	18,902	162,921	156,921	(6,000)
Professional Services	94,566	147,590	53,024	707,125	710,116	2,991
Facilities	2,305	8,346	6,041	42,843	47,756	4,913
Operations	87,497	100,800	13,303	283,125	284,520	1,395
Interest	40,460	50,460	10,000	70,983	70,460	(522)
Total Expenses	\$ 1,471,444	\$ 1,729,291	\$ 257,847	\$ 4,480,011	\$ 4,503,186	\$ 23,175

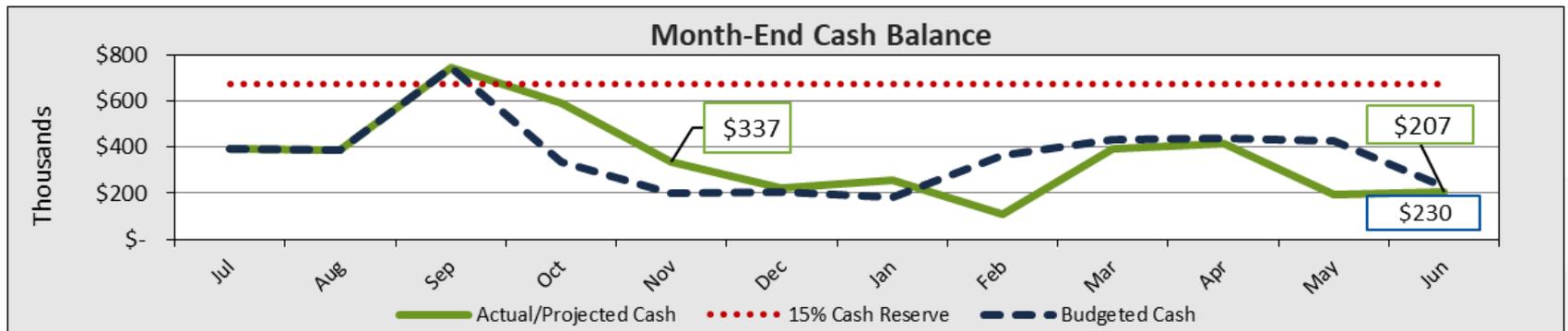
Surplus / (Deficit) & Fund Balance

- Current forecast surplus of \$248K (5%) is above budget and meets goal for first year school.
- First year fund balance is forecast \$185K, 4%, with 2019/20 forecast meeting 10% cumulative balance.

	<i>Year-to-Date</i>			<i>Annual/Full Year</i>		
	Actual	Budget	Fav/(Unf)	Forecast	Budget	Fav/(Unf)
Total Surplus(Deficit)	\$ 28,007	\$ (223,075)	\$ 251,083	\$ 248,487	\$ 223,010	\$ 25,477
Beginning Fund Balance	(62,995)	(62,995)		(62,995)	(62,995)	
Ending Fund Balance	<u>\$ (34,987)</u>	<u>\$ (286,069)</u>		<u>\$ 185,492</u>	<u>\$ 160,015</u>	
<i>As a % of Annual Expenses</i>	-0.8%	-6.4%		4.1%	3.6%	

Cash Balance

- Cash is forecast to end the year at \$207K, 5% of expenses.
- Current cash is \$337K, with \$214K outstanding factoring of 20-Day (repaid Jan).
- Current factoring presented for December (\$200,000) and anticipate January factoring of P-1 apportionment (\$200,000) to continue funding operations while awaiting funding.



Compliance Deadlines (next 60 days)



Area	Due Date	Description	Completed By	Board Must Approve	Signature Required	Additional Information
DATA	15-Jan	Period 1 (P1) Attendance Report - P1 ADA is due to CDE on 1/15/2019. It represents a school's total ADA for a reporting period from the beginning of the school year through December 31, 2018. Note that signatures from your charter authorizer and county superintendent is needed to complete the certification process.	Charter Impact prepares report; Client submits	No	Yes	https://www.cde.ca.gov/fg/aa/pa/
FINANCE	15-Jan	Teacher Residency Grants Request for Proposal due to the Commission on Teacher Credentialing - Grant awards of up to \$20,000 per resident participating in the Teacher Residency Grant Program are available for the purpose of developing a new residency pathway with an IHE that has a Commission-approved teacher preparation program or expanding existing LEA-IHE partnerships currently operating a Commission-approved teacher residency pathway. Applications must reach the Commission by 5 p.m. PST on January 15, 2019.	Client	No	Yes	https://www.ctc.ca.gov/educator-prep/grant-funded-programs/teacher-residency-grant-program
DATA	18-Jan	CALPADS - Fall 1 Amendment deadline - Final opportunity to review and correct your certified CALPADS - Fall 1 student data. Students' program eligibility information associated with lunch, special education, homeless, English language learner, school enrollment and graduation statuses will be submitted to the CDE. This data will be used to in CDE's CA Dashboard calculations and determine access to funding such as student meal reimbursements and unduplicated count factors.	Charter Impact submits with data provided by Client	No	No	https://www.cde.ca.gov/ds/sp/cl/rptcalendar.asp
FINANCE	31-Jan	Federal Cash Management - Period 3 - The Title I, Part A; Title I, Part D, Subpart 2; Title II, Part A; Title III EL; Title III Immigrant; and Title IV, Part A programs under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the ESSA, will utilize the Federal Cash Management program. Charter schools that are awarded a grant under any of these programs must submit the CMDC report for a particular quarter in order to receive an apportionment for that quarter; CDE will apportion funds to LEAs whose cash balance is below a certain threshold.	Charter Impact	No	No	https://www.cde.ca.gov/fg/aa/cm/
FINANCE	31-Jan	Public Charter School Grant Program (PCSGP) and Dissemination Grant Program - Qtr 2 - The PCSGP Quarterly Expenditure Report (QER) is the accountability document that reflects the dollar amount spent towards work plan activities. A QER is due to the CDE's Charter Schools Division within 30 days of each respective quarter.	Charter Impact	No	No	https://www.cde.ca.gov/sp/cs/re/pcsgp.asp
FINANCE	31-Jan	Complete Consolidated Application (ConApp) reporting - Winter - The ConApp is used by the CDE to distribute categorical funds from various state and federal programs to county offices, school districts, and direct-funded charter schools throughout California. The winter release is submitted in January of each year and contains the LEA's entitlements for each funded program.	Charter Impact	Yes	No	https://www.cde.ca.gov/fg/aa/co/cars.asp

Appendices

As of November 30, 2018

- Cash Flow – Monthly and Annual Forecast
- Statement of Financial Position (Balance Sheet)
- Statement of Cash Flows
- Detailed Month and YTD Budget vs. Actual
- Accounts Payable Aging
- Check Register
- Checks issued over \$2K – additional details

Allegiance STEAM Academy - Thrive

Financial Package

November 30, 2018

Presented by:



Allegiance STEAM Academy Thrive

Monthly Cash Flow/Forecast FY18-19

Revised 12/17/18

ADA = 449.35



	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Year-End Accruals	Annual Forecast	Revised Budget Total	Favorable / (Unfav.)
ADA = 449.35																
Revenues																
State Aid - Revenue Limit																
8011 LCFF State Aid	-	-	1,108,341	-	-	-	508,858	-	241,958	241,958	241,958	241,958	241,958	2,826,990	2,827,470	(479)
8012 Education Protection Account	-	-	22,800	-	-	-	22,135	-	-	22,468	-	-	22,468	89,870	89,870	-
8096 In Lieu of Property Taxes	-	-	163,223	72,544	72,544	72,544	72,544	72,544	126,952	63,476	63,476	63,476	50,252	893,573	893,573	-
	-	-	1,294,364	72,544	72,544	72,544	603,537	72,544	368,910	327,901	305,434	305,434	314,677	3,810,433	3,810,912	(479)
Federal Revenue																
8181 Special Education - Entitlement	-	-	-	-	-	-	-	-	-	-	-	-	51,292	51,292	51,292	-
8220 Federal Child Nutrition	-	-	-	3,505	4,530	2,148	2,148	2,148	2,148	2,148	2,148	2,148	4,295	27,365	25,773	1,592
8290 Title I, Part A - Basic Low Income	-	-	-	-	-	-	26,504	-	-	13,252	-	-	13,252	53,009	53,009	-
8294 Title V, Part B - PCSG	-	-	-	46,818	-	177,766	-	-	218,254	-	-	-	(0)	442,838	442,838	-
8296 Other Federal Revenue	-	-	-	-	-	-	5,000	-	-	2,500	-	-	2,500	10,000	10,000	(0)
	-	-	-	50,323	4,530	179,914	33,652	2,148	220,402	17,900	2,148	2,148	71,340	584,503	582,911	1,592
Other State Revenue																
8311 State Special Education	-	-	-	-	-	-	-	46,947	46,947	46,947	46,947	46,947	0	234,733	234,733	-
8520 Child Nutrition	-	-	-	278	369	172	172	172	172	172	172	172	344	2,193	2,062	131
8560 State Lottery	-	-	-	-	-	-	-	-	-	-	-	-	91,667	91,667	91,667	-
	-	-	-	278	369	172	172	47,118	47,118	47,118	47,118	47,118	92,011	328,594	328,462	131
Other Local Revenue																
8634 Food Service Sales	-	-	741	188	74	67	67	67	67	67	67	67	-	1,471	1,410	61
8699 School Fundraising	-	660	85	1,944	807	-	-	-	-	-	-	-	-	3,496	2,500	996
	-	660	826	2,132	881	67	67	67	67	67	67	67	-	4,967	3,910	1,058
Total Revenue	-	660	1,295,191	125,277	78,324	252,696	637,428	121,877	636,497	392,987	354,767	354,767	478,028	4,728,498	4,726,196	2,302
Expenses																
Certificated Salaries																
1100 Teachers' Salaries	-	113,895	109,922	114,865	118,170	118,804	118,804	118,804	118,804	118,804	118,804	118,804	-	1,288,478	1,293,050	4,572
1200 Pupil Support Salaries	-	3,818	3,818	3,818	3,818	3,818	3,818	3,818	3,818	3,818	3,818	3,818	-	42,000	42,000	0
1300 Administrators' Salaries	19,167	19,167	19,167	19,167	19,167	19,167	19,167	19,167	19,167	19,167	19,167	19,167	-	230,000	230,000	(0)
1900 Other Certificated Salaries	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	-	30,000	30,000	-
	21,667	139,380	135,407	140,349	143,655	144,288	144,288	144,288	144,288	144,288	144,288	144,288	-	1,590,478	1,595,050	4,572
Classified Salaries																
2100 Instructional Salaries	-	12,738	24,428	29,308	23,421	19,927	19,927	19,927	19,927	19,927	19,927	19,927	-	229,387	206,446	(22,941)
2200 Support Salaries	2,083	12,107	12,422	13,392	13,077	12,738	12,738	12,738	12,738	12,738	12,738	12,738	-	142,246	133,701	(8,544)
2300 Classified Administrators' Salaries	9,750	7,750	7,750	7,750	7,751	7,750	7,750	7,750	7,750	7,750	7,750	7,750	-	95,001	95,000	(1)
2400 Clerical and Office Staff Salaries	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	-	85,000	85,000	0
2900 Other Classified Salaries	300	1,260	3,337	2,664	2,251	2,780	2,780	2,780	2,780	2,780	2,780	2,780	-	29,269	29,914	645
	19,217	40,938	55,020	60,197	53,583	50,278	50,278	50,278	50,278	50,278	50,278	50,278	-	580,903	550,061	(30,842)
Benefits																
3101 STRS	3,527	21,776	20,978	21,527	22,691	23,761	23,761	23,761	23,761	23,761	23,761	23,761	-	256,829	259,521	2,692
3202 PERS	3,110	7,712	10,105	11,102	9,760	8,994	8,994	8,994	8,994	8,994	8,994	8,994	-	104,745	100,006	(4,739)
3301 OASDI	1,191	2,803	3,583	4,126	3,483	3,087	3,087	3,087	3,087	3,087	3,087	3,087	-	36,797	34,722	(2,075)
3311 Medicare	593	2,615	2,695	2,839	2,791	2,838	2,838	2,838	2,838	2,838	2,838	2,838	-	31,398	31,243	(155)
3401 Health and Welfare	-	-	9,781	9,674	10,316	11,667	11,667	11,667	11,667	11,667	11,667	11,667	-	111,437	114,781	3,344
3501 State Unemployment	1,101	4,973	2,471	1,157	813	1,176	5,880	4,704	2,352	1,176	1,176	1,176	-	28,155	27,704	(451)
3601 Workers' Compensation	553	3,873	2,213	2,213	2,213	2,740	2,740	2,740	2,740	2,740	2,740	2,740	-	30,245	31,106	861
	10,075	43,751	51,826	52,638	52,068	54,263	58,967	57,791	55,439	54,263	54,263	54,263	-	599,606	599,083	(523)

Allegiance STEAM Academy Thrive

Monthly Cash Flow/Forecast FY18-19

Revised 12/17/18

ADA = 449.35



	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Year-End Accruals	Annual Forecast	Revised Budget Total	Favorable / (Unfav.)
Books and Supplies																
4100 Textbooks and Core Materials	-	596	26,163	8,929	1,891	4,965	4,965	4,965	4,965	4,965	4,965	4,965	-	72,338	112,338	40,000
4200 Books and Reference Materials	-	238	1,068	4,478	-	-	-	-	-	-	-	-	-	5,784	11,234	5,450
4302 School Supplies	-	5,802	7,750	11,798	1,938	7,335	7,335	7,335	7,335	7,335	7,335	7,335	-	78,636	78,636	-
4303 Special Activities/Field Trips	-	-	1,023	2,188	1,904	6,626	13,075	14,315	3,092	3,092	3,092	3,092	-	51,500	51,500	-
4304 Uniforms	-	853	-	1,818	-	-	-	-	-	-	-	-	-	2,671	2,000	(671)
4305 Software	2,227	1,892	4,697	1,107	2,162	1,545	1,467	1,467	1,467	1,467	1,467	1,467	-	22,432	29,417	6,985
4400 Noncapitalized Equipment	-	4,982	246	65,492	32,792	30,000	20,000	28,011	-	-	-	-	-	181,525	179,425	(2,100)
4700 Food Services	-	750	57	4,228	5,402	2,386	2,386	2,386	2,386	2,386	2,386	2,386	-	27,142	24,671	(2,472)
	2,227	15,114	41,005	100,038	46,091	52,858	49,229	58,481	19,246	19,246	19,246	19,246	-	442,028	489,220	47,192
Subagreement Services																
5101 Nursing	-	-	2,118	3,746	-	4,877	4,877	4,877	4,877	4,877	4,877	4,877	-	40,000	40,000	-
5102 Special Education	-	-	-	6,204	3,077	25,000	12,107	12,107	12,107	12,107	12,107	12,107	-	106,921	106,921	-
5103 Substitute Teacher	-	-	1,680	1,900	3,644	2,367	1,068	1,068	1,068	1,068	1,068	1,068	-	16,000	10,000	(6,000)
	-	-	3,798	11,850	6,721	32,244	18,051	18,051	18,051	18,051	18,051	18,051	-	162,921	156,921	(6,000)
Professional/Consulting Services																
5801 IT	20	467	20	14,920	4,120	4,100	4,100	4,100	4,100	4,100	4,100	4,100	-	48,247	50,507	2,260
5802 Audit & Taxes	-	-	-	-	-	-	-	3,800	3,800	3,800	-	-	-	11,400	11,400	-
5803 Legal	-	-	8,625	6,025	3,010	4,620	4,620	4,620	4,620	4,620	4,620	4,620	-	50,000	50,000	-
5804 Professional Development	-	140	49	-	272	10,648	10,648	10,648	10,648	10,648	10,648	10,648	-	75,000	75,000	-
5805 General Consulting	-	-	-	-	1,300	457	457	457	457	457	457	457	-	4,500	4,500	-
5810 Payroll Service Fee	312	143	486	644	755	1,083	1,083	1,083	1,083	1,083	1,083	1,083	-	9,924	10,692	768
5811 Management Fee	18,742	260	11,516	10,801	11,939	11,371	11,371	11,371	11,371	11,371	11,371	8,908	-	130,391	130,339	(52)
5812 District Oversight Fee	-	-	-	-	-	-	-	63,466	-	13,244	-	-	240,103	316,813	316,827	14
5813 County Fees	-	-	-	-	-	-	1,667	-	-	1,667	-	-	1,667	5,000	5,000	-
5814 SPED Encroachment	-	-	-	-	-	-	-	11,170	11,170	11,170	11,170	11,170	-	55,850	55,850	-
	19,074	1,010	20,696	32,390	21,395	32,280	33,947	110,716	47,250	62,160	43,450	40,987	241,770	707,125	710,116	2,991
Facilities, Repairs and Other Leases																
5602 Additional Rent	290	-	-	-	-	-	-	-	-	-	-	710	-	1,000	1,000	-
5603 Equipment Leases	-	-	-	-	-	1,613	1,613	1,613	1,613	1,613	1,613	1,613	-	11,288	16,200	4,913
5610 Repairs and Maintenance	-	1,401	-	18	596	1,528	3,056	3,056	3,056	3,056	3,056	11,735	-	30,556	30,556	-
	290	1,401	-	18	596	3,140	4,668	4,668	4,668	4,668	4,668	14,057	-	42,843	47,756	4,913
Operations and Housekeeping																
5201 Auto and Travel	-	12	-	72	851	2,009	2,009	2,009	2,009	2,009	2,009	2,009	-	15,000	15,000	-
5203 Business Meals	-	13	-	-	-	712	712	712	712	712	712	712	-	5,000	5,000	-
5300 Dues & Memberships	-	-	1,419	151	128	1,362	1,362	1,362	1,362	1,362	1,362	1,362	-	11,234	11,234	-
5400 Insurance	720	5,037	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	2,878	-	34,536	34,536	-
5501 Utilities	-	-	-	-	40,421	9,070	9,070	9,070	9,070	9,070	18,278	18,278	-	122,327	127,532	5,205
5502 Janitorial/Trash Removal	-	-	4,667	2,772	1,663	3,562	562	562	562	562	562	562	-	16,035	10,317	(5,718)
5510 Office Expense	340	5,358	3,007	4,016	1,096	2,249	2,249	2,249	2,249	2,249	2,249	2,249	-	29,563	29,563	-
5511 Postage and Shipping	-	74	-	186	41	1,434	1,434	1,434	1,434	1,434	1,434	1,434	-	10,335	10,335	-
5512 Printing	-	-	512	-	-	1,403	1,403	1,403	1,403	1,403	1,403	1,403	-	10,335	10,335	-
5513 Other taxes and fees	-	383	23	1,820	248	147	147	147	147	147	147	147	-	3,500	3,500	-
5514 Bank Charges	15	93	69	122	311	100	100	100	100	100	100	100	-	1,308	1,076	(232)
5515 Public Relations/Recruitment	-	-	-	-	-	714	714	714	714	714	714	714	-	5,000	5,000	-
5900 Communications	-	294	578	838	1,515	2,247	2,247	2,247	2,247	2,247	2,247	2,247	-	18,952	21,093	2,141
	1,075	11,263	13,154	12,855	49,151	27,888	24,888	24,888	24,888	24,888	34,095	34,095	-	283,125	284,520	1,395
Interest																
7438 Interest Expense	19,168	6,843	14,450	-	-	10,172	10,175	10,175	-	-	-	-	-	70,983	70,460	(522)
	19,168	6,843	14,450	-	-	10,172	10,175	10,175	-	-	-	-	-	70,983	70,460	(522)
Total Expenses	92,793	259,700	335,355	410,335	373,261	407,411	394,491	479,336	364,109	377,843	368,340	375,266	241,770	4,480,011	4,503,186	23,175
Monthly Surplus (Deficit)	(92,793)	(259,040)	959,836	(285,059)	(294,937)	(154,715)	242,937	(357,459)	272,388	15,144	(13,573)	(20,499)	236,258	248,487	223,010	25,477
														5.5%		

Allegiance STEAM Academy Thrive

Monthly Cash Flow/Forecast FY18-19

Revised 12/17/18

ADA = 449.35



	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Year-End Accruals	Annual Forecast	Revised Budget Total	Favorable / (Unfav.)
Cash Flow Adjustments																
Monthly Surplus (Deficit)	(92,793)	(259,040)	959,836	(285,059)	(294,937)	(154,715)	242,937	(357,459)	272,388	15,144	(13,573)	(20,499)	236,258	248,487		
Cash flows from operating activities																
Public Funding Receivables	-	-	(186,023)	62,879	74,806	(177,766)	46,818	-	(40,488)	-	-	218,254	(478,028)	(479,549)		
Prepaid Expenses	-	4,030	(40,882)	(16,056)	1,742	2,676	2,676	2,676	2,676	2,676	2,676	2,676	-	(32,434)		
Accounts Payable	3,683	(14,683)	2,365	8,470	(6,598)	28,000	(28,000)	-	-	-	-	-	241,770	235,007		
Accrued Expenses	11,502	57,226	46,199	73,910	(26,661)	(25,174)	(90,739)	-	-	-	-	-	-	46,262		
Cash flows from financing activities																
Proceeds from Factoring	350,000	200,000	214,450	-	-	200,000	200,000	200,000	-	-	-	-	-	1,364,450		
Payments on Factoring	19,168	6,843	(739,031)	-	-	10,172	(414,447)	10,175	-	-	(210,175)	(210,175)	-	(1,527,470)		
CSFA Proceeds(Payments) on Debt	-	-	100,000	-	-	-	75,000	-	50,000	-	-	25,000	-	250,000		
Total Change in Cash	291,561	(5,625)	356,913	(155,856)	(251,648)	(116,807)	34,244	(144,608)	284,576	17,820	(221,072)	15,256				
Cash, Beginning of Month	102,104	393,665	388,040	744,953	589,096	337,449	220,642	254,886	110,278	394,854	412,674	191,602				
Cash, End of Month	393,665	388,040	744,953	589,096	337,449	220,642	254,886	110,278	394,854	412,674	191,602	206,857				

Allegiance STEAM Academy Thrive

Statement of Financial Position

November 30, 2018

	Current Balance	Beginning Year Balance	YTD Change	YTD % Change
Assets				
Current Assets				
Cash & Cash Equivalents	\$ 337,449	\$ 102,104	\$ 235,345	230%
Public Funding Receivables	55,500	7,162	48,338	675%
Factored Receivables	(214,450)	-	(214,450)	0%
Prepaid Expenses	66,440	15,274	51,166	335%
Total Current Assets	<u>244,940</u>	<u>124,540</u>	<u>120,400</u>	97%
Total Assets	<u>\$ 244,940</u>	<u>\$ 124,540</u>	<u>\$ 120,400</u>	97%
Liabilities				
Current Liabilities				
Accounts Payable	\$ 4,237	\$ 11,000	\$ (6,763)	-61%
Accrued Liabilities	175,690	13,515	162,175	1200%
Deferred Revenue	-	163,020	(163,020)	-100%
Notes Payable, Current Portion	50,000	-	50,000	0%
Total Current Liabilities	<u>229,927</u>	<u>187,535</u>	<u>42,392</u>	23%
Long Term Liabilities				
Notes Payable, Net of Current Portion	50,000	-	50,000	0%
Total Long Term Liabilities	<u>50,000</u>	<u>-</u>	<u>50,000</u>	0%
Total Liabilities	<u>279,927</u>	<u>187,535</u>	<u>92,392</u>	49%
Total Net Assets	<u>(34,987)</u>	<u>(62,995)</u>	<u>28,007</u>	-44%
Total Liabilities and Net Assets	<u>\$ 244,940</u>	<u>\$ 124,540</u>	<u>\$ 120,400</u>	97%

Allegiance STEAM Academy Thrive

Statement of Cash Flows

For the period ended November 30, 2018

	Month Ended 11/30/2018	YTD Ended 11/30/2018
Cash Flow From Operating Activities		
Changes in Net Assets:	\$ (294,937)	\$ 28,007
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Decrease/(Increase) in Operating Assets:		
Public Funding Receivable	74,807	(48,338)
Grants, Contributions & Pledges Receivable	-	214,450
Prepaid Expenses	1,742	(51,166)
(Decrease)/Increase in Operating Liabilities		
Accounts Payable	(6,598)	(6,763)
Accrued Expenses	(26,661)	162,175
Deferred Revenue	-	(163,020)
Total Cash Flow from Operating Activities	<u>(251,647)</u>	<u>135,345</u>
Cash Flows from Financing Activities		
Proceeds from (payments on) Long-term Debt	-	100,000
Total Cash Flows from Financing Activities	<u>-</u>	<u>100,000</u>
Change in Cash & Cash Equivalents	(251,647)	235,345
Cash & Cash Equivalents, Beginning of Period	<u>589,096</u>	<u>102,104</u>
Cash and Cash Equivalents, End of Period	<u>\$ 337,449</u>	<u>\$ 337,449</u>

Allegiance STEAM Academy Thrive

Budget vs. Actual

For the period ended November 30, 2018

	Current Period Actual	Current Period Budget	Current Period Variance	Current Year Actual	YTD Budget	YTD Variance	Total Budget
Revenue							
State Aid-Revenue Limit							
LCFF Revenue	\$ -	\$ -	\$ -	\$ 1,108,341	\$ 1,108,341	\$ -	\$ 2,827,470
Education Protection Account	-	-	-	22,800	22,800	-	89,870
In Lieu of Property Taxes	72,544	72,544	-	308,311	308,311	-	893,573
Total State Aid-Revenue Limit	72,544	72,544	-	1,439,452	1,439,452	-	3,810,912
Federal Revenue							
Federal Special Education - IDEA	-	-	-	-	-	-	51,292
Federal Child Nutrition	4,530	2,148	2,383	8,035	6,443	1,592	25,773
Title I, Part A - Basic Low Income	-	-	-	-	-	-	53,009
Title V, Part B - Charter School Grants	-	-	-	46,818	57,728	(10,910)	442,838
Other Federal Revenue	(0)	-	(0)	(0)	-	(0)	10,000
Total Federal Revenue	4,530	2,148	2,382	54,853	64,171	(9,318)	582,911
Other State Revenue							
State Special Education - AB602	-	-	-	-	-	-	234,733
State - Child Nutrition	369	172	197	647	515	131	2,062
State - State Lottery	-	-	-	-	-	-	91,667
Total Other State Revenue	369	172	197	647	515	131	328,462
Local Revenue							
Food Service Sales	74	67	7	1,003	942	61	1,410
School Fundraising	807	195	612	3,496	1,135	2,361	2,500
Total Local Revenue	881	262	620	4,500	2,077	2,423	3,910
Total Revenue	\$ 78,324	\$ 75,125	\$ 3,199	\$ 1,499,452	\$ 1,506,215	\$ (6,764)	\$ 4,726,196
Expenses							
Certificated Salaries							
Certificated Teachers' Salaries	\$ 118,170	\$ 118,804	\$ 633	\$ 456,852	\$ 461,424	\$ 4,572	\$ 1,293,050
Certificated Pupil Support Salaries	3,818	3,818	-	15,273	15,273	-	42,000
Certificated Supervisors' and Administrators' Salaries	19,167	19,167	-	95,833	95,833	-	230,000
Other Certificated Salaries	2,500	2,500	-	12,500	12,500	-	30,000
Total Certificated Salaries	143,655	144,288	633	580,458	585,031	4,572	1,595,050
Classified Salaries							
Classified Instructional Salaries	23,421	18,809	(4,613)	89,896	74,784	(15,112)	206,446
Classified Support Salaries	13,077	11,899	(1,178)	53,081	50,410	(2,671)	133,701
Classified Supervisors' and Administrators' Salaries	7,751	7,750	(1)	40,751	40,750	(1)	95,000
Clerical, Technical, and Office Staff Salaries	7,083	7,083	-	35,417	35,417	-	85,000
Other Classified Salaries	2,251	2,780	529	9,812	10,456	645	29,914
Total Classified Salaries	53,583	48,321	(5,262)	228,956	211,816	(17,139)	550,061
Benefits							
State Teachers' Retirement System, certificated positions	22,691	23,693	1,002	90,499	93,668	3,169	259,521
Public Employees' Retirement System, classified positions	9,760	8,787	(973)	41,789	38,499	(3,289)	100,006
OASDI/Medicare/Alternative, certificated positions	3,483	3,016	(467)	15,187	13,610	(1,577)	34,722
Medicare certificated positions	2,791	2,816	24	11,534	11,534	0	31,243
Health and Welfare Benefits, certificated positions	10,316	11,667	1,351	29,770	33,114	3,344	114,781
State Unemployment Insurance, certificated positions	813	1,127	314	10,515	10,799	284	27,704
Workers' Compensation Insurance, certificated positions	2,213	2,719	506	11,065	12,076	1,011	31,106
Total Benefits	52,068	53,824	1,756	210,358	213,300	2,942	599,083

Allegiance STEAM Academy Thrive

Budget vs. Actual

For the period ended November 30, 2018

	Current Period Actual	Current Period Budget	Current Period Variance	Current Year Actual	YTD Budget	YTD Variance	Total Budget
Books & Supplies							
Textbooks and Core Curricula Materials	1,891	42,789	40,898	37,580	112,338	74,757	112,338
Books and Other Reference Materials	-	-	-	5,784	11,234	5,450	11,234
School Supplies	1,938	7,232	5,293	27,288	28,015	727	78,636
Special Activities/Field Trips	1,904	5,609	3,705	5,115	12,240	7,126	51,500
Uniforms	-	-	-	2,671	853	(1,818)	2,000
Software	2,162	1,545	(618)	12,085	18,605	6,520	29,417
Noncapitalized Equipment	32,792	87,098	54,306	103,514	179,425	75,911	179,425
Food Services	5,402	2,386	(3,016)	10,438	7,966	(2,472)	24,671
Total Books & Supplies	46,091	146,658	100,568	204,474	370,676	166,202	489,220
Subagreement Services							
Nursing	-	3,839	3,839	5,865	13,129	7,265	40,000
Special Education	3,077	11,880	8,803	9,281	23,760	14,479	106,921
Substitute Teacher	3,644	803	(2,842)	7,224	4,383	(2,842)	10,000
Total Subagreement Services	6,721	16,521	9,800	22,370	41,272	18,902	156,921
Professional & Consulting Services							
IT	4,120	5,000	880	19,547	15,507	(4,040)	50,507
Audit and Tax	-	-	-	-	-	-	11,400
Legal	3,010	4,597	1,587	17,660	17,820	159	50,000
Professional Development	272	8,312	8,040	461	16,813	16,353	75,000
General Consulting	1,300	500	(800)	1,300	1,000	(300)	4,500
Payroll Service Fee	755	1,083	329	2,340	3,108	768	10,692
Management Fee	11,939	11,371	(568)	53,258	53,260	3	130,339
District Oversight Fee	-	-	-	-	38,831	38,831	316,827
County Fees	-	-	-	-	1,250	1,250	5,000
SELPA Fees	-	-	-	-	-	-	55,850
Total Professional & Consulting Services	21,395	30,864	9,469	94,566	147,590	53,024	710,116
Facilities, Repairs, & Other Leases							
Additional Rent	-	-	-	290	290	-	1,000
Equipment Leases	-	1,800	1,800	-	3,600	3,600	16,200
Repairs and Maintenance	596	1,528	931	2,015	4,456	2,441	30,556
Total Facilities, Repairs, & Other Leases	596	3,328	2,731	2,305	8,346	6,041	47,756
Operations & Housekeeping							
Auto and Travel Expense	851	1,665	814	935	3,343	2,408	15,000
Business Meals	-	554	554	13	1,121	1,108	5,000
Dues & Memberships	128	1,091	962	1,698	3,600	1,902	11,234
Insurance	2,878	2,878	-	14,390	14,390	-	34,536
Utilities	40,421	9,070	(31,351)	40,421	45,626	5,205	127,532
Janitorial/Trash Removal	1,663	562	(1,102)	9,103	6,385	(2,718)	10,317
Office Expense	1,096	2,317	1,222	13,817	13,341	(477)	29,562
Postage and Shipping	41	1,140	1,099	300	2,354	2,053	10,335
Printing	-	1,091	1,091	512	2,695	2,183	10,335
Other taxes and fees	248	344	96	2,474	1,094	(1,380)	3,500
Bank Charges	311	100	(211)	608	376	(232)	1,076
Public Relations	-	556	556	-	1,111	1,111	5,000
Communications	1,515	2,247	732	3,225	5,366	2,141	21,093
Total Operations & Housekeeping	49,151	23,615	(25,536)	87,497	100,800	13,303	284,520
Interest							
Interest Expense	-	10,000	10,000	40,460	50,460	10,000	70,460
Total Interest	-	10,000	10,000	40,460	50,460	10,000	70,460
Total Expenses	\$ 373,261	\$ 477,419	\$ 104,158	\$ 1,471,444	\$ 1,729,291	\$ 257,847	\$ 4,503,186
Change in Net Assets	(294,937)	(402,294)	107,357	28,007	(223,075)	251,083	223,010
Net Assets, Beginning of Period	259,949			(62,995)			
Net Assets, End of Period	\$ (34,987)			\$ (34,987)			

Allegiance STEAM Academy - Thrive
Accounts Payable Aging

November 30, 2018

Vendor Name	Invoice/Credit Number	Invoice Date	Date Due	Current	1 - 30 Days Past Due	31 - 60 Days Past Due	61 - 90 Days Past Due	Over 90 Days Past Due	Total
Pretend City Children's Museum	11351841	3/14/2019	3/14/2019	\$ 672	\$ -	\$ -	\$ -	\$ -	\$ 672
Studies Weekly	237434	8/13/2018	1/2/2019	2,365	-	-	-	-	2,365
Taylor Publishing Company	TAYL110118	11/1/2018	11/15/2018	1,200	-	-	-	-	1,200
Total Outstanding Invoices				\$ 4,237	\$ -	\$ -	\$ -	\$ -	\$ 4,237



ALLEGIANCE STEAM ACADEMY

REGULAR MEETING OF THE BOARD OF DIRECTORS

November 29, 2018

Minutes

I. Preliminary

A. Call to Order

The meeting was called to order by Board Chair at 7:30 pm.

The Regular Meeting of Board of Directors of Allegiance STEAM Academy was held at 5862 C. Street, Chino, CA 901710

B. Roll Call

	Present	Absent
Andrew Vestey, Chairman	X	_____
Vanessa Okamoto, Secretary	X	_____
Melanie Choi, Treasurer	X	_____
Samantha Odo, Member	X	_____
Jason Liso, Member	X	_____

C. Public Comments- Items not on the Agenda

There were no public comments.

D. Approval of Agenda for the Regular Board Meeting for November 29, 2018.

Motion (Choi), second (Odo), motion carried by a vote of 5-0 to approve the agenda for the Regular Meeting of the Board of Directors for November 29, 2018.

II. Open Session:

A. COMMUNICATIONS

1. Comments from Board of Directors

Jason Liso said that he's looking forward to working with everyone and helping the school to succeed. Vanessa Okamoto and Andrew Vestey gave a warm welcome to Jason Liso.

2. CEO's report

Sebastian Cogna reflected on the 1st Trimester as we are in the process of finishing it up. He also spoke about an LCAP Healthy Kids optional survey that will be posted on website for parent to look over, and then for students to provide their input so we may see what their perspective is on the school's climate.

B. ITEMS SCHEDULED FOR INFORMATION:

1. Update from Parents and Community for Kids

Rebeca Garcia represented the PACK and gave an update on the recent meeting. She said they focused on the upcoming events they are starting to plan (Mother/Son, Father/daughter special someone dance, jog-a-thon, multi-cultural day). They are working on their winter events and will be having a winter dance (grades 6-8), a Polar Express Movie night (grades K-5), and the Holiday Boutique. They also voted that they will be purchasing hooks and boards to put on walls by classrooms for students to hang their backpacks on; they will be purchasing them soon.

2. Local Control Accountability Plan (LCAP) Update

Sebastian Cogna said it's in development and that the template focuses on prior years, which we don't have. We've conducted three stakeholder surveys and have had four stakeholder events which involved staff and parents. One of the goals he spoke about is centered around a STEAM aligned curriculum. There will be a room designated for this which will be called a Tinkering/Maker space for students to build, create, and use tools during recess (with supervision) and classes will be able to sign up to use it. Another goal is community communication and for the community will have access to information. We'd like to make everything available to the public as possible. He'd like to keep the budget in the front office for anyone who wishes to see it. Lastly is around school climate to get student's perspective on the school and to see if they know where to go if there is a need.

3. Proposition 39: Facilities Request 2019-2020

Sebastian Cogna said that the Proposition 39 Facilities request for 2019-2020 was due on November 1st to Chino Valley. He said he took the charter and built the request around that. He said it's not total enrollment but in district enrollment. He said that currently 84% of our students are in district. The wait list students are around 75% in district. He also said our assumed average daily attendance is 96%. He said we should get a response from Chino Valley sometime early January and will present it at that time.

C. ITEMS SCHEDULED FOR CONSENT:

- 1. Minutes for the Regular Meeting of the Board of Directors October 25, 2018**
- 2. Check register for month of October 2018**

Motion (Odo), second (Okamoto), motion carried by a vote of 5-0 to approve the Minutes for the Regular Meeting of the Board of Directors for October 25, 2018 and to approve the Check Register for month of October 2018.

D. ITEMS SCHEDULED FOR DISCUSSION/ACTION:

- 1. 1st Interim Financial Report**

Jim with Charter Impact went over the 1st Interim Financial Report.

Motion (Okamoto), second (Odo), motion carried by a vote of 5-0 to approve the 1st Interim Financial Report.

- 2. Allegiance STEAM Academy Course Descriptions**

Motion (Odo), second (Choi), motion carried by a vote of 5-0 to adopt and approve the Allegiance STEAM Academy Course Descriptions.

- 3. Allegiance STEAM Academy Grading Policy**

Motion (Odo), second (Okamoto), motion carried by a vote of 5-0 to adopt and approve the Allegiance STEAM Academy Grading Policy.

- 4. Allegiance STEAM Academy Promotion Policy**

Motion (Liso), second (Odo), motion carried by a vote of 5-0 to adopt and approve the Allegiance STEAM Academy Promotion Policy.

- 5. Allegiance STEAM Academy Civility Policy**

Motion (Choi), second (Okamoto), motion carried by a vote of 5-0 to adopt and approve the Allegiance STEAM Academy Civility Policy.

- 6. Allegiance STEAM Academy Resolution to Accept Amazon Smile Donations**

Motion (Odo), second (Choi), motion carried by a vote of 5-0 to adopt and approve the Allegiance STEAM Academy Resolution to Accept Amazon Smile Donations.

- 7. Resignation of Vanessa Okamoto as Board Secretary and Member of Board of Directors**

Motion (Vestey), second (Liso), motion carried by a vote of 5-0 to accept the resignation of Vanessa Okamoto as Board Secretary and Member of the Board of Directors.

7. Nomination and Election of New Board Member

Motion (Vestey), second (Odo), motion carried by a vote of 4-0 (due to Okamoto's resignation) to nominate Ms. Marcilyn Jones and approve as a Director for the Allegiance STEAM Academy Board of Directors.

8. Election of Board Officer (Secretary)

Motion (Vestey), second (Choi), motion carried by a vote of 5-0 (Vestey, Choi, Jones, Odo, Liso) to nominate and approve Samantha Odo as the Board Secretary for Allegiance STEAM Academy Board of Directors.

E. ADJOURNMENT

Motion (Odo), second (Choi), motion carried by a vote of 5-0 (Vestey, Choi, Jones, Odo, Liso) to adjourn the meeting.

Andrew Vestey, Board Chair, adjourned the Regular Meeting of the Board of Directors for November 29, 2018 at 8:29 pm.

Andrew Vestey, Board Chair

Samantha Odo, Board Secretary

Allegiance STEAM Academy - Thrive

Check Register

For the Period Ended November 30, 2018

Check Number	Vendor Name	Check Date	Check Amount
Checking accts			
10137	Cintas Corporation #150	11/2/2018	\$ 122.92
10138	Frontier Communications	11/2/2018	414.76
10139	Procopio, Cory, Hargreaves & Savitch LLP	11/2/2018	6,025.00
10140	Waxie Sanitary Supply	11/2/2018	708.10
10141	Apple Inc	11/7/2018	32,178.50
10142	Cintas Corporation #150	11/7/2018	122.92
10143	Madison Cullen	11/7/2018	Void
10144	Breanna Gonzalez	11/7/2018	Void
10145	Meredith King	11/7/2018	76.30
10146	LightSail Inc	11/7/2018	360.00
10147	Optiva IT	11/7/2018	4,100.00
10148	Joanna Salmon	11/7/2018	220.00
10149	Sparkletts	11/7/2018	113.03
10150	Kristen Valdez	11/7/2018	Void
10151	Alexandra Valencia	11/7/2018	364.00
10152	Bridget Watts	11/7/2018	200.00
10153	Breanna Gonzalez	11/7/2018	2,200.00
10154	Kristen Valdez	11/7/2018	143.00
10155	Madison Cullen	11/8/2018	2,295.00
10156	San Bernardino County	11/29/2018	110,387.45
20000	Associated Health Professionals Inc	11/16/2018	527.25
20001	BrainPOP LLC	11/16/2018	695.00
20002	Charter Impact	11/16/2018	3,347.15
20003	Cintas Corporation #150	11/16/2018	122.92
20004	Sebastian Cогnetta, Ed.D.	11/16/2018	61.04
20005	Sylvia Gomez	11/16/2018	1,015.00
20006	Melissa Hamblin	11/16/2018	74.00
20007	Theodosia Neal	11/16/2018	1,300.00
20008	San Bernardino County	11/16/2018	60.00
20009	Alliance Bus Line Inc	11/20/2018	675.01
20010	Blue Shield of California	11/26/2018	14,843.27
20011	Charter Impact	11/26/2018	9,371.00
20012	Cintas Corporation #150	11/26/2018	122.92
20013	Callie Moreno	11/26/2018	60.50
20014	Elena Munoz	11/26/2018	60.00
20015	Procopio, Cory, Hargreaves & Savitch LLP	11/26/2018	3,010.00
20016	Raina Hodge Royale	11/26/2018	499.99
20017	Kristen Valdez	11/26/2018	362.05
ACH	American Express	11/5/2018	19,106.64
ACH	Internal Revenue Services	11/6/2018	274.43
ACH	Employment Development Department	11/6/2018	68.82

ACH	CharterSafe	11/7/2018	5,091.00
ACH	Employment Development Department	11/13/2018	572.77
ACH	Employment Development Department	11/13/2018	554.27
ACH	Internal Revenue Services	11/13/2018	4,541.67
ACH	Media Temple	11/13/2018	20.00
ACH	Internal Revenue Services	11/15/2018	334.08
ACH	Employment Development Department	11/15/2018	56.76
ACH	Employment Development Department	11/15/2018	56.64
ACH	Employment Development Department	11/23/2018	7,475.86
ACH	Internal Revenue Services	11/26/2018	25,006.65
ACH	Citizens Business Bank	11/26/2018	8.00
ACH	Employment Development Department	11/26/2018	481.29
ACH	Citizens Business Bank	11/26/2018	8.00
ACH	Wells Fargo Bank	11/27/2018	31.00
ACH	Wells Fargo Bank	11/30/2018	3.50
ACH	Citizens Business Bank	11/30/2018	<u>250.00</u>

Total Payments Issued in November **\$ 260,179.46**

Allegiance STEAM Academy Thrive

Check Register - greater than \$2,000

For the Period Ended November 30, 2018

Check Number	Vendor Name	Transaction Description	Check Date	Check Amount
<i>Employee Benefits</i>				
10156	San Bernardino County	3101/9513 - STRS (to date 10/18)	11/29/2018	110,387.45
ACH	Internal Revenue Service	3301/3311/9512 - Payroll taxes	11/26/2018	25,006.65
20010	Blue Shield of California	3401 - Health insurance	11/26/2018	14,843.27
ACH	Employee Development Department	3501/9512 - Payroll taxes	11/23/2018	7,475.86
ACH	Internal Revenue Service	3301/3311/9512 - Payroll taxes	11/13/2018	4,541.67
				162,254.90
<i>Subagreement Services</i>				
10155	Madison Cullen	5103 - Substitute	11/8/2018	2,295.00
10153	Breanna Gonzalez	5102 - Special Education	11/7/2018	2,200.00
				4,495.00
<i>Facility Rent and Housekeeping</i>				
ACH	CharterSafe	5400/3601 - Insurance	11/7/2018	5,091.00
				5,091.00
<i>Professional/Consulting Services</i>				
20011	Charter Impact, Inc.	5811 - Management Fee	11/26/2018	9,371.00
10139	Procopio, Cory, Hargreaves & Savitch LLP	5803 - Legal	11/2/2018	6,025.00
10147	Optiva IT	5801 - IT	11/7/2018	4,100.00
20002	Charter Impact	5811 - Management Fee (Data)	11/16/2018	3,347.15
20015	Procopio, Cory, Hargreaves & Savitch LLP	5803 - Legal	11/26/2018	3,010.00
				25,853.15
<i>Books and Supplies</i>				
10141	Apple Inc	4400 - Noncapitalized equipment	11/7/2018	32,178.50
ACH	American Express	4302 - Supplies (credit card statement)	11/5/2018	19,106.64
				51,285.14
		Total Disbursements over \$2,000		\$ 248,979.19

FACTORING AGREEMENT

THIS FACTORING AGREEMENT (“**Agreement**”) is made and executed this December 21, 2018 (the “**Effective Date**”) by and between Allegiance Steam Academy Inc. DBA Allegiance STEAM Academy, a California corporation (“**Seller**”) and **CHARTER ASSET MANAGEMENT FUND, L.P.**, a Delaware limited partnership (“**CAM**”).

RECITALS

A. CAM is in the business of factoring accounts and purchasing same, and Seller has requested that CAM purchase the Accounts set forth on Schedule 1 (the “**Accounts**”), pursuant to the terms of this Agreement.

B. CAM has agreed to purchase the Accounts subject to the terms and conditions of this Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **PURCHASE OF ACCOUNT.**

1.1 Appointment as Factor. Seller hereby appoints CAM to act as its sole and exclusive factor with respect to the Accounts. Seller hereby agrees to assign and sell and does hereby irrevocably sell and assign to CAM, and CAM hereby agrees to purchase the Accounts. For all purposes hereof, the term “Accounts” shall mean and include all amounts due pursuant to the Accounts, and all other forms of obligations owing to Seller arising from or out of the Accounts and all proceeds thereof.

1.2 Written Notice of Purchase and Assignment. Seller shall deliver or cause to be delivered in accord with applicable law to the appropriate officer or disbursing officer with respect to each Account an appropriate Notice of Purchase and Assignment executed by Seller along with a cover letter indicating that the Accounts are being sold and assigned to CAM. In addition said letter shall further provide that the assignments cover all unpaid amounts payable under the Accounts and shall direct payment with respect thereto as provided pursuant to this Agreement. Seller acknowledges that CAM shall also have the right to notify such account debtor of CAM’s rights with respect to the Accounts and direct account debtors to make payments of Accounts directly to CAM.

2. **PURCHASE PRICE; OTHER OBLIGATIONS.**

2.1 Calculation of Purchase Price. The purchase price (“**Purchase Price**”) which is the amount funded as set forth on Schedule 1 is calculated as set forth on Schedule 1. The Purchase Price shall mean for the purposes of this Agreement with respect to an Account, the gross face value of the Account as set forth on Schedule 1 (the “**Face Value**”) minus the Administrative Fees as set forth on Schedule 1 minus the Discount Rate as set forth on Schedule 1. Seller acknowledges that the Purchase Price of each Account reflects its fair value. CAM shall fund to Seller the Purchase Price upon compliance by Seller with each of the terms and conditions of this Agreement.

2.2 Conditions Precedent for Payment of the Purchase Price. CAM shall have no obligation to pay the Purchase Price to Seller until each of the following obligations has been satisfied:

- (a) this Agreement has been fully executed and delivered by Seller;
- (b) the Security Agreement referenced in Section 5.1 hereof, and the security interest granted in the collateral therein, shall be in full force and effect;
- (c) Seller has delivered to CAM an appropriate resolution adopted by the Seller's board of directors or governors, substantially in the form attached hereto as Exhibit A, authorizing the execution, delivery and performance of this Agreement and sale of the Accounts;
- (d) Seller shall have executed and delivered to CAM the completed Notice of Purchase and Assignment in the form attached hereto as Exhibit B;
- (e) Seller shall have executed and delivered to CAM the Irrevocable Assignment of Accounts in the form attached hereto as Exhibit C;
- (f) Seller shall have executed and delivered to CAM the Irrevocable Funds Distribution Authorization in the form attached hereto as Exhibit D;
- (g) Seller shall have executed and delivered to CAM the Bank Notice Letter attached hereto as Exhibit E;
- (h) Seller shall have executed and delivered to CAM the Authorization for Direct Payment via ACH attached hereto as Exhibit F;
- (i) Seller shall have delivered to CAM copies of all of its organizational documents and a Certificate of Good Standing from the state of its organization and if necessary, a copy of its license or licenses required to conduct its business in the state where said business is being conducted.

2.3 Method of Payment of the Accounts.

(a) Seller and CAM agree that payments may be made to CAM in connection with the Face Value of the Accounts in the following manners:

(i) Payment of the Face Value of the Accounts may be made directly to CAM by the account debtor on the Account pursuant to the Notice of Purchase and Assignment by ACH payment or wire transfer or by mail; or

(ii) subject to CAM's consent, payment of the Face Value of any Account may be made by the account debtor to Seller, and Seller acknowledges that said payment is being made for the benefit of CAM and Seller shall hold said funds as trustee for the benefit of CAM and deliver same within three (3) calendar days of receipt of said payment and shall have no rights with respect to said funds. In the event Seller, subject to CAM's consent, elects to provide for payment to CAM pursuant to this subprovision, the Seller agrees within three (3) months of the date of this Agreement to enter into a Deposit Account Control Agreement with CAM and Seller's bank in form and content acceptable to CAM (the "DACA"). Failure of Seller to enter into the DACA as aforesaid may result in a termination of this Agreement by CAM after five (5) days notice to Seller. Until the DACA is in effect, Seller shall comply with the terms and conditions of this Agreement including this subprovision.

(iii) If payment of the Face Value of any Account is to be made by the account debtor to Seller in person via check or other similar instrument, Seller shall retrieve such payment from the account debtor, take such actions as required (via endorsement or otherwise) such that the payment can be deposited by CAM into its account, and, at CAM's election, either (A) deliver such payment to CAM's representative in person within three business days after Seller's receipt; or (B) deliver such payment by other means pursuant to CAM's instructions within three business days after Seller's receipt. Seller shall retrieve payment in person within three business days of being instructed to do so by CAM.

(b) Seller acknowledges that CAM is the owner of the Accounts and is fully entitled to all payments due with respect to the Accounts. Seller agrees that if there are procedures in place to allow account debtors or other third party to pay amounts due on the Accounts directly to CAM, Seller shall authorize such direct payment. In the event where there are no procedures already in place, Seller will authorize CAM to implement a new set of procedures to allow account debtors or other third party to pay amounts due on the Accounts directly to CAM. Seller must cooperate with CAM fully in order to facilitate the implementation of the procedures. In the event that CAM receives payment on an Account directly from the account debtor on the Account, or indirectly from any other third party, or in any other manner, CAM agrees that after deducting the amount equal to the sum of the Face Value plus all advances, interest and other amounts due to CAM under the terms of this Agreement, if any, it shall remit to Seller within a reasonable amount of time any excess of such amount, if any.

2.4 Failure of Account Debtor to Make Payment. In the Event that Seller or any account debtor of any of the Accounts fails to make a timely payment to CAM as described in Section 2.3, the outstanding amount owed to CAM shall accrue interest until paid at a rate equal to the lesser of 29.99% or the maximum non-usurious rate of interest as it effects from time to time which may be charged by CAM under applicable law. (the "**Penalty Rate**")

2.5 Administration Fee. In consideration of CAM's purchase of the Accounts, Seller agrees to pay the Administrative Fee (the "**Administrative Fee**") equal to the amount as set forth on Schedule 1 for each purchased Account. Payment of the Administrative Fee shall be due and payable by Seller upon CAM's purchase of the applicable Account.

3. **REPRESENTATIONS AND WARRANTIES AND COVENANTS.** To induce CAM to purchase the Accounts from Seller with full knowledge that the truth and accuracy of the following are being relied upon by CAM in the purchase of the Accounts and payments of the Purchase Price, Seller represents, warrants and covenants to CAM and agrees that:

(a) Seller (i) is a corporation duly organized and validly existing under the laws of the State of California, and qualified to operate in all jurisdictions where required; and (ii) has the requisite capacity and authority to execute and deliver this Agreement and the other agreements contemplated hereunder, to consummate the transactions contemplated hereby and thereby, and to perform its obligations hereunder and thereunder;

(b) this Agreement and all other agreements contemplate hereunder have been duly executed, and delivered by Seller and are valid and legally binding obligation of Seller, enforceable against Seller in accordance with their terms;

(c) neither the entering into of this Agreement nor the sale of the Accounts nor the performance by the Seller of any of its other obligations under this Agreement and the other agreements contemplated hereunder will contravene, breach or result in any default under the incorporation or other organizational documents of the Seller or in any material respect of any term or condition under any mortgage, lease, agreement, license, permit, statute, regulation, order, judgement, decree or law to which the Seller is a party or by which the Seller may be bound;

(d) Seller is the sole and absolute owner of each Account and has the full legal right to make said sale, assignment and transfer thereof hereunder;

(e) the Face Value on each Account is as set forth on Schedule 1 and such amounts are not in dispute;

(f) the payment of each Account is not contingent upon the fulfillment of any obligation or condition, past or future, and any and all obligations required of Seller with regard to such Account have been fulfilled by Seller;

(g) there are no defenses, offsets, recoupments or counterclaims with respect to any of the Accounts and no agreement has been made under which any account debtor with respect any of the Accounts, may claim any recoupment, deduction or discount;

(h) upon purchase, Seller will convey to CAM good and marketable title to each Account free and clear of all liens and encumbrances which shall thereafter be the sole and exclusive property of CAM;

(i) none of the account debtors with respect to any of the Accounts is insolvent as that term is defined in the United States Bankruptcy Code;

(j) all Accounts now existing or hereafter arising shall comply with each and every one of the representations, warranties, covenants and agreements referred to in this paragraph and as otherwise supplemented pursuant to this Agreement;

(k) no Account is evidenced by a note or other instrument;

(l) Seller will not, during the term of this Agreement, sell, transfer, pledge a security interest or hypothecate any of its Accounts to any party other than CAM. Seller agrees to reimburse CAM for actual out-of-pocket costs related to credit reports and UCC filings and searches incurred by CAM (and its agents, representatives and counsel) in connection with this Agreement;

(m) Seller is solvent and the execution and performance under this Agreement has been duly authorized by all necessary corporate action and is not in contravention of any of Seller's governing documents or any agreement by which Seller is bound under applicable law;

(n) Each Account purchased by CAM shall be the property of CAM and shall be collected by CAM pursuant to the terms of this Agreement but, as indicated herein, if for any reason payment of an Account should be paid to Seller, Seller shall promptly notify CAM of such payment, shall hold any check, drafts, or monies so received in trust for the benefit of CAM and shall promptly endorse, transfer and deliver the same to CAM as provided in Section 2.3 (a)(ii);

(o) Seller's place of business is the one set forth at the beginning of this Agreement and is the place where records concerning all Accounts are kept by Seller;

(p) Seller will not change the state of its registration or formation or its corporate or legal name or the place where the records concerning all accounts are kept or add an additional such place, in each case without CAM's prior written consent;

(q) There are no judgments outstanding affecting Seller or any of its property and there are no suits, proceedings, claims, demands or government investigations now pending or threatened against Seller or any of its property;

(r) As of the Effective Date, Seller is not in default or breach, nor shall any event shall have occurred or failed to occur which with the passage of time or service of notice constitute a default or breach, under any loan agreement, indenture, mortgage or other material agreement to which Seller is a party and

(s) Seller is not in violation of any law, ordinance, rule, order, regulation or other requirement of any governmental entity (whether federal, state or local) or any agency or instrumentality thereof.

4. **ASSUMPTION OF RISK.** Subject to compliance by Seller with the terms of this Agreement, CAM hereby assumes full risk of non-payment with respect to any of the Accounts and Seller shall have no liability for payment of any of the Accounts.

5. SECURITY INTEREST.

5.1 Grant of Security Interest. Seller has executed that certain Security Agreement October 26, 2018 (the "Security Agreement"), in favor of CAM as secured party pursuant to the terms of which Seller grants to CAM a continuing security interest and general lien upon all of the Collateral (as defined in the Security Agreement) in order to secure payment of the Secured Obligations (as defined in the Security Agreement).

5.2 Cooperation. Seller agrees to execute such further instruments and financing statements as may be required by any law in connection with the transactions contemplated hereby and to cooperate with CAM in filing or recording any renewals thereof, and Seller hereby authorizes CAM (and appoints any person whom CAM designates as its attorney) to sign Seller's name on any such instrument and further authorizes CAM to file financing statements describing the Collateral in such manner as CAM may determine.

6. INDEMNITIES.

6.1 Indemnification. Seller hereby indemnifies and holds CAM and its affiliates, and their respective employees, attorneys and agents (each, an "**Indemnified Person**") harmless from and against any and all suits, actions, proceedings, claims, damages, losses, liabilities and expenses of any kind or nature whatsoever (including attorneys' fees and disbursements and other costs of investigation or defense, including those incurred upon any appeal) which may be instituted or asserted against or incurred by any such Indemnified Person as the result of any financial accommodation having been extended, suspended or terminated under this Agreement or any Other Agreement or with respect to the execution, delivery, enforcement, performance and administration of, or in any other way arising out of or relating to, this Agreement or any Other Agreement, and any actions or failures to act with respect to any of the foregoing, except to the extent that any such indemnified liability is finally determined by a court of competent jurisdiction to have resulted solely from such Indemnified Person's gross negligence or willful misconduct. **NO INDEMNIFIED PERSON SHALL BE RESPONSIBLE OR LIABLE TO SELLER OR TO ANY OTHER PARTY FOR INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES WHICH MAY BE ALLEGED AS A RESULT OF ANY FINANCIAL ACCOMMODATION HAVING BEEN EXTENDED, SUSPENDED OR TERMINATED UNDER THIS AGREEMENT OR ANY OTHER AGREEMENT OR AS A RESULT OF ANY OTHER TRANSACTION CONTEMPLATED HEREUNDER OR THEREUNDER.**

6.2 Taxes. If any tax by any governmental authority (other than income and franchise taxes) is or may be imposed on or as a result of any transaction between Seller and CAM, or in respect to services or sales (or any merchandise affected by such sales), which CAM is or may be required to withhold or pay, Seller agrees to indemnify and hold CAM harmless in respect of such taxes, and Seller will repay CAM the amount of any such taxes.

6.3 Review of Seller's Bank Accounts. Seller agrees to take all action necessary, including disclosure of passwords or PINs, the addition of joint access signers, or other appropriate methods to allow CAM to view its bank accounts through the Internet or other applicable procedure.

7. **EVENT OF DEFAULT.**

7.1 Default. The occurrence of any of the following acts or events shall constitute an Event of Default (each a “Event of Default”) under this Agreement:

- (a) Seller’s material breach of any representation, warranty or covenant contained in this Agreement;
- (b) Seller’s failure to make timely payment of any amounts due under this Agreement;
- (c) Seller becomes insolvent or unable to meet its debts as they mature;
- (d) Seller delivers to CAM a representation, warranty, certification or other statement that is false in any material respect when made;
- (e) Any bankruptcy proceeding, insolvency arrangement or similar proceeding is commenced by or against Seller;
- (f) Seller suspends or discontinues its regular operations for any reason;
- (g) A receiver or trustee of any kind is appointed for Seller or any of Seller’s property;
- (h) Seller does not, in good faith, take all necessary steps to implement the manners of payment as provided in this Agreement;
- (i) A notice of lien, money judgment, levy, assignment, seizure, writ or warrant of attachment is entered or filed against Seller with respect to the Accounts or any Collateral (as said term is defined in the Security Agreement).
- (j) Seller’s material breach of any representation, warranty or covenant contained in the Security Agreement.

7.2 **Remedies.** After the occurrence of any Event of Default, CAM shall have immediate access to any and all books and records as may pertain to the Accounts or any of the Collateral (as defined in the Security Agreement). With respect to such Collateral, CAM shall have all rights and remedies of a secured party under the Security Agreement and Article 9 of the Uniform Commercial Code. Notwithstanding anything to the contrary herein, after the occurrence of any Event of Default, CAM shall have the right (but not the obligation) to collect all Accounts directly from account debtors.

8. **TERMINATION.** The term of this Agreement shall begin as of the Effective Date and continue until terminated in accordance with this Section. Either Party may terminate this Agreement upon thirty (30) days' prior written notice to the other Party. In addition, CAM may in its sole discretion terminate this Agreement effective immediately without prior notice upon the occurrence of an Event of Default. Upon termination of this Agreement, any amounts due from Seller to CAM will mature and become immediately due and payable. Notwithstanding the foregoing, no termination of this Agreement shall terminate or extinguish any obligation of a Party arising or occurring prior to such termination and all of CAM's rights, liens and security interests granted pursuant to the Security Agreement shall continue and remain in full force and effect after any termination of this Agreement. In addition, Seller agrees that it shall continue to remit to CAM all collections on Accounts received directly by it (if applicable) until all payments owed with respect to each Account have been paid in full.

9. **FUTURE AGREEMENTS.** Seller acknowledges that CAM may from time to time agree to purchase additional Accounts from Seller which shall be evidenced by additional Factoring Agreements.

10. **CONFIDENTIALITY.** Seller hereby agrees to maintain the confidentiality of this Agreement, any prior agreements regarding the purchase of its Accounts ("**Prior Agreements**") or any future agreements pertaining to the purchase of its Accounts ("**Future Agreements**") and agrees that this Agreement, Prior Agreements or Future Agreements cannot be duplicated or distributed to any third party without CAM's express written permission except as required by law. Seller further agrees to take reasonable measures to protect and maintain the security and confidentiality of information set forth in this Agreement, any Prior Agreements or Future Agreements.

11. **TRUE SALE OF ACCOUNTS.** Seller and CAM agree and acknowledge that the intention of the parties with respect to the Accounts is to accomplish a true sale of the Accounts as provided for in this Agreement. If for any reason, it is determined by a court of competent jurisdiction, that this Agreement does not provide a true sale of the Accounts, but constitutes a loan secured by the Accounts, then the Accounts shall be deemed to have been pledged to CAM pursuant to the Security Agreement.

12. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement and understanding between Seller and CAM with respect to the sale of the Accounts provided for herein and supersedes all prior written and oral agreements, discussions or representations between Seller and CAM concerning the Accounts purchased by CAM pursuant to this Agreement. Notwithstanding the foregoing, the sale of the Accounts under this Agreement is also subject to the terms and conditions of the Security Agreement as referenced in Section 5.1. No modification or amendment to this Agreement or any waiver of any rights under this Agreement will be effective unless in a writing signed by Seller and CAM.

13. **MISCELLANEOUS.**

13.1 No Pledge of Credit. Seller shall not be entitled to pledge CAM's credit for any purpose whatsoever.

13.2 Waivers. Seller waives presentment and protest of any instruments and all notices thereof, notice of default and all other notices to which it might otherwise be entitled. Seller shall maintain, at its expense, proper books of account.

13.3 No Pledge or Sale of Accounts. During the term of this Agreement, Seller shall not sell or assign, negotiate, pledge or grant any security interest in the Accounts to anyone other than CAM.

13.4 Governing Law and Venue. This Agreement is executed and delivered in the State of California and shall be governed by California law without giving effect to its conflict of laws principles. Seller further agrees that any legal action or proceeding with respect to any of its obligations under this Agreement may be brought by CAM in any state or federal court located in Santa Clara County, California. Any claim or controversy asserted by Seller against CAM shall only be litigated in the State or Federal Courts located in Santa Clara County, California. By the execution and delivery of this Agreement, Seller submits to and accepts for itself and in respect of its property generally and unconditionally the non-exclusive jurisdiction of those courts. Seller waives any claims that Santa Clara County, California is not a convenient forum or the proper venue for any such suit, action or proceeding.

13.5 Waiver of Service of Process. Each of the parties to this Agreement hereby waives personal service of any summons or complaint or other process or papers to be issued in any action or proceeding involving any such controversy and hereby agrees that service of such summons or complaint or process may be made by certified mail to the other party at the address appearing herein; failure on the part of either party to appear or answer within thirty (30) days after such mailing of such summons, complaint or process shall constitute a default entitling the other party to enter a judgment or order as demanded or prayed for therein to the extent that said Court or duly authorized officer thereof may authorize or permit.

13.6 Waiver of Jury Trial. TO THE EXTENT ALLOWED BY APPLICABLE LAW, CAM AND SELLER DO HEREBY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING OF ANY KIND ARISING ON, OUT OF, BY REASON OF, OR RELATING IN ANY WAY TO THIS AGREEMENT OR THE INTERPRETATION OR ENFORCEMENT THEREOF OR TO ANY TRANSACTIONS THEREUNDER. IN THE EVENT CAM COMMENCES ANY ACTION OR PROCEEDING AGAINST SELLER, SELLER WILL NOT ASSERT ANY OFFSET OR COUNTERCLAIM, OF WHATEVER NATURE OR DESCRIPTION, IN ANY SUCH ACTION OR PROCEEDING.

13.7 No Waiver of Rights. No failure or delay by CAM in exercising any of its powers or rights hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power or right preclude other or further exercise thereof or the exercise of any other right or power. CAM's rights, remedies and benefits hereunder are cumulative and not exclusive of any other rights, remedies or benefits which CAM may have. This Agreement may only be modified in writing and no waiver by CAM will be effective unless in writing and then only to the extent specifically stated.

13.8 Notices. All notices and other communications by either party hereto shall be in writing and shall be sent to the other party at the address specified herein.

13.9 Assignment. CAM shall have the right to assign this Agreement, and all of CAM's rights hereunder shall inure to the benefit of CAM's successors and assigns, and this Agreement shall inure to the benefit of and shall bind CAM's respective successors and assigns. Seller may not assign or transfer any of its rights or obligations hereunder without the prior written consent of CAM (and any attempted assignment or transfer by Seller without such consent shall be null and void).

13.10 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts and by the different parties on separate counterparts, and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. This Agreement shall be deemed to have been executed and delivered when CAM has received counterparts hereof executed by all parties listed on the signature pages hereto. Facsimile, pdf, or other forms of electronic image versions of signatures hereto shall be deemed original signatures, which may be relied upon by each party hereto and shall be binding on the respective party.

13.11 Attorney Fees. In the event that any suit or action is instituted under or in relation to this Agreement, including without limitation to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

13.12 Waiver of Sovereign Immunity. To the extent permitted by applicable law, Seller hereby waives any claim or defense of sovereign immunity as to all tort and contract claims arising under this Agreement.

13.13 Interpretation. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited or invalid under any such law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement. As used in this Agreement, the singular shall include the plural, and masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires. The headings of sections and paragraphs in this Agreement are for convenience only and shall not be construed to limit or define the content, scope or intent of the provisions hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

SELLER
Allegiance Steam Academy Inc.

By: _____

Name: Andrew Vestey
Title: Chair, Board of Directors

Address for Notices:
5862 C Street, Chino, CA 91710

CHARTER ASSET MANAGEMENT FUND,
L.P.

By: Charter Asset Management GP LLC.,
A Delaware limited liability company
Its: General Partner

By: _____

Paul Im
Title: Managing Partner

Address for Notices:
633 W. 5th Street, 26th Floor
Los Angeles, CA 90071

By: _____

Name: David Park
Title: Managing Member

Address for Notices:
633 W. 5th Street, 26th Floor
Los Angeles, CA 90071

Schedule 1

Accounts

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
San Bernardino County Office of Education / San Bernardino County Superintendent of Schools	FY 18-19 Advance Apportionment Feb PMT - LCFF State Aid. CDS# 36-67678-0137547	\$210,172.34	\$3,888.19	2.99%	\$6,284.15	-\$200,000.00

EXHIBIT A

**CHARTER SCHOOL BOARD RESOLUTION OF THE BOARD OF DIRECTORS OF
ALLEGIANCE STEAM ACADEMY INC.**

The Board of Directors (“Board”) of Allegiance Steam Academy Inc. (the “Charter School”), Pursuant to applicable law and the Charter School’s governing documents, hereby adopt the following recitals and resolutions by unanimous written consent, effective as of the effective date of the Factoring Agreement (as defined herein):

1. Approval of Factoring Agreement and Sale of Receivables.

WHEREAS, the Board has reviewed the Factoring Agreement entered into by and among Charter Asset Management Fund, LP (“CAM”) and the Charter School (such agreement, the “Factoring Agreement”) and has had an adequate opportunity to ask questions regarding, and investigate the nature of, the Factoring Agreement;

WHEREAS, after careful consideration, the Board has determined that the terms and conditions of Factoring Agreement are just and equitable and fair as to the Charter School and that it is in the best interest of the Charter School to enter into the Factoring Agreement;

WHEREAS, the Board deems it to be in the best interest of the Charter School to cause the Charter School to sell and assign certain of its receivables to CAM as provided in the Factoring Agreement; and

NOW, THEREFORE, BE IT RESOLVED, that the Factoring Agreement is hereby approved;

RESOLVED FURTHER, that the Charter School may sell and assign certain of its receivables to CAM as provided in the Factoring Agreement;

RESOLVED FURTHER, that the officers and managers of the Charter School are hereby authorized and directed to cause the Charter School to enter into the Factoring Agreement and to execute all other documents necessary to effect the Factoring Agreement, and to take all actions necessary and appropriate to perform the Charter School’s obligations thereunder;

2. Enabling Power.

RESOLVED, that the officers and managers of the Charter School be, and each of them hereby is, authorized, directed and empowered to execute any applications, certificates, agreements or any other instruments or documents or amendments or supplements to such documents, or to do, or cause to be done, any and all other acts and things as such officers and managers, and each of them may, in their discretion, deem necessary or advisable and appropriate to carry out the purposes of the foregoing resolutions.

3. Authorization to Certify Resolution.

RESOLVED, that the Chair, Board of Directors and Secretary, Board of Directors are hereby authorized to certify this resolution.

This written consent may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same written consent.

IN WITNESS WHEREOF, the Board of Directors has adopted the above resolution.

By: _____
Andrew Vestey
Chair, Board of Directors

By: _____
Samantha Odo
Secretary, Board of Directors

EXHIBIT B

Notice of Purchase and Assignment

To: San Bernardino County Office of Education/
San Bernardino County Superintendent of Schools
601 North E St., San Bernardino, CA 92415

We are writing in reference to the Factoring Agreement, dated December 21, 2018 between Allegiance Steam Academy Inc. (“Assignor”) and Charter Asset Management Fund, L.P. (“Assignee”) (the “Agreement”). This letter notifies you that the Assignor has assigned to Assignee the Assignor’s right to receive payment with respect to any amounts payable by you to Assignor with respect to the accounts receivable set forth on Schedule 1 attached hereto. To the extent that you are now indebted or may in the future become indebted to the Assignor on such accounts receivable, payment thereof must be made payable to the Assignee and all monies due or to become due under the aforesaid accounts receivable should be made by wire transfer as follows: Charter Asset Management Fund, LP. at **Western Alliance Bank** (Account #8445370650, ABA Wire Routing #121143260), by check payable to the Assignee and addressed as follows: 633 W. 5th Street, 26th Floor, Los Angeles, CA 90071, or alternatively as agreed to by the Assignee. This direction may not be terminated, modified or amended without express written direction from an officer of Assignee.

Please acknowledge receipt of this notice and return a fully executed copy to the Assignor and please contact the Assignor if you have any questions concerning the assignment or the payment instructions set out in this letter.

Please acknowledge receipt of this notice and return a fully executed copy to the undersigned.

Very truly yours,

CHARTER ASSET MANAGEMENT
FUND, L.P.

By: Charter Asset Management GP, LLC,
A Delaware limited liability company
Its: General Partner

By: _____

Name: Paul Im
Its: Managing Partner

Alliance Steam Academy Inc.

By: _____
Name: Andrew Vestey
Title: Chair, Board of Directors

Acknowledgement

Receipt is acknowledged of the above notice, and a copy of the instrument by Assignor on _____, 20 ____.

San Bernardino County Office of Education/
San Bernardino County Superintendent of
Schools
601 North E St., San Bernardino, CA 92415

By: _____

Title: _____

Schedule 1

Account Authority / Payor	Account Receivable
San Bernardino County Office of Education / San Bernardino County Superintendent of Schools	FY 18-19 Advance Apportionment Feb PMT - LCFF State Aid. CDS# 36-67678-0137547

EXHIBIT C

IRREVOCABLE ASSIGNMENT OF ACCOUNTS

Pursuant to this assignment (“Assignment”), for value received and services performed by Charter Asset Management Fund, LP, a Delaware limited partnership (“CAM”), Allegiance Steam Academy Inc. (“Charter School”) DBA Allegiance STEAM Academy hereby irrevocably assigns, transfers and sets over to CAM the sole right to collect from the San Bernardino County Office of Education/ San Bernardino County Superintendent of Schools (“Payor”) the net proceeds of the Accounts (as defined herein) from the Payor, when such payments become due and payable to Charter School. The term “Accounts” shall mean all Accounts described in Schedule 1 of that certain Factoring Agreement dated as of December 21, 2018 between CAM and the Charter School (the “Factoring Agreement”).

Recitals

WHEREAS, under applicable law, the Charter School has the power to sell and assign its assets;

WHEREAS, the Charter School is entitled to receive state payments or other amounts to which the Charter School is entitled to receive from the Payor under applicable law (collectively, the “Payments”);

WHEREAS, the Charter School hereby warrants and represents to the Payor and CAM that (i) the Charter School is duly authorized under the laws of the State of California (the “State”) to enter into the transactions contemplated hereby and to sell and assign the Accounts and other assets in furtherance of its educational purposes; (ii) all action on the Charter School’s part necessary for the consummation of the transaction contemplated hereby and the sale and assignment of the Accounts have been duly taken; (iii) this Assignment is valid and enforceable in accordance with its terms, except as enforceability may be limited by general equitable principles and by bankruptcy, insolvency or other similar laws affecting creditors’ rights generally; (iv) the Charter School has not heretofore conveyed, assigned, pledged, granted a security interest in or other disposal of the Accounts as has been satisfied by the Charter School and released; and (v) assuming receipt of the consents required herein, the execution, delivery and performance of this Assignment is not a contravention of law or any agreement, instrument, indenture or other undertaking to which the Charter School is a party or by which the Charter School is bound.

WHEREAS, except with respect to the Assignment below, the Charter School further warrants and represents to the Payor and CAM that the Factoring Agreement and all related documents do not provide for recourse of any kind against the Payor. The Charter School understands that the Payor does not make any representations concerning the financial condition of the Charter School or guarantee the continuous payment of Payments to the Charter School.

WHEREAS, the Charter School and the Payor acknowledge and agree that CAM is an intended third-party beneficiary of the Assignment contained herein.

Assignment

NOW, THEREFORE, in consideration of the mutual promises herein contained, it is hereby agreed and acknowledged that:

- (i) this Assignment is made by Charter School as consideration for CAM to enter into the Factoring Agreement executed on the Effective Date.
- (ii) Charter School may not revoke this Assignment;
- (iii) the Payor is hereby authorized and directed to release and pay the Payments to CAM when and in same the manner that such Payments were to be paid to Charter School;
- (iv) the Payor hereby confirms and acknowledges this Assignment, and agrees to accept and abide by the terms hereof; and
- (v) the Payor shall make Payments to CAM with respect to the Accounts by wire pursuant to the wiring instructions provided by CAM.

[Signature page follows]

IN WITNESS WHEREOF, this Assignment is effective as of December 21, 2018.

Allegiance Steam Academy Inc. DBA Allegiance STEAM Academy

By: _____
Andrew Vestey
Chair, Board of Directors

Acknowledged by:

San Bernardino County Office of Education/ San Bernardino County Superintendent of Schools

By: _____

Acknowledged by:

CHARTER ASSET MANAGEMENT FUND, L.P.

By: Charter Asset Management GP, LLC,
A Delaware limited liability company
Its: General Partner

By: _____

Name: Paul Im
Title: Managing Partner

By: _____

Name: David Park
Title: Managing Partner

Address for Notices:
633 W. 5th Street, 26th Floor
Los Angeles, CA 90071

WIRE / ACH INSTRUCTIONS

Please remit all ACH / wire payments to the following:

Bank / Institution: Western Alliance Bank
Account: Charter Asset Management Fund, L.P.
Account Number: xxxxxxxx
Wiring/Routing Number: xxxxxxxx

CHECK DELIVERY INSTRUCTIONS

Please overnight mail all checks to the following address:

Charter Asset Management
ATTN: Paul Im / Jonathan Yeh
633 W. 5th Street, 26th Floor,
Los Angeles, CA 90071

Checks made out to Charter School is acceptable to CAM pursuant to the Factoring Agreement and Irrevocable Funds Distribution Authorization.

EXHIBIT D

IRREVOCABLE FUNDS DISTRIBUTION AUTHORIZATION

Effective Date: December 21, 2018

The undersigned, Allegiance Steam Academy Inc. (the “**Charter School**”), hereby irrevocably authorizes San Bernardino County Office of Education/ San Bernardino County Superintendent of Schools, (the “**Payor**”) to distribute directly to Charter Asset Management Fund LP, a Delaware limited partnership (“**CAM**”), all amounts due from the Payor to the Charter School directly to CAM, whether by (1) mail, (2) ACH, or (3) wire transfer pursuant to the Electronic Funds Transfer Act as directed by CAM. The Charter School agrees to deliver to the Payor an Irrevocable Assignment of Accounts in the form attached as Exhibit A or such other documents required by the Payor to authorize the direct funds distribution to CAM. The Charter School shall assist CAM with respect to any documents required by Payor to allow Payor to make funds distributions directly to CAM. Payor may rely on this authorization in making direct funds distributions to CAM.

Allegiance Steam Academy Inc.

By: _____
Andrew Vestey
Chair, Board of Directors

EXHIBIT F

**AUTHORIZATION FOR DIRECT PAYMENT VIA ACH
(ACH DEBIT)**

Direct Payment via ACH is the transfer of funds from the Allegiance Steam Academy Inc. (“Charter School”)’s account for the purpose of making payments for receivables due to Charter Asset Management Fund, LP.

As board director and/or officer of Charter School and signer on all factoring and security agreements between Charter School and Charter Asset Management Fund, LP., I authorize Charter Asset Management Fund, LP. to electronically debit the account of Charter School as follows:

Bank / Institution: Citizens Business Bank
Account: Allegiance STEAM Academy
Account Number: xxxxxxxx
Routing Number: xxxxxxxx
School Address: 5862 C Street, Chino, CA 91710

I understand that the amount and frequency of debits are pursuant to all executed factoring agreements executed between Charter School and Charter Asset Management Fund, LP. for the 2018-2019 fiscal year.

I understand that this authorization will remain in full force and effect until all financial obligations of Charter School to Charter Asset Management Fund, LP. are fulfilled pursuant to all executed agreements.

ALLEGIANCE STEAM ACADEMY INC.

Andrew Vestey
Chair, Board of Directors

Samantha Odo
Secretary, Board of Directors

SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of December 21, 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the provisions hereof, this “**Agreement**”), made by and among Allegiance Steam Academy Inc., a California corporation (the “**Grantor**”), in favor of **CHARTER ASSET MANAGEMENT FUND, L.P.**, a Delaware limited partnership (the “**Secured Party**”).

RECITALS

- A. As of the date hereof, the Secured Party has purchased, and may purchase in the future, from Grantor certain Accounts (“**Accounts**”) evidenced by that certain Factoring Agreement of even date herewith and future Factoring Agreements (as amended, supplemented or otherwise modified from time to time, collectively, the “**Factoring Agreements**”) by and between the Grantor and the Secured Party. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Factoring Agreements;
- B. This Agreement is given by the Grantor in favor of the Secured Party to secure the payment and performance of all of the Secured Obligations (as defined herein); and
- C. It is a condition to the obligations of the Secured Party to purchase Accounts under the Factoring Agreements that the Grantor execute and deliver this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions.

- (a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.
- (b) Unless otherwise defined herein, terms used herein that are defined in the Uniform Commercial Code in effect from time to time in the State of California (“**UCC**”) shall have the meanings assigned to them in the UCC. However, if a term is defined in Article 9 of the UCC differently than in another Article of the UCC, the term has the meaning specified in Article 9.
- (c) For purposes of this Agreement, the following terms shall have the following meanings:

“**Agreement**” has the meaning set forth in the Recitals hereof.

“**Collateral**” has the meaning set forth in *Section 2*.

“**Event of Default**” has the meaning set forth in the Factoring Agreements.

“**First Priority**” means, with respect to any lien and security interest purported to be created in any Collateral pursuant to this Agreement, such lien and security interest is the most senior lien to which such Collateral is subject.

“**Grantor**” has the meaning set forth in the Recitals hereof.

“**Perfection Certificate**” has the meaning set forth in *Section 5*.

“**Proceeds**” means “proceeds” as such term is defined in section 9-102 of the UCC and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

“**Secured Obligations**” has the meaning set forth in *Section 3*.

- (d) The rules of interpretation specified in the Factoring Agreements shall be applicable to this Agreement.

2. Grant of Security Interest. As collateral security for the payment and performance of the Secured Obligations, the Grantor hereby pledges and grants to the Secured Party, and hereby creates a continuing First Priority lien and security interest in favor of the Secured Party in and to all of Grantor’s rights and interest in any and all personal property, whether now existing or hereafter acquired or created and wherever located, and all products and proceeds thereof and accessions thereto, including but not limited to the following (collectively, the “**Collateral**”):

- (a) all accounts (including health care insurance receivables), chattel paper (including tangible and electronic chattel paper), inventory (including all goods held for sale or lease or to be furnished under a contract for service, and including returns and repossessions), equipment (including all accessions and additions thereto), instruments (including promissory notes), investment property (including securities and securities entitlements), documents (including negotiable documents), deposit accounts, letter of credit rights, money, any commercial tort claim of Grantor which is now or hereafter identified by Grantor or Secured Party, general intangibles (including payment intangibles and software), goods (including fixtures) and all of Grantor’s books and records with respect to any of the foregoing, and the computers and equipment containing said books and records; and

- (b) any and all cash proceeds and/or noncash proceeds thereof, including without limitation, insurance proceeds, and all supporting obligations and the security therefore or for any right to payment.

3. Secured Obligations. The Collateral secures the due and prompt payment and performance of:

- (a) the obligations of the Grantor from time to time arising under the Factoring Agreements, this Agreement or otherwise with respect to the due and prompt payment of (i) any amounts

due pursuant to the Factoring Agreements from failure of the Grantor to comply with the terms of the Factoring Agreements or interest thereon (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise and (ii) all other monetary obligations, including fees, costs,

attorneys' fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Grantor under or in respect of the Factoring Agreements and this Agreement;

(b) all other covenants, duties, debts, obligations and liabilities of any kind of the Grantor under or in respect of the Factoring Agreements, this Agreement or any other document made, delivered or given in connection with any of the foregoing, in each case whether evidenced by a note or other writing, whether allowed in any bankruptcy, insolvency, receivership or other similar proceeding, whether arising from an extension of credit, issuance of a letter of credit, acceptance, loan, guaranty, indemnification or otherwise, and whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, fixed or otherwise (all such obligations, covenants, duties, debts, liabilities, sums and expenses set forth in **Section 3** being herein collectively called the "**Secured Obligations**"); and

(c) It is the intent of the Grantor and Secured Party that the Secured Party is purchasing Accounts referenced in the Factoring Agreements and therefore the term "Secured Obligations" does not include purchased Accounts or any amounts due to Secured Party pursuant to any of the purchased Accounts unless there is a breach by the Grantor of any of its obligations under the Factoring Agreements or unless there is a judicial determination that Secured Party's purchase of Accounts under any Factoring Agreement is not a purchase, but is deemed to be a loan secured by Accounts.

4. Perfection of Security Interest and Further Assurances.

(a) The Grantor shall, from time to time, as may be required by the Secured Party with respect to all Collateral, immediately take all actions as may be requested by the Secured Party to perfect the security interest of the Secured Party in the Collateral, including, without limitation, with respect to all Collateral over which control may be obtained within the meaning of sections 8106, 9104, 9105, 9106 and 9107 of the UCC, section 201 of the federal Electronic Signatures in Global and National Commerce Act and, as the case may be, section 16 of the Uniform Electronic Transactions Act, as applicable, the Grantor shall immediately take all actions as may be requested from time to time by the Secured Party so that control of such Collateral is obtained and at all times held by the Secured Party. All of the foregoing shall be at the sole cost and expense of the Grantor.

(b) The Grantor hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any relevant jurisdiction any financing statements and amendments thereto that contain the information required by Article 9 of the UCC of each applicable jurisdiction for the filing of any financing statement or amendment relating to the Collateral, including any financing or continuation statements or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by the Grantor hereunder, without the signature of the Grantor where permitted by law, including the filing of a financing statement describing the Collateral as all assets now owned or hereafter acquired by the Grantor, or words of similar effect. The Grantor agrees to provide all information required by the Secured Party pursuant to this Section promptly to the Secured Party upon request.

(c) The Grantor hereby further authorizes the Secured Party to file with the United States Patent and Trademark Office and the United States Copyright Office (and any successor office and any similar office in any state of the United States or in any other country) this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by the Grantor hereunder, without the signature of the Grantor where permitted by law.

(d) If the Grantor shall at any time hold or acquire any certificated securities, promissory notes, tangible chattel paper, negotiable documents or warehouse receipts relating to the Collateral, the Grantor shall immediately endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

(e) If the Grantor shall at any time hold or acquire a commercial tort claim, the Grantor shall (i) immediately notify the Secured Party in a writing signed by the Grantor of the particulars thereof and grant to the Secured Party in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to the Secured Party and (ii) deliver to the Secured Party an updated Schedule 1.

(f) If any Collateral is at any time in the possession of a bailee, the Grantor shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, shall promptly obtain an acknowledgment from the bailee, in form and substance satisfactory to the Secured Party, that the bailee holds such Collateral for the benefit of the Secured Party and the bailee agrees to comply, without further consent of the Grantor, at any time with instructions of the Secured Party as to such Collateral.

(g) The Grantor agrees that at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may request, in order to create and/or maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby or to enable the Secured Party to exercise and enforce its rights and remedies hereunder or under any other agreement with respect to any Collateral.

5. Representations and Warranties. The Grantor represents and warrants as follows:

(a) The representations and warranties set forth in Section 3 of the Factoring Agreements are hereby reaffirmed by the Grantor, each of which is hereby incorporated herein by reference and the Secured Party shall be entitled to rely on each of them as if they were fully set forth herein.

(b) (i) The Grantor's exact legal name is that indicated on the signature page hereof,
(ii) the Grantor is a corporation and is organized in the State of California.

(c) All information provided by Grantor to the Secured Party relating to the Collateral is accurate and complete.

(d) If any of the Collateral consists of securities, same have been duly authorized and validly issued, and are fully paid and non-assessable and subject to no options to purchase or similar rights.

(e) The Grantor holds no commercial tort claims except as indicated on Schedule 1.

(f) None of the Collateral constitutes, or is the proceeds of, (i) farm products, (ii) as-extracted collateral, (iii) manufactured homes, (iv) health-care-insurance receivables, (v) timber to be cut, (vi) aircraft, aircraft engines, satellites, ships or railroad rolling stock.

(g) The Grantor has at all times operated its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances.

(h) At the time the Collateral becomes subject to the lien and security interest created by this Agreement, the Grantor will be the sole, direct, legal and beneficial owner thereof, free and clear of any lien, security interest, encumbrance, claim, option or right of others except for the security interest created by this Agreement.

(i) The pledge of the Collateral pursuant to this Agreement creates a valid and perfected First Priority security interest in the Collateral, securing the payment and performance when due of the Secured Obligations.

(j) The Secured Party has full power, authority and legal right to sell or pledge the Accounts pursuant to the Factoring Agreements and pledge the Collateral pursuant to this Agreement.

(k) Each of this Agreement and the Factoring Agreements has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).

(l) No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the pledge by the Grantor of the Collateral pursuant to this Agreement or for the execution and delivery of the Factoring Agreements and this Agreement by the Grantor or the performance by the Grantor of its obligations thereunder.

(m) The execution and delivery of the Factoring Agreements and this Agreement by the Grantor and the performance by the Grantor of its obligations thereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the organizational or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound.

(n) The Grantor has taken all action required on its part for control (as defined in sections 8106, 9104, 9105, 9106 and 9107 of the UCC, section 201 of the federal Electronic Signatures in Global and National Commerce Act and, as the case may be, section 16 of the Uniform Electronic Transactions Act, as applicable) to have been obtained by the Secured Party over all Collateral with respect to which such control may be obtained pursuant to the UCC. No person other than the Secured Party has control or possession of all or any part of the Collateral.

6. Voting, Distributions and Receivables.

(a) The Secured Party agrees that unless an Event of Default shall have occurred and be continuing, the Grantor may, to the extent the Grantor has such right as a holder of the Collateral consisting of securities or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, any such vote, consent, ratification or waiver could detract from the value thereof as Collateral or which could be inconsistent with or result in any violation of any provision of the Factoring Agreements or this Agreement.

(b) The Secured Party agrees that the Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all cash dividends and other distributions with respect to the Collateral consisting of securities or indebtedness owed by any obligor, but excluding any Accounts sold by Grantor to the Secured Party pursuant to any Factoring Agreements unless authorized by the Secured Party.

(c) The Secured Party may, or at the request and option of the Secured Party the Grantor shall, notify account debtors and other persons obligated on any of the Accounts sold by the Grantor to the Secured Party pursuant to the Factoring Agreements that payments due are to be made directly to the Secured Party.

7. Covenants. The Grantor covenants as follows:

(a) The Grantor will not, without providing at least 30 days' prior written notice to the Secured Party, change its legal name, identity, type of organization, jurisdiction of organization, corporate structure, location of its chief executive office or its principal place of business or its organizational identification number. The Grantor will, prior to any change described in the preceding sentence, take all actions requested by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.

(b) The Collateral, to the extent not delivered to the Secured Party pursuant to **Section 4**, will be kept at those locations listed on **Schedule 2** and the Grantor will not remove the Collateral from such locations without providing at least 30 days' prior written notice to the Secured Party. The Grantor will, prior to any change described in the preceding sentence, take all actions required by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.

(c) The Grantor shall, at its own cost and expense, defend title to the Collateral and the First Priority lien and security interest of the Secured Party therein against the claim of any person claiming against or through the Grantor and shall maintain and preserve such perfected First Priority security interest for so long as this Agreement shall remain in effect.

(d) The Grantor will not sell, offer to sell, dispose of, convey, assign or otherwise transfer, grant any option with respect to, restrict, or grant, create, permit or suffer to exist any mortgage, pledge, lien, security interest, option, right of first offer, encumbrance or other restriction or limitation of any nature whatsoever on, any of the Collateral or any interest therein.

(e) The Grantor will keep the Collateral in good order and repair and will not use the same in violation of law or any policy of insurance thereon. The Grantor will permit the Secured Party, or its designee, to inspect the Collateral at any reasonable time, wherever located.

(f) The Grantor will pay promptly when due all taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement.

(g) The Grantor will continue to operate its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances.

8. Secured Party Appointed Attorney-in-Fact. The Grantor hereby appoints the Secured Party the Grantor's attorney-in-fact, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement (but the Secured Party shall not be obligated to and shall have no liability to the Grantor or any third party for failure to do so or take action). This appointment, being coupled with an interest, shall be irrevocable. The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

9. Secured Party May Perform. If the Grantor fails to perform any obligation contained in this Agreement, the Secured Party may itself perform, or cause performance of, such obligation, and the expenses of the Secured Party incurred in connection therewith shall be payable by the Grantor; *provided that* the Secured Party shall not be required to perform or discharge any obligation of the Grantor.

10. Reasonable Care. The Secured Party shall have no duty with respect to the care and preservation of the Collateral beyond the exercise of reasonable care. The Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which the Secured Party accords its own

property, it being understood that the Secured Party shall not have any responsibility for (a) ascertaining or taking action with respect to any claims, the nature or sufficiency of any payment or performance by any party under or pursuant to any agreement relating to the Collateral or other matters relative to any Collateral, whether or not the Secured Party has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against any parties with respect to any Collateral. Nothing set forth in this Agreement, nor the exercise by the Secured Party of any of the rights and remedies hereunder, shall relieve the Grantor from the performance of any obligation on the Grantor's part to be performed or observed in respect of any of the Collateral.

11. Remedies Upon Default.

(a) If any Event of Default shall have occurred and be continuing, the Secured Party, without any other notice to or demand upon the Grantor, may assert all rights and remedies of a secured party under the UCC or other applicable law, including, without limitation, the right to take possession of, hold, collect, sell, lease, deliver, grant options to purchase or otherwise retain, liquidate or dispose of all or any portion of the Collateral. If notice prior to disposition of the Collateral or any portion thereof is necessary under applicable law, written notice mailed to the Grantor at its notice address as provided in **Section 15** hereof ten (10) days prior to the date of such disposition shall constitute reasonable notice, but notice given in any other reasonable manner shall be sufficient. So long as the sale of the Collateral is made in a commercially reasonable manner, the Secured Party may sell such Collateral on such terms and to such purchaser(s) as the Secured Party in its absolute discretion may choose, without assuming any credit risk and without any obligation to advertise or give notice of any kind other than that necessary under applicable law. Without precluding any other methods of sale, the sale of the Collateral or any portion thereof shall have been made in a commercially reasonable manner if conducted in conformity with reasonable commercial practices of creditors disposing of similar property. At any sale of the Collateral, if permitted by applicable law, the Secured Party may be the purchaser, licensee, assignee or recipient of the Collateral or any part thereof and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold, assigned or licensed at such sale, to use and apply any of the Secured Obligations as a credit on account of the purchase price of the Collateral or any part thereof payable at such sale. To the extent permitted by applicable law, the Grantor waives all claims, damages and demands it may acquire against the Secured Party arising out of the exercise by it of any rights hereunder. The Grantor hereby waives and releases to the fullest extent permitted by law any right or equity of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, of marshalling the Collateral and any other security for the Secured Obligations or otherwise. At any such sale, unless prohibited by applicable law, the Secured Party or any custodian may bid for and purchase all or any part of the Collateral so sold free from any such right or equity of redemption. Neither the Secured Party nor any custodian shall be liable for failure to collect or realize upon any or all of the Collateral or for any delay in so doing, nor shall it be under any obligation to take any action whatsoever with regard thereto. The Grantor agrees that it would not be commercially unreasonable for the Secured Party to dispose of the Collateral or any portion thereof by utilizing internet sites that provide for the auction of assets of the type included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets. The Secured Party shall not be obligated to clean-up or otherwise prepare the Collateral for sale.

(b) If any Event of Default shall have occurred and be continuing, all rights of the Grantor to (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to **Section 6(a)** and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to **Section 6(b)**, shall immediately cease, and all such rights shall thereupon become vested in the Secured Party, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral.

(c) If any Event of Default shall have occurred and be continuing, any cash held by the Secured Party as Collateral and all cash Proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Secured Party to the payment of expenses incurred by the Secured Party in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Party hereunder, including reasonable attorneys' fees, and the balance of such proceeds shall be applied or set off against all or any part of the Secured Obligations in such order as the Secured Party shall elect. Any surplus of such cash or cash Proceeds held by the Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive such surplus. The Grantor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any attorneys employed by the Secured Party to collect such deficiency.

(d) If the Secured Party shall determine to exercise its rights to sell all or any of the Collateral pursuant to this Section, the Grantor agrees that, upon request of the Secured Party, the Grantor will, at its own expense, do or cause to be done all such acts and things as may be necessary to make such sale of the Collateral or any part thereof valid and binding and in compliance with applicable law.

12. No Waiver and Cumulative Remedies. The Secured Party shall not by any act (except by a written instrument pursuant to **Section 14**, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

13. Security Interest Absolute. The Grantor hereby waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. All rights of the Secured Party and liens and security interests hereunder, and all Secured Obligations of the Grantor hereunder, shall be absolute and unconditional irrespective of:

(a) any illegality or lack of validity or enforceability of any Secured Obligation or any related agreement or instrument;

(b) any change in the time, place or manner of payment of, or in any other term of, the Secured Obligations, or any rescission, waiver, amendment or other modification of the Factoring Agreements, this Agreement or any other agreement, including any increase in the Secured Obligations resulting from any extension of additional credit or otherwise;

(c) any taking, exchange, substitution, release, impairment or non-perfection of any Collateral or any other collateral, or any taking, release, impairment, amendment, waiver or other modification of any guaranty, for all or any of the Secured Obligations;

(d) any manner of sale, disposition or application of proceeds of any Collateral or any other collateral or other assets to all or part of the Secured Obligations;

(e) any default, failure or delay, willful or otherwise, in the performance of the Secured Obligations;

(f) any defense, set-off or counterclaim (other than a defense of payment or performance) that may at any time be available to, or be asserted by, the Grantor against the Secured Party; or

(g) any other circumstance (including, without limitation, any statute of limitations) or manner of administering the Loans or any existence of or reliance on any representation by the Secured Party that might vary the risk of the Grantor or otherwise operate as a defense available to, or a legal or equitable discharge of, the Grantor or any other grantor, guarantor or surety.

14. Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

15. Addresses for Notices. All notices and other communications provided for in this Agreement shall be in writing and shall be given in the manner and become effective as set forth in the Factoring Agreements, and addressed to the respective parties at their addresses as specified on the signature pages hereof or as to either party at such other address as shall be designated by such party in a written notice to each other party.

16. Continuing Security Interest; Further Actions. This Agreement shall create a continuing First Priority lien and security interest in the Collateral and shall (a) subject to **Section 17**, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and assigns, and (c) inure to the benefit of the Secured Party and its successors, transferees and assigns; *provided that* the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party. Without limiting the generality of the foregoing clause (c), any assignee of the Secured Party's interest in any agreement or document which includes all or any of the Secured Obligations shall, upon assignment, become vested with all the benefits granted to the Secured Party herein with respect to such Secured Obligations.

17. Termination; Release. On the date on which all Secured Obligations have been paid and performed in full, the Secured Party will, at the request and sole expense of the Grantor, (a) duly assign, transfer and deliver to or at the direction of the Grantor (without recourse and without any representation

or warranty) such of the Collateral as may then remain in the possession of the Secured Party, together with any monies at the time held by the Secured Party hereunder, and (b) execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

18. Governing Law. This Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement or the Factoring Agreements and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the laws of the State of California.

19. Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement. This Agreement [and the Factoring Agreements] constitute the entire contract among the parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto.

20. Resolution of Drafting Ambiguities. Grantor acknowledges and agrees that it was represented by counsel in connection with the execution and delivery of this Agreement, that it and its counsel reviewed and participated in the preparation and negotiation of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party (i.e., the Secured Party) shall not be employed in the interpretation of this Agreement.

21. Expenses. Grantor agrees to pay or to reimburse Secured Party for all reasonable costs and expenses (including reasonable attorney's fees and expenses) that may be incurred by Secured Party in any effort to enforce any of the provisions of **Section 11**, or any of the obligations of Grantor in respect of the Collateral or in connection with (a) the preservation of the First Priority lien on, or the rights of Secured Party to the Collateral pursuant to this Agreement or (b) any actual or attempted sale, lease, disposition, exchange, collection, compromise, settlement or other realization in respect of, or care of, the Collateral, including all such costs and expenses (and reasonable attorney's fees and expenses) incurred in any bankruptcy, reorganization, workout or other similar proceeding.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Allegiance Steam Academy Inc., as
Grantor

By _____

Name: Andrew Vestey
Title: Chair, Board of Directors
Address for Notices:
5862 C Street, Chino, CA 91710

CHARTER ASSET MANAGEMENT
FUND, L.P., as Secured Party

By: Charter Asset Management GP LLC.,
A Delaware limited liability company
Its: General Partner

By: _____

—

Paul Im
Title: Managing Partner

Address for Notices:
633 W. 5th Street, 26th Floor
Los Angeles, CA 90071

By: _____

Name: David Park
Title: Managing Member

Address for Notices:
633 W. 5th Street, 26th Floor
Los Angeles, CA 90071

SCHEDULE 1

COMMERCIAL TORT CLAIMS

SCHEDULE 2

LOCATION OF COLLATERAL

5862 C STREET, CHINO, CA 91710



Allegiance STEAM Academy Thrive

2018-19 Standards-Based Report Card

Student Name:

Student ID:

Teacher Name:

Grade Level: 3

Reporting Key

Mastery Level

- 4 = Success at more complex content
- 3 = Success at target learning goal
- 2 = Success at simpler content
- 1 = With help, partial success at score 2 and 3 content
- 0 = With help, partial success at score 2, but not score 3 content
- NA = Not Assessed/Addressed this Period

Trimester	T1	T2	T3
Absences			
Tardies			

Citizenship	T1	T2	T3
	Mastery Level		
Trust your instincts			
Keep your den clean			
Stay on track			
Howl with your friends			
Be a leader			

English Language Arts / Literacy	T1	T2	T3
	Mastery Level		
Reading Literature			
Reading Informational Text			
Reading: Foundation Skills			
Writing			
Speaking and Listening			
Language			

Mathematics	T1	T2	T3
	Mastery Level		
Operations and Algebraic Thinking			
Number and Operations in Base Ten			
Measurement and Data			
Geometry			
Number and Operations - Fractions			

Science	T1	T2	T3
	Mastery Level		
Life Science			
Earth & Space Science			
Physical Science			
Technology			
Engineering			

Social Studies	T1	T2	T3
	Mastery Level		
Continuity and Change			

Performing Arts	T1	T2	T3
	Mastery Level		
Artistic Perception			
Creative Expression			
Historical and Cultural Context			

Physical Education	T1	T2	T3
	Mastery Level		
Development of motor skills			
Participation in physical activities			

Mandarin	T1	T2	T3
	Mastery Level		
Content			
Communication			



Allegiance STEAM Academy Thrive 2018-19 Standards-Based Report Card

Reporting Key

- A = Exceeds Standard (3.01-4.00)
- B = Meets Standard (2.50-3.00)
- C = Nearly Meets Standard (2.00-2.49)
- D = Does Not Yet Meet Standard (1.00-1.99)
- F = Does Not Yet Meet Standard (Below 1.00)

Grades

Grades are an average score of mastery achieved for each learning target within the content area.

A = Student exceeds grade level standards, demonstrating broad and in-depth understanding of complex concepts and skills embedded in the standards

B = Student meets grade level standards, demonstrating thorough understanding of concepts and skills embedded in the standards

C = Student nearly meets grade level standards, demonstrating basic understanding of concepts and skills embedded in the standards

D = Student has not yet met grade level standards, demonstrating minimal understanding of concepts and skills embedded in the standards

F = Student has not yet met grade level standards, demonstrating no understanding of concepts and skills embedded in the standards

Final Term Grades	T1	T2	T3
Citizenship			
English Language Arts / Literacy			
Mathematics			
Science			
Social Studies			

Comments

Trimester 1	Trimester 2	Trimester 3

Standards-Based Grading

ASA Thrive employs Standards-Based Grading, a tenet of Mastery Learning theory, to make sure our students are correctly scored on **content** and **skill proficiency**. Our students earn grades based on their **demonstrated mastery of essential skills rather than on completion of tasks**. For more information on the essential skills represented in each content category, see your student's teacher.

In a mastery-based grading structure, students are not graded on their ability to master a standard at a certain time; rather, they can work at their own pace and demonstrate mastery when they are ready. This grading structure is aligned with ASA Thrive's mission and values in that it:

- gives students and parents specific, actionable feedback about what skills students have learned or still need to learn;
- shifts the focus to student growth over time; and
- aligns with the school's personalized learning model in which students learn at their own pace and in their own way.

By using a standards-based grade book system, teachers track student proficiency progress and learning. Teachers assess student learning and progress in the classroom through formative and summative assessments. Students are also instructed by teachers to assess their own learning through self-monitoring strategies in classes.

Underlying ASA's grading philosophy is a focus on learning. The learning that students acquire over the term is more important than report card marks. Here are some examples of questions to ask your students about their learning:

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> ○ What skills have you learned so far? ○ What are you proud of? ○ What have you enjoyed most? | <ul style="list-style-type: none"> ○ What has been challenging? ○ How have you overcome these challenges? ○ Can you talk to me about how you learn best? | <ul style="list-style-type: none"> ○ Tell me about a goal you achieved this term. ○ What are your current goals? ○ What kind of support do you need to be successful? |
|---|---|--|



Allegiance STEAM Academy - Thrive Progress Report

		Grade:	3	Mid-trimester:	×1st	×2nd	×3rd
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Student progress reports reflect their progress towards exceeding, meeting, nearly meeting, or not meeting state standards. Parents of students performing not meeting state standards will be invited to participate in a scheduled parent conference to discuss the students', parents' and teachers' role in an improvement plan.

Trimester	Count
Absences	
Tardies	

Standard	Meeting/ Exceeding Standard	Near/ Below Standard	Comments
Citizenship			
Trust your instincts			
Keep your den clean			
Stay on track			
Howl with your friends			
Be a leader			
English Language Arts / Literacy			
Reading Literature			
Reading Informational Text			
Reading Foundational Skills			
Writing			
Speaking and Listening			
Language			
Mathematics			

Operations and Algebraic Thinking			
Number and Operations Base Ten			
Measurement and Data			
Geometry			
Number and Operations - Fractions			
Standard	Meeting/ Exceeding Standard	Near/ Below Standard	Comments
Science			
Life Science			
Earth & Space Science			
Physical Science			
Technology			
Engineering			
Social Studies			
Continuity and Change			
Performing Arts			
Artistic Perception			
Creative Expression			
Historical and Cultural Context			
Physical Education			
Development of motor skills			
Participation in physical activities			
Mandarin			
Content			
Communication			