



Meeting: Board of Directors Regular Meeting

Date: Wednesday, November 20, 2019

Time: 5:00 P.M.

Location: Woodbury Leadership Academy 8089 Globe Dr. Woodbury, MN 55125- Gym

AGENDA

1. Meeting Call to Order and Roll Call (Mandi Folks)

- 1.1 Meeting Call to Order (Mandi Folks, Board Chair)
- 1.2 Roll Call (Mandi Folks, Board Chair)

2. WLA Mission and Vision (Jess Erickson)

- a. The mission of WLA is to utilize leadership-based programs and strategies grounded in solid research, combined with the demonstrated success of Core Knowledge Curriculum as a basis of a rigorous overall educational program that builds strong skills in math, reading, literature, writing, music, science, and technology
- b. The vision of WLA is to be a school where students and graduates become exceptional leaders and are prepared to take on the academic and leadership challenges they will face in high school and beyond.

3. Approval of Agenda/Meeting Minutes (Presenter: Mandi Folks, Board Chair)

- 3.1 Approval of meeting agenda
Motion: _____ 2nd: _____ Vote: _____
- 3.2 Approval of October 23, 2019 and October 30, 2019 Board Minutes
Motion: _____ 2nd: _____ Vote: _____

4. Conflict of Interest Declaration (Presenter: Mandi Folks, Board Chair)

5. Public Comment (Presenter: Mandi Folks, Board Chair)

- 5.1 Delegation of Public Comment Items (if necessary)

6. Board and Administration Reports

- 6.1 Board Report (Mandi Folks)
- 6.2 Executive Director Report (Kathleen Mortensen)
- 6.3 Financial Director Report (Judith Darling, BKDV)
- 6.4 Finance Committee Report (Mandi Folks, Board Chair)

6.4.1 Accept October Financials and November Minutes

Motion: _____ 2nd: _____ Vote: _____

6.4.2 Approve Updated Budget

Motion: _____ 2nd: _____ Vote: _____

6.5 Facilities Committee Report (Jason Livingston, Chair)

6.6 Governance Committee Report (Jess Erickson, Chair)

6.6.1 Accept November Minutes, Second Reading of Retention Policy,
First Reading of Extended Leave Policy and First Reading of Series 100.

Motion: _____ 2nd: _____ Vote: _____

7. Board Training, Discussion, and Business (Presenter: Mandi Folks, Board Chair)

7.1 Audit Presentation

7.2 Ratify Employment Agreement(s)

8. Board Communication & Future Items (Presenter: Mandi Folks, Board Chair)

8.1 Board Communication/Future Agenda Items- Reflection

9. Housekeeping (Presenter: Mandi Folks, Board Chair)

Next Regularly Scheduled WLA Board of Directors Meeting

Date: Wednesday, December 18, 2019

Time: 5:00 P.M.

Location: 8089 Globe Dr. Woodbury, MN- gym

10. Adjournment (Presenter: Mandi Folks, Board Chair)

Adjournment

Motion: _____ 2nd _____ Vote: _____

Woodbury Leadership Academy
Board of Directors Meeting Minutes
Regular Meeting
October 23, 2019



Directors Present: Jessica Erickson, Mandi Folks, Claudia George, Shannon Kelly, Jason Livingston, Jolene Skordahl

Directors Absent: None

Administration/Advisors Present: Kathy Mortensen (Executive Director), Judith Darling (BerganKDV)

Others in Attendance: None

1. Meeting Call to Order and Roll Call

1.1 Meeting Call to Order

Ms Folks called the meeting to order at 5:07 PM.

1.2 Roll Call

Ms Baumann took roll call.

2. WLA Mission and Vision

Ms Skordahl read the WLA Mission and Vision Statements.

3. Approval of Agenda/Meeting Minutes

3.1 Approval of Meeting Agenda

Ms Erickson moved "to approve the meeting agenda for the October 23, 2019 Board meeting." Seconded by Ms Skordahl. Motion passed unanimously.

3.2 Approval of September 26, 2019 Board Minutes

Ms Kelly moved "to approve the Board minutes from the September 26, 2019 Board meeting." Ms Erickson seconded. Motion passed unanimously.

4. Conflict of Interest Declaration

Ms Folks asked if there were any conflicts of interest for items on the agenda. None were noted.

5. Public Comment

5.1 Delegation of Public Comment Items (if necessary)

There was no public comment.

6. Board and Administration Reports

6.1 Board Report

Ms Folks reminded members of the Annual Meeting scheduled for October 30th at 6:00 PM and shared efforts to advertise the meeting to WLA stakeholders. Board members previewed a draft of the PowerPoint presentation for the meeting and provided input to the presentation. Board members agreed

that putting together and discussing the Annual Meeting agenda and presentation was an educational process, providing broad insight of the status of WLA.

6.2 Executive Director Report

Ms Mortensen highlighted several items in the Director's Report included in the Board Packet:

- 2019-20 enrollment update: 486 students as of today
- An all staff workshop was held October 21, with Dave DenHartog, Mary Kelly and WLA Administration leading the professional development sessions.
- Ms Mortensen meet with the YMCA, giving notice that the WLA site would not be available for YMCA use during summer 2020.
- Parent/Teacher conferences were held with high parent turnout for all grades.
- Ms Mortensen reviewed Spring 2019 MCA scores and Fall 2019 MAP scores.

6.3 Financial Director Report

Ms Darling reviewed the September Financial Statements which were included in the Board packet. The audit is almost complete and will be presented at the November meeting. Ms Darling has been working with Ms Mortensen on updating assumptions used for the working budget. A revised 2019-20 budget will be presented for Board approval at the November meeting. Ms Mortensen described the purpose and role of a Leadership Teacher which will be included in the revised budget.

6.4 Finance Committee Report

Ms Folks stated that two meetings were held in October. The first was to review potential facility financing options of bonding and of establishing an unaffiliated building company to purchase the building. There was discussion on the implications of purchasing the building versus a long term lease. The second meeting was to review financial statements, budget items for 2019-20 budget, and the finance portion of the Annual Meeting presentation.

Ms Folks moved "to accept the September 2019 Financial Statements and October Finance Committee minutes." Ms Erickson seconded. Motion passed unanimously.

6.5 Facilities Committee Report

Mr Livingston reported that the Facilities Committee also held two meetings in October. The first was to discuss options for finishes for 2nd and 3rd floors, the use of the outdoor space across the road, and the idea of involving the PTO in funding the cost of finishing a room. The second meeting focused on reviewing draft architectural plans of the "campus" footprint, building plans for 1st, 2nd, and 3rd floors, and plans for a gym/performance center/lunch space addition. Board members discussed the footprint and building plans and provided input to be shared with the architect.

Ms Kelly moved "to accept the October 8, 2019 Facilities Committee minutes." Ms Erickson seconded. Motion passed unanimously.

Mr Livingston motioned "to move forward with updated lease negotiations." Ms Skordahl seconded. Motion passed unanimously.

7. Board Training, Discussion and Business

7.1 IoWA EDIAM Designation

Ms Mortensen explained that a motion had been made at the September Board meeting to designate her as the IoWA, but the wording of the motion did not meet MDE requirements.

Ms Kelly made a motion "for the designation of the IoWA EDIAM Designation of identified Official with Authority for the MDE External User Access Recertification System. The Minnesota Department of Education (MDE) requires that school districts annually designate an Identified Official with Authority to comply with the MNIT Enterprise Identity and Access Management Standard which states that all users access rights to Minnesota state systems must be reviewed and recertified at least annually.

The identified Official with Authority will assign job duties and authorize external user's access to MDE secure systems for their local education agency (LEA). The Board recommends to authorize Kathleen Mortensen to act as the Identified Official with Authority (IoWA) for Woodbury Leadership Academy 4228-07." Motion seconded by Ms Erickson. Motion passed unanimously.

7.2 Ratify Employment Agreements

Ms Mortensen shared that WLA hired Maria Mascote Espinoza in August as a daytime custodian. Ms Erickson moved to "to ratify the custodian employment agreement for Maria Mascote Espinoza." Seconded by Ms Skordahl. Motion passed unanimously.

7.3 Green School Network Contract

Ms Mortensen presented the Green School Network contract, stating that it is in the budget. The contract is for services in three areas: 1) Development of Administrative staff, 2) Development of measurement benchmarks to ensure K-8 Leadership Curriculum is providing leadership growth, and 3) working with Middle School staff to develop rigorous instructional practices. There was discussion about the services in the agreement. Ms Mortensen was asked to bring the contract back to the next meeting with more clarity of the deliverable products of the contract.

7.4 Wolf Ridge contract for 2020 and permission for overnight fieldtrip

Ms Erickson shared that the 2020 Wolf Ridge grade 5 field trip has been scheduled for September 23-25, 2020. Mr Livingston moved "to approve the Wolf Ridge contract for 2020 and permission for an overnight fieldtrip contract." Seconded by Ms George. Motion passed unanimously.

7.5 Washington DC 2020 overnight fieldtrip and permission to move forward with planning

Ms Mortensen informed Board members that there is no contract for the proposed Washington DC 2020 overnight fieldtrip, but she requested permission to go ahead with planning. Ms Erickson moved "to proceed with the plans for a 2020 Washington DC overnight fieldtrip." Seconded by Ms Skordahl. Motion passed unanimously.

7.6 Treasurer

Ms Folks shared that WLA Board treasurer position was still vacant. She shared specific tasks that the treasurer performs and requested Board members appoint her interim treasurer so that someone is authorized to perform those tasks, if needed. She asked if anyone else would be interested in an interim role. Ms Skordahl stepped forward and volunteered to step into the role of Board Treasurer. She indicated that she does not have experience and would require training, but is interested in the position. Ms Folks moved "to nominate Ms Skordahl to be the WLA Board treasurer." Seconded by Ms George. A roll call vote was taken. Mr Livingston, Ms George, Ms Erickson, Ms Folks, Ms Skordahl, and Ms Kelly voted for the motion. There were no votes against or abstentions. Motion passed unanimously.

7.7 Additional Board Member

Ms Folks shared that the individual that Mr Livingston was recruiting to the Board has decided against joining, so there are no candidates at this time. She indicated that she would make an appeal for candidates at the Annual Meeting.

Ms Kelly shared that her job has an increased level of responsibility and requires numerous nights working, so she is unable to attend many of the Board and Facilities Committee meetings. She comes when able, but feels she is not carrying her share of the workload. There was discussion and Board members encouraged Ms Kelly to remain on the Board and participate when able.

Ms Kelly offered to step down from the Facilities Committee. Mr Livingston moved "to remove Ms Kelly from the Facilities Committee." Seconded by Ms Erickson. Motion passed unanimously.

7.8 Ratification to change in Bylaws

Ms Folks shared the current Board composition in the bylaws and the process to change the bylaws to add the words "up to" 3 members in each of the 3 categories. The changes have been discussed at

several previous Board meetings and have gone through the required process of a teacher vote and Authorizer review, and are now ready for final approval by the Board.

Ms George moved “to ratify the WLA Bylaws to state WLA will have a Governing Board composed of:

- Up to 3 Community Members,
- Up to 3 current WLA Parents, and
- Up to 3 current WLA Teachers”

Motion was seconded by Ms Erickson. A roll call vote was taken. Mr Livingston, Ms George, Ms Erickson, Ms Folks, Ms Skordahl, and Ms Kelly voted for the motion. There were no votes against or abstentions. Motion passed unanimously.

8. Board Communication & Future Items

8.1 Board Communication/Future Agenda Items – Reflection

Suggested future agenda items include presentation of the 2018-19 audit, the 2019-20 budget revision, and the 2nd reading of the Retention Policy.

9. Housekeeping

Next regularly scheduled WLA Board of Directors Meeting

Ms Folks stated the next regular meeting is the Annual Meeting scheduled for Wednesday October 30, 2019 at 6:00 PM in the gym at 8089 Globe Drive, Woodbury, MN. The November regular meeting is scheduled for Wednesday, November 20, 2019 at 5:00 at the same location.

10. Adjournment

Ms Kelly moved “to adjourn.” Ms Erickson seconded. Motion passed unanimously. The meeting adjourned at 7:55 PM.

Directors Present: Jessica Erickson, Mandi Folks, Claudia George, Jason Livingston, Jolene Skordahl

Directors Absent: Shannon Kelly

Administration/Advisors Present: Kathy Mortensen (Executive Director), Judith Darling (BerganKDV), Sean Smith (Wildamere), Doug Feickert (Colliers Architecture), Diane Thiels (PTO)

Others in Attendance: WLA Parents and Staff

I. Welcome

Ms Folks introduced herself and welcomed everyone to the WLA Annual Board meeting.

II. Call to Order & Approval of Agenda

Ms Folks called the meeting to order at 6:03 PM.

Ms Skordahl moved “to approve the agenda for the October 30, 2019 Board of Directors Annual meeting.” Seconded by Ms Erickson. Motion passed unanimously.

III. Introduction of Board Members and Speakers

Ms Folks briefly explained a typical Board meeting, the composition of the Board and Board member roles and responsibilities. She announced current open seats on the Board and encouraged anyone interested in joining the Board to complete a self-nomination form. Ms Folks then asked each Board member and speaker to introduce themselves and tell the audience why they chose to serve WLA in their current capacity. The microphone was passed to Board members and Advisors (speakers) to do so.

IV. WLA Mission and Vision

Ms Folks shared that the Mission and Vision are read at each Board meeting and guide the Board in decision making. Ms Skordahl read the WLA Mission Statement and Ms Erickson read the WLA Vision Statement.

Ms Folks also shared an unofficial vision of WLA that was developed when Board members were trying to define WLA’s lane (i.e., who WLA was):

WLA, where our students are:

- Known,
- Loved,
- Educationally Accomplished,
- Leaders!

V. Current Progress

A. Strategic Goals

Ms Mortensen shared that the Board went through a strategic planning process which identified 4 goals:

1. Further develop the Leadership Component of our program

2. Becoming a Distinguished Core Knowledge Program (are only 10 in the country)
3. Set Clear Financial Targets
4. Long-term Facilities Planning Goals

Ms Griffith, WLA Dean of Students, gave an over view of the Core Knowledge curriculum, describing the Core Knowledge sequence and explaining the Four C's of the curriculum:

1. Content Rich
2. Coherent
3. Cumulative
4. Content-Specific

She also explained how Core Knowledge aligns with Minnesota academic standards. She then explained the requirements for becoming a Distinguished Core Knowledge School, a goal WLA is working towards.

B. PTO Update

Ms Thiels explained that the WLA PTO was started last year and is a separate entity from the school. PTO stands for Parent Teacher Organization and was established to support the school. All parents and guardians of WLA students are automatically members of the PTO. One major fundraiser is held each year, the Apex Fun Run. Currently, the PTO is purchasing artwork that aligns with the Core Knowledge curriculum to be hung in the hallways. She shared a list of other past and future activities sponsored by the PTO. Ms Thiels encouraged parents to volunteer, attend events and come to PTO meetings.

C. Academic Update

The Core Knowledge curriculum utilized by WLA was covered in Ms Griffith's presentation in item A. Strategic Goals.

D. Financial Update

Ms Darling (BerganKDV) showed a breakout of the sources of revenue, with 97% of WLA's revenue coming from State aid. She also showed a breakout of expenses, both by object (type) and by program. Enrollment at WLA is trending up, which drives both revenues and expenses. WLA has a healthy cash balance in the bank and a line of credit which has not been used. Ms Darling explained fund balance % (a financial indicator used by schools), pointing out that WLA is at its targeted fund balance % of 20%. She noted that WLA's per student revenue and per student expense are lower than both ISD 833 and the state average. The primary reason for this is the inability for charter schools to collect property taxes.

E. Facilities Update

Mr Livingston explained that the Facilities Committee was established in 2018 to assist with finding WLA's current location, with the assistance of Sean Smith (Wildamere). The Committee continues to work with Mr Smith to provide guidance to the Board on future facilities plans.

Changes made to the 1st floor during summer 2019 were planned to align with the long term facilities plan of the school. For the 2020-2021 school year, WLA plans to increase enrollment and take over the 3rd floor. Summer 2020 plans include a renovation of the 2nd floor and 3rd floors to better serve the needs of WLA. Mr Livingston shared draft architectural plans (prepared by Doug Feickert-Colliers Architecture) of the demolition and rebuild plans for 2nd and 3rd floors. He also showed plans for future changes to 1st floor which include an expansion to add a 1-story addition of a gym/performance center/gathering space. This expansion would begin in the summer, with completion some time mid-year. Mr Livingston finished the presentation by showing a draft site plan of a WLA "campus" expansion concept that could be possible in the future if the school continues its growth.

VI. Recognitions

Recognition of “2019 Staff Member of the Year”

Ms Mortensen shared that selection of a staff member of the year was difficult since there are so many that contribute to the success of the school. She decided to recognize two staff members for 2019, one veteran staff member and one new staff member. Based on staff input, recognized are:

- Megan Nafe was recognized as 2019 Veteran Staff Member of the Year, and
- Colleen Lautenbach was recognized as 2019 New Staff Member of the Year.

Recognition of “2019 Volunteer of the Year”

Ms Thiels and the PTO Board selected Susan McMahon as the 2019 Volunteer of the Year. Ms McMahon, along with her family, have volunteered for years in many capacities at WLA.

Recognition of “2019 Board Member of the Year”

Ms Folks recognized Ro Krejci as 2019 Board Member of the Year. The Board selected Ms Krejci because of her tremendous dedication to the school over many years since inception, including service on the Board of Directors from April 2016 to July 2019.

A short Question & Answer session was held.

VII. Adjournment of Annual Meeting

Ms Folks stated the next regular WLA Board of Directors Meeting is scheduled for November 30, 2019 at 5:00 PM in the gym at 8089 Globe Drive, Woodbury, MN.

Mr Livingston moved “to adjourn.” Ms Erickson seconded. Motion passed unanimously. The meeting adjourned at 7:45 PM.

WOODBURY LEADERSHIP ACADEMY
DIRECTOR REPORT, NOVEMBER 20, 2019

Dr. Kathleen Mortensen

I. Organizational Leadership

Exercise strong leadership skills in promoting the mission and vision of the school

Work collaboratively with the School Board and staff to develop an ongoing strategic planning process to achieve the mission of Woodbury Leadership Academy. (WLA)

- WLA enrollment update: As of 11/15/2019, we have 484 students enrolled.
- The VOA formal site visit has been re-scheduled for November 25th.
- The VOA SLT meeting was held October 22nd
- Kathy Mortensen and Doug Feichert (Colliers Architecture) are meeting weekly to collaborate on WLA expansion and remodeling plans. They recently met on November 8th and 13th.
- “Meeting of the Minds”, meets bi-weekly to interface school and PTO events. We met on October 24th and November 7th. (Mandi, Diane, Kylie, Kathy)
- The Board Governance meeting was held on November 13th.
- The Annual Board Meeting was held on October 30th.

II. Instructional Leadership

Monitor the development, implementation and evaluation of curricular programs and ensure that all initiatives are student focused and aligned with the school’s mission and vision. Provide leadership in the articulation among all instructional levels as well as special services within the school

- The Middle School “Leadership” class has been launched! Mr. Allen Stern, a long term substitute teacher, has been partnering with Ben Broderick to pull a variety of lessons together. Lessons include Ted Talks, current events, speeches (such as the Gopher Football Coaches speech after the Penn State game) and chapter book work from a middle school level book on developing leadership. The permanent teacher hired for this position will start in January. She has been in WLA on several occasions, meeting with middle school staff members and students, observing classrooms, and developing curriculum.
- With the opening in offering Spanish class, numerous WLA stakeholders have suggested options for that elective. Suggestions so far include:
 - Resuming a Spanish electives course
 - Offering another language elective course such as Russian or Latin
 - Offering a “Jr Humanities”, “Culture Club”, or a “World and Time Traveler” course that will reinforce the arts, music, literature, and historical topics, that are covered through Core Knowledge content at each grade level. This would allow for a more comprehensive, cross-curricular approach to WLA subject matter.
 - Offering a language arts enrichment course for all grade levels. This could be structured so that students in grades K-3 see this teacher for their “CKLA Read Along”, which would allow the classroom teachers more instructional time for

science and social studies. Similarly, grades 4-5 might utilize this teacher for some components of language arts, so that they have additional time to teach science and social studies. Students in grades 6-8 would meet with this teacher for reading classical literature pieces, and making presentations based on those readings.

- Administration is developing a survey for staff members to contribute their ideas, and to weigh-in on the ideas stated so far.
- CPI training was conducted by Kelly Capellen on November 13th. Eight staff members are currently trained in this area.
- There was a lengthy special education meeting led by Mary Kelly, that was held on November 7th. Scheduling, case-loads and staffing were discussed at length.
- Specialists in the areas of Occupational Therapy and Autism conducted staff training at WLA on October 30th
- Mary Kelly, WLA Special Education Director, provided the following statistics on November 14th:
 - WLA has 484 students enrolled, 52 with active IEPs = 10.7%
 - There's an additional 5 students in the evaluation process and 2 on homebound which would take us to 11% if all students are found eligible
 - South Washington County special education enrollment is 15.5%
 - The MN state average for special education enrollment is 17.4%

III. Financial Management

Exercise proactive leadership in organizing the school's resources to best meet the needs of all students.

- A meeting was held on November 6th to discuss details of financing options for the WLA expansion and remodel.
- Kathy met with Brian (Broadview) on November 6th, to determine what furniture and other inventory WLA was interested in obtaining when the demolition and construction begins. We toured 3rd floor, and the smaller building, noting which items WLA would like to obtain and what items Broadview should remove.
- A Finance Meeting was held on November 14th.
- A business meeting was held at Olive Garden with staff from BKDV on October 21st. It was good to meet some of the people behind the scenes at BKDV, that WLA administrative staff often only interact with via email.

IV. Human Resource Management

Provide staff supervision and conduct/oversee annual performance appraisals, which includes three formal observations, one per trimester, for each instructional staff member, including special education and educational assistants

- We have hired a teacher for the Leadership position, and she will start in January. Until then we have a long term substitute who is delivering Leadership curriculum.
- We have advertised and begun interviewing for two para professional positions.
- A "Time and Labor" meeting with WLA office staff, and staff members from BKDV was held on November 15th primarily to discuss how to streamline payroll systems.

Oversee conflict resolution and all other personnel matters

- No issues at this time.

V. Provision for a Safe and Effective Learning Environment

Monitor reporting systems involving health and safety of students

- We held our “Severe Weather” training with WLA staff members on November 15th.
- We have purchased the “School Messenger” system in order to easily notify all stakeholders on various topics, including inclement weather notices.
- We are contracting with a carpet service to change out our entryway carpets once per week during the winter season, (bi-monthly during the off-seasons) in order to assist with keeping floors clean and dry.
- On November 15th, an OSHA representative reviewed our safety protocols and equipment. (eye wash stations, first aid equipment, MDRS notebook, and how we record data) The representative was complimentary, helpful, and stated we are in compliance with all expectations.
- The “School Law Conference” was held in downtown Minneapolis on November 13th. Kylie Griffith and Ben Broderick attended the conference including the following break-out sessions:
 - Data Practices for Providing Access to Data
 - Special Education and 504 Case Updates
 - Wage and Hour Compliance: New Protections and Penalties
 - Maintaining Appropriate Boundaries
 - Employee Discipline and Discharge Basics
 - Discipline of Special Education Students
 - School Cybersecurity
 - Safely Transporting Special Education Students
 - 2019 Labor Update
 - Understanding How Disproportionality in Discipline Affects the Judicial System
- Kathy and Jim Martin, our WLA legal representative, have been discussing and planning for a sensitive student issue that will come before the WLA Board of Directors at the December 18th meeting.

VI. Communications Management

Oversee communication system between school and parents through various means, including the WLA Family Newsletter, at minimum once a month, and oversee development and implementation of student/parent activities

- Mandi Folks and Kathy met with a representative from the Boy Scout organization on November 5th, and shared ideas. We will be touring their “Base Camp” facility on January 7th, to see what resources and facilities are available for WLA to potentially access for board and/or staff training, as well as student field trips.
- The 7th grade Middle School students have organized a dance, scheduled for December 6th, to raise funds for the Washington D.C. trip.

- Andy Sharp met with families on November 14th to present information on the D.C. trip. The company “World Strides” will be facilitating this trip, and we are expecting between 10-20 WLA students in grades 7-8 to attend. WLA staff members Andy Sharp and Ryan Allesee will accompany students, with World Strides staff providing tour guides and chaperones (both male and female) for all aspects of the trip.
- Jolene Skordahl arranged a field trip to the Bwana Archery Center for 6th grade, which was enjoyed by all!
- The Middle School team took their students to Como Zoo and things went smoothly. Students listened to lectures by zoo keepers and were able to go behind the scenes and take a look at how the animals are housed, fed, and cared for.



Meeting: Finance Committee

Date: November 14, 2019

Time: 4:30pm

Location: Woodbury Leadership Academy School – 8089 Globe Drive, Woodbury, MN 55125 – Conference Room 1044/Main Office

MINUTES

The meeting was called to order by Mandi Folks at 4:30pm.

Attendees: Mandi Folks, Judith Darling, Kathy Mortensen

Mandi Folks read the WLA Mission & Vision.

Development & Discussion

- Reviewed October financials and amended budget to present to the Board.
- Reviewed contracts (Floor mats, Inertpreter, etc.) and ensured they fit in the budget.
- Discussed financial benchmarks (Fund Balance \$, Days of Cash On hand and Surplus).
- Judith gave update on the Audit. They are done and coming to present at our next Board Meeting.

Housekeeping

Next Regularly Scheduled WLA Board of Directors Finance Committee Meeting

Second Thursday of the month at 4:30pm.

Location: Woodbury Leadership Academy School – 8089 Globe Drive, Woodbury, MN 55125

Mandi Folks adjourned the meeting at 5:10pm.



Woodbury Leadership Academy
Woodbury, MN
District 4228

Financial Statements

October 2019

**Woodbury Leadership Academy
Woodbury, Minnesota
October 2019 Financial Statements**

Table of Contents

Executive Summary	1
Enrollment Graph	3
Balance Sheet	4
Statement of Revenues and Expenditures	5
Cash Flow Projection Summary	10
Supplemental Information - See Separate Document	
Checks and Wires	
Cash Receipts	
Journal Entries	

**Woodbury Leadership Academy
Woodbury, Minnesota
October 2019 Financial Statements**

Executive Summary

Balance Sheet

The beginning balances shown on the Balance Sheet are based on the preliminary ending information as of June 30, 2019 while the ending balances reflect the YTD balances.

Cash and Investments represent the amount of cash available to use for the operations of our school.

Accounts Receivable are amounts owed to the school by an outside vendor or parent.

PY State Aid Receivable represents the amount that the State owes the School for the prior year. This is directly related to the holdback. The majority of this was repaid by the state to the school during August, September, and October of 2019.

CY State Aid Receivable/ (Deferred Revenue) represents the estimated amount that the State owes the School for the current fiscal year.

Federal Aids Receivable represents the amount of federal funds that are owed to the School at this point in time.

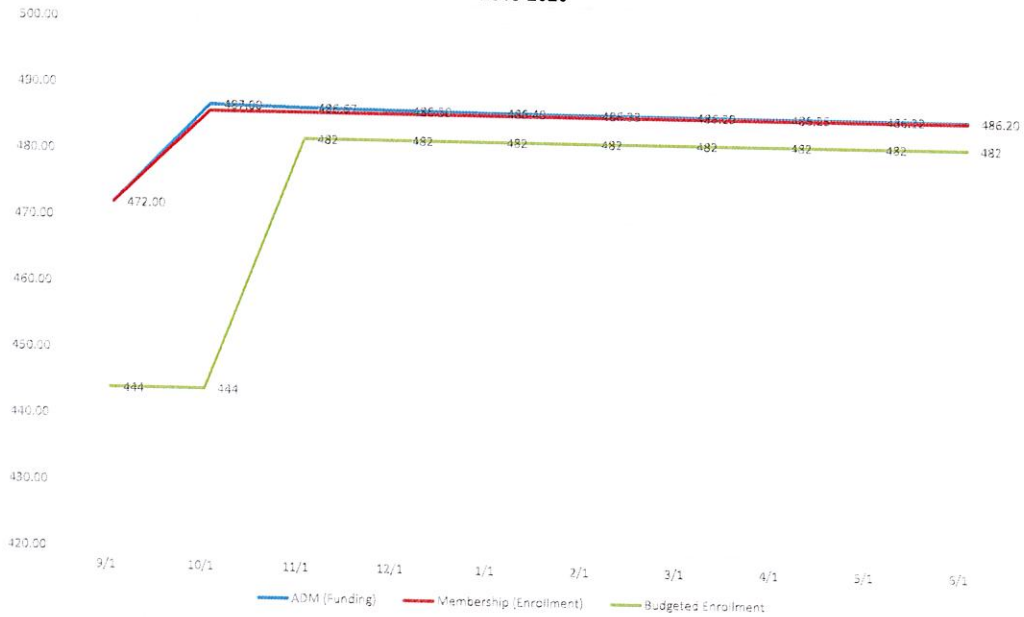
Prepays represent items that have been paid for as of June 30th, but the expense will not be realized until after July 1.

Salaries and Wages Payable as well as Payroll Deductions and Contributions relate to salaries and benefits owed as of June 30th but will not be paid until after July. This primarily consists of the "summer paychecks" and related benefits for the teachers. Payroll Deductions and Contributions may have a debit balance at month end due to the timing of payments to the vendors.

Accounts Payable represent amounts due to vendors for invoices received but not yet paid as of the end of the period.

The Line of Credit Payable is the amount we owe on the line of credit as of month end. We have been approved for a \$150K line of credit with Propel Nonprofits.

**Woodbury Leadership Academy
Woodbury, Minnesota
Attendance / Enrollment Report
2019-2020**



Average Daily Membership (ADM)											
Grade	9/30	10/31	11/30	12/31	1/31	2/28	3/31	4/30	5/30	6/30	
K	83	83	82	82	82	82	82	82	82	82	
1	67	67	66	66	66	66	66	66	66	66	
2	68	68	68	68	68	68	68	68	68	68	
3	65	65	65	65	65	65	65	65	65	65	
4	68	68	68	68	68	68	68	68	68	68	
5	66	66	66	66	66	66	66	66	66	66	
6	34	34	34	34	34	34	34	34	34	34	
7	21	21	21	21	21	21	21	21	21	21	
8	17+C41	16	16	16	16	16	16	16	16	16	
GRAND TOTAL	472	487	487	487	486	486	486	486	486	486	

Membership (Enrollment) as of:											
Grade	9/30	10/31	11/30	12/31	1/31	2/28	3/31	4/30	5/30	6/30	
K	83	82	82	82	82	82	82	82	82	82	
1	67	66	66	66	66	66	66	66	66	66	
2	68	68	68	68	68	68	68	68	68	68	
3	65	65	65	65	65	65	65	65	65	65	
4	68	68	68	68	68	68	68	68	68	68	
5	66	66	66	66	66	66	66	66	66	66	
6	34	34	34	34	34	34	34	34	34	34	
7	21	21	21	21	21	21	21	21	21	21	
8	17+C41	16	16	16	16	16	16	16	16	16	
GRAND TOTAL	472	486	486	486	486	486	486	486	486	486	

Budgeted Enrollments as of:											
Grade	9/30	10/31	11/30	12/31	1/31	2/28	3/31	4/30	5/30	6/30	
K	60	60	76	76	76	76	76	76	76	76	
1	66	66	68	68	68	68	68	68	68	68	
2	66	66	68	68	68	68	68	68	68	68	
3	66	66	65	65	65	65	65	65	65	65	
4	66	66	66	66	66	66	66	66	66	66	
5	54	54	66	66	66	66	66	66	66	66	
6	35	35	40	40	40	40	40	40	40	40	
7	19	19	19	19	19	19	19	19	19	19	
8	13	13	14	14	14	14	14	14	14	14	
GRAND TOTAL	444	444	482	482	482	482	482	482	482	482	

Note: Enrollment figures are based upon information provided by the school.

Management has elected to omit substantially all disclosures, government-wide financial statements, and required supplementary information. No CPA provides any assurance on these financial statements.

Summary of Key Indicators

- Our cash balance as of October 31st was \$698K.
- We are asking the board to approve a revised budget based on 482 students and an ending General Fund surplus of \$105,891 and a Community Services Fund deficit of \$40,000.

Some differences between our original budget and our revised budget are as follows:

- Additional ADM of 38
- Increased special ed program (additional expenditures/revenue)
- Addition of Safe Schools Supplemental Aid Revenue (Included offsetting expense in 520 Building Improvements)
- 100/200's Increase in Salaries and Benefits (addition of several staff positions due to growth)
- 370 Increase in Lease Expense / Offset by Increase in Lease Aid

Our target fund balance for June 30, 2020 is 17%. With a surplus of \$105,891, General Fund Balance at year end would be \$820,299 which would give us a 17.6% fund balance. Since the calculation is based on a percentage of expenditures, it is important to realize that these numbers can easily change as total expenditures will vary.

Supplemental Information of October 2019

Reports are provided that show the checks that were written, receipts that were posted, and journal entry transactions that were recorded during October 2019.

Please feel free to contact Judith Darling at judith.darling@berganKDV.com or 952-563-6889 should you have questions related to the financial statements.

Woodbury Leadership Academy
Woodbury, Minnesota
Balance Sheet
October 31, 2019

	Balance July 1, 2019	Balance October 31, 2019
Assets		
Current assets		
Cash and investments	\$ 624,546	\$ 698,134
Accounts receivable	\$ 9,171	-
Due from Other Funds	\$ -	-
PY state aid receivable	\$ 344,665	22,939
CY state aid receivable/(deferred rev)		292,233
Federal aids receivable	\$ 18,473	
Prepaid expenses and deposits	\$ 67,171	50,064
Total assets	\$ 1,064,025	\$ 1,063,369
Liabilities and Fund Balance		
Current liabilities		
Salaries and wages payable	\$ 99,592	\$ 22,680
Line of credit payable/loan payable	\$ -	\$ -
Accounts payable	\$ 82,427	\$ 23,218
Payroll deductions and contributions	\$ 74,506	\$ 22,520
Deferred revenue	\$ -	\$ -
Total current liabilities	\$ 256,524	\$ 68,418
Fund Balance		
Fund balance 7-1-2019	\$ 807,501	807,501
Change in fund balance		187,450
Total fund balance	\$ 807,501	994,951
Total liabilities and fund balance	\$ 1,064,025	\$ 1,063,369

Management has elected to omit substantially all disclosures, government-wide financial statements, and required supplementary information. No CPA provides any assurance on these financial statements.

Woodbury Leadership Academy
Woodbury, Minnesota
Statement of Revenues and Expenditures
October 31, 2019

	450.62 FY 2019 Actual	488.60 FY 2020 Original Budget 444 ADM	488.60 FY 2020 Proposed Budget 482 ADM	October 2019 YTD Activity	33% Percent of Proposed Budget
General Fund - 01					
Revenues					
State revenues					
General education aid	\$ 2,724,265	\$ 3,181,832	\$ 3,434,175	\$ 1,242,360	36.2%
Literacy aid	23,584	23,594	23,594	-	-
Charter school lease aid	510,656	592,110	612,324	-	-
Long-term facilities maintenance revenue	51,678	59,481	64,495	-	-
Special education aid	320,320	340,493	477,950	-	-
PY over (under) accrual	9,513	-	20	-	-
Endowment aid	10,823	11,162	17,521	8,761	50.0%
Safe schools supplemental aid	-	-	9,020	9,020	100.0%
Medical Assistance/Third Party Billing	-	-	2,000	695	34.8%
CY estimated state aid receivable (deferred revenue)	-	-	-	292,233	-
Total state revenues	<u>3,650,839</u>	<u>4,208,672</u>	<u>4,641,099</u>	<u>1,553,068</u>	<u>33.5%</u>
Federal revenues					
Federal special education aid, FIN 419, 420, 425	58,991	34,500	52,023	-	-
Title I, II, IV	7,614	10,300	30,321	5,778	19.1%
Total federal revenues	<u>66,605</u>	<u>44,800</u>	<u>82,344</u>	<u>5,778</u>	<u>7.0%</u>
Local revenues					
Interest earnings	3,218	7,000	6,300	2,331	37.0%
Donations and grants	1,913	-	500	326	65.3%
Give to the Max (course 200)	6,291	5,000	5,000	-	-
Fees from students (field trip, milk, pizza Friday, other)	35,920	31,000	40,600	10,926	26.9%
Miscellaneous revenues	1,394	-	500	8	1.6%
Sale of merchandise/fundraising - net	1,957	-	-	-	-
Total local revenues	<u>50,693</u>	<u>43,000</u>	<u>52,900</u>	<u>13,591</u>	<u>25.7%</u>
Total revenues	<u>\$ 3,768,137</u>	<u>\$ 4,296,472</u>	<u>\$ 4,776,344</u>	<u>\$ 1,572,438</u>	<u>32.9%</u>
	3,768,137	4,296,472	4,776,344	1,572,438	

Woodbury Leadership Academy
Woodbury, Minnesota
Statement of Revenues and Expenditures
October 31, 2019

	450.62 FY 2019 Actual	444 ADM FY 2020 Original Budget	482 ADM FY 2020 Proposed Budget	488.60 October 2019 YTD Activity	33% Percent of Proposed Budget
State special ed expenditures	344,430	368,100	513,925	102,083	19.9%
342 Medical Assistance/Third Party Billing			2,000	-	-
Federal special education aid, FIN 419, 420, 425	58,991	34,500	52,023	11,003	21.2%
Title I and II	7,614	10,300	30,321	5,778	19.1%
Directors discretionary fund	-	15,000	15,000	-	-
Subtotal expenditures	3,489,794	4,140,807	4,670,453	1,383,663	29.6%
Transfers to other funds	-	-	-	-	
Total expenditures	\$ 3,489,794	\$ 4,140,807	\$ 4,670,453	\$ 1,383,663	29.6%
	3,489,794	4,140,807	4,670,453	1,383,663	
Changes in fund balance, General Fund	\$ 278,343	\$ 155,665	\$ 105,891	\$ 188,775	
Beginning fund balance, General Fund, July 1	436,065	714,408	714,408	714,408	
Projected fund balance, General Fund, June 30	\$ 714,408	\$ 870,074	\$ 820,299	\$ 903,184	
	20.5%	21.0%	17.6%		

Woodbury Leadership Academy
Woodbury, Minnesota
Statement of Revenues and Expenditures
October 31, 2019

	450.62 FY 2019 Actual	488.60 FY 2020 Original Budget 444 ADM	488.60 FY 2020 Proposed Budget 482 ADM	October 2019 YTD Activity	33% Percent of Proposed Budget
Community Services Fund - 04					
Revenues					
050 Registration revenue	\$ 360	\$ 2,200	\$ -	\$ -	
Total revenues	\$ 360	\$ 2,200	\$ -	\$ -	
Expenditures					
Purchased services	\$ -	\$ 2,200	\$ -	\$ -	
Supplies and materials, snacks	-	-	-	-	
Equipment	30,428	-	40,000	1,325	3.3%
Dues and memberships	-	-	-	-	
Total expenditures	\$ 30,428	\$ 2,200	\$ 40,000	\$ 1,325	3.3%
Changes in fund balance, Community Services Fund	\$ (30,068)	\$ -	\$ (40,000)	\$ (1,325)	
Beginning fund balance, Community Services Fund, July 1	123,170	93,102	93,102	93,102	
Projected fund balance, Community Services Fund, June 30	\$ 93,102	\$ 93,102	\$ 53,102	\$ 91,777	

Woodbury Leadership Academy
Woodbury, Minnesota
Statement of Revenues and Expenditures
October 31, 2019

	450.62 FY 2019 Actual	444 ADM FY 2020 Original Budget	482 ADM FY 2020 Proposed Budget	488.60 FY 2020 Proposed Budget	October 2019 YTD Activity	33% Percent of Proposed Budget
Total All Funds						
Revenues						
State revenues	\$ 3,650,839	\$ 4,208,672	\$ 4,641,099	\$ 4,641,099	\$ 1,553,068	33.5%
Federal revenues	66,605	44,800	82,344	82,344	5,778	7.0%
Local revenues	51,053	45,200	52,900	52,900	13,591	25.7%
Transfer in	-	-	-	-	-	-
Total revenues	\$ 3,768,497	\$ 4,298,672	\$ 4,776,344	\$ 4,776,344	\$ 1,572,438	32.9%
Expenditures						
Salaries and wages	\$ 1,232,897	\$ 1,446,334	\$ 1,632,715	\$ 1,632,715	\$ 398,645	24.4%
Employee benefits	308,056	383,263	427,837	427,837	122,211	28.6%
Purchased services	1,291,414	1,512,105	1,579,054	1,579,054	599,921	38.0%
Supplies and materials	145,447	155,553	193,400	193,400	117,454	60.7%
Equipment	100,202	184,285	235,679	235,679	26,126	11.1%
Other (fundraising, special ed, dues, etc.)	442,207	461,467	641,769	641,769	120,631	18.8%
Total expenditures	\$ 3,520,222	\$ 4,143,007	\$ 4,710,453	\$ 4,710,453	\$ 1,384,988	29.4%
Change in fund balance	\$ 248,276	\$ 155,665	\$ 65,891	\$ 65,891	\$ 187,450	
Beginning fund balance, all funds, July 1	559,234	807,510	807,510	807,510	807,510	
Projected fund balance, all funds, June 30	\$ 807,510	\$ 963,175	\$ 873,401	\$ 873,401	\$ 994,960	

Management has elected to omit substantially all disclosures, government-wide financial statements, and required supplementary information. No CPA provides any assurance on these financial statements.

Woodbury Leadership Academy
Cash Flow Projection Summary
2019-2020

Period Ending	Cash Inflows (Revenues)				Total Receipts	Cash Outflows (Expenditures)			Total Expenses	Cash Balance
	State Aid Payments	Federal Aid Payments	Other Receipts*	Prior Year State & Federal Holdback		Salaries	Other Expenses	Beginning Balance		
Jul 31	\$ 266,506	\$ -	\$ 4,840	\$ -	\$ 271,346	\$ 82,562	\$ 291,918	\$ 374,480	\$ 624,546	
Aug 31	355,464	-	584	89,709	445,756	81,388	162,110	243,498	521,412	
Sept 30	319,555	-	587	156,962	477,104	124,550	412,830	537,380	723,670	
Oct 31	318,615	5,778	13,680	93,528	431,602	119,720	277,143	396,863	698,134	
Nov 30	364,606	9,571	4,151		378,328	119,720	275,059	394,779	681,683	
Dec 31	364,606	9,571	4,151		378,328	119,720	275,059	394,779	665,232	
Jan 31	364,606	9,571	4,151		378,328	119,720	275,059	394,779	648,781	
Feb 28	364,606	9,571	4,151	11,883	390,211	119,720	275,059	394,779	644,212	
Mar 31	364,606	9,571	4,151		378,328	119,720	275,059	394,779	627,761	
Apr 30	364,606	9,571	4,151		378,328	119,720	275,059	394,779	611,310	
May 31	364,606	9,571	4,151		378,328	119,720	275,059	394,779	594,859	
June 30	364,606	9,571	4,151	11,056	389,384	119,720	275,059	394,779	589,464	
Total per Above	4,176,990	82,344	52,900	363,137	4,675,371	1,365,980	3,344,472	4,710,452	589,464	
Per Budget/Projection	4,176,990	82,344	52,900	363,138	4,675,371			4,710,453		
Difference	-	-	-	0	0			0		
Totals	4,176,990	82,344	52,900	363,137	4,675,371	1,365,980	3,344,472	4,710,452	589,464	

Primary Assumptions: 10% State Aid Holdback

This cash flow projection is to be used only to show that if we follow our budget for the year that we will not encounter cash flow issues and that we will be able to maintain normal operations. It is not meant to be used to accurately predict what expenditures will be incurred in the short-term. Due to the manner in which MDE regulates the funding, abrupt changes may occur in the amounts of the payments. However, the total amount of the state aids should be reasonable given a stable budget.

Management has elected to omit substantially all disclosures, government-wide financial statements, and required supplementary information. No CPA provides any assurance on these financial statements.



Woodbury Leadership Academy
Woodbury, MN
District 4228

Supplemental Information

October 2019

WOODBURY LEADERSHIP ACADEMY

Payment Register by Check No.

Payment Date Range: 10/01/2019 - 10/31/2019

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void	Date	Amount	Voucher #	Account Code	Description
OLDN		WX	1	Public Employee Retirement Association		10/16/2019	\$2,647.59	6169	B 01 215 017	Payroll Deductions PERA
OLDN		WX	1	Teachers Retirement Association		10/16/2019	\$9,911.51	6170	B 01 215 018	Payroll Deductions TRA
OLDN		WX	1	Internal Revenue Service		10/16/2019	\$12,586.62	6171	B 01 215 010	Payroll Deductions FICA
OLDN		WX	1	Internal Revenue Service		10/16/2019	\$6,217.95	6171	B 01 215 011	Payroll Deductions Fed Tax
OLDN		WX	1	MN Department of Revenue Service		10/16/2019	\$3,139.77	6172	B 01 215 013	Payroll Deductions MN Tax
OLDN		WX	1	AssociatedBank		10/16/2019	\$300.00	6173	B 01 215 022	Payroll Deductions - HSA
OLDN		WX	1	VOYA		10/16/2019	\$182.55	6174	B 01 215 021	TSA
OLDN		WX	1	First Bankcard		10/17/2019	\$30.81	6175	E 01 010 720 000 000 401	Band-aids (1500)
OLDN		WX	1	First Bankcard		10/17/2019	\$54.92	6175	E 01 005 110 000 000 401	File organizers-Deans for behavior tracking
OLDN		WX	1	First Bankcard		10/17/2019	\$104.97	6175	E 01 010 203 000 000 430	World Globes (3)
OLDN		WX	1	First Bankcard		10/17/2019	\$108.94	6175	E 01 010 203 000 000 430	Earth Under Stress poster set-MS Science
OLDN		WX	1	First Bankcard		10/17/2019	\$9.19	6175	E 01 010 203 000 000 430	Command strips for posters
OLDN		WX	1	First Bankcard		10/17/2019	\$36.40	6175	E 01 010 203 000 000 430	Fibonacci Spiral poster-MS Math
OLDN		WX	1	First Bankcard		10/17/2019	\$7.99	6175	E 01 005 110 000 000 401	USB splitter-Raptor setup
OLDN		WX	1	First Bankcard		10/17/2019	\$159.96	6175	E 01 010 720 000 000 401	Plastic storage bins-uniform organization
OLDN		WX	1	First Bankcard		10/17/2019	\$414.13	6175	E 01 010 203 000 000 430	Zones of Regulation posters & curriculum
OLDN		WX	1	First Bankcard		10/17/2019	\$53.19	6175	E 01 005 010 000 000 490	Dinner-BOD Facilities work session
OLDN		WX	1	First Bankcard		10/17/2019	\$416.24	6175	E 01 010 630 000 000 456	SmartBoard replacement lamps (2)
OLDN		WX	1	First Bankcard		10/17/2019	\$55.84	6175	E 01 010 203 000 000 430	Command strips for posters
OLDN		WX	1	First Bankcard		10/17/2019	\$23.99	6175	E 01 010 203 000 000 430	Storage box for chess games-MS Electives
OLDN		WX	1	First Bankcard		10/17/2019	\$44.72	6175	E 01 010 203 000 000 401	Command strips, HD stapler, pushpins w/ cli
OLDN		WX	1	First Bankcard		10/17/2019	\$148.43	6175	E 01 005 110 000 000 401	Toner, lanyards, HD stapler, 3 hole punch
OLDN		WX	1	First Bankcard		10/17/2019	\$286.58	6175	E 01 010 420 000 419 433	Study Carrel
OLDN		WX	1	First Bankcard		10/17/2019	\$312.52	6175	E 01 010 203 000 000 401	Dry erase whiteboard
OLDN		WX	1	First Bankcard		10/17/2019	\$49.74	6175	E 01 010 203 000 000 401	Vinyl for wall quote
OLDN		WX	1	First Bankcard		10/17/2019	\$37.07	6175	E 01 010 203 000 000 401	Pedestal fan-Music room
OLDN		WX	1	First Bankcard		10/17/2019	\$69.99	6175	E 01 010 420 000 419 401	Black toner-SpEd printer
OLDN		WX	1	First Bankcard		10/17/2019	\$69.99	6175	E 01 005 110 000 000 401	Black toner-Front desk printer
OLDN		WX	1	First Bankcard		10/17/2019	\$74.98	6175	E 01 005 110 000 000 401	Black toner-Director's office printer
OLDN		WX	1	First Bankcard		10/17/2019	\$31.05	6175	E 01 010 203 000 000 401	Step stools-1st floor boys restroom (3)
OLDN		WX	1	First Bankcard		10/17/2019	\$179.10	6175	E 01 010 203 000 000 430	Laminating-Zones of Regulation posters
OLDN		WX	1	First Bankcard		10/17/2019	(\$25.40)	6175	E 01 010 203 000 000 401	Returned-damaged Atomic clock for classroo
OLDN		WX	1	First Bankcard		10/17/2019	(\$39.99)	6175	E 01 010 720 000 000 401	Returned-damaged plastic storage bin-unifor
OLDN		WX	1	First Bankcard		10/17/2019	\$488.98	6175	E 01 005 810 000 000 401	Folding barricades for parking lot (4)
OLDN		WX	1	First Bankcard		10/17/2019	\$454.48	6175	E 01 010 640 000 316 366	Hotel-CO Distinguished CK school-

WOODBURY LEADERSHIP ACADEMY

Payment Register by Check No.

Payment Date Range: 10/01/2019 - 10/31/2019

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void	Date	Amount	Voucher #	Account Code	Description
OLDN						10/17/2019	\$454.48	6175	E 01 010 640 000 316 366	Hotel-CO Distinguished CK school-
OLDN						10/17/2019	\$2.68	6175	E 01 010 203 000 000 430	Imperialism in India-MS Social Studies
OLDN						10/17/2019	\$6.00	6175	E 01 010 203 000 000 430	Ghandi and Indian Independence-MS Social S
OLDN						10/17/2019	\$189.26	6175	E 01 005 110 000 000 320	Cell phones 8/2-9/1/19 Mortensen & Griffith
OLDN						10/17/2019	\$28.98	6175	E 01 005 110 000 000 490	Bagels-Staff meeting
OLDN						10/17/2019	\$49.75	6175	E 01 005 810 000 000 401	Fluorescent light bulbs
OLDN						10/17/2019	\$74.98	6175	E 01 010 420 000 419 401	Toner cartridge, wireless keyboard & mouse
OLDN						10/17/2019	\$13.79	6175	E 01 005 810 000 000 401	Sink strainers
OLDN						10/17/2019	\$35.00	6175	E 01 010 203 000 000 430	Scissors, clipboards, staple removers-MS Sc
OLDN						10/17/2019	\$40.20	6175	E 01 010 420 000 419 401	Wall & desktop organizers, printer cable
OLDN						10/17/2019	\$218.54	6175	E 01 010 203 000 000 401	Lunch/Pizza Friday supplies-plates, napkins,
OLDN						10/17/2019	\$10.99	6175	E 01 005 110 000 000 401	Envelopes
OLDN						10/17/2019	\$7.99	6175	E 01 010 720 000 000 401	Dixie cups
OLDN						10/17/2019	\$54.75	6175	E 01 010 420 000 419 401	Postage stamps
OLDN						10/17/2019	\$1,312.00	6175	E 01 010 203 000 000 401	6 pk Motorola Two Way Radios
OLDN						10/17/2019	\$79.99	6175	E 01 010 420 000 419 401	Brother printer
OLDN						10/17/2019	\$135.49	6175	E 01 005 810 000 000 401	Rubbermaid cleaning cart
OLDN						10/17/2019	\$38.10	6175	E 01 005 810 000 000 401	Dust mop heads (2)
OLDN						10/17/2019	\$72.00	6175	E 01 010 203 000 000 460	Responsive Advisory Book-MS (3)
OLDN						10/17/2019	\$24.97	6175	E 01 005 810 000 000 401	Bolt cutters-remove locker lock
OLDN						10/17/2019	\$10.99	6175	E 01 010 420 000 419 433	Stretchy fidgets-12 pk
OLDN						10/17/2019	\$24.79	6175	E 01 005 640 000 316 366	Book-Manage Your Time
OLDN						10/17/2019	\$360.00	6175	E 01 010 203 000 000 490	Pizza-Pizza Friday lunch
OLDN						10/17/2019	\$384.00	6175	E 01 010 203 000 000 490	Pizza-Pizza Friday lunch
OLDN						10/17/2019	\$25.00	6175	E 01 005 110 000 000 320	SipStation subscription (VoIP)-Sept
OLDN						10/17/2019	\$37.73	6175	E 01 005 110 000 000 320	SipStation subscription (VoIP)-Sept
OLDN						10/17/2019	\$15.22	6175	E 01 010 203 000 000 430	Airdry clay, glue sticks-Gr 5 Science
OLDN						10/17/2019	\$15.00	6175	E 01 010 203 000 000 430	Index cards, foam boards, chenille craft wire:
OLDN						10/17/2019	\$43.30	6175	E 01 010 203 000 000 460	9x12 & 6x9 clasp envelopes-Math curriculum
OLDN						10/17/2019	\$20.72	6175	E 01 005 110 000 000 401	3-hole punch-Deans' office
OLDN						10/17/2019	\$69.99	6175	E 01 010 201 000 000 430	Bluetooth speaker-K PE
OLDN						10/17/2019	\$111.96	6175	E 01 010 203 000 000 401	Classroom storage units-Gr 3
OLDN						10/17/2019	\$27.86	6175	E 01 005 810 000 000 401	Paint, felt-Gr 5 Science
OLDN						10/17/2019	\$7.94	6175	E 01 010 203 000 000 401	Pencils boxes, plastic bags-Gr 1
OLDN						10/17/2019	\$1.99	6175	E 01 010 720 000 000 401	Heart stickers-ID CPR on badges

WOODBURY LEADERSHIP ACADEMY

Payment Register by Check No.

Payment Date Range: 10/01/2019 - 10/31/2019

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void	Date	Amount	Voucher #	Account Code	Description
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$30.53	6175	E 01 005 640 000 316 366	Book-Dream Team
OLDN		WX	1	1508	First Bankcard	10/17/2019	(\$21.59)	6175	E 01 010 203 000 000 401	Returned-damaged Atomic clock for classroc
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$105.18	6175	E 01 010 203 000 000 430	Assorted 12X18 colored construction paper
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$55.92	6175	E 01 005 110 000 000 401	C batteries-megaphones & extra supply
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$64.02	6175	E 01 005 810 000 000 401	Dust mop heads (2)
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$467.00	6175	E 01 010 640 000 316 366	CPR/First aid training & Train the Trainer trai
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$79.00	6175	E 01 010 640 000 316 366	CPR/First aid training
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$41.90	6175	E 01 010 203 000 000 430	24 plastic clipboards-Music
OLDN		WX	1	1508	First Bankcard	10/17/2019	(\$87.75)	6175	E 01 010 640 000 316 366	Cancelled class-CPR/First aid training
OLDN		WX	1	1508	First Bankcard	10/17/2019	(\$29.25)	6175	E 01 010 640 000 316 366	Cancelled class-CPR/First aid training
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$4.02	6175	E 01 010 203 000 000 430	Ancient Greece webquest-MS Social Studies
OLDN		WX	1	1508	First Bankcard	10/17/2019	(\$38.10)	6175	E 01 005 810 000 000 401	Returned Dust mop heads (2)
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$43.93	6175	E 01 010 640 000 316 366	Books-Odd Velvet, Two of a Kind, Say Some
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$16.54	6175	E 01 010 203 000 000 460	Book-Do Re Mi: If You Can Read Music
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$88.87	6175	E 01 010 203 000 000 430	Colored duct tape, contact paper, pocket org;
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$99.94	6175	E 01 010 203 000 000 460	Music Activity Kit & Theory Books-Music
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$14.24	6175	E 01 010 203 000 000 460	Music Theory Workbooks-Music
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$1,675.56	6175	E 01 005 810 000 000 401	Washer & Dryer
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$156.00	6175	E 01 010 203 000 000 401	Background checks-Staff & volunteers
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$6.99	6175	E 01 010 420 000 419 401	2 hole punch
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$12.93	6175	E 01 010 203 000 000 401	Binding collis-1/4 inch
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$80.84	6175	E 01 005 110 000 000 401	Colored copy paper, label tape, Command wi
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$39.00	6175	E 01 005 110 000 000 305	Late payment fee
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$73.69	6175	E 01 005 110 000 000 305	Finance charges
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$59.10	6175	E 01 010 720 000 000 401	Band-aids (2 cases of 1500)
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$33.10	6175	E 01 010 420 000 419 401	Manila File backs w/ prong fasteners
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$11.10	6175	E 01 005 810 000 000 401	Command wire hooks-hang clocks
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$9.37	6175	E 01 005 110 000 000 401	Copy paper-blue
OLDN		WX	1	1508	First Bankcard	10/17/2019	\$83.06	6175	E 01 005 810 000 000 401	Super-Sorb liquid spill absorbent
OLDN		WX	1	1097	Principal Life Insurance Company	10/24/2019	\$2,340.90	6197	B 01 215 007	November Life,ADD,STD premiums
OLDN		WX	1	1391	Alerus	10/24/2019	\$30.00	6196	E 01 005 110 000 000 305	Alerus cobra
OLDN		WX	1	1441	Old National	10/31/2019	\$217.60	6216	E 01 005 110 000 000 305	Service Charge
OLDN		WX	1	1001	Public Employee Retirement Association	10/31/2019	\$2,745.47	6217	B 01 215 017	Payroll Deductions PERA
OLDN		WX	1	1002	Teachers Retirement Association	10/31/2019	\$10,131.85	6218	B 01 215 018	Payroll Deductions TRA
OLDN		WX	1	1003	Internal Revenue Service	10/31/2019	\$12,701.48	6219	B 01 215 010	Payroll Deductions FICA

WOODBURY LEADERSHIP ACADEMY

Payment Register by Check No.

Payment Date Range: 10/01/2019 - 10/31/2019

Bank	Check No	Ty	Grp Code	Vendor	Date	Amount	Voucher #	Account Code	Description
OLDN					10/31/2019	\$5,997.25	6219	B 01 215 011	Payroll Deductions Fed Tax
OLDN					10/31/2019	\$3,042.09	6220	B 01 215 013	Payroll Deductions MN Tax
OLDN					10/31/2019	\$300.00	6221	B 01 215 022	Payroll Deductions - HSA
OLDN					10/31/2019	\$1,647.75	6222	B 01 215 021	TSA
					Check Total:	\$84,980.76			
OLDN	6030	CH	1 1540	Allison Youngblood	10/03/2019	\$139.00	6128	E 01 010 203 000 000 401	Reimbursement-Ikea room divider
					Check Total:	\$139.00			
OLDN	6031	CH	1 1541	Business Essentials	10/03/2019	\$187.05	6129	E 01 010 203 000 000 430	Copy paper-letter & ledger
					Check Total:	\$187.05			
OLDN	6032	CH	1 1481	Comcast	10/03/2019	\$393.06	6130	E 01 005 110 000 000 320	Internet service 9/21-10/20/19
					Check Total:	\$393.06			
OLDN	6033	CH	1 1314	Hastings Bus Company	10/03/2019	\$3,600.00	6131	E 01 005 760 000 723 360	SpEd busing-September
					Check Total:	\$3,600.00			
OLDN	6034	CH	1 1054	Integrative Therapy, LLC.	10/03/2019	\$2,821.88	6132	E 01 010 420 000 740 394	OT: 9/9/19-9/22/19 32.25 hrs @ \$87.50
					Check Total:	\$2,821.88			
OLDN	6035	CH	1 1150	JR Computer Associates	10/03/2019	\$1,200.00	6133	E 01 005 605 000 000 315	Contracted Technology services-Oct
					Check Total:	\$1,200.00			
OLDN	6036	CH	1 1537	Justin Robb	10/03/2019	\$551.70	6134	E 01 010 640 000 316 366	Reimbursement-hotel & meals-CK PD trip
					Check Total:	\$551.70			
OLDN	6037	CH	1 1240	Keys to Communication	10/03/2019	\$2,486.25	6135	E 01 010 401 000 740 394	Speech: 8/19-9/20/19 27.75hrs@ \$85.00
					Check Total:	\$2,486.25			
OLDN	6038	CH	1 1334	Mary Kelly	10/03/2019	\$3,910.00	6136	E 01 010 420 000 419 303	SpEd Dir: 9/1-9/30/19 46.0 hrs@ \$85.00
					Check Total:	\$3,910.00			
OLDN	6039	CH	1 1231	McGraw Hill	10/03/2019	\$1,836.23	6137	E 01 010 203 000 000 460	World History textbooks-MS
					Check Total:	\$1,836.23			
OLDN	6040	CH	1 1462	Monarch Bus Service Inc	10/03/2019	\$33,670.72	6138	E 01 005 760 000 720 360	Busing contract-installment 3 of 10
					Check Total:	\$33,670.72			
OLDN	6041	CH	1 1542	Mortensen Woodworking LLC	10/03/2019	\$2,675.00	6139	E 01 005 810 000 000 305	Handyman services
OLDN	6041	CH	1 1542	Mortensen Woodworking LLC	10/03/2019	(\$2,675.00)	6139	E 01 005 810 000 000 305	Handyman services
OLDN	6041	CH	1 1542	Mortensen Woodworking LLC	10/03/2019	\$2,675.00	6139	E 01 005 850 000 000 305	Handyman services 25hrs@ \$107
					Check Total:	\$2,675.00			
OLDN	6042	CH	1 1233	Reno Mothes	10/03/2019	\$540.00	6140	E 01 010 420 000 740 394	DAPE: 9/3-9/30/19 9.0 hrs @ \$60.00
					Check Total:	\$540.00			
					Check Total:	\$540.00			

WOODBURY LEADERSHIP ACADEMY

Payment Register by Check No.

Payment Date Range: 10/01/2019 - 10/31/2019

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void	Date	Amount	Voucher #	Account Code	Description
OLDN	6043	CH	1 1543	Ryan Allesee		10/03/2019	\$65.83	6141	E 01 010 640 000 316 366	Reimbursement-meals-CO CK PD trip
					Check Total:		\$65.83			
OLDN	6044	CH	1 1010	SFM		10/03/2019	\$4,203.00	6142	E 01 005 110 000 000 270	Workers Comp-FY19 audit
OLDN	6044	CH	1 1010	SFM		10/03/2019	(\$4,203.00)	6142	E 01 005 110 000 000 270	Workers Comp-FY19 audit
OLDN	6044	CH	1 1010	SFM		10/03/2019	\$4,203.00	6142	E 01 010 203 000 000 270	Workers Comp-FY19 audit
					Check Total:		\$4,203.00			
OLDN	6045	CH	1 1241	Sheila Merzer		10/03/2019	\$812.50	6143	E 01 010 408 000 740 394	Autism Spec: 9/11/19 6.5hrs@\$125.00
					Check Total:		\$812.50			
OLDN	6046	CH	1 1116	Strategic Staffing Solutions		10/03/2019	\$1,268.75	6144	E 01 010 420 000 740 394	Psych: 8/30-9/27/19 14.5hrs@\$87.50
OLDN	6046	CH	1 1116	Strategic Staffing Solutions		10/03/2019	\$210.00	6145	E 01 010 411 000 740 394	ASD: 9/6-9/13/19 3.0 hrs @ \$70.00
OLDN	6046	CH	1 1116	Strategic Staffing Solutions		10/03/2019	\$1,435.00	6146	E 01 010 400 000 000 305	DDH: 9/13-9/27/19 20.5 hrs @ \$70.00
OLDN	6046	CH	1 1116	Strategic Staffing Solutions		10/03/2019	(\$1,435.00)	6146	E 01 010 400 000 000 305	DDH: 9/13-9/27/19 20.5 hrs @ \$70.00
OLDN	6046	CH	1 1116	Strategic Staffing Solutions		10/03/2019	\$1,435.00	6146	E 01 010 402 000 740 394	DDH: 9/13-9/27/19 20.5 hrs @ \$70.00
					Check Total:		\$2,913.75			
OLDN	6047	CH	1 1098	Teachers on Call		10/03/2019	\$221.00	6147	E 01 010 203 000 000 305	Sub Teacher 9/18/19
					Check Total:		\$221.00			
OLDN	6048	CH	1 1029	The Home Depot		10/03/2019	\$26.32	6148	E 01 005 810 000 000 401	Janitorial supplies-toilet cleaner
OLDN	6048	CH	1 1029	The Home Depot		10/03/2019	\$194.17	6149	E 01 005 810 000 000 401	Janitorial supplies
					Check Total:		\$220.49			
OLDN	6049	CH	1 1208	Abdo, Eick & Meyers LLP		10/14/2019	\$7,000.00	6151	E 01 005 110 000 000 305	Audit services FY2019-progress billing
					Check Total:		\$7,000.00			
OLDN	6050	CH	1 1544	Andrew Davis		10/14/2019	\$130.32	6152	E 01 010 640 000 316 366	Reimbursement-meals-CO CK PD trip
					Check Total:		\$130.32			
OLDN	6051	CH	1 1545	Benjamin Martinson		10/14/2019	\$628.77	6153	E 01 010 640 000 316 366	Reimbursement-meals & car rental
					Check Total:		\$628.77			
OLDN	6052	CH	1 1461	Gamino's Cleaning Company LLC		10/14/2019	\$2,995.00	6154	E 01 010 640 000 316 366	Oct cleaning service
					Check Total:		\$2,995.00			
OLDN	6053	CH	1 1054	Integrative Therapy, LLC.		10/14/2019	\$2,537.51	6155	E 01 010 420 000 740 394	OT: 9/23-10/6/19 29.0 hrs @ \$87.50
					Check Total:		\$2,537.51			
OLDN	6054	CH	1 1240	Keys to Communication		10/14/2019	\$2,443.75	6156	E 01 010 401 000 740 394	Speech:9/24-10/1/19 27.75hrs@\$85.00
					Check Total:		\$2,443.75			
OLDN	6055	CH	1 1517	Kraus-Anderson Insurance		10/14/2019	\$750.00	6157	E 01 005 105 000 000 305	Administrative consulting services
					Check Total:		\$750.00			

WOODBURY LEADERSHIP ACADEMY

Payment Register by Check No.

Payment Date Range: 10/01/2019 - 10/31/2019

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void	Date	Amount	Voucher #	Account Code	Description
OLDN	6056	CH	1 1216	Minnesota Historical Society		10/14/2019	\$492.00	6158	E 01 010 203 000 000 369	Fort Snelling fieldtrip-MS
							Check Total:	\$492.00		
OLDN	6057	CH	1 1492	Plainview Milk Products Cooperative		10/14/2019	\$261.50	6159	E 01 010 203 000 000 401	Lunch milk - Sept
							Check Total:	\$261.50		
OLDN	6058	CH	1 1543	Ryan Allesee		10/14/2019	\$11.95	6160	E 01 010 203 000 000 430	Reimbursement-Rosie the Riviter poster
							Check Total:	\$11.95		
OLDN	6059	CH	1 1377	Siteimprove		10/14/2019	\$3,205.12	6161	E 01 005 108 000 000 315	Website OCR compliance
							Check Total:	\$3,205.12		
OLDN	6060	CH	1 1098	Teachers on Call		10/14/2019	\$2,210.00	6162	E 01 010 203 000 000 305	GenEd Subs
OLDN	6060	CH	1 1098	Teachers on Call		10/14/2019	\$221.00	6162	E 01 010 400 000 000 305	SPED NonLicensed Sub
OLDN	6060	CH	1 1098	Teachers on Call		10/14/2019	\$221.00	6162	E 01 010 201 000 000 305	Kindergarten Sub
OLDN	6060	CH	1 1098	Teachers on Call		10/14/2019	\$1,105.00	6163	E 01 010 201 000 000 305	GenEd Subs
							Check Total:	\$3,757.00		
OLDN	6061	CH	1 1029	The Home Depot		10/14/2019	\$32.89	6164	E 01 005 810 000 000 401	Janitorial supplies-can liners
OLDN	6061	CH	1 1029	The Home Depot		10/14/2019	\$187.31	6165	E 01 005 810 000 000 401	Janitorial & bathroom supplies
							Check Total:	\$220.20		
OLDN	6062	CH	1 1539	Toshiba Business Solutions		10/14/2019	\$1,288.65	6166	E 01 010 605 000 000 580	Copier leases-Oct
							Check Total:	\$1,288.65		
OLDN	6063	CH	1 1438	Wolf Ridge		10/14/2019	\$9,080.50	6167	E 01 010 203 000 000 369	Wolf Ridge overnight fieldtrip-Gr 5
							Check Total:	\$9,080.50		
OLDN	6064	CH	1 1369	BerganKDV Outsourced Services LLC		10/23/2019	\$5,898.00	6181	E 01 005 110 000 000 305	October financial mgmt & acctservices
							Check Total:	\$5,898.00		
OLDN	6065	CH	1 1541	Business Essentials		10/23/2019	\$299.70	6182	E 01 010 203 000 000 430	Copy paper
							Check Total:	\$299.70		
OLDN	6066	CH	1 1509	Colliers Architecture LLC		10/23/2019	\$962.50	6183	E 01 005 110 000 000 305	Architect services-facilities project
							Check Total:	\$962.50		
OLDN	6067	CH	1 1336	Hennepin Healthcare		10/23/2019	\$261.00	6184	E 01 010 720 000 000 305	Nursing services
OLDN	6067	CH	1 1336	Hennepin Healthcare		10/23/2019	\$200.00	6184	E 01 010 640 000 316 366	Med & OSHA-Administration training
							Check Total:	\$461.00		
OLDN	6068	CH	1 1546	James Logan		10/23/2019	\$110.29	6185	E 01 010 640 000 316 366	Reimbursement-meals-CO CK PD trip
							Check Total:	\$110.29		
OLDN	6069	CH	1 1240	Keys to Communication		10/23/2019	\$2,550.00	6186	E 01 010 401 000 740 394	Speech: 10/8-10/15/19 29.0 hrs @ \$85.00
							Check Total:	\$2,550.00		

WOODBURY LEADERSHIP ACADEMY

Payment Register by Check No.

Payment Date Range: 10/01/2019 - 10/31/2019

Bank	Check No	Ty	Grp Code	Vendor	Pay/Void	Date	Amount	Voucher #	Account Code	Description
OLDN	6070	CH	1 1457	MSB Holdings - Woodbury LLC		10/23/2019	\$43,379.39	6168	E 01 005 850 000 348 370	November Lease
OLDN	6070	CH	1 1457	MSB Holdings - Woodbury LLC		10/23/2019	\$2,851.54	6168	E 01 005 850 000 000 370	Insurance
OLDN	6070	CH	1 1457	MSB Holdings - Woodbury LLC		10/23/2019	\$7,644.38	6168	E 01 005 810 000 000 330	Utilities
OLDN	6070	CH	1 1457	MSB Holdings - Woodbury LLC		10/23/2019	\$209.44	6168	E 01 005 810 000 000 305	Janitorial
OLDN	6070	CH	1 1457	MSB Holdings - Woodbury LLC		10/23/2019	\$3,490.58	6168	E 01 005 810 000 000 350	R&M
OLDN	6070	CH	1 1457	MSB Holdings - Woodbury LLC		10/23/2019	\$13,317.28	6168	E 01 005 850 000 348 370	Taxes
							Check Total:			\$70,892.61
OLDN	6071	CH	1 1525	Raptor Technologies		10/23/2019	\$399.00	6187	E 01 005 810 000 000 530	Visitor barcode reader & badge printer
							Check Total:			\$399.00
OLDN	6072	CH	1 1013	Region V Computer Services		10/23/2019	\$1,400.75	6189	E 01 005 108 000 000 405	FY20 2nd Quarter Membership Fee
							Check Total:			\$1,400.75
OLDN	6073	CH	1 1428	Schmitt & Sons		10/23/2019	\$4,857.84	6188	E 01 005 760 000 733 360	Wolf Ridge ON fieldtrip busing-Gr 5
							Check Total:			\$4,857.84
OLDN	6074	CH	1 1108	Scholastic Book Fairs - 15		10/23/2019	\$1,190.53	6190	R 01 005 000 000 000 619	Book Fair - Cash sales
							Check Total:			\$1,190.53
OLDN	6075	CH	1 1241	Sheila Merzer		10/23/2019	\$500.00	6191	E 01 010 408 000 740 394	Autism Spec: 9/30-10/10/19 4hrs@\$125
							Check Total:			\$500.00
OLDN	6076	CH	1 1116	Strategic Staffing Solutions		10/23/2019	\$896.88	6192	E 01 010 420 000 740 394	Psych: 10/4-10/11/19 10.25hrs@\$87.50
OLDN	6076	CH	1 1116	Strategic Staffing Solutions		10/23/2019	\$1,330.00	6193	E 01 010 402 000 740 394	DD:10/4-10/11/19 19:0 hrs @ \$70.00
							Check Total:			\$2,226.88
OLDN	6077	CH	1 1098	Teachers on Call		10/23/2019	\$163.66	6194	E 01 010 420 000 740 307	Sub EA 10/10/19
OLDN	6077	CH	1 1098	Teachers on Call		10/23/2019	\$2,652.00	6194	E 01 010 203 000 000 305	Sub Teachers 10/7-10/11/19
							Check Total:			\$2,815.66
OLDN	6078	CH	1 1029	The Home Depot		10/23/2019	\$348.06	6195	E 01 005 810 000 000 401	Janitorial & bathroom supplies
							Check Total:			\$348.06
							Bank OLDN Total:			\$277,143.31
							Report Total:			\$277,143.31

WOODBURY LEADERSHIP ACADEMY

Receipt Listing Report with Detail by Deposit

Deposit Co	Bank	Batch	Rct No	Receipt Type	Receipt St	Receipt Date	Check No	Check Type	Pmt Type	Grp Code	Customer	Inv No	Inv Date	Inv Type	Invoice Amount	Applied Amount	Unapplied Amount
1540	4228	OLDN	CR101	Credit	A	10/07/19		Check	1	1003	SCHOOL DEPOSIT						
	FY20	School	Deposit				4228	R 01	005	000	FY20 Friday Pizza Sales				1,461.05		0.00
															Receipt Total:	\$1,461.05	\$0.00
															Deposit Total:	\$1,461.05	\$0.00
1541	4228	OLDN	CR101	Credit	A	10/07/19		Check	1	1003	SCHOOL DEPOSIT						
	FY20	School	Deposit				4228	R 01	005	000	FY20 FT Fort Snelling				570.00		0.00
							4228	R 01	005	000	FY20 J.Chessman Reimburse				8.00		0.00
							4228	R 01	005	000	FY20 FT Wolf Ridge				5,250.00		0.00
															Receipt Total:	\$5,828.00	\$0.00
															Deposit Total:	\$5,828.00	\$0.00
1542	4228	OLDN	CR101	Credit	A	10/04/19		Check	1	1003	SCHOOL DEPOSIT						
	FY20	School	Deposit				4228	R 01	005	000	FY20 Dance Club				2,065.00		0.00
							4228	E 01	005	110	FY20 Background Check				43.50		0.00
							4228	R 01	005	000	FY20 MA IEP Reimbursement				695.36		0.00
							4228	R 01	005	000	FY20 Charities Aid Foundation				261.96		0.00
															Receipt Total:	\$3,065.82	\$0.00
															Deposit Total:	\$3,065.82	\$0.00
1543	4228	OLDN	CR101	Credit	A	10/15/19		Check	1	1001	MN DEPT OF EDUCATION						
	FY20	IDEAS					4228	R 01	005	000	FY20 General Education Aid				155,585.11		0.00
															Receipt Total:	\$155,585.11	\$0.00
															Deposit Total:	\$155,585.11	\$0.00

WOODBURY LEADERSHIP ACADEMY

Journal Entry Listing

JE Cd	Period	Date	St	Src	Ref	Description	Detail Desc	L	Fd	Org	Pro	Crs	Fin	O/S	Account Description	Debit Amount	Credit Amount
-------	--------	------	----	-----	-----	-------------	-------------	---	----	-----	-----	-----	-----	-----	---------------------	--------------	---------------



Meeting: Governance Committee

Date: Wednesday, November 13, 2019

Time: 4:30 p.m.

Location: Woodbury Leadership Academy School -- 8089 Globe Drive, Woodbury, MN 55125
-- Conference Room

Minutes:

The meeting was called to order by Jessica Erickson at 4:34 p.m.

Members Present: Jessica Erickson, Claudia George, and Kathy Mortensen

Members Absent: Kylie Griffith and Ro Krejci

The meeting ended at 6:48 p.m.

Development, Discussion, and Recommendations

Discussed the Extend Leave Policy

Reviewed the Retention Policy

Reviewed Enrollment Policy and Procedures

Discussed First Reading of Series 100

Housekeeping

Next Regularly Scheduled WLA Board of Directors Finance Committee Meeting

Date: Wednesday, December 11, 2019

Time: 4:30 p.m.

Location: Woodbury Leadership Academy-Conference Room
8089 Globe Drive, Woodbury, MN 55125

WOODBURY LEADERSHIP ACADEMY

Adopted: November 13, 2019

539 RE-ENROLLMENT AFTER LONG-TERM LEAVE

I. PURPOSE

The purpose of this policy is to define the actions of Woodbury Leadership Academy (WLA) in the case of students taking a “long-term leave” from the school which under Minnesota state statutes constitutes an un-enrollment from WLA, and the process for those students to be re-enrolled at WLA.

II. GENERAL STATEMENT OF POLICY

The Re-enrollment Policy further defines WLA’s Enrollment and Admissions Policy by stating that families who request long-term leave and follow the process laid out in this policy may enroll their child in WLA without going through the application and enrollment process and the child will be placed at the top of the waiting list and immediately enrolled upon returning to WLA.

III. LONG-TERM LEAVE AND RE-ENROLLMENT PROCEDURES

All students are un-enrolled from WLA after not attending WLA for fifteen consecutive days. To qualify for re-enrollment eligibility, it is requested that parents should request a long-term leave from WLA’s Executive Director in writing at least 30 days before the start of the long-term leave, giving the beginning and end dates of the student’s leave from WLA as well as the reason and documentation for the long-term leave.

IV. OPEN ENROLLMENT SPOTS

When a student is un-enrolled at WLA for any reason, their spot will be offered to the next student on WLA’s waiting list as per the Enrollment and Admissions Policy. This may result in the student being placed with another teacher within that grade level. No further offers of enrollment will be made until that class or grade is under-enrolled unless otherwise directed by processes stated in the Enrollment and Admissions Policy.

V. CONDITIONS AND LIMITS ON LONG-TERM LEAVE

Students may not miss more than the equivalent of twenty school days as determined by the school calendar to be eligible for long-term leave. The days on leave must be consecutive. Students may not have more than one long-term leave in a given school year.

Long Term Leave Request Form

This form must be used by any WLA family requesting Long Term Leave (beyond 20 days, but not for medical leave), per policy 539. All requests must be submitted to the Executive Director for review. If Long Term leave is approved, details regarding the responsibilities of the family are outlined in policy 539.

Your family is responsible for reading and understanding all elements spelled out in Policy 539. Failure to do so may result in your child(ren) not being able to attend WLA upon your return, or grade/class placement other than you intended.

- 1) For whom you are requesting Long Term leave?

Student #1 name

Grade (current year)

Student #2 name

Grade (current year)

Student #3 name

Grade (current year)

- 2) Who is making this request?

Parent name

Today's date

- 3) What are the dates of the requested leave?

Last day in attendance at WLA before leave

First date of attendance at WLA after leave

- 4) What is the purpose for this Long Term Leave request?

Approved **Not Approved** **Notes:**



WOODBURY LEADERSHIP ACADEMY

Adopted:

510 Promotion/Retention Policy

I. **PURPOSE**

The primary goal at Woodbury Leadership Academy (WLA) in grades K-8 is for students to achieve solid levels of reading and math literacy, delivered through the Core Knowledge curriculum sequence. The purpose of this policy is to provide guidance to professional staff, parents and students regarding student performance as it relates to grade level promotion and retention.

II. **GENERAL STATEMENT OF POLICY**

The goal at Woodbury Leadership Academy is to ensure that all students develop and maintain the educational foundations needed to advance through subsequent performance levels, according to Minnesota Academic Standards and the Core Knowledge curriculum sequence.

III. **GUIDELINES**

- A. Students are expected to meet the following criteria to be promoted to the next grade level. Not meeting the criteria may constitute grounds for retention.
 - a. Students in grades K-5 will be assessed three times by the classroom teacher throughout the school year to determine reading skill levels. Students should demonstrate reading skills, as measured by Reading A-Z, as follows:
 - i. Kindergarten: Students should demonstrate skills at or above Level C. Students in Kindergarten must also achieve 100% mastery of the phonograms taught.
 - ii. First Grade: Students should demonstrate skills at or above Level I
 - iii. Second Grade: Students should demonstrate skills at or above Level N
 - iv. Third Grade: Students should demonstrate skills at or above Level T
 - v. Fourth Grade: Students should demonstrate skills at or above Level W
 - vi. Fifth Grade: Students should demonstrate skills at or above Level Z
 - b. Students in grades six, seven and eight should demonstrate scores in reading and math that are at grade level or above, as measured by the NWEA MAP assessments which are facilitated in the fall and the spring. Also, students in grades six, seven and eight should demonstrate passing scores (“meets” or “exceeds”) on the MCA’s which are facilitated in the spring.
 - c. Age: Students must fall within the following age to be placed in a specific grade.
 - i. A student must be 5 years old by September 1st to enter Kindergarten.
 - ii. A student must be 6 years old by September 1st to enter First Grade.
 - iii. A student must be 7 years old by September 1st to enter Second Grade.
 - d. Math Automaticity (math facts): Students must demonstrate math fact automaticity for their grade level by the end of the year.

NOTE: FPM = Facts Per Minutes

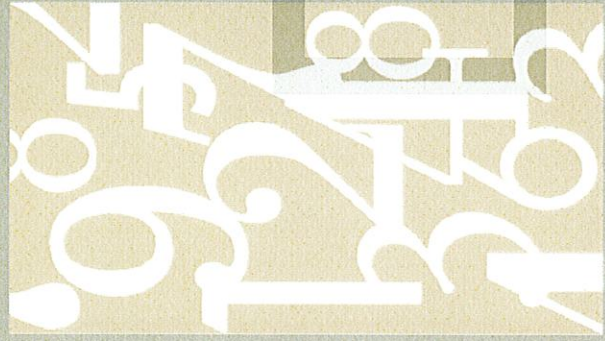
Grade	Addition	Subtraction	Multiplication	Division
K	Not tested	Not tested	Not tested	Not tested
1	Not timed to 9+9	Not timed to 18-9	Not tested	Not tested
2	20 FPM to 9+9	20 FPM to 18-9	15 FPM 0, 1, 2, 3, 4, 5, 10s (second semester)	Not tested
3	20 FPM to 9+9	20 FPM to 18-9	15 FPM to 9x9	15 FPM to 81 ÷ 9
4	25 FPM to 10+10	25 FPM to 18-9	20 FPM to 12x12	18 FPM to 144 ÷ 12
5	30 FPM to 10+10	30 FPM to 20-10	25 FPM to 12x12	25 FPM to 144 ÷ 12
6	35 FPM to 12+12	35 FPM to 20-10	35 FPM to 12x12	35 FPM to 144 ÷ 12

* 1st Grade tests are limited to 15 min and number lines are not available during the third trimester

B. Classroom Grades: students must receive a passing grade of 70% or above to be promoted to the next grade. This percentage is an average of all three trimesters. Students with a cumulative failing grade (F) at year-end in any two core classes, or three or more failing grades in all classes (including one or more core classes and specials and/or elective classes) will be considered for grade retention. Retention is the final decision of the WLA Response to Intervention (RtI) team, Executive Director, and classroom teachers, based on instructional staff input and student achievement data.

IV. NOTIFICATION

If retention is a possibility, parents will be notified in advance through phone communications with teachers, including face to face conversations, emails, phone calls, parent/teacher conferences, and/or mailings pertaining to grades and performance. The final determination for promotion to the next grade level will be made by administration and classroom teachers based on the above criteria. Special education students and students on 504 plans, with modified curriculum requirements will be considered according to their plan specifications.

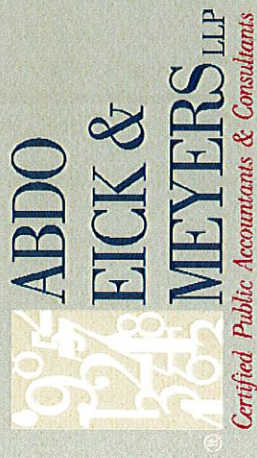


**ABDO
FICK &
MEYERS** ^{LLP}

Certified Public Accountants & Consultants

®

Introduction



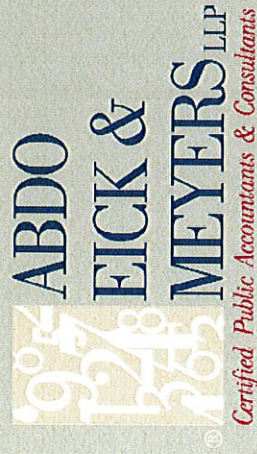
Audit Opinion and Respor

General Fund Results

Community Service Fur

Key Performance Indicato

Audit Results

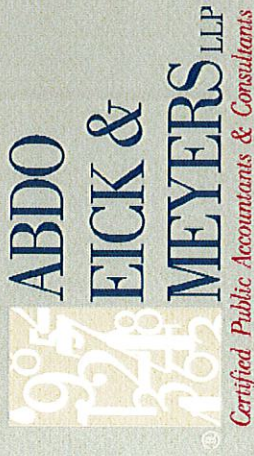


Auditor's Opinion

Minnesota Legal Compliance

Audit Results

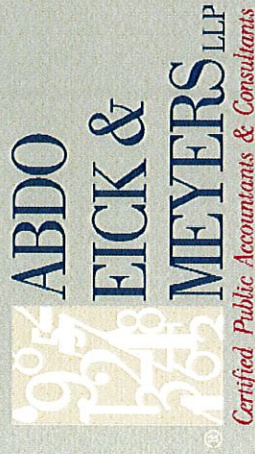
*Fiscal Year 2018
Audit Findings*



Debit Card Controls

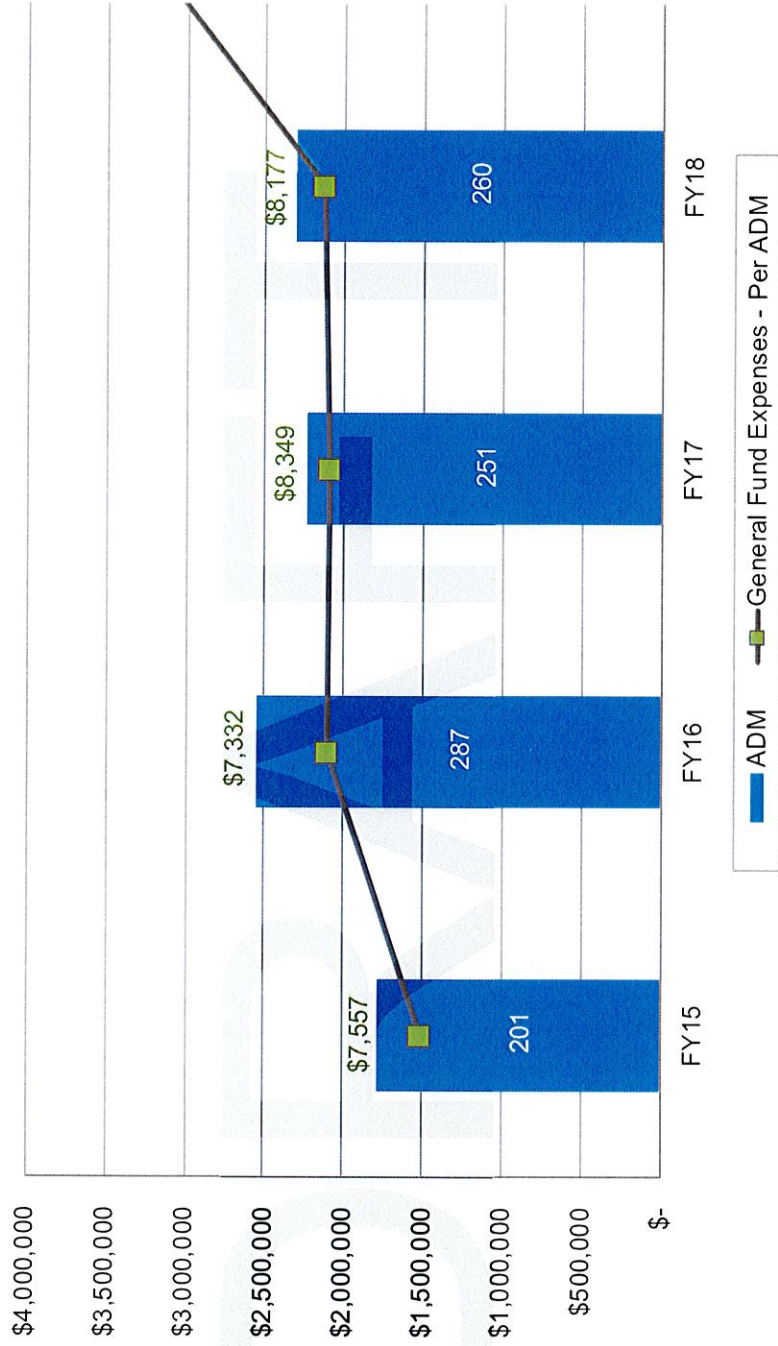
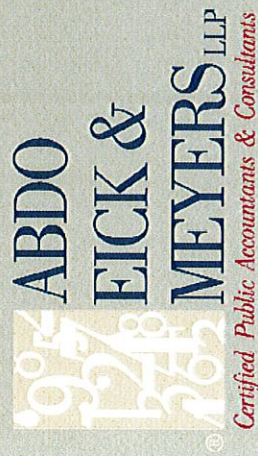
- Internal Control Findings
- Finding removed in the current fiscal year because of improved controls

Relevant Future Accounting Standards

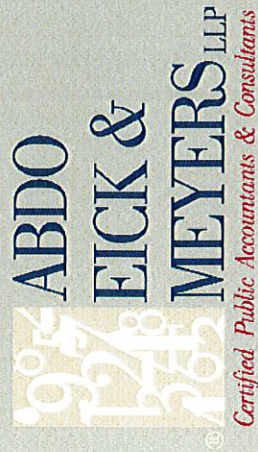


- **GASB Statement No. 84:
Fiduciary Activities**
Implementation Date - Fiscal Year 2020
- **GASB Statement No. 87:
Lease Accounting**
Implementation Date - Fiscal Year 2021

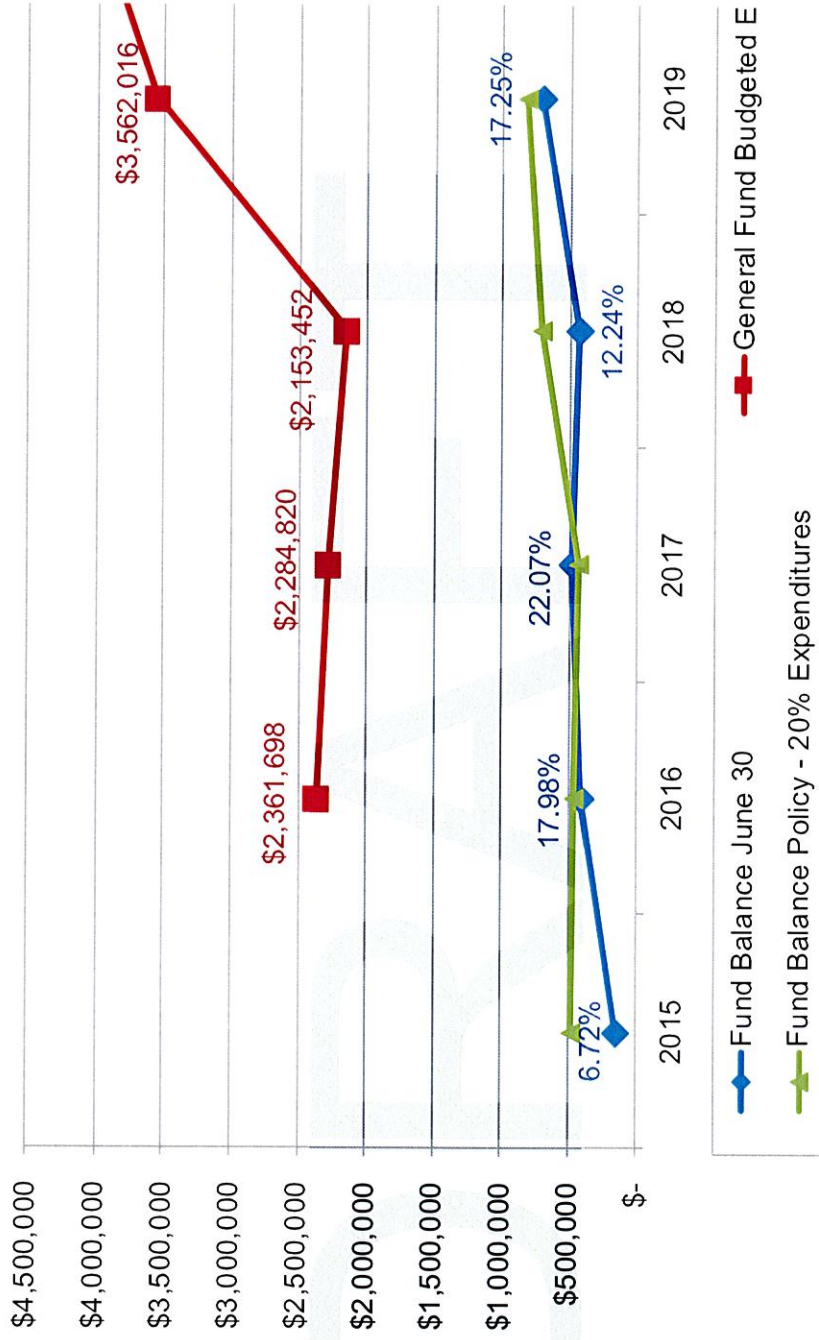
Average Daily Membership and General Fund Expenditures



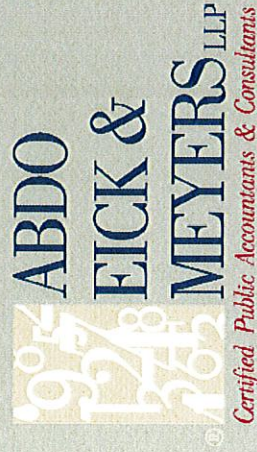
General Fund Fund Balances



Judith has a call into Auditor to discuss %. They might be pulling "unassigned" fund bal versus total General Fund Balance. Stay Tuned.

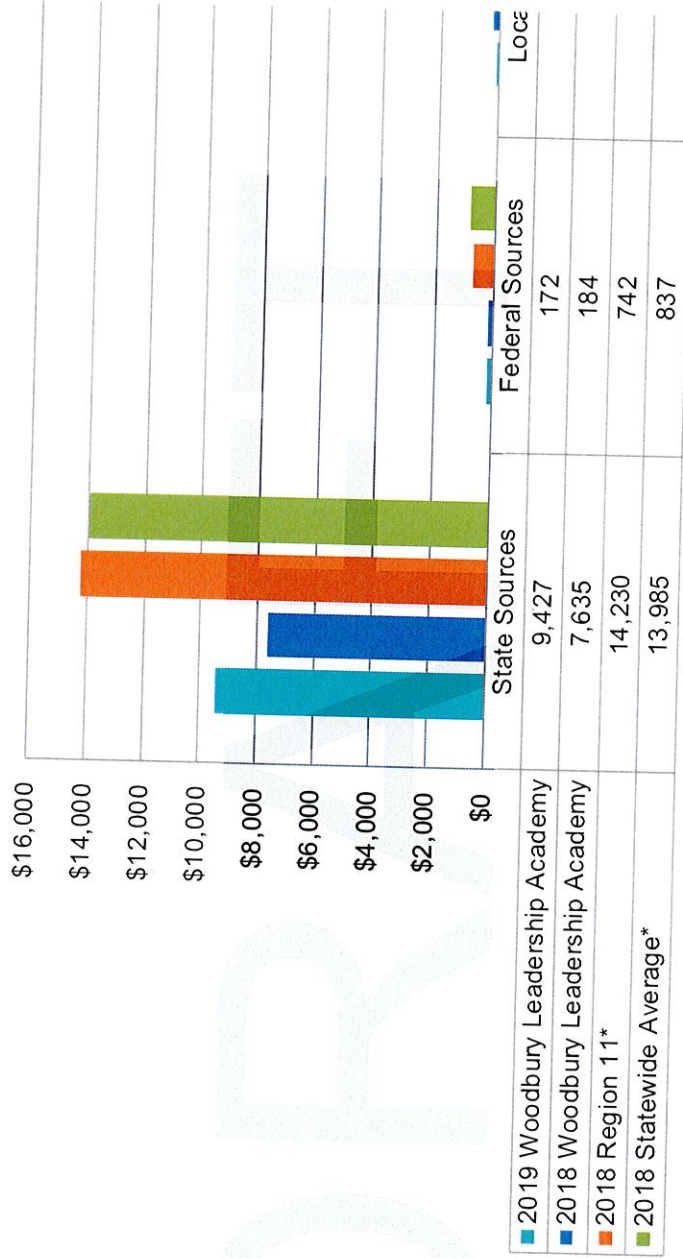
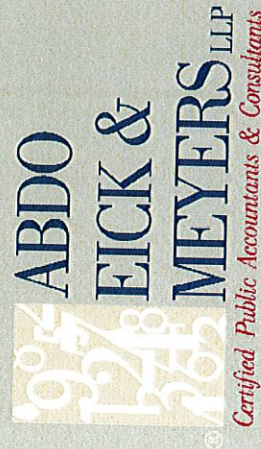


General Fund Budget to Actual



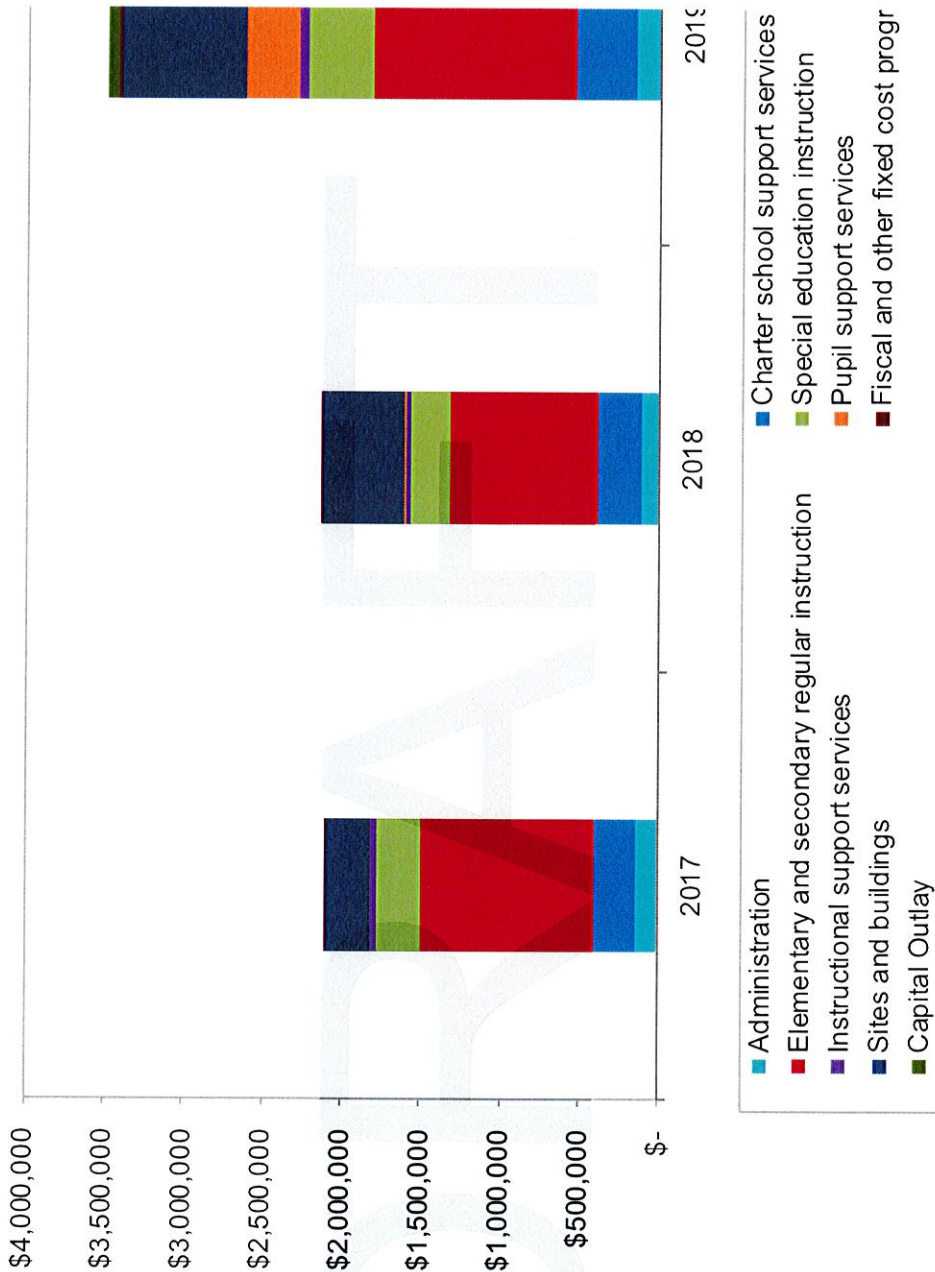
	Final Budgeted Amounts	Actual Amounts
Revenues	\$ 3,660,609	\$ 3,768,1
Expenditures	<u>3,562,016</u>	<u>3,489,7</u>
Net Change in Fund Balances	98,593	278,3
Fund Balances, July 1	<u>436,065</u>	<u>436,0</u>
Fund Balances, June 30	<u>\$ 534,658</u>	<u>\$ 714,4</u>

General Fund Revenues per ADM

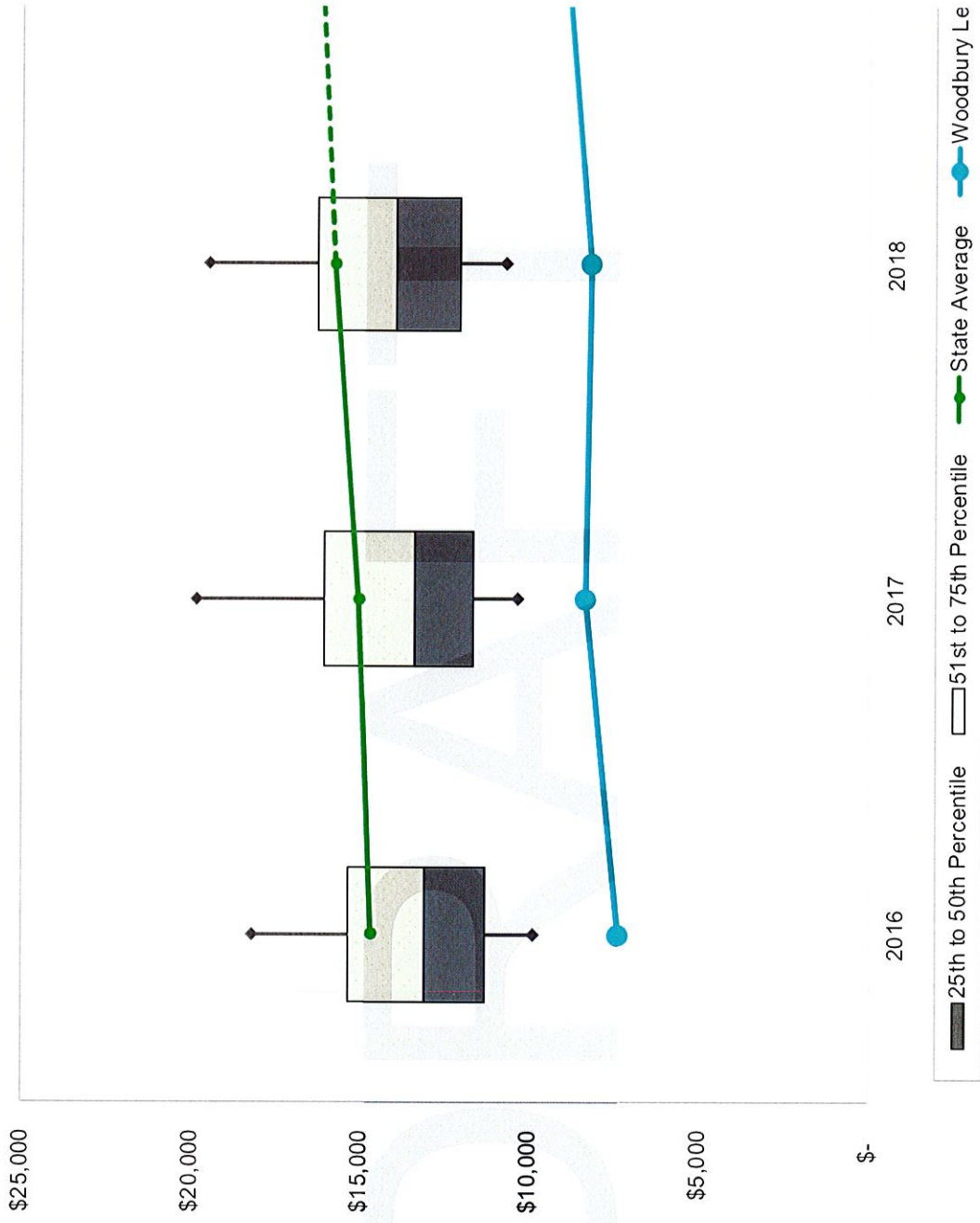
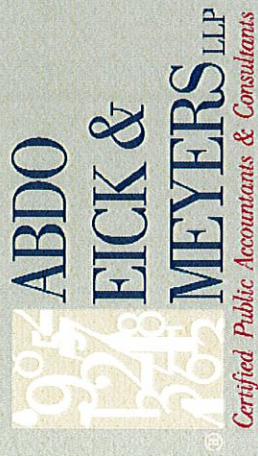


* Information obtained from School District Profile reports published by the MDE

General Fund Expenditures

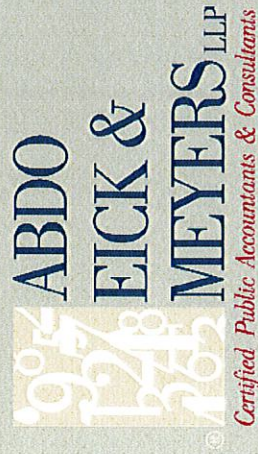


General Fund Expenditures per ADM



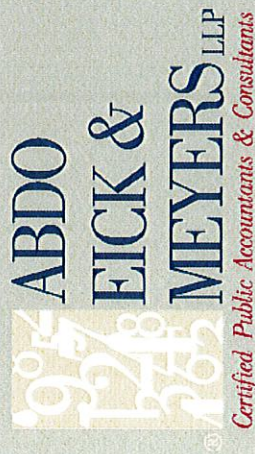
* Percentile data and state average obtained from School District Profile reports published by:

General Fund Expenditures by Object Code



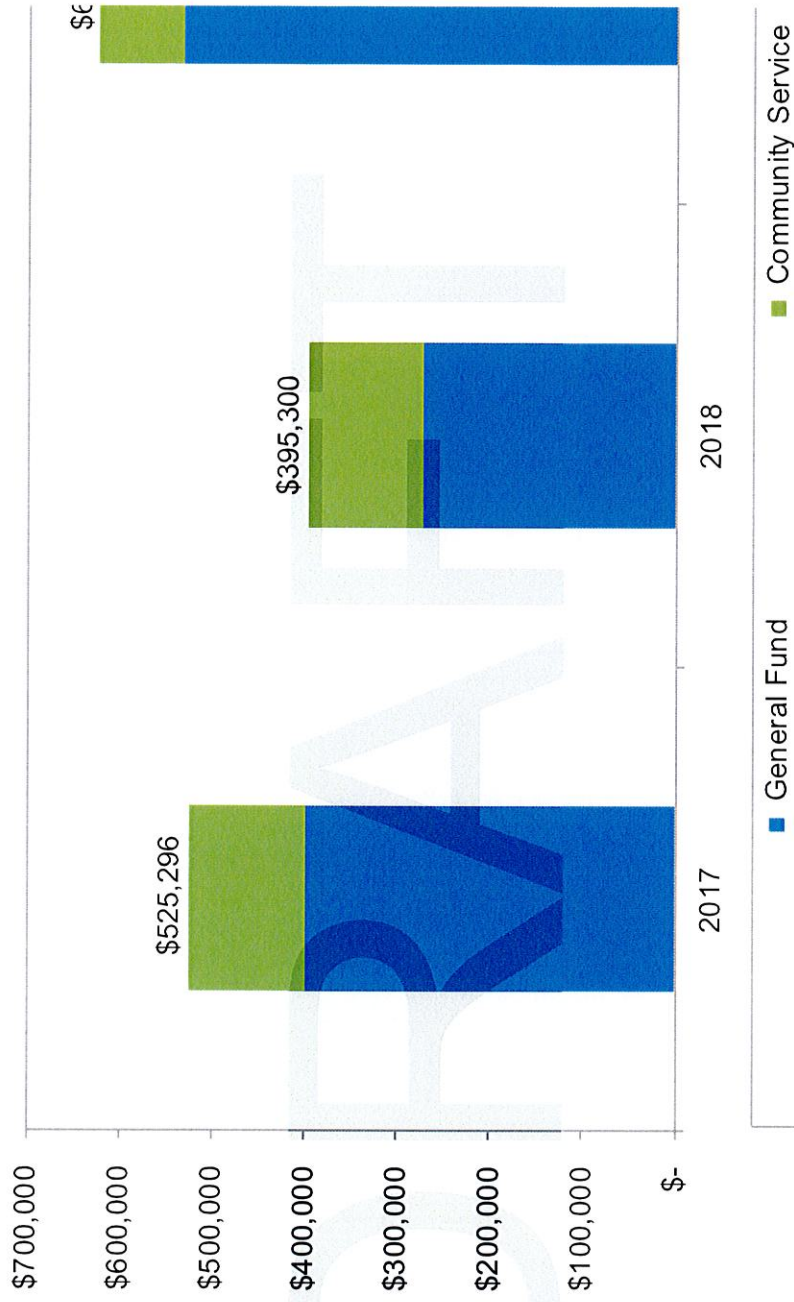
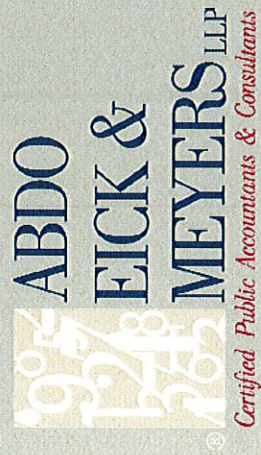
Community Service

Budget to Actual

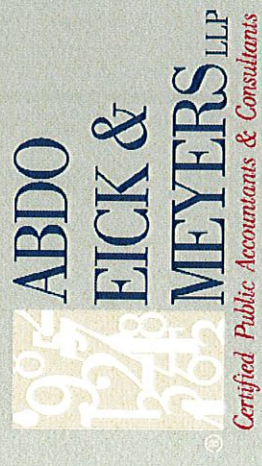


	Final Budgeted Amount	Actual Amount
Revenues	\$ 2,100	\$ 360
Expenditures	32,530	30,428
Net Change in Fund Balances	(30,430)	(30,068)
Fund Balances, July 1	123,170	123,170
Fund Balances, June 30	\$ 92,740	\$ 93,102

Cash and Investments Balances by Fund



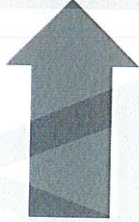
Pension Liability
GASB Statement No. 68



PERA
\$116,499



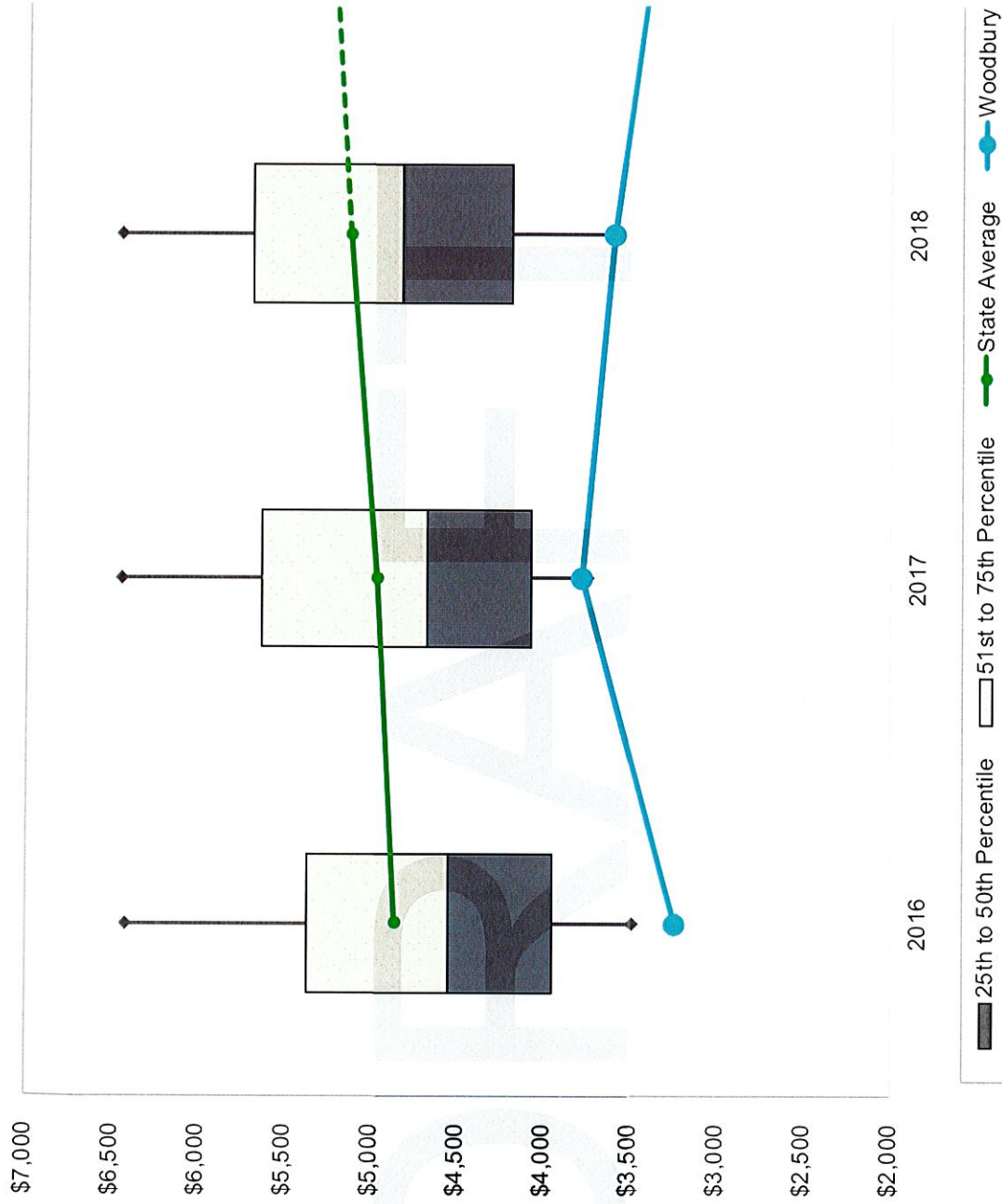
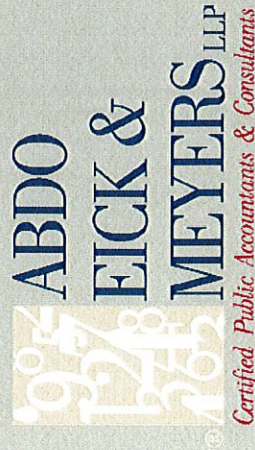
TRA
\$873,050



Total Pension Liability
\$989,549

Key Performance Indicators

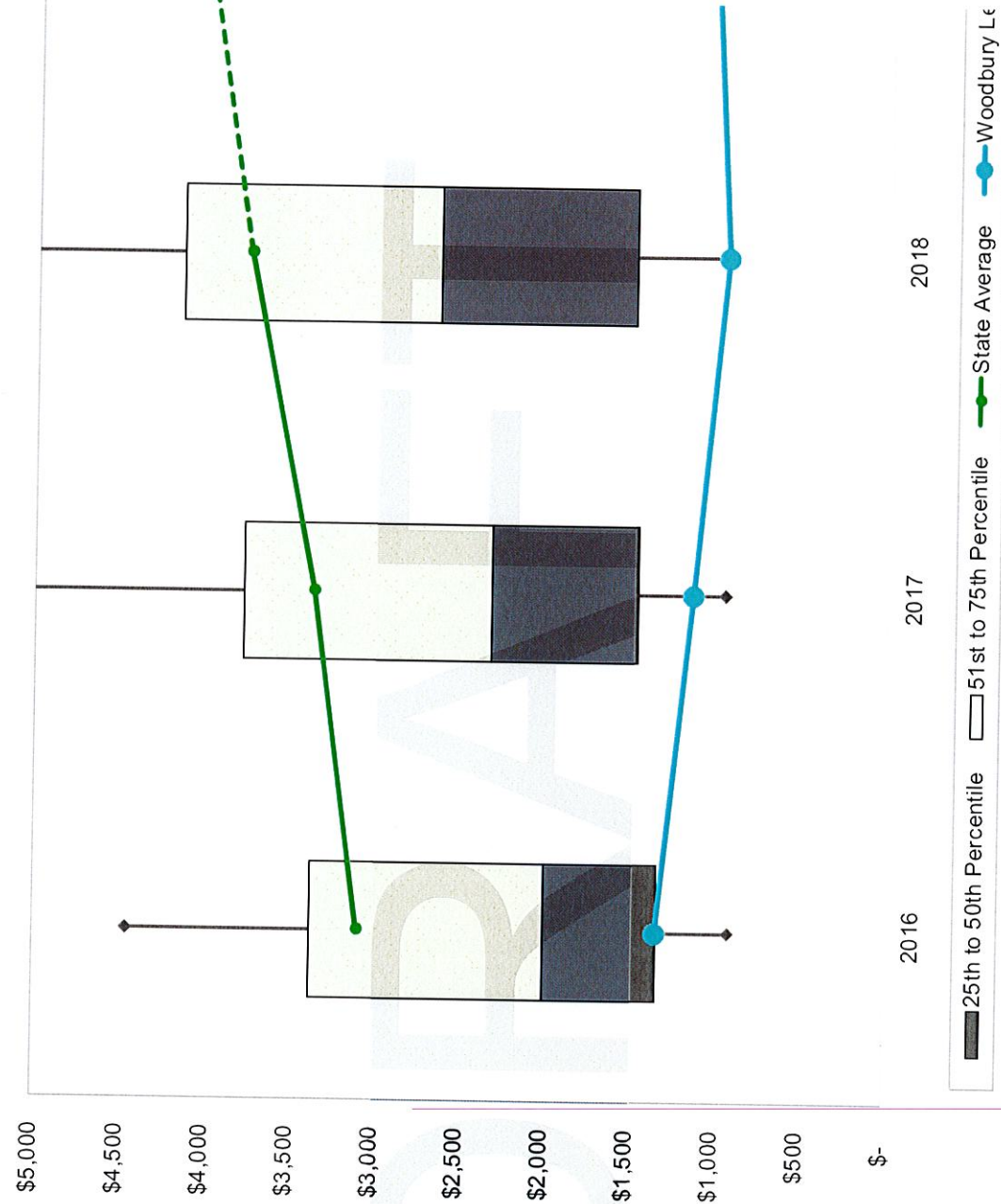
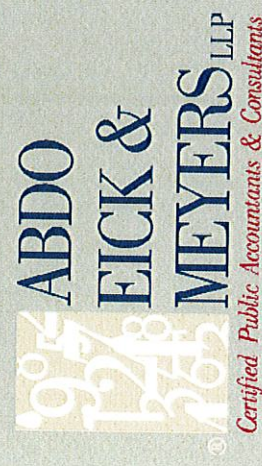
Elementary and Secondary Regular Instruction Expenditures per ADM



* Percentile data and state average obtained from School District Profile reports published

Key Performance Indicators

Special Education Expenditures per ADM



* Percentile data and state average obtained from School District Profile reports published

Questions?

Audit Team

Brad Falteysek

Kendra Perpich

Tyler See

Tomi McDonald

Management Communication

Woodbury Leadership Academy
Charter School No. 4228

Woodbury, Minnesota

For the Year Ended
June 30, 2019

Members of the Board of Directors
Woodbury Leadership Academy, Charter School No. 4228
Woodbury, Minnesota

We have audited the financial statements of the governmental activities and major funds of the Woodbury Leadership Academy, Charter School No. 4228 (the Charter School), Woodbury, Minnesota for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 23, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility Under Auditing Standards Generally Accepted in the United States of America and Government Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control over financial reporting (internal control) of the Charter School. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Significant Audit Findings

In planning and performing our audit of the financial statements, we considered the Charter School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter School's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described on the following page, we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Significant Audit Findings (Continued)

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Charter School's compliance with those requirements. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Charter School are described in Note 1 to the financial statements. The application of existing policies was not changed during the year. We noted no transactions entered into by the Charter School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were depreciation on capital assets and receivables from the Department of Education.

- Management's estimate of depreciation is based on estimated useful lives of the assets. Depreciation is calculated using the straight-line method.
- Management estimates a portion of the receivable from the Department of Education on student numbers and past expenditures.
- Management's estimate of its pension liability is based on several factors including, but not limited to, anticipated investment return rate, retirement age for active employees, life expectancy, salary increases and form of annuity payment upon retirement.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole. The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Management Representations

We have requested certain representations from management that are included in the management representations letter dated NEED DATE .

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) (Management's Discussion and Analysis, the Schedules of Employer's Share of the Net Pension Liability, the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios, and the Schedules of Employer's Contributions), which is information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information (combining and individual fund financial statements), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory or statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on them.

Future Accounting Standard Changes

The following Governmental Accounting Standards Board (GASB) Statements have been issued and may have an impact on future Charter School financial statements: ⁽¹⁾

GASB Statement No. 84 - *Fiduciary Activities*

Summary

The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to that requirement is provided for a business-type activity that normally expects to hold custodial assets for three months or less.

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

A fiduciary component unit, when reported in the fiduciary fund financial statements of a primary government, should combine its information with its component units that are fiduciary component units and aggregate that combined information with the primary government's fiduciary funds.

This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets.

Effective Date

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship.

Future Accounting Standard Changes (Continued)

GASB Statement No. 87 - Leases

Summary

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

Effective Date and Transition

The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

Leases should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation (or, if applied to earlier periods, the beginning of the earliest period restated). However, lessors should not restate the assets underlying their existing sales-type or direct financing leases. Any residual assets for those leases become the carrying values of the underlying assets.

How the Changes in This Statement Will Improve Accounting and Financial Reporting

This Statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring notes to financial statements related to the timing, significance, and purpose of a government's leasing arrangements.

GASB Statement No. 88 - Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements

Summary

The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established.

This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses.

For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt.

Effective Date and Transition

The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

Future Accounting Standard Changes (Continued)

How the Changes in This Statement Will Improve Accounting and Financial Reporting

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistently provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms associated with debt will be disclosed. As a result, users will have better information to understand the effects of debt on a government's future resource flows.

GASB Statement No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period

Summary

The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

Effective Date and Transition

The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

How the Changes in This Statement Will Improve Accounting and Financial Reporting

The requirements of this Statement will improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.

GASB Statement No. 90 - Majority Equity Interests

Summary

The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

Future Accounting Standard Changes (Continued)

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

Effective Date and Transition

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

How the Changes in This Statement Will Improve Accounting and Financial Reporting

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information related to presentation of majority equity interests in legally separate organizations that previously was reported inconsistently. In addition, requiring reporting of information about component units if the government acquires a 100 percent equity interest provides information about the cost of services to be provided by the component unit in relation to the consideration provided to acquire the component unit.

⁽¹⁾ *Note.* From GASB Pronouncements Summaries. Copyright 2018 by the Financial Accounting Foundation, 401 Merritt 7, Norwalk, CT 06856, USA, and is reproduced with permission.

* * * * *

Restriction on Use

This communication is intended solely for the information and use of the Board of Education, management, and the Minnesota Department of Education and is not intended to be, and should not be, used by anyone other than these specified parties.

The comments and recommendation in this report are purely constructive in nature, and should be read in this context. Our audit would not necessarily disclose all weaknesses in the system because it was based on selected tests of the accounting records and related data.

If you have any questions or wish to discuss any of the items contained in this letter, please feel free to contact us at your convenience. We wish to thank you for the continued opportunity to be of service, and for the courtesy and cooperation extended to us by your staff.

ABDO, EICK & MEYERS, LLP
Minneapolis, Minnesota
NEED DATE

Annual Financial Report

Woodbury Leadership Academy
Charter School No. 4228

Woodbury, Minnesota

For the Year Ended
June 30, 2019

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Annual Financial Report
Table of Contents
For the Year Ended June 30, 2019

	<u>Page No.</u>
Introductory Section	
Board of Directors and Administration	7
Financial Section	
Independent Auditor's Report	11
Management's Discussion and Analysis	15
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	22
Statement of Activities	23
Fund Financial Statements	
Governmental Funds	
Balance Sheet	26
Reconciliation of the Balance Sheet to the Statement of Net Position	27
Statement of Revenues, Expenditures and Changes in Fund Balances	28
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	29
General Fund	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	30
Community Service Special Revenue Fund	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	31
Notes to the Financial Statements	33
Required Supplementary Information	
Schedule of Employer's Share of Teachers Retirement Association Net Pension Liability	54
Schedule of Employer's Teachers Retirement Association Contributions	54
Notes to the Required Supplementary Information - Teachers Retirement Association	55
Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability	56
Schedule of Employer's Public Employees Retirement Association Contributions	56
Notes to the Required Supplementary Information - Public Employees Retirement Association	57
Table	
Uniform Financial Accounting and Reporting Standards Compliance Table	60
Other Required Reports	
Independent Auditor's Report on Minnesota Legal Compliance	65
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	66

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

INTRODUCTORY SECTION

WOODBURY LEADERSHIP ACADEMY
CHARTER SCHOOL NO. 4228
WOODBURY, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2019

DRAFT

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Board of Directors and Administration
For the Year Ended June 30, 2019

BOARD OF DIRECTORS

<u>Name</u>	<u>Position</u>
Mandi Folks	Chair
Jessica Erickson	Treasurer
Ro Krejci	Secretary
Claudia George	Member
Jason Livingston	Member
Shannon Kelly	Member
Jolene Skordahl	Member

ADMINISTRATION

<u>Name</u>	<u>Position</u>
Dr. Kathleen Mortensen	Executive Director
Judith Darling	BerganKDV - Contract Finance Manager

DRAFT

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

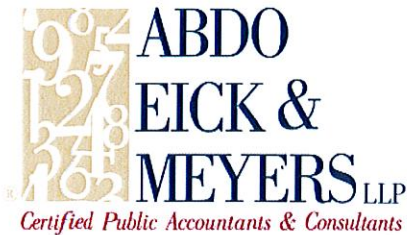
FINANCIAL SECTION
WOODBURY LEADERSHIP ACADEMY
CHARTER SCHOOL NO. 4228
WOODBURY, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2019

DRAFT

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT



INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors
Woodbury Leadership Academy, Charter School No. 4228
Woodbury, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major funds of the Woodbury Leadership Academy, Charter School No. 4228, (the Charter School), Woodbury, Minnesota as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Charter School's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charter School's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of the Charter School as of June 30, 2019, and the respective changes in financial position thereof and the respective budgetary comparison for the General and Community Service funds for the period then ended in conformity with accounting principles generally accepted in the United States of America.

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 15 and the Schedule of Employer's Shares of the Net Pension Liability and the Schedules of Employer's Contributions on page 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Charter School's basic financial statements. The introductory section and table are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The table is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the table is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

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

ABDO, EICK & MEYERS, LLP
Minneapolis, Minnesota
NEED DATE

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

Management's Discussion and Analysis

As management of the Woodbury Leadership Academy (the Charter School), Minneapolis, Minnesota, we offer readers of the Charter School's financial statements this narrative overview and analysis of the financial activities of the Charter School for the period ended June 30, 2019.

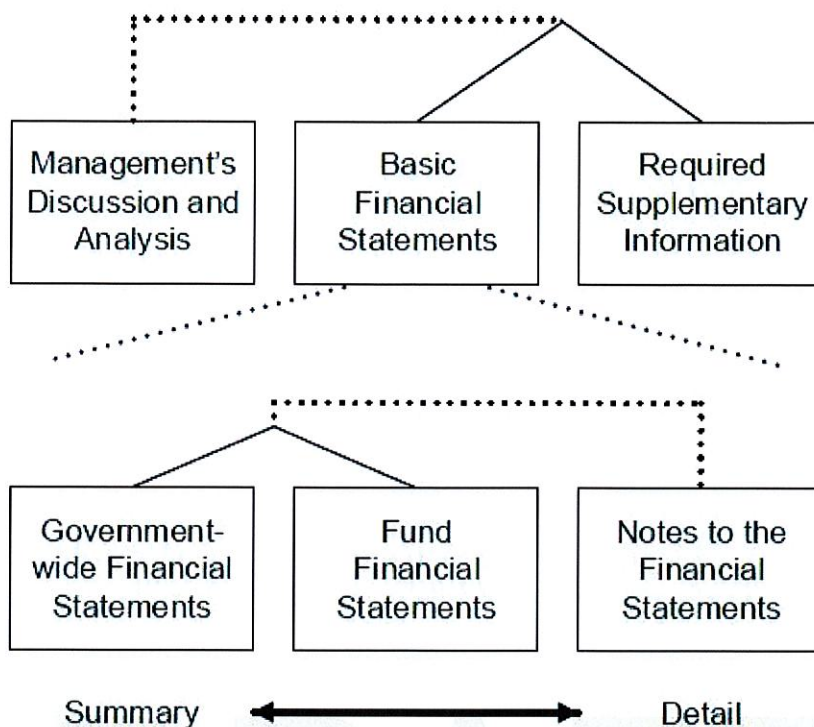
Financial Highlights

- The fund balance of the General Fund increased \$278,343 from the prior year for an ending fund balance of \$714,408 at June 30, 2019. At the end of the current fiscal year, the fund balance percentage for the General fund was 20.5% of total General fund expenditures.
- The fund balance of the Community Service Fund was \$93,102 at June 30, 2019.
- The average enrollment during 2018-2019 was 387 students which was an increase of approximately 127 students over the prior year.
- The Charter School had a negative net position of \$307,850 at the close of fiscal year 2019 which was an increase of \$497,489 from the prior year. This increase is primarily due to the decreased liability and related expenses related to TRA and PERA pension liability.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Charter School's basic financial statements. The Charter School's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The following chart shows how the various parts of this annual report are arranged and related to one another:



The following chart summarizes the major features of the Charter School's financial statements, including the portion of the Charter School's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements:

Major Features of the Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Financial Statements Governmental Funds
	Scope	Entire Charter School (except fiduciary funds)
Required financial statements	<ul style="list-style-type: none"> Statement of Net Position Statement of Activities 	<ul style="list-style-type: none"> Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included
Type of inflow/out flow information	All revenues and expenditures during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Charter School's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Charter School's assets, deferred inflows of resources, liabilities and deferred outflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Charter School is improving or deteriorating.

The *statement of activities* presents information showing how the Charter School's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The government-wide financial statements display functions of the Charter School that are principally supported by intergovernmental revenues (*governmental activities*). The governmental activities of the Charter School include administration, district support services, elementary and secondary regular instruction, special education instruction, community education and services, instructional support services, pupil support services, sites and buildings, and fiscal and other fixed cost programs.

The government-wide financial statements can be found starting on page 22 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Charter School, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Charter School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Charter School maintains two individual governmental funds. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund and the Community Service fund.

The Charter School adopts an annual appropriated budget for its General fund and the Community Service fund. A budgetary comparison statement has been provided for the General fund and the Community Service fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found starting on page 26 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 33 of this report.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Charter School's share of net pension liabilities for defined benefit plans and schedules of contributions. Required supplementary information can be found starting on page 54 of this report.

Other Information. The table can be found starting on page 60 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Charter School, assets and deferred outflows were less than liabilities and deferred inflows by \$307,850 at the close of the 2019 fiscal year.

A portion of the Charter School's net position, \$222,368, reflects its investment in capital assets (e.g., equipment). The Charter School uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending.

Woodbury Leadership Academy's Summary of Net Position

	Governmental Activities		
	2019	2018	Increase (Decrease)
Assets			
Current and other assets	\$ 1,064,036	\$ 704,307	\$ 359,729
Capital assets, net of depreciation	222,368	176,252	46,116
Total Assets	<u>1,286,404</u>	<u>880,559</u>	<u>405,845</u>
Deferred Outflows of Resources	<u>1,498,480</u>	<u>2,342,698</u>	<u>(844,218)</u>
Liabilities			
Noncurrent liabilities outstanding	989,549	3,300,797	(2,311,248)
Current and other liabilities	256,526	145,072	111,454
Total Liabilities	<u>1,246,075</u>	<u>3,445,869</u>	<u>(2,199,794)</u>
Deferred Inflows of Resources	<u>1,846,659</u>	<u>582,727</u>	<u>1,263,932</u>
Net Position			
Investment in capital assets	222,368	176,252	46,116
Restricted	93,102	123,170	(30,068)
Unrestricted	(623,320)	(1,104,761)	481,441
Total Net Position	<u>\$ (307,850)</u>	<u>\$ (805,339)</u>	<u>\$ 497,489</u>

At the end of the current fiscal year, the Charter School reported a negative balance in the unrestricted net position. The Charter School's net position increased by \$497,489 primarily as a result of a decrease in outstanding long-term pension liability and related expenses for the TRA and PERA defined contribution benefit plans.

Key elements of this decrease are shown in the table on the following page.

Woodbury Leadership Academy's Changes in Net Position

	Governmental Activities		
	2019	2018	Increase (Decrease)
Revenues			
Program revenues			
Charges for services	\$ 36,279	\$ 19,087	\$ 17,192
Operating grants and contributions	844,838	267,754	577,084
General revenues			
State aid-formula grants	2,810,973	1,771,139	1,039,834
Other general revenues	11,264	34,222	(22,958)
Unrestricted investment earnings	3,219	181	3,038
Total Revenues	<u>3,706,573</u>	<u>2,092,383</u>	<u>1,614,190</u>
Expenses			
Administration	128,390	199,397	(71,007)
Charter School support services	379,097	289,826	89,271
Elementary and secondary regular instruction	1,070,239	1,516,120	(445,881)
Special education instruction	399,452	304,394	95,058
Community education and services	1,229	5,607	(4,378)
Instructional support services	77,196	40,100	37,096
Pupil support services	325,917	9,181	316,736
Sites and buildings	815,529	509,574	305,955
Fiscal and other fixed cost programs	12,035	8,960	3,075
Total Expenses	<u>3,209,084</u>	<u>2,883,159</u>	<u>325,925</u>
Change in Net Position	497,489	(790,776)	1,288,265
Net Position, July 1	<u>(805,339)</u>	<u>(14,563)</u>	<u>(790,776)</u>
Net Position, June 30	<u>\$ (307,850)</u>	<u>\$ (805,339)</u>	<u>\$ 497,489</u>

Revenues increased from prior year by \$1,614,190. The increase is primarily due to an increase in state-aid formula grants from increased students and lease aid. The School received more revenue for general education aid and special education aid as a result of increased enrollment.

Expenditures increased by \$325,925. This increase from prior year can partially be attributed to an increase in salary and benefits expense which is due to the increase in enrollment. Lease expense also increased as a result of moving into a different and larger facility. The District also incurred significant transportation costs as a result of contracting with a vendor to provide transportation. In previous years, ISD #833 had provided transportation for the District in return for receiving the District's transportation revenue.

Financial Analysis of the Charter School's Funds

As noted earlier, the Charter School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Charter School's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the Charter School's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Charter School's governmental funds reported combined ending fund balances of \$807,510. Approximately 80.2 percent of this total amount, \$647,237, constitutes unassigned fund balance. The remainder of fund balance is not available for new spending because it is nonspendable for prepaid items (\$67,171) and restricted for community service (\$93,102).

The General fund is the primary operating fund of the Charter School. At the end of the current year, the fund balance of the General fund was \$714,408. As a measure of the General fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Fund balance represents 20.5 percent of fund expenditures. The fund balance of the Charter School's General fund increased \$278,343 during the current fiscal year.

As of the end of the current fiscal year, the Charter School's Community Service special revenue fund reported an ending fund balance of \$93,102.

General Fund Budgetary Highlights

The Charter School amended their budget during the year. The original General fund budget called for a decrease in fund balance of \$142,389. The final budget called for an increase in fund balance of \$98,593. There was an actual increase to the fund balance of \$278,343.

Total revenues were \$107,528 more than budgeted. The biggest revenue variance was in special education revenue.

Total expenditures were \$72,222 less than budget. This variance is mostly attributed to the Elementary and secondary regular instruction category, which had a positive budget variance of \$75,980.

Capital Assets

The Charter School's investment in capital assets for its governmental activities as of June 30, 2019 amounts to \$222,368 (net of accumulated depreciation). This investment in capital assets includes equipment. Total depreciation for the year was \$30,096.

Additional information on the Charter School's capital assets can be found in Note 3B on page 40 of this report.

Economic Factors and Next Year's Budgets and Rates

- The Charter School is dependent on enrollment as well as the State of Minnesota for the majority of its revenue.
- The School will strive to maintain a commitment to academic excellence and educational opportunity for all students within a framework of financial fiduciary responsibility.

These factors were considered in preparing the Charter School's budget for the 2020 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Charter School's finances for all those with an interest in the Charter School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Dr. Kathleen Mortensen, Director, Woodbury Leadership Academy, Charter School No. 4228, 8089 Globe Drive, Woodbury, MN 55129.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

WOODBURY LEADERSHIP ACADEMY
CHARTER SCHOOL NO. 4228
WOODBURY, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2019

DRAFT

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Statement of Net Position
June 30, 2019

	Governmental Activities
Assets	
Cash and temporary investments	\$ 624,546
Deposits receivable	8,883
Due from Minnesota Department of Education	344,675
Due from Federal government	18,473
Due from other governments	288
Prepaid items	67,171
Capital assets	
Depreciable assets, net of accumulated depreciation	222,368
Total Assets	1,286,404
Deferred Outflow of Resources	
Deferred pension resources	1,498,480
Liabilities	
Accounts and other payables	49,812
Accrued salaries payable	206,714
Noncurrent liabilities - due in more than one year	
Pension liability	989,549
Total Liabilities	1,246,075
Deferred Inflow of Resources	
Deferred inflows of resources	1,846,659
Net Position	
Investment in capital assets	222,368
Restricted	
Community service	93,102
Unrestricted	(623,320)
Total Net Position	\$ (307,850)

The notes to the financial statements are an integral part of this statement.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Statement of Activities
For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					Governmental Activities
Administration	\$ 128,390	\$ 36,279	\$ -	\$ -	\$ (92,111)
Charter School support services	379,097	-	-	-	(379,097)
Elementary and secondary					
regular instruction	1,070,239	-	(47,827)	-	(1,118,066)
Special education instruction	399,452	-	381,957	-	(17,495)
Community education and services	1,229	-	-	-	(1,229)
Instructional support services	77,196	-	-	-	(77,196)
Pupil support services	325,917	-	-	-	(325,917)
Sites and buildings	815,529	-	510,708	-	(304,821)
Fiscal and other fixed cost programs	12,035	-	-	-	(12,035)
Total Governmental Activities	\$ 3,209,084	\$ 36,279	\$ 844,838	\$ -	(2,327,967)
General Revenues					
State aid formula grants					2,810,973
Other general revenues					11,264
Unrestricted investment earnings					3,219
Total General Revenues					2,825,456
Change in Net Position					497,489
Net Position, July 1					(805,339)
Net Position, June 30					<u>\$ (307,850)</u>

The notes to the financial statements are an integral part of this statement.

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

FUND FINANCIAL STATEMENTS
WOODBURY LEADERSHIP ACADEMY
CHARTER SCHOOL NO. 4228
WOODBURY, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2019

DRAFT

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Balance Sheet
Governmental Funds
June 30, 2019

	General	Community Service	Total Funds
Assets			
Cash and temporary investments	\$ 531,444	\$ 93,102	\$ 624,546
Deposits receivable	8,883	-	8,883
Due from the Minnesota Department of Education	344,675	-	344,675
Due from the Federal government	18,473	-	18,473
Due from other governments	288	-	288
Prepaid items	67,171	-	67,171
Total Assets	\$ 970,934	\$ 93,102	\$ 1,064,036
Liabilities			
Accounts and other payables	\$ 49,812	\$ -	\$ 49,812
Accrued salaries payable	206,714	-	206,714
Total Liabilities	256,526	-	256,526
Fund Balances			
Nonspendable prepaid items	67,171	-	67,171
Restricted for community service	-	93,102	93,102
Unassigned	647,237	-	647,237
Total Fund Balances	714,408	93,102	807,510
Total Liabilities and Fund Balances	\$ 970,934	\$ 93,102	\$ 1,064,036

The notes to the financial statements are an integral part of this statement.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
June 30, 2019

Amounts reported for governmental activities in the statement of net position are different because

Total Fund Balances - Governmental Funds	\$	807,510
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.</p>		
Cost of capital assets		312,548
Less accumulated depreciation		(90,180)
<p>Noncurrent liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Noncurrent liabilities at year end consist of</p>		
Pension liability		(989,549)
<p>Governmental funds do not report long-term amounts related to pensions.</p>		
Deferred outflows of pension resources		1,498,480
Deferred inflows of pension resources		(1,846,659)
		(348,169)
Total Net Position - Governmental Activities	\$	(307,850)

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2019

	General	Community Service	Total Funds
Revenues			
Other local and county revenue	\$ 47,474	\$ 360	\$ 47,834
Interest earned on investments	3,219	-	3,219
Revenue from state sources	3,650,839	-	3,650,839
Revenue from federal sources	66,605	-	66,605
Total Revenues	<u>3,768,137</u>	<u>360</u>	<u>3,768,497</u>
Expenditures			
Current			
Administration	158,072	-	158,072
Charter School support services	373,170	-	373,170
Elementary and secondary regular instruction	1,282,602	-	1,282,602
Special education instruction	406,172	-	406,172
Community education and services	-	30,428	30,428
Instructional support services	67,828	-	67,828
Pupil support services	325,917	-	325,917
Sites and buildings	794,225	-	794,225
Fiscal and other fixed cost programs	12,035	-	12,035
Capital outlay			
Charter School support services	1,354	-	1,354
Elementary and secondary regular instruction	3,771	-	3,771
Instructional support services	9,273	-	9,273
Sites and buildings	55,375	-	55,375
Total Expenditures	<u>3,489,794</u>	<u>30,428</u>	<u>3,520,222</u>
Net Change in Fund Balance	278,343	(30,068)	248,275
Fund Balance, July 1	<u>436,065</u>	<u>123,170</u>	<u>559,235</u>
Fund Balance, June 30	<u>\$ 714,408</u>	<u>\$ 93,102</u>	<u>\$ 807,510</u>

The notes to the financial statements are an integral part of this statement.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Reconciliation of the Statement of
Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
For the Year Ended June 30, 2019

Amounts reported for governmental activities in the statement of activities are different because

Net Change in Fund Balances - Governmental Funds	\$	248,275
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.</p>		
Capital outlays		76,212
Depreciation expense		(30,096)
<p>Long-term pension activity is not reported in governmental funds.</p>		
Pension expense		265,022
Pension revenue		-
		-
Change in Net Position - Governmental Activities	\$	559,413

DRAFT

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
General Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Other local and county revenue	\$ 20,500	\$ 25,550	\$ 47,474	\$ 21,924
Interest earned on investments	100	100	3,219	3,119
Revenue from state sources	2,855,992	3,592,928	3,650,839	57,911
Revenue from federal sources	45,000	42,031	66,605	24,574
Total Revenues	2,921,592	3,660,609	3,768,137	107,528
Expenditures				
Current				
Administration	126,734	156,871	158,072	(1,201)
Charter School support services	367,669	372,766	373,170	(404)
Elementary and secondary regular instruction	1,081,997	1,358,582	1,282,602	75,980
Special education instruction	265,900	350,540	406,172	(55,632)
Instructional support services	42,400	41,350	67,828	(26,478)
Pupil support services	313,930	341,652	325,917	15,735
Sites and buildings	821,851	828,833	794,225	34,608
Fiscal and other fixed cost programs	11,500	13,639	12,035	1,604
Capital outlay				
Charter School support services	3,000	7,500	1,354	6,146
Elementary and secondary regular instruction	-	29,202	3,771	25,431
Instructional support services	19,000	9,285	9,273	12
Sites and buildings	10,000	51,796	55,375	(3,579)
Total Expenditures	3,063,981	3,562,016	3,489,794	72,222
Net Change in Fund Balances	(142,389)	98,593	278,343	179,750
Fund Balances, July 1	436,065	436,065	436,065	-
Fund Balances, June 30	<u>\$ 293,676</u>	<u>\$ 534,658</u>	<u>\$ 714,408</u>	<u>\$ 179,750</u>

The notes to the financial statements are an integral part of this statement.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Community Service Special Revenue Fund
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Other local and county revenue	\$ 2,100	\$ 2,100	\$ 360	\$ (1,740)
Expenditures				
Current				
Community education and services	2,100	2,100	-	2,100
Capital outlay				
Community education and services	-	30,430	30,428	2
Total Expenditures	2,100	32,530	30,428	2,102
Net Change in Fund Balances	-	(30,430)	(30,068)	362
Fund Balances, July 1	123,170	123,170	123,170	-
Fund Balances, June 30	\$ 123,170	\$ 92,740	\$ 93,102	\$ 362

The notes to the financial statements are an integral part of this statement.

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Woodbury Leadership Academy, Charter School No. 4228, (the Charter School), Woodbury, Minnesota is a nonprofit that was incorporated on November 12, 2013 as a non-profit corporation under section 501(c)3 of the Internal Revenue Code of 1954, for the purpose of providing educational services to individuals within the area. The Charter School is authorized by Volunteers of America - Minnesota. The permanent governing body consists of a nine member Board of Directors.

The Charter School has considered all potential units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the Charter School are such that exclusion would cause the Charter School's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. The Charter School has no component units that meet the GASB criteria.

Aside from its authorization, Volunteers of America - Minnesota has no authority, control, power, or administrative responsibilities over the Charter School. Therefore, the Charter School is not considered a component unit of Volunteers of America.

In accordance with Minnesota statutes, the School Board has elected to control or be financially accountable for extracurricular student activities. Accordingly, the accounts and transactions are included in the financial statements within the General fund.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Amounts reported as *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. State aid formula grants and other internally dedicated resources are reported as general revenues rather than as program revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. State revenue is recognized in the year to which it applies according to Minnesota statutes and accounting principles generally accepted in the United States of America. Minnesota statutes include State aid funding formulas for specific fiscal years. Federal revenue is recorded in the year in which the related expenditure was made. Other revenue is considered available if collected within one year.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the Charter School receives value without directly giving equal value in return, include grants, entitlement and donations. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Charter School must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Charter School on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transaction must also be available before it can be recognized.

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

Description of Funds

The Charter School funds have been established by the State of Minnesota Department of Education. Each fund is accounted for as an independent entity. Descriptions of the funds included in the report are as follows:

Major Governmental Funds

The *General fund* is the Charter School's primary operating fund. It accounts for all financial resources of the Charter School, except those required to be accounted for in another fund.

The *Community Service special revenue fund* is used to account for the Charter School's after school program.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance

Deposits and Investments

The Charter School's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

The Charter School may also invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.
7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

The Charter School does not have and investments or a formal investment policy.

Due from Federal Government, Minnesota Department of Education and Other Governments

Due from Federal government, Minnesota Department of Education, and other governments include amounts billed for services provided before year end as well as amounts for expenditures that have been incurred before year end that will be reimbursed with State and Federal funding. No substantial losses are anticipated from present receivable balances, therefore no allowance for uncollectible has been recorded.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets include equipment. Capital assets are defined by the Charter School as assets with an initial, individual cost of more than \$1,000 (amount not rounded). Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Donated capital assets are recorded at the acquisition value at the date of donation.

Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. Equipment of the Charter School is depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 10 years for equipment.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Charter School only has one item that qualifies for reporting in this category. Accordingly, the item, deferred pension resources, is reported only in the statement of net position. This results from actuarial calculations and current year pension contributions made subsequent to the measurement date.

Pensions

Teachers Retirement Association (TRA)

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Teachers Retirement Association (TRA) and additions to/deductions from TRA's fiduciary net position have been determined on the same basis as they are reported by TRA.

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis and Minneapolis School District. The direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association merger into TRA in 2006. A second direct aid source is from the State of Minnesota for the merger of the Duluth Teacher's Retirement Fund Association (DTRFA) in 2015. Additional information can be found in Note 4.

Public Employees Retirement Association (PERA)

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The General fund is typically used to liquidate the governmental net pension liability.

The total pension expense for the GERF and TRA is as follows:

	GERF	TRA	Total Pension Expense
Pension Expense	\$ 29,899	\$ (126,604)	\$ (96,705)

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises only under a full accrual basis of accounting that qualifies as needing to be reported in this category. Accordingly, the item, deferred pension resources, is reported only in the government-wide statement of net position. This amount results from actuarial calculations and is deferred and recognized as an inflow of resources in the period that the amounts become available.

Fund Balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the Charter School is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable - Amounts that cannot be spent because they are not in spendable form, such as prepaid items and deposits receivable.

Restricted - Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the Board of Directors, which is the Charter School's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Board of Directors modifies or rescinds the commitment by resolution.

Assigned - Amounts constrained for specific purposes that are internally imposed. In governmental funds other than the General fund, assigned fund balance represents all remaining amounts that are not classified as nonspendable and are neither restricted nor committed. In the General fund, assigned amounts represent intended uses established by the Board of Directors itself or by an official to which the governing body delegates the authority. The Board of Directors has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to the Director and Chief Financial Officer.

Unassigned - The residual classification for the General fund and also negative residual amounts in other funds.

The Charter School considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the Charter School would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The Charter School has formally adopted a fund balance policy for the General fund. The Charter School's policy is to budget towards maintaining an unrestricted fund balance at fiscal year-end of 20 percent of total General fund expenditures.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

Net Position

In the government-wide financial statements, net position represents the difference between assets, deferred outflows of resources, and liabilities. Net position is displayed in three components:

- a. Investment in capital assets - Consists of capital assets, net of accumulated depreciation.
- b. Restricted net position - Consist of net position balances restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- c. Unrestricted net position - All other net position balances that do not meet the definition of "restricted" or "investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the Charter School's policy to use restricted resources first, then unrestricted resources as they are needed.

Note 2: Stewardship, Compliance and Accountability

Budgetary Information

Budgets are prepared for Charter School funds on the same basis and using the same accounting practices that are used in accounting and preparing financial statements for the General fund and the Community Service fund. The General fund budget was amended during the current fiscal year, increasing revenues and expenditures by \$739,017 and \$498,035, respectively. The Community Service fund budget was amended during the current fiscal year keeping revenues the same and increasing expenditures by \$30,430

The Charter School follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to July 1, the budget is prepared by the Director to be adopted by the Board of Directors.
2. Budgets for the General fund and Community Service Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).
3. Budgeted amounts are as originally adopted, or as amended.
4. Budget appropriations lapse at year end.
5. The legal level of control is the fund level.
6. The Charter School does not use encumbrance accounting.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 3: Detailed Notes on All Funds

A. Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the Charter School's deposits and investments may not be returned or the Charter School will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the Board of Directors, the Charter School maintains deposits at those depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all Charter School deposits be protected by insurance, surety bond or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the Charter School.

At year end, the Charter School's carrying amount of deposits was \$624,546 and the bank balance was \$630,742. A portion of the bank balance (\$250,000) was covered by federal depository insurance and the remaining balance was covered by collateral pledged in the School's name.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 3: Detailed Notes on All Funds (Continued)

B. Capital Assets

Capital asset activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, being Depreciated				
Equipment	\$ 236,336	\$ 76,212	\$ -	\$ 312,548
Less Accumulated Depreciation for				
Equipment	(60,084)	(30,096)	-	(90,180)
Governmental Activities				
Capital Assets, Net	<u>\$ 176,252</u>	<u>\$ 46,116</u>	<u>\$ -</u>	<u>\$ 222,368</u>

Depreciation expense was charged to functions/programs of the Charter School as follows:

Governmental Activities		
Charter School Support Services		\$ 450
Elementary and Secondary Regular Instruction		17,431
Community Education and Services		1,229
Instructional Support Services		627
Sites and Buildings		<u>10,359</u>
Total Depreciation Expense - Governmental Activities		<u>\$ 30,096</u>

C. Operating Lease

The Charter School entered into an agreement with the MSB Holdings - Woodbury LLC to lease space at 8089 Globe Drive, Woodbury, Minnesota 55125 on June 1st, 2018. The Charter School paid rent including taxes of \$567,395 under the agreement during the year ended June 30, 2019. The lease commenced August 1, 2018 and will run through June 30, 2021 with annual payments as listed below. Payments exclude CAM expenses. The Charter School also had an outstanding payment of \$10,264 to ISD 625 for July 2018 rent at year end. This is the final rent payment of their agreement for Perpich Art Center and is a reduced amount because the school did not have exclusive access to the space in July 2018. The agreement for a reduced rate was reached on July 25th, 2019 and the final payment has subsequently been paid.

Year Ending June 30,	Total
2020	\$ 680,360
2021	<u>618,463</u>
Total Minimum Lease Payments	<u>\$ 1,298,823</u>

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 3: Detailed Notes on All Funds (Continued)

D. Long-term Debt

Change in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
Pension Liability					
TRA	\$ 3,153,967	\$ 6,244	\$ (2,287,161)	\$ 873,050	\$ -
PERA	<u>146,830</u>	<u>-</u>	<u>(30,331)</u>	<u>116,499</u>	<u>-</u>
Governmental Activity Long-term Liabilities	<u>\$ 3,300,797</u>	<u>\$ 6,244</u>	<u>\$ (2,317,492)</u>	<u>\$ 989,549</u>	<u>\$ -</u>

Note 4: Defined Benefit Pension Plans - Statewide

Substantially all employees of the Charter School are required by state law to belong to pension plans administered by Teachers Retirement Association (TRA) or Public Employees Retirement Association (PERA), all of which are administered on a statewide basis.

Disclosures relating to these plans follow:

A. Teacher Retirement Association (TRA)

1. Plan Description

The Teachers Retirement Association (TRA) is an administrator of a multiple employer, cost-sharing, defined benefit retirement fund. TRA administers a Basic Plan (without Social Security coverage) and a Coordinated Plan (with Social Security coverage) in accordance with Minnesota statutes, chapters 354 and 356. TRA is a separate statutory entity and administered by a Board of Trustees. The Board consists of four active member, one retired member and three statutory officials.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

2. Benefits Provided

TRA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefits are established by Minnesota statute and vest after three years of service credit. The defined retirement benefits are based on a member's highest average salary for any five consecutive years of allowable service, age and a formula multiplier based on years of credit at termination of service.

Two methods are used to compute benefits for TRA's Coordinated and Basic Plan members. Members first employed before **July 1, 1989** receive the greater of the Tier I or Tier II as described:

Tier I:	Step Rate Formula	Percentage
Basic	1st ten years of service	2.2 percent per year
	All years after	2.7 percent per year
Coordinated	1st ten years if service years are prior to July 1, 2006	1.2 percent per year
	1st ten years if service years are July 1, 2006 or after	1.4 percent per year
	All other years of service if service years are prior to July 1, 2006	1.7 percent per year
	All other years of service if service years are July 1, 2006 or after	1.9 percent per year

With these provisions:

1. Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.
2. Three percent per year early retirement reduction factors for all years under normal retirement age.
3. Unreduced benefits for early retirement under a Rule-of-90 (age plus allowable service equals 90 or more).

or

Tier II: For years of service prior to July 1, 2006, a level formula of 1.7 percent per year for coordinated members and 2.7 percent per year for basic members. For years of service July 1, 2006 and after, a level formula of 1.9 percent per year for Coordinated members and 2.7 percent per year for Basic members applies. Beginning July 1, 2015, the early retirement reduction factors are based on rates established under Minnesota Statute. Smaller reductions, more favorable to the member, will be applied to individuals who reach age 62 and have 30 years or more of service credit.

Members first employed after **June 30, 1989** receive only the Tier II calculation with a normal retirement age that is their retirement age for full Social Security retirement benefits, but not to exceed age 66.

Six different types of annuities are available to members upon retirement. The No Refund Life Plan is a lifetime annuity that ceases upon the death of the retiree - no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary(ies) by selecting one of the five plans that have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any member terminating service is also eligible for a refund of their employee contributions plus interest.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

The benefit provisions stated apply to active plan participants. Vested, terminated employees who are entitled to benefits but not yet receiving them are bound by the provisions in effect at the time they last terminated their public service.

3. Contribution Rate

Per Minnesota statutes, chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year were:

Plan	Ending June 30, 2017		Ending June 30, 2018		Ending June 30, 2019	
	Employee	Employer	Employee	Employer	Employee	Employer
Basic	11.00%	11.50%	11.00%	11.50%	11.00%	11.71%
Coordinated	7.50%	7.50%	7.50%	7.50%	7.50%	7.71%

The Charter School's contributions to TRA for the years ending June 30, 2019, 2018 and 2017 were \$92,834, \$63,393 and \$65,858, respectively. The Charter School's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

The following is a reconciliation of employer contributions in TRA's CAFR "Statement of Changes in Fiduciary Net Position" to the employer contributions used in schedule of employer and non-employer pension allocations.

Employer Contributions Reported in TRA's CAFR Statement of Changes in Fiduciary Net Position	\$ 378,728,000
Add Employer Contributions not Related to Future Contribution Efforts	522,000
Deduct TRA's Contributions not Included in Allocation	<u>(471,000)</u>
 Total Employer Contributions	 378,779,000
Total Non-employer Contributions	<u>35,588,000</u>
 Total Contributions Reported in Schedule of Employer and Non-employer Pension Allocations	 <u><u>\$414,367,000</u></u>

Amounts reported in the allocation schedules may not precisely agree with financial statement amounts or actuarial valuations due to the number of decimal places used in the allocations. TRA has rounded percentage amounts to the nearest ten thousandths.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

4. Actuarial Assumptions

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Key Methods and Assumptions Used in Valuation of Total Pension Liability

Actuarial Information

Valuation Date	July 1, 2018
Experience Study	June 5, 2015
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Investment Rate of Return	7.50%
Price Inflation	2.50%
Wage Growth Rate	2.85% for ten years and 3.25% thereafter
Projected Salary Increase	2.85% to 8.85% for ten years and 3.5% to 9.25% thereafter
Cost of Living Adjustment	1% for January 2019 through January 2023 then increasing by 0.1% each year up to 1.5% annually

Mortality Assumption

Pre-retirement	RP - 2014 white collar employee table, male rates set back six years and female rates set back five years. Generational projection uses the MP - 2015 scale.
Post-retirement	RP - 2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP - 2015 scale.
Post-disability	RP - 2014 disabled retiree mortality table, without adjustments.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	36.00 %	5.10 %
International Equity	17.00	5.30
Alternative Assets (Private Markets)	25.00	5.90
Bonds (Fixed Income)	20.00	0.75
Unallocated Cash	2.00	-
Total	100.00 %	

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

The TRA actuary has determined the average of the expected remaining service lives of all members for fiscal year 2016 is 6.00 years. The "Difference Between Expected and Actual Experience", "Changes of Assumptions" and "Changes in Proportion" use the amortization period of 6.00 years in the schedule presented. The amortization period for "Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments" is 5.00 years as required by GASB 68.

Changes in actuarial assumptions since the 2017 valuation:

- The cost of living adjustment (COLA) was assumed to increase from 2.0 percent annually to 2.5 percent annually on July 1, 2045.
- The COLA was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1 % each year until reaching the ultimate rate of 1.5% in January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years, (7.71 % in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

5. Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. This is an increase from the discount rate at the prior measurement date of 5.12 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2018 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate (SEIR).

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

6. Net Pension Liability

On June 30, 2019, the Charter School reported a liability of \$873,050 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Charter School's proportion of the net pension liability was based on the Charter School's contributions to TRA in relation to total system contributions including direct aid from the State of Minnesota, City of Minneapolis and Minneapolis School District. The Charter School's proportionate share was 0.0139 at the end of the period which was a decrease of 0.0011 from the prior fiscal year.

The pension liability amount reflected a reduction due to direct aid provided to TRA. The amount recognized by the Charter School as its proportionate share of the net pension liability, the direct aid, and total portion of the net pension liability that was associated with the Charter School were as follows:

Charter School's Proportionate Share of Net Pension Liability	\$ 873,050
State's Proportionate Share of Net Pension Liability Associated with the Charter School	81,994

For the year ended June 30, 2019, the Charter School recognized negative pension expense of \$126,064. It also recognized \$57,226 as a decrease to pension expense for the support provided by direct aid.

On June 30, 2019, the Charter School had deferred resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Projected and Actual Earnings on Plan Investments	\$ 4,642	\$ 17,610
Changes in Actuarial Assumptions	1,123,909	1,492,482
Net Difference between Projected and Actual Earnings on Plan Investments	-	79,993
Changes in Proportion	241,846	183,140
Contributions to TRA Subsequent to the Measurement Date	85,540	-
Total	\$ 1,455,937	\$ 1,773,225

Deferred outflows of resources totaling \$85,540 related to pensions resulting from the Charter School's contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

2020	\$ 201,848
2021	85,987
2022	(31,159)
2023	(422,804)
2024	(236,700)

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

7. Pension Liability Sensitivity

The following presents the net pension liability of TRA calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent) or one percentage point higher (8.50 percent) than the current rate.

Charter School's Proportionate Share of NPL		
1 Percent Decrease (6.50%)	Current (7.50%)	1 Percent Increase (8.50%)
\$ 1,385,527	\$ 873,050	\$ 450,260

The Charter School's proportion of the net pension liability was based on the employer contributions to TRA in relation to TRA's total employer contributions including direct aid contributions from the State of Minnesota, City of Minneapolis and Minneapolis School District.

8. Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in a separately-issued TRA financial report. That report can be obtained at www.MinnesotaTRA.org, by writing to TRA at 60 Empire Drive, Suite 400, St. Paul, MN, 55103-4000; or by calling (651) 296-2409 or (800) 657-3669.

B. Public Employees' Retirement Association (PERA)

1. Plan Description

The Charter School participates in the following defined benefit pension plans administered by the Public Employees Retirement Association (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota statutes, chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401 (a) of the Internal Revenue Code.

General Employees Retirement Plan (GERF)

All full-time and certain part-time employees of the Charter School, other than teachers, are covered by the General Employees Retirement Fund (GERF). GERF members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

2. Benefits Provided

PERA provides retirement, disability and death benefits. Benefit provisions are established by Minnesota statute and can only be modified by the state legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

GERF Benefits

Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first ten years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first ten years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. If the General Employees Plan is at least 90 percent funded for two consecutive years, benefit recipients are given a 2.5 percent increase. If the plan has not exceeded 90 percent funded, or have fallen below 80 percent, benefit recipients are given a one percent increase. A benefit recipient who has been receiving a benefit for at least 12 full months as of June 30 will receive a full increase. Members receiving benefits for at least one month but less than 12 full months as of June 30 will receive a pro rata increase.

3. Contributions

Minnesota statutes chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

GERF Contributions

Plan members were required to contribute 6.50 percent of their annual covered salary and the District was required to contribute 7.50 percent of pay for Coordinated Plan members in fiscal year 2018. The Charter School's contributions to the GERF for June 30, 2019, 2018 and 2017 were \$16,152, \$10,421 and \$11,015, respectively. The Charter School's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

4. Pension Costs

At June 30, 2019, the Charter School reported a liability of \$116,499 for its proportionate share of the GERF's net pension liability. The Charter School's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million to the fund in 2019. The State of Minnesota is considered a non-employer contributing entity and the State's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the Charter School totaled \$3,700. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Charter School's proportion of the net pension liability was based on the Charter School's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2017 through June 30, 2018, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2018, the Charter School's proportionate share was 0.0021 percent which was a decrease of 0.0014 percent from its proportion measured as of June 30, 2017.

Charter School's Proportionate Share of Net Pension Liability	\$ 116,499
State's Proportionate Share of Net Pension Liability Associated with the Charter School	3,700

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

For the year ended June 30, 2019, the Charter School recognized pension expense of \$29,899 for its proportionate share of GERF's pension expense. In addition, the Charter School recognized an additional \$336 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the GERF.

At June 30, 2019, the Charter School reported its proportionate share of GERF's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 2,988	\$ 2,478
Changes in Actuarial Assumptions	10,983	13,943
Net Difference between Projected and Actual Earnings on Plan Investments	-	10,768
Changes in Proportion	12,449	46,245
Contributions to GERF Subsequent to the Measurement Date	16,123	-
Total	\$ 42,543	\$ 73,434

Deferred outflows of resources totaling \$16,123 related to pensions resulting from Charter School contributions to GERF subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows and inflows of resources related to GERF pensions will be recognized in pension expense as follows:

2018	\$ (4,237)
2019	(27,264)
2020	(13,075)
2021	(2,438)

5. Actuarial Assumptions

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Active Member Payroll Growth	3.25% per year
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2014 tables for all plans for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25 percent per year for GERF.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019/2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Actuarial assumptions used in the June 30, 2018 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the GERP was completed in 2016. The following changes in actuarial assumptions occurred in 2018:

- The mortality projection scale was changed from MP-2015 to MP-2017
- The assumed benefit increase was changed from 1.0 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Stocks	36.00 %	5.10 %
International Stocks	17.00	5.30
Bonds (Fixed Income)	20.00	0.75
Alternative Assets (Private Markets)	25.00	5.90
Cash	<u>2.00</u>	-
Total	<u><u>100.00 %</u></u>	

6. Discount Rate

The discount rate used to measure the total pension liability in 2018 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota statutes. Based on these assumptions, the fiduciary net position of the GERP was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Notes to the Financial Statements
June 30, 2019

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

7. Pension Liability Sensitivity

The following presents the Charter School's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Charter School's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	Charter School's Proportionate Share of NPL		
	1 Percent Decrease (6.50%)	Current (7.50%)	1 Percent Increase (8.50%)
	GERF	\$ 189,326	\$ 116,499

8. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

Note 5: Other Information

A. Risk Management

The Charter School is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the Charter School carries commercial insurance. Settled claims have not exceeded this commercial coverage in fiscal year 2019.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The Charter School's management is not aware of any incurred but not reported claims.

B. Commitments and Contingencies

Federal and State Programs

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although the Charter School expects such amounts, if any, to be immaterial.

C. Economic Dependency

The Charter School has a significant amount of revenue (97 percent) coming from the State of Minnesota.

D. Income Taxes

The Charter School is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state income tax laws. The Organization is not a private foundation and contributions to the Charter School qualify as a charitable tax deduction by the contributor.

The Organization has evaluated and determined that there are no uncertain tax positions as of June 30, 2019. The Association's tax returns are subject to possible examination by the taxing authorities.

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

REQUIRED SUPPLEMENTARY INFORMATION

WOODBURY LEADERSHIP ACADEMY
CHARTER SCHOOL NO. 4228
WOODBURY, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2019

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Required Supplementary Information
For the Year Ended June 30, 2019

Schedule of Employer's Share of TRA Net Pension Liability

Fiscal Year Ending	Charter School's Proportion of the Net Pension Liability	Charter School's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the Charter School (b)	Total (a+b)	Charter School's Covered Payroll (c)	Charter School's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/18	0.0139 %	\$ 873,050	\$ 81,994	\$ 955,044	\$ 845,241	103.3 %	78.1 %
06/30/17	0.0158	3,153,967	304,403	3,458,370	878,111	359.2	51.6
06/30/16	0.0150	3,577,858	359,002	3,936,860	769,450	465.0	44.9
06/30/15	0.0106	655,715	80,428	736,143	575,853	113.9	76.8

The above schedules are intended to show 10-year trends. Additional years will be reported as they become available

Schedule of Employer's TRA Contributions

Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Charter School's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
06/30/19	\$ 92,834	\$ 92,834	\$ -	\$ 1,204,073	7.7 %
06/30/18	63,393	63,393	-	845,241	7.5
06/30/17	65,858	65,858	-	878,111	7.5
06/30/16	57,709	57,709	-	769,453	7.5
06/30/15	43,189	43,189	-	575,853	7.5

The above schedules are intended to show 10-year trends. Additional years will be reported as they become available

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Required Supplementary Information
For the Year Ended June 30, 2019

Notes to the Required Supplementary Information - TRA

Changes in Actuarial Assumptions

2018 - The investment return assumption was changed from 8.50% to 7.50%. The price inflation assumption was lowered from 3.00% to 2.50%. The payroll growth assumption was lowered from 3.50% to 3.00%. The wage inflation assumption (above price inflation) was reduced from 0.75% to 0.35% for the next 10 years, and 0.75% thereafter. The total salary increase assumption was adjusted by the wage inflation change. The amortization date for the funding of the Unfunded Actuarial Accrued Liability (UAAL) was reset to June 30, 2048 (30 years). A mechanism in the law that provided the TRA Board with some authority to set contribution rates was eliminated.

2017 - The Cost of Living Adjustment was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2045. Adjustments were made to the combined service annuity loads. The active load was reduced from 1.4% to 0.0%, the vested inactive load increased from 4.0% to 7.0% and the non-vested inactive load increased from 4.0% to 9.0%

2016 - The assumed investment return was changed from 8.0 percent to 4.66 percent using the Single Equivalent Interest Rate calculation. The single discount rate was changed from 8.0 percent to 4.66 percent. The assumed future salary increases, payroll growth and inflation were changed by a 0.25 percent decrease for price inflation, a 0.50 percent increase for wage inflation and a 2.50 percent decrease in maximum salary increases based on years of service. Mortality assumptions were updated using the RP-2014 tables.

2015 - The assumed post-retirement benefit increase rate was changed from 2.0 percent per year through 2034 and 2.5 percent per year thereafter to 2.0 percent per year for all future years. The assumed investment return was changed from 8.25 percent to 8.0 percent. The single discount rate was changed from 8.25 percent to 8.0 percent.

Changes in Plan Provisions

2018 - The 2018 Omnibus Pension Bill contained a number of changes:

- The COLA was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% in January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years, (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

2015 - On June 30, 2015, the Duluth Teachers Retirement Fund Association was merged into TRA. This also resulted in a state-provided contribution stream of \$14.377 million until the System becomes fully funded.

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Required Supplementary Information (Continued)
For the Year Ended June 30, 2019

Schedule of Employer's Share of PERA Net Pension Liability

Fiscal Year Ending	Charter School's Proportion of the Net Pension Liability	Charter School's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the Charter School (b)	Total (a+b)	Charter School's Covered Payroll (c)	Charter School's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/18	0.0021 %	\$ 116,499	\$ 3,700	\$ 120,199	\$ 138,951	83.8 %	79.5 %
06/30/17	0.0023	146,830	1,830	148,660	146,863	100.0	75.9
06/30/16	0.0035	284,183	3,768	287,951	219,547	129.4	68.9
06/30/15	0.0026	134,745	-	134,745	153,533	87.8	78.2

The above schedules are intended to show 10-year trends. Additional years will be reported as they become available

Schedule of Employer's Share of PERA Contributions

Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Charter School's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
06/30/19	\$ 16,152	\$ 16,152	\$ -	\$ 215,360	7.5 %
06/30/18	10,421	10,421	-	138,947	7.5
06/30/17	11,015	11,015	-	146,863	7.5
06/30/16	16,466	16,466	-	219,547	7.5
06/30/15	11,515	11,515	-	153,533	7.5

The above schedules are intended to show 10-year trends. Additional years will be reported as they become available

Woodbury Leadership Academy
Charter School No. 4228
Woodbury, Minnesota
Required Supplementary Information (Continued)
For the Year Ended June 30, 2019

Notes to the Required Supplementary Information - PERA

Changes in Actuarial Assumptions

2018 - The mortality projection scale was changed from MP-2015 to MP-2017. The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

2017 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65 percent to 60 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter. The single discount rate was changed from 5.6 percent to 7.5 percent.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2035 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 7.5 percent. Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.5 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year thereafter to 1.0 percent per year through 2035 and 2.5 percent per year thereafter.

Changes in Plan Provisions

2017 - The State's special funding contribution increased from \$6 million to \$16 million.

2015 - On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increase the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

TABLE

WOODBURY LEADERSHIP ACADEMY
CHARTER SCHOOL NO. 4228
WOODBURY, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2019

DRAFT

**Fiscal Compliance Report - 6/30/2019
District: WOODBURY LEADERSHIP ACAD (4228-7)**

	Audit	UFARS	Audit - UFARS		Audit	UFARS	Audit - UFARS
01 GENERAL FUND				06 BUILDING CONSTRUCTION			
Total Revenue	\$3,768,137	<u>\$3,768,132</u>	<u>\$5</u>	Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
Total Expenditures	\$3,489,794	<u>\$3,489,798</u>	<u>(\$4)</u>	Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
<i>Non Spendable:</i>				<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$67,171	<u>\$67,171</u>	<u>\$0</u>	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
<i>Restricted / Reserved:</i>				<i>Restricted / Reserved:</i>			
4.03 Staff Development	\$0	<u>\$0</u>	<u>\$0</u>	4.07 Capital Projects Levy	\$0	<u>\$0</u>	<u>\$0</u>
4.06 Health and Safety	\$0	<u>\$0</u>	<u>\$0</u>	4.13 Project Funded by COP	\$0	<u>\$0</u>	<u>\$0</u>
4.07 Capital Projects Levy	\$0	<u>\$0</u>	<u>\$0</u>	4.67 LTFM	\$0	<u>\$0</u>	<u>\$0</u>
4.08 Cooperative Revenue	\$0	<u>\$0</u>	<u>\$0</u>	<i>Restricted:</i>			
4.13 Project Funded by COP	\$0	<u>\$0</u>	<u>\$0</u>	4.64 Restricted Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.14 Operating Debt	\$0	<u>\$0</u>	<u>\$0</u>	<i>Unassigned:</i>			
4.16 Levy Reduction	\$0	<u>\$0</u>	<u>\$0</u>	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.17 Taconite Building Maint	\$0	<u>\$0</u>	<u>\$0</u>	07 DEBT SERVICE			
4.24 Operating Capital	\$0	<u>\$0</u>	<u>\$0</u>	Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
4.26 \$25 Taconite	\$0	<u>\$0</u>	<u>\$0</u>	Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
4.27 Disabled Accessibility	\$0	<u>\$0</u>	<u>\$0</u>	<i>Non Spendable:</i>			
4.28 Learning & Development	\$0	<u>\$0</u>	<u>\$0</u>	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.34 Area Learning Center	\$0	<u>\$0</u>	<u>\$0</u>	<i>Restricted / Reserved:</i>			
4.35 Contracted Alt. Programs	\$0	<u>\$0</u>	<u>\$0</u>	4.25 Bond Refundings	\$0	<u>\$0</u>	<u>\$0</u>
4.36 State Approved Alt. Program	\$0	<u>\$0</u>	<u>\$0</u>	4.33 Maximum Effort Loan Aid	\$0	<u>\$0</u>	<u>\$0</u>
4.38 Gifted & Talented	\$0	<u>\$0</u>	<u>\$0</u>	4.51 QZAB Payments	\$0	<u>\$0</u>	<u>\$0</u>
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	<u>\$0</u>	4.67 LTFM	\$0	<u>\$0</u>	<u>\$0</u>
4.41 Basic Skills Programs	\$0	<u>\$0</u>	<u>\$0</u>	<i>Restricted:</i>			
4.48 Achievement and Integration	\$0	<u>\$0</u>	<u>\$0</u>	4.64 Restricted Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.49 Safe School Crime - Crime Levy	\$0	<u>\$0</u>	<u>\$0</u>	<i>Unassigned:</i>			
4.50 Pre-Kindergarten	\$0	<u>\$0</u>	<u>\$0</u>	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.51 QZAB Payments	\$0	<u>\$0</u>	<u>\$0</u>	08 TRUST			
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	<u>\$0</u>	Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
4.53 Unfunded Sev & Retirement Levy	\$0	<u>\$0</u>	<u>\$0</u>	Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
4.59 Basic Skills Extended Time	\$0	<u>\$0</u>	<u>\$0</u>	4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	<u>\$0</u>
4.67 LTFM	\$0	<u>\$0</u>	<u>\$0</u>	20 INTERNAL SERVICE			
4.72 Medical Assistance	\$0	<u>\$0</u>	<u>\$0</u>	Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
<i>Restricted:</i>				Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
4.64 Restricted Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>	4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	<u>\$0</u>
4.75 Title VII Impact Aid	\$0	<u>\$0</u>	<u>\$0</u>	25 OPEB REVOCABLE TRUST			
4.76 Payments in Lieu of Taxes	\$0	<u>\$0</u>	<u>\$0</u>	Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
<i>Committed:</i>				Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
4.18 Committed for Separation	\$0	<u>\$0</u>	<u>\$0</u>	4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	<u>\$0</u>
4.61 Committed Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>	45 OPEB IRREVOCABLE TRUST			
<i>Assigned:</i>				Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
4.62 Assigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>				
<i>Unassigned:</i>							
4.22 Unassigned Fund Balance	\$647,237	<u>\$647,228</u>	<u>\$9</u>				
02 FOOD SERVICES							
Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>				
Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>				

	\$0	<u>\$0</u>	<u>\$0</u>
<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
<i>Restricted / Reserved:</i>			
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	<u>\$0</u>
<i>Restricted:</i>			
4.64 Restricted Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
<i>Unassigned:</i>			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>

04 COMMUNITY SERVICE

Total Revenue	\$360	<u>\$360</u>	<u>\$0</u>
Total Expenditures	\$30,428	<u>\$30,428</u>	<u>\$0</u>
<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
<i>Restricted / Reserved:</i>			
4.26 \$25 Taconite	\$0	<u>\$0</u>	<u>\$0</u>
4.31 Community Education	\$0	<u>\$0</u>	<u>\$0</u>
4.32 E.C.F.E	\$0	<u>\$0</u>	<u>\$0</u>
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	<u>\$0</u>
4.44 School Readiness	\$0	<u>\$0</u>	<u>\$0</u>
4.47 Adult Basic Education	\$0	<u>\$0</u>	<u>\$0</u>
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	<u>\$0</u>
<i>Restricted:</i>			
4.64 Restricted Fund Balance	\$93,102	<u>\$93,102</u>	<u>\$0</u>
<i>Unassigned:</i>			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>

Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	<u>\$0</u>

47 OPEB DEBT SERVICE

Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
<i>Restricted:</i>			
4.25 Bond Refundings	\$0	<u>\$0</u>	<u>\$0</u>
4.64 Restricted Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
<i>Unassigned:</i>			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>

DRAFT

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT

OTHER REQUIRED REPORTS

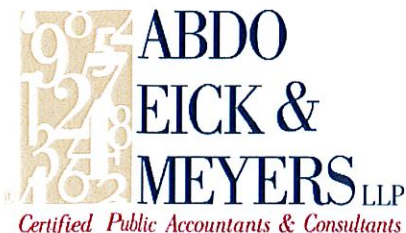
WOODBURY LEADERSHIP ACADEMY
CHARTER SCHOOL NO. 4228
WOODBURY, MINNESOTA

FOR THE YEAR ENDED
JUNE 30, 2019

DRAFT

THIS PAGE IS LEFT
BLANK INTENTIONALLY

DRAFT



INDEPENDENT AUDITOR'S REPORT
ON MINNESOTA LEGAL COMPLIANCE

Members of the Board of Directors
Woodbury Leadership Academy, Charter School No. 4228
Woodbury, Minnesota

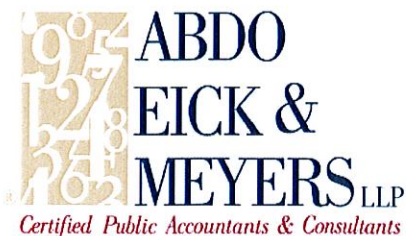
We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major funds of the Woodbury Leadership Academy, Charter School No. 4228 (the Charter School), Woodbury, Minnesota as of and for the year ended June 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated
NEED DATE .

The *Minnesota Legal Compliance Audit Guide for Charter Schools*, promulgated by the State Auditor pursuant to Minnesota Statute § 6.65, contains two categories of compliance to be tested in audits of charter schools: uniform financial accounting and reporting standards, and charter schools.

In connection with our audit, nothing came to our attention that caused us to believe that the Charter School failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for Charter Schools*. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Charter School's noncompliance with the above referenced provisions.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

ABDO, EICK & MEYERS, LLP
Minneapolis, Minnesota
NEED DATE



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

Members of the Board of Directors
Woodbury Leadership Academy, Charter School No. 4228
Woodbury, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of governmental activities and the major funds of the Woodbury Leadership Academy, Charter School No. 4228 (the Charter School), Woodbury, Minnesota, as of June 30, 2019, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements, and have issued our report thereon dated NEED DATE .

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Charter School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter School's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of finding and responses, we identified a deficiency in internal control that we consider to be a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Charter School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Charter School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Charter School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

ABDO, EICK & MEYERS, LLP
Minneapolis, Minnesota
NEED DATE

DRAFT