

— A C A D E M I A —  
**CESAR CHAVEZ**

*¡SÍ SE PUEDE!*

**Annual Report**

**2020-2021**

**ISD #4073-07**

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## **Statutory Information Regarding the Charter School Annual Report**

*In accordance with MN Statute 124E.16, Subd. 2., "A charter school must publish an annual report approved by the board of directors. The annual report must at least include information on school enrollment, student attrition, governance and management, staffing, finances, academic performance, innovative practices and implementation, and future plans."*

*The balance of this report is organized around the elements of the University of Saint Thomas SY22 Reporting Guidelines.*

# Academics

## **A1. Mission & Vision**

Academia Cesar Chavez is dedicated to providing quality dual-language education that prepares critical thinking, socially competent, values driven, and culturally aware bilingual and biliterate learners by advocating Latino cultural values in an environment of “familia” and community. Our vision is to build Academia Cesar Chavez into an education center that strengthens community by offering preschool through adult education, combining academic excellence and a holistic approach to family wellbeing.

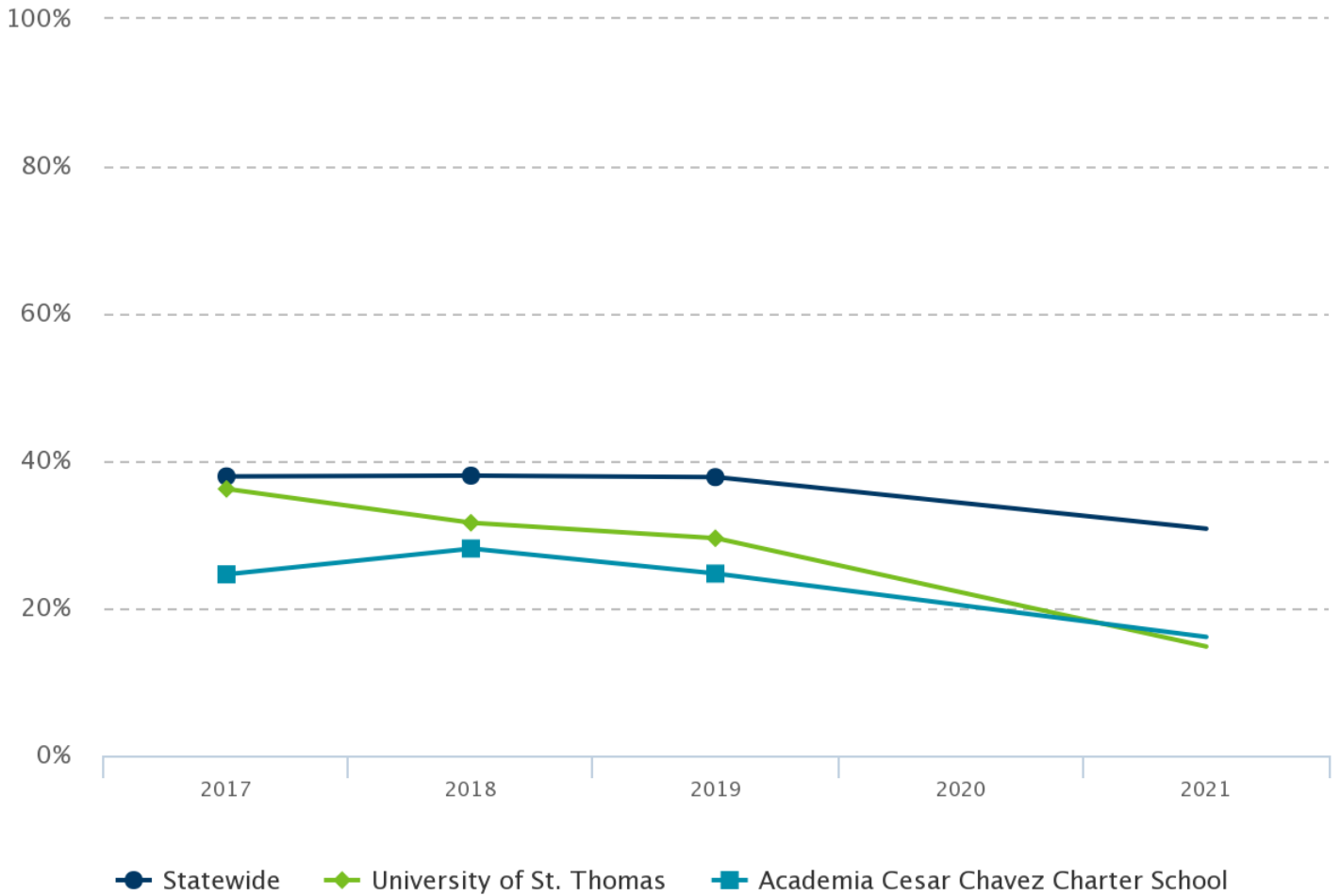
The academic program at Academia Cesar Chavez is built around preparing students to be bilingual and biliterate. We also believe that students must be prepared for secondary and postsecondary education. Our math, science, and social studies curricula encourages critical thinking and prepares students for more intense study as they move into higher grades and college readiness.

Our commitment to values-driven education and socio-emotional learning is shown by our dedication to the cultural studies and experiences we offer, both as extra-curricular options as well as infused into the daily schedule.

## A2. Accountability Plan Goals

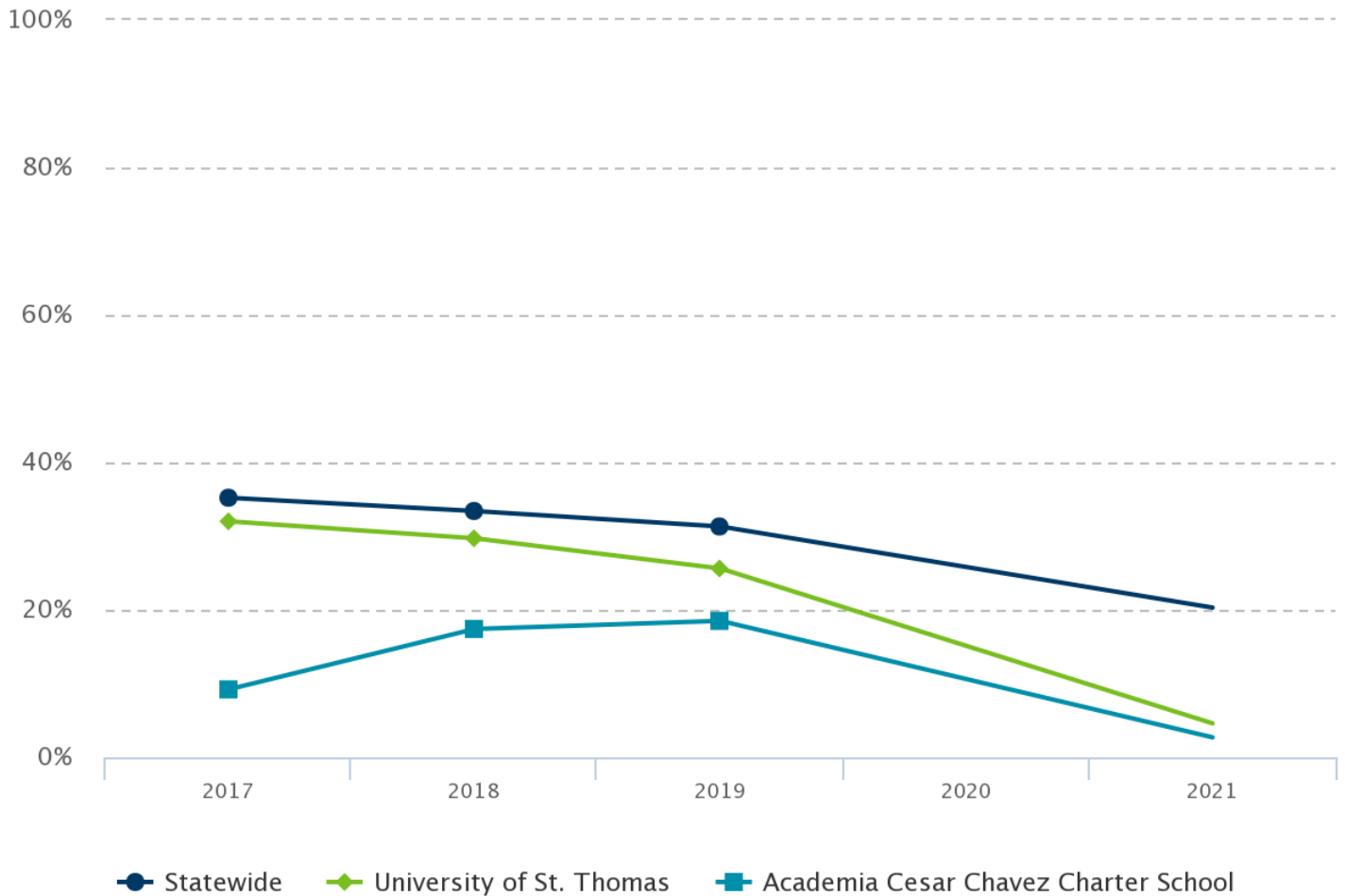
As made evident in the graphs below, the MCAs were not administered statewide during the 2019-2020 school year due to the COVID-19 pandemic. In the 2020-2021 school year, in alignment with broader trends, Academia Cesar Chavez did not attain its desired goal of increasing the student body proficiency rate by 10%.

### MCA-III Reading Proficiency



Academia Cesar Chavez Charter School					
Year	Percent proficient	Number proficient	Number tested	Number expected to be tested	Percent taking MTAS
2017	24.6%	48	195	196	0.0%
2018	28.1%	76	270	271	0.0%
2019	24.7%	81	328	330	0.0%
2020	N/A	N/A	N/A	N/A	N/A
2021	16.1%	36	223	327	0.0%

### MCA-III Math Proficiency



Academia Cesar Chavez Charter School				Number	Percent
Year	Percent proficient	Number proficient	Number tested	expected to be tested	taking MTAS
2017	9.2%	18	195	196	0.0%
2018	17.4%	47	270	271	0.0%
2019	18.5%	61	329	329	0.0%
2020	N/A	N/A	N/A	N/A	N/A
2021	2.7%	6	224	327	0.0%

**IRLA & ENIL Assessments**

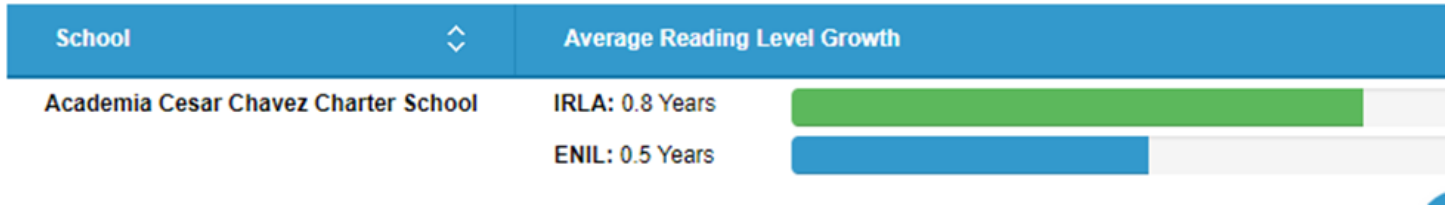
In the fall semester of each school year, students in grades 2nd-8th begin individual assessment on reading proficiency and growth using the Independent Reading Level Assessment framework (IRLA). The IRLA is a tool that works with every student, at every reading level, in both English and Spanish. The IRLA delivers specific and actionable data that tells the teacher where a student is at, and the sequence of skills and behaviors they need to learn next in order to accelerate their reading growth.

The IRLA's reading taxonomy simplifies the complexity of the reading process, allowing teachers to support every reader, with whatever books that reader chooses. The IRLA's reading taxonomy outlines the big "jumps" in reading skills, strategies, and concepts that distinguish one IRLA reading level from the next. The concept listed for each level is the new "threshold concept" required for independent reading of text at that level—a concept not required by texts at previous levels. The IRLA is not intended to limit what students read. Instead, students are encouraged to read anything of interest—leveled or not—because at every level, along with the new threshold concept, students are developing competence in the full range of creative and critical reading identities, behaviors, and habits.

At this time, only students in Kindergarten and 1st Grade are assessed using the Spanish version of the IRLA, called the *Estructura para la evaluación del nivel independiente de lectura* (ENIL).

Student progress is monitored frequently throughout the school year to determine goals and readiness to move onto the next level. This process occurs daily in the classroom, with the goal of each student having a touchpoint on their goals biweekly.

## Growth By School



### *SY21 Schoolwide Growth Data*

One of the academic goals is for the student body to grow in their average reading level by one year (1.0) or more per school year. Last school year (SY20), the student body attained an average of 0.75 years of growth in reading. Both the 3rd Grade and 1st Grade cohorts were noteworthy in terms of growth, with 3rd Grade students average 1.3 years and 1st Grade students averaging 1.0 years.

### *SMART Goal 1: All Students Ready for School*

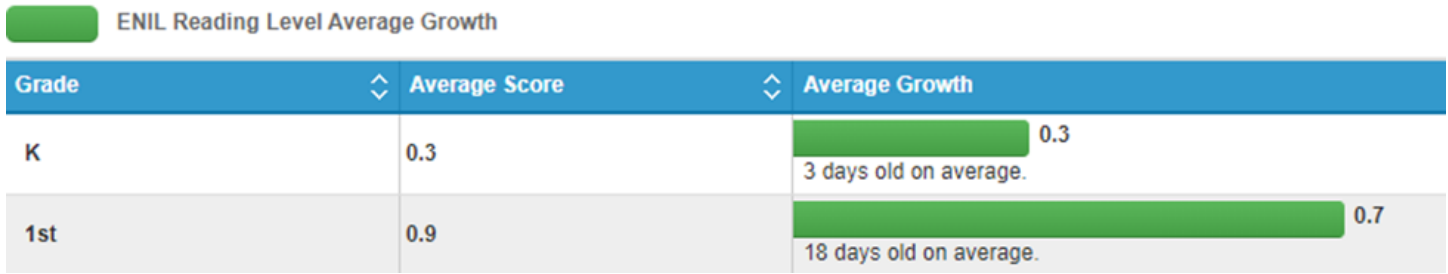
Goal	Result	Goal Status
The percent of students in K-1 who are at or above grade level in proficiency will increase from 4.5% to 20% as measured by the ENIL in May 2021.	ENIL data shows 21.9% "Proficient or Above" for grades K-1 students as of May 2021.	<input checked="" type="checkbox"/> Goal Met (one-year goal) <input type="checkbox"/> Goal Not Met (one-year goal)

Grade	Emergency	At Risk	Proficient or Above
Kinder	30 (58.8%)	11 (21.6%)	10 (19.6%)
1st	38 (70.4%)	3 (5.6%)	13 (24.1%)
<b>Total</b>	<b>68 (64.8%)</b>	<b>14 (13.3%)</b>	<b>23 (21.9%)</b>

### *SY21 K-1 ENIL Proficiency Data*

More 1st Grade students were proficient than Kindergarten students at the end of SY21, with 24.1% 1st Graders demonstrating proficiency compared to 19.6% Kindergarteners. Strategies we have in place to support Kindergarten and 1st Grade proficiency are to begin professional development utilizing Literacy Squared and to focus on bilingual literacy with more intentionality. Additionally, teachers are observed biweekly by a literacy coach, as well as receiving biweekly coaching focused around data analysis. All teachers receive coaching and ongoing training from the literacy coach on data-driven instructional progress-monitoring via the School Pace tool.

## ENIL Reading Level Growth by Grade



SY21 K-1 ENIL Growth Data

Upon reflection, it was identified that due to Distance Learning, it took more time than expected to complete the initial assessments in the fall, as well as to begin the small group reading sessions regularly. There was significant growth in reading observed in the fall semester alone, with an average 0.2 years of growth after six weeks of small group instruction.

### Smart Goal 2: All Students in Third Grade Achieving Grade-Level Literacy

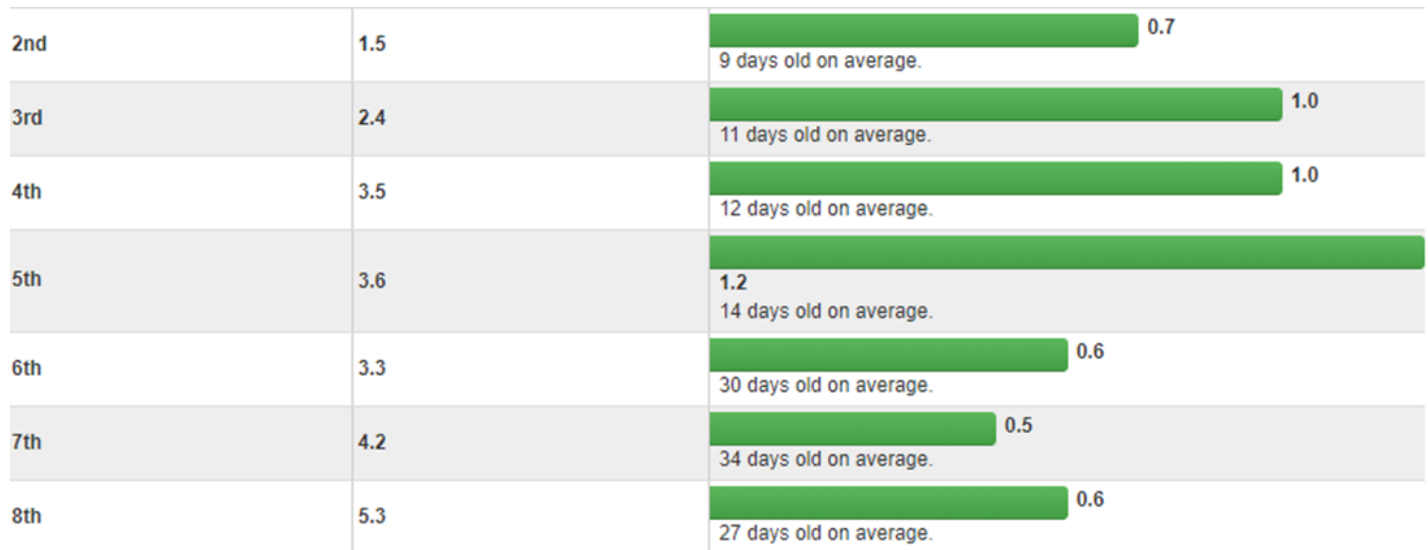
Goal	Result	Goal Status
The percentage of students in grades 2-8 who are at or above grade level in proficiency will increase from 9% to 25% as measured by the IRLA in May 2021.	IRLA data shows 21.6% "Proficient or Above" for students grades 2-8 as of May 2021.	<input type="checkbox"/> Goal Met (one-year goal) <input checked="" type="checkbox"/> Goal Not Met (one-year goal)

Grade	Emergency	At Risk	Proficient or Above
2nd	35 (70.0%)	7 (14.0%)	8 (16.0%)
3rd	21 (46.7%)	6 (13.3%)	18 (40.0%)
4th	18 (39.1%)	6 (13.0%)	22 (47.8%)
5th	37 (52.2%)	15 (21.1%)	19 (26.8%)
6th	74 (90.2%)	4 (4.9%)	4 (4.9%)
7th	38 (79.2%)	4 (8.3%)	6 (12.5%)
8th	28 (54.9%)	15 (29.4%)	8 (15.7%)
<b>Total</b>	<b>251 (63.7%)</b>	<b>57 (14.5%)</b>	<b>85 (21.6%)</b>

SY21 2nd-8th IRLA Proficiency Data



In addition to the aforementioned, bilingual supports and small group interventions to support phonemic awareness are the supports used to address 3rd Grade proficiency.



SY21 2nd-8th IRLA Growth Data

*Smart Goal 3: Close the Achievement Gap(s) Between Student Groups*

Goal	Result	Goal Status
The number of ACC students in grades 2-8 in "Emergency" status for reading will decrease from 263 to 250 students as measured by IRLA in May 2021.	Total students in "Emergency" status for grades 2-8 is 251.	<input type="checkbox"/> Goal Met (one-year goal) <input checked="" type="checkbox"/> Goal Not Met (one-year goal)

When referencing the SY21 2nd-8th IRLA Proficiency Data chart, it is clear that increased differentiation in small group reading instruction, as well as more intentionality with bilingual literacy, will be a high priority in the coming fall for in-person instruction.

*Goal: Math Proficiency*

Goal	Result	Goal Status
Students in Grades 5-8 will increase proficiency in math facts (+-x/) from 4 students (1%) in May 2020 to 136 students (50%) as measured by XTRA Math in May 2021.	XTRA Math data shows an increase in proficiency in 14 students (5%).	<input type="checkbox"/> Goal Met (one-year goal) <input checked="" type="checkbox"/> Goal Not Met (one-year goal)

We did not make our goal of 50% proficiency. From February to June, we saw a decrease from 267 students in addition to 154.

Grades K-2 teachers have implemented Number Corner (as part of the Bridges Math curriculum) to support focusing on teaching number sense strategies rather than rote memorization. Students in Grades 2-5 were required to do XTRA Math weekly as a part of their asynchronous

learning. Teachers received weekly data summaries of student progress and provided student feedback accordingly.

School leadership is actively exploring a schoolwide formative assessment strategy to further emphasize data-driven math instruction and serve as a tool for ongoing coaching for teachers.

Please refer to Appendix A to view the assessment calendar for the 2020-2021 school year. It can also be found on the [school website](#).

### **A3. After School & Summer Programming**

During Distance Learning in the 2020-2021 school year, Academia Cesar Chavez provided childcare to essential workers per the Minnesota Governor's Executive Order.

#### **Before-School Programming**

Outside of a Distance Learning model, ACC offers a before-school program five days a week from 7:00am to 7:30am. Students read for twenty minutes to augment their in-school literacy activities. Once a week, students watch educational videos selected by staff.

#### **Freedom School**

In partnership with the Children's Defense Fund, Academia Cesar Chavez is a site for Freedom School both as an afterschool activity and a summer school program. By providing students with rich, culturally relevant pedagogy and high quality books that deepen understanding of themselves and all they have in common with others in a multiracial, multicultural democratic society, the CDF Freedom School program further empowers students to believe in their ability and responsibility to make a difference while instilling in them a love of reading to help them avoid summer learning loss.

#### **Aguila Academy**

ACC offered childcare for essential workers, including both ACC staff and essential workers in the broader community. Childcare services were made available throughout Distance Learning and for the entirety of the Minnesota Governor's Executive Order. The childcare service schedule was Mondays through Thursdays from 7:30am to 3:30pm.

Aguila Academy worked closely to provide assistance and support to the children participating. This included support with their Google Classroom, XtraMath, Reading, Art, Music, Homework Help, and staying on track with their daily virtual learning schedule. Recess, breakfast, and lunch were also provided. Participating families expressed an appreciation for this service.

### **Mariachi**

Since 2010, Academia Cesar Chavez has offered mariachi as an afterschool enrichment activity, led by a local community expert. Tryouts are held in the late spring every school year for placement in the coming fall. Students perform as guitarists, trumpet players, and vocalists.

### **Comité de Padres y Comunidad**

The CPC is a parent committee which assists in the coordination of various school community activities, such as food drives, holiday festivals, and the annual community dinner.

### **Distance Learning Enrichment**

During the Distance Learning model, ACC offered enrichment activities outside of the virtual school day in the form of homework help, tech support for students and families, and physical education.

## **A4. Parent Involvement**

ACC's COVID Coordinator and Family & Community Director continued to provide resource information to families to support them during the ongoing pandemic. This included free meals at the school, coats, diapers, and food shelf locations. Families were also informed of free COVID testing sites, tips on how to stay healthy, and how to handle COVID cases in the home. ACC shared up-to-date information with families by utilizing social media, the school website, phone blasts, text message blasts, and fliers included in Materials Distribution Nights. The school counselor and TC Counseling Co-op service continued to provide virtual counseling to ACC students and families.

Due to shifting roles and staff turnover, more detailed information in regards to parent survey distribution and Parent/Teacher Conferences will be made available in subsequent reports.

## **A5. Curriculum**

### **Literacy**

In the 2020-2021 school year, Academia Cesar Chavez continued use of the Benchmark Literacy curriculum as the primary curricular resource for all core literacy instruction in grades Kindergarten through 5th Grade. Benchmark Literacy is a research-proven solution aligned to state standards and empowers teachers with:

- 30 weeks of explicit comprehension-focused lessons for the whole class, small groups, and individualized interventions
- Assessment-driven instruction that is differentiated and includes responding to text
- Gradual release and built-in choice that supports scholar progress and teacher creativity
- Precisely-leveled texts for the full range of students, including ELs and striving readers
- Leveled Reader's Theater and diverse genres that engage students and extend learning
- Research-based resources and professional development that has been proven effective
- Interactive technology that motivates student learning, involvement, and excellence

To support independent reading, all students are part of the *Reading A to Z* program which supports comprehension, fluency, and foundational phonics skills. Parents are able to access and use the *RAZ* accounts online to communicate their child's at-home reading progress with their teachers. Teachers are able to meet a student's individual needs and set goals to achieve the next level.

For literacy interventions, ACC utilizes the American Reading Company Foundational Toolkits, in both English and Spanish. The American Reading Company also publishes the IRLA and ENIL assessments, so these facets of the program are in alignment with one another.

During this school year, Academia Cesar Chavez has facilitated its second cohort of LETRS (Language Essentials for Teachers of Reading and Spelling) instruction in coordination with literacy and dyslexia experts from the Minnesota Department of Education. As part of this program, the Heggerty Phonemic Awareness Curriculum was implemented in grades PreK through 2nd Grade. The Heggerty Curriculum lays the foundation for early reading skills by addressing phonemic awareness. Phonemic awareness is essential in teaching students to be "automatic decoders of print." This curriculum provides students with consistent and repeated instruction, and this transfers to developing a student's decoding and encoding skills.

### **Spanish**

*Descubre el español con Santillana* makes language learning a cultural adventure and supports students of all language levels, from beginners to heritage speakers, at any grade level. Culture is the backdrop of the entire series, and each level has a compelling storyline. Students meet engaging characters, who travel to eight Spanish-speaking countries in each book. Students learn about the local people, places, culture, food, animals, and of course the language.

### **Mathematics**

Bridges Math is a comprehensive curriculum for grades PreK-5 that equips teachers to fully implement the Minnesota State Standards for Mathematics in a manner that is rigorous, coherent, engaging, and accessible to all learners. The curriculum focuses on developing a student's deep understanding of mathematical concepts, proficiency with key skills, and ability to solve complex and novel problems. Bridges Math blends direct instruction, structured investigation, and open exploration. It taps into the intelligence and strengths of all students by presenting material that is as linguistically, visually, and kinesthetically rich as it is mathematically powerful.

Bridges provides comprehensive assessments which continue to replace STAR Math and XTRA Math. The continued shift to Bridges Math (and similarly-aligned curricula for the middle school grades) supports implementation to a more developmental model versus the "Skill & Drill" model emphasized in prior school years. This overall supports more vertical alignment in math.

## **Science**

The Full Option Science System (FOSS) philosophy is to engage students in science through active learning. Every FOSS investigation follows a similar design to provide multiple exposures to science concepts. The design includes these pedagogies:

- Active investigation, including outdoor experiences
- Recording in science notebooks to answer the focus question
- Reading in FOSS Science Resources
- Assessment to monitor progress and motivate student reflection on learning

In practice, these components are seamlessly integrated into a continuum designed to maximize every student's opportunity to learn. An instructional sequence may move from one pedagogy to another and back again to ensure adequate coverage of a concept.

## **Physical Education**

The original SPARK Physical Education (PE) study was supported by the Heart, Lung, and Blood Institute of the National Institutes of Health. A team of internationally known researchers and educators were funded to create, implement, and evaluate new and innovative approaches to physical education content and instruction, then test them in "real world" settings. SPARK PE was designed to be more inclusive, active, and fun than traditional PE classes, and SPARK was proven to work with both physical education specialists and classroom teachers. Today, after lessons learned from more than 20 years of ongoing research and field testing nationwide, SPARK PE is one of the best physical education programs in the world.

## **A6. Scheduling**

### **Elementary**

Students in grades PreK-5th have the following breakdown of instruction in core content areas:

- Literacy: 120 minutes
- Math: 60 minutes
- Spanish: 35 minutes
- Science: 30 minutes
- Social Studies: 30 minutes

Elementary students also receive a 30-minute lunch period, 20 minutes for recess, and 40 minutes of specialist courses. Specialist courses include arts, music, and physical education.

Core classroom teachers have preparation time while their students attend specialist courses, and collaboration time while students attend Spanish class. This collaboration time is used for embedded professional development, coaching sessions, planning with their team, and other forms of collaborative work with their grade-level colleagues and support service providers.

### **Middle School** (Grades 6th-8th)

Students in the middle school have a seven period day which includes five core classes, two electives, and an advisory period. The schedule is meant to maximize the time spent on standards-based instruction, while featuring enrichment coursework and opportunity for student choice in their learning. Core classes include Spanish Language Arts, English Language Arts, Science, Math, and Social Studies.

Electives are taught by both core classroom teachers and specialists, and are entirely the choice of the student to pursue. Elective offerings include Debate, Production Media, Band, Choir, Creative Writing, Coding, and Future Problem Solvers. Future Problem Solvers is a Gifted & Talented program in which students have an additional application process for participation.

Please refer to Appendix E for visuals of the daily schedule.

## **A7. Professional Development & Teacher Evaluation System**

The professional development plan is designed to elevate not only content knowledge, but also promote growth in English Learner support, socio-emotional learning, differentiation in instruction, and remote learning strategies.

As made evident in the attached chart (Appendix B), there continues to be a heavy emphasis on literacy, as well specialized sessions that are specific to content areas. For the back-to-school PD week, returning teachers were able to attend a la carte professional development sessions, as well as given the option to attend other PD sessions in areas that they personally needed to elevate their practice. New teachers attended all of the required professional development sessions to learn the school's structures and expectations, which included a two-day New Hire Orientation series.

## **A8. Innovative Practices & Implementation**

Due to shifting roles and the year-long search for a new Executive Director, detailed information regarding ACC's innovative practices and their implementation during the 2020-2021 school year will be made available in subsequent reports.

## **A9. Future Plans**

In the 2020-2021 School Year, ACC expanded its partnership with the AmeriCorps Program, including both Reading Corps and Math Corps. There were two tutors to support students in math and two tutors to support students in literacy.

Minnesota Math Corps combines the people power of AmeriCorps members with the science of

learning. Trained AmeriCorps members are placed in elementary and middle schools statewide to serve as math tutors for students in grades 4-8. Tutors work consistently with students in pairs, providing math support that's tailored to each learner's needs.

Reading Corps combines the power of national service with literacy science to deliver proven approaches that help struggling learners transform into confident students: something that translates into all areas of their lives. Because Reading Corps tutors are in the schools on a full-time basis, they are providing consistent, daily tutoring, which is the reason why this model has a greater impact on student success. Tutors commit to a year or more of service, and receive rigorous training plus ongoing expert literacy coaching throughout the year. With the use of rich data assessments, they ensure their efforts produce the desired results: helping children achieve grade-level reading proficiency.

As Academia Cesar Chavez transitions to a new Executive Director, more details in regards to ACC's future plans are to come in subsequent reports.

# Governance & Operations

## B1. Staffing

Academia Cesar Chavez has continued to notice significant increase in staff retention. Our work to retain staff by supporting learning, compensating well and providing professional development in math and literacy and other areas is yielding results. ACC is prioritizing support for new teachers and with the creation of the teacher induction plan last year, and will continue to support 2nd-year teachers with the teacher mentor program. Teachers will have a mentor for their first three years of teaching at ACC to ensure they feel supported. These efforts have resulted in an increase in staff retention from 88% to 93% in the 2016-2017 school year and has continued an upward trend since. Our retention rate for the 2020-2021 school year is currently at 95%.

Leadership changed the Professional Learning Community configuration to better support adult learning. Teachers chose an area of focus and engaged in deep learning. This strategy did not yield great results because of a lack of follow-through and targeted guidance. The results were mixed across the school because of lack of fidelity and focus. PLCs now are focused around collaborative learning, data, and aligned to schoolwide academic focus areas.

### Staff Roster 2020-2021

#### Non-Licensed Staff

Name	Position	Returned for SY21	Returning for SY22
Acosta, Yampier	EP Float	N	N
Avila, Gabriela	Monitor	Y	Y
Avina, Rodolfo	ES Prevention Specialist	Y	Y
Ayala, Karla	EP	Y	Y
Ballin, Raul	Lead Engineer	Y	Y
Bauchle, Molly	Kindergarten EP	Y	Y
Blakely, Matthew	SPED EP	Y	Y
Burkel, Corissa	SPED EP	Y	Y
Chapa, Rosalinda	Monitor	Y	Y
Cortez, Deisy	Monitor	Y	Y



Costilla De Morales, Lucinda	Administrative Assistant	Y	Y
Costilla, Adela	Kindergarten EP	Y	Y
Cruz, Daniel	Engineer	Y	Y
Dominguez, Marina	EP	N	N
Dominguez, Martha	Family & Community Director	Y	Y
Escobar, Jose	Engineer	N	N
Estrada, Laura	PreK EP	Y	Y
Estrada, Zaire	SPED EP	Y	Y
Flores Sanchez, Sara	Monitor	Y	Y
Gallagher, Nancy	Front Desk Receptionist	N	N
Gomez, Maria	Food Monitor	Y	Y
Gomez, Oscar	Engineer	Y	Y
Larranaga, Andrew	Administrative Support	N	N
Lopez Epifanio, Leydi	PreK EP	Y	Y
Lopez, Yoselin	Administrative Office Specialist	Y	Y
Lopez-Rodriguez, Janet	Monitor	Y	Y
Lucio, Lawrence	Interim Executive Director	N	N
Maes, Ida	Monitor	N	N
Maldonado, Jonashka	SPED EP	Y	N
Miller, Mallory	Administrative Office Support	N	N
Morales-Carlson, Diana	Finance Manager	Y	Y
Munoz, Magali	Monitor	Y	Y
Nochez Chanta, Carmen	Monitor	Y	Y
Northenscold, Barbara	Food Nutrition Supervisor	Y	Y
Pecina, Jose	SPED EP	N	N
Ramirez, Patricia	Engineer	Y	Y
Ramos, Rosa	Monitor	Y	Y

Tavares, Santos	Engineer	Y	Y
Vargas, Jenny	Front Desk Secretary	Y	Y
Villalobos, Leticia	Monitor	Y	Y
Westmoreland, Rachel	Health Office Coordinator	Y	N
Xiong Vang, Patchia	Human Resources Manager	Y	Y
Zaragoza Torres, Alejandra	Monitor	Y	Y

**Licensed Faculty**

<b>Name</b>	<b>Position</b>	<b>License</b>	<b>Folder #</b>	<b>Returned SY21</b>	<b>Returning SY22</b>
Amend, Michael	Music Teacher	Instrumental & Classroom Music K-12	470517	Y	Y
Baer, Samuel	MS Social Studies Teacher	Social Studies 5-12	515698	Y	Y
Ballina, Gina	MS Math Teacher	Mathematics 5-12	1008559	Y	Y
Benson, Brittany	MS ELA Teacher	Communication Arts & Literature 5-8	509327	N	N
Berriel Veronica, Itzell	Spanish Teacher	Spanish K-12	1002486	N	N
Boucher, Jodie	3rd Grade Teacher	Elementary Education 1-6	479446	Y	Y
Brandes, Julia	ELA/Coach	Elementary Education K-6; Communication Arts & Literature 5-8	462758	N	N
Brown, Amy	ELL Teacher	Elementary Education 1-6; ESL K-12 Spanish K-8	500057	Y	Y
Cajas, Leslie	PreK Teacher	Early Childhood Education Birth-Grade 3	498046	Y	Y
Cranston, Alice	1st Grade Teacher	Elementary Education 1-6	492350	Y	Y
Denny, Matthew	5th Grade Teacher	Elementary Education K-6; Social Studies 5-8	445331	N	N
Dominguez, Christina	SPED Teacher	Emotional Behavior Disorder K-12; Autism Spectrum Disorder K-12; Academic & Behavioral Strategist K-12	429191	Y	Y
Elliot, Amanda	ELL Teacher	Spanish K-12	474979	Y	Y

Foster, Elizabeth	ELL Teacher	Elementary Education 1-6; ESL K-12	320528	N	N
Gallegos, Eva	Kindergarten Teacher	Spanish K-12; Elementary Education 1-6	1002211	Y	Y
Garcia, Abraham	Phy. Ed. Teacher	Physical Education K-12	478701	N	N
Green, Veronica	ELL Coordinator	ESL K-12	501369	N	N
Hart, Caitlan	4th Grade Teacher	Elementary Education K-6	1005560	Y	N
Harvey, Jennifer	SPED Teacher	Academic & Behavioral Strategist K-12	514278	N	N
Jadoonath, Leah	4th Grade Teacher	Elementary Education 1-6	490159	Y	Y
Johnson, Hannah	MS ELA/Science Teacher	Elementary Education K-6	1003941	N	N
Johnson, Laurie	5th Grade Teacher	PreK Elementary Education K-6	391902	Y	Y
Johnston, Sarah	MS Science Teacher	Elementary Education K-6; Science 5-8	428860	Y	Y
Jorgenson, Lindsey	Instructional Coach/Data Coordinator	Elementary Education 1-6; Reading K-12	436266	Y	Y
Korba, Abbey	Dual Interventionist	Elementary Education 1-6; Mathematics 5-8	434581	Y	Y
Koslowski, Lidys	1st Grade Teacher	Elementary Education K-6	425817	Y	Y
Lee, Dustin	MS Social Studies Teacher	Social Studies 5-12	467797	Y	N
Lopez-Diaz, Diana	Kindergarten Teacher	Immersion Elementary Education K-6; Immersion Pre-Primary PreK-3	480815	Y	Y

Mata, Oscar	Spanish Teacher	Communication Arts & Literature 5-12	504882	Y	Y
Miller, Michael	Physical Education Teacher	Physical Education K-12; Health 5-12	1008431	Y	Y
Mendoza Perez, Carlota	2nd Grade Teacher	Elementary Education K-6	497355	Y	Y
Moore, Scott	MS Literacy Interventionist	Elementary Education K-6	496414	Y	Y
Moran, Marita	Head of Primary School	Elementary Education K-6; Learning Disabilities K-12; Communication Arts & Literature 5-8	429455	Y	Y
Moran, Michael	Technology Integration Specialist	Communication Arts & Literature 5-12	444480	N	N
Morantes, Dolly	PreK Teacher	Early Childhood Education B-Grade 3	503945	Y	Y
Nodler, Susan	SPED Teacher	Developmental Disabilities K-12	465405	Y	Y
Nyseth, Michelle	SPED Teacher	Emotional Behavior Disorders K-12; Learning Disabilities K-12	470891	N	N
Perry, Jessica	Head of Middle School	Reading K-12; Communication Arts & Literature 5-8; Elementary Education K-6; Principal K-12	425166	N	N
Rodriguez, Elizabeth	Math Interventionist	Elementary Education 1-6	395581	Y	Y
San Jose, Vanessa	SPED Coordinator	Emotional Behavior Disorders K-12; Academic & Behavioral Strategist K-12	471109	Y	Y
Stelter, Martha	2nd Grade Teacher	Elementary Education K-6; ESL K-12	1003784	Y	Y
Svendsen, Alison	Art Teacher	Elementary Education 1-6	441778	Y	Y

Warren-Paul, Lydia	School Counselor	School Counselor K-12	429659	N	N
Waxon, Allison	5th Grade Teacher	Elementary Education 1-6; Social Studies 5-8	456242	Y	Y
Winsor, Samantha	3rd Grade Teacher	Elementary Education K-6	485194	Y	Y

## **B2. Management & Administration**

A visual of the organizational structure of Academia Cesar Chavez can be found under Appendix C. In summation, the leadership structure first and foremost is the ACC Board of Directors which oversees all governance, an Executive Director which ensures the day-to-day operations of the program are carried out, the two Heads of School who are responsible for the academics and instruction within the Elementary and Middle School programs, the Parent & Community Director who facilitates family and community engagement as well as facilities management, the Operations/Finance Manager who is responsible for the school's business and financial operations, and the HR Manager who oversees all human resources.

During the entirety of the 2020-2021 school year, ACC was in the process of searching for a new Executive Director. As such, there are no professional development goals to report on in regards to the Executive Director at this time. All members of ACC leadership are actively encouraged to participate in professional development tailored to their position and role within the organization. The PD opportunities this year were provided by the Regional Center of Excellence, UnidosUS, the Minnesota Association of Charter Schools, and the Minnesota Department of Education.

## **B3. Organizational Strengths, Challenges, & Plans**

ACC's Dual Immersion Program had more successes than challenges this year. All faculty in the department returned from the prior year to teach in the same grade, and were also given more time to plan and meet more frequently with one another. The Dual Immersion department continued to meet monthly to strengthen the program.

There remains the "bubble" of additional sections of grades growing and moving through the school, with some grades having had three sections instead of two, as noted in the previous year's report. The growth of 60 students per middle school grade band has presented challenges with space, materials, and staffing.

## **B4. School Enrollment & Attrition Trends**

Academia Cesar Chavez ended the 2020-2021 school year with a total of 511 students in PreK-8th Grade, a downward trend not seen in the last five years. As made evident in the charts below, the school year began with a total of 537 students enrolled, with 48 students leaving before the last day of school. The most significant drop in enrollment was experienced within the 7th Grade cohort, with 11 students transferring out of ACC.

### **Lottery Procedure**

Intent to Return forms were sent to families in February in order to give the school enough time to plan enrollment for the upcoming year. The data is reviewed in the spring, which then also

informs recruitment priorities. Administration begins placement, and if there are more applicants than availability in any grade level, the lottery process outlined in the Enrollment Policy (Appendix F) is followed. ACC gives first priority to siblings of students currently enrolled as well as foster children of ACC families. All other applicants are placed in a lottery drawing. After the lottery, remaining applicants are placed on the waitlist.

**Enrollment by Race/Ethnicity for SY21**

<b>Race/Ethnicity</b>	<b>Count</b>	<b>Percent</b>
Hispanic or Latino	529	97.1%
American Indian or Alaska Native	0	0.0%
Asian	0	0.0%
Black or African American	5	0.9%
Native Hawaiian or Other Pacific Islander	0	0.0%
White	7	1.3%
Two or More Races	4	0.7%
All Students	545	100.0%

*Based on students enrolled on October 1, 2020*

**Enrollment by Special Population for SY21**

<b>Special Population</b>	<b>Count</b>	<b>Percent</b>
English Learner	303	55.6%
Special Education	67	12.3%
Free/Reduced Priced Lunch	156	28.6%
Homeless	14	2.6%

*Based on students enrolled on October 1, 2020*

**Student Mobility for SY21**

<b>Grade</b>	<b>Enrolled On/Before Oct 1</b>	<b>Enrolled After Oct 1</b>	<b>Transferred Out of ACC</b>	<b>Completed SY at ACC</b>
PreK	26	25	2	25
K	54	51	5	51
1st	54	53	3	53
2nd	50	50	2	50



3rd	47	44	4	44
4th	50	45	7	45
5th	71	70	5	70
6th	81	79	6	79
7th	52	45	11	45
8th	52	49	3	49
<b>Total</b>	<b>537</b>	<b>511</b>	<b>48</b>	<b>511</b>

**Student Enrollment & Attrition Rate Comparison By Year**

Grade	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021
PreK	20	20	39	39	40	39	25
K	67	56	52	49	52	57	51
1st	55	67	67	50	44	52	53
2nd	65	51	84	63	56	49	50
3rd	47	58	57	83	69	53	44
4th	53	51	56	58	83	73	45
5th	46	56	53	60	56	86	70
6th	39	45	54	38	56	56	79
7th	0	0	0	55	35	50	45
8th	0	0	0	0	55	34	49
<i>Total</i>	<i>372</i>	<i>404</i>	<i>462</i>	<i>495</i>	<i>546</i>	<i>549</i>	<i>511</i>
<b>Growth</b>	<b>-2%</b>	<b>8%</b>	<b>13%</b>	<b>7%</b>	<b>9%</b>	<b>0.6%</b>	<b>-7%</b>

*Based on students enrolled on last day of school*

## **B5. Community Partnerships**

Academia Cesar Chavez continues to maintain and grow partnerships with local community based organizations, businesses, social service agencies and other entities. We strive to partner with organizations that share our core values and promote family engagement at school and in the community.

In the 2020-2021 school year, much of the work and resources went to supporting families with needs that were intensified due to COVID-19. The school maintained working partnerships with organizations such as: University of Minnesota, Saint Paul Public Library, Hayden Heights Library, St. Paul Parks and Recreation, Mexican Council, El Colegio High School, MetroState, UnidosUS, Minnesota Science Museum, CLUES, Merrick, Saint Paul Latino Police officers, St. Paul Conservatory of Music, MNSinfonia, ComMusication, and the Children's Defense Fund.

Some partners provided our families with training opportunities, resources, and wrap-around services. Others provided our school with mentoring, tutoring, and afterschool and summer school programming.

Wrap-around services for families were provided by CLUES, Merrick, and the Twin Cities Counseling Co-op (TCCC). MORE (an empowerment organization) provided opportunities for our families in the form of Adult English classes, and PACER to provide parent training for Special Education services, anti-bullying, and family engagement.

## **B6. Board Member Orientation & Training Plan**

The Academia Cesar Chavez 2020-2021 Board of Directors was originally comprised of 10 members, with representation from the community (5), ACC teachers (3), and ACC parents (2) who provided oversight and governance to the school. The individual members bring a variety of skills and experience ranging from financial and organizational management, fundraising, community development and leadership, academic, cultural and bilingual expertise, and marketing and public relations. Traditionally, ACC's Executive Director is an ex-officio member of the board and works closely with them to ensure that all necessary information on governance and policies are brought forward for review and approval, as required. However, Academia Cesar Chavez remained in search of a new Executive Director for the entirety of the 2020-2021 school year.

ACC Board members for 2020-2021 completed required training in financial management, employment law, and board governance, per charter law requirements. The Operations/Finance Manager tracks all required board member training. Board members are also tracking any ongoing training they are participating in that is relative to their positions as board members.

The Board Chair meets with all new board members, reviewing the Board Orientation Manual with them and answering any questions they may have. After being appointed by the school board, the newly elected members are asked to complete the required board training through the Minnesota Association of Charter Schools. Upon completion, they email a copy of their certificate to the Operations/Finance Manager who keeps a record of all board member training.

## **B7. Board Member Information**

For all information relating to training for both current and previous board members, please refer to Appendix D: Board Information Template.

# Finance

## **C1. Fiscal Health**

Academia Cesar Chavez had a successful 2020-2021 fiscal year. A total of \$595K was added to the General Fund. The fund balance increased from 29.4% to 39.4%. There was a budgeted 532 ADM at year-end for Fiscal Year 2021, and ended the year with 520.29 ADM. Days of cash-on-hand is a healthy 131, up from 88 in the prior year. This increase is due in part to an increase in student enrollment as well as to a larger state aid receivable at year-end; it is substantially above the 45 days required by the bond covenants.

In June of 2021, the board adopted the 2021-2022 budget projecting a surplus of \$110,277. The budget is based on 40 preschool students and 410 K-8th grade students. With the students in their seats and contracts settled, leadership is reviewing all the budget assumptions to determine if any revisions are needed. Currently, there are 39 preschool students and 508 K-8th grade students.

In the FY 2021 audit, it was found that there were instances of non-compliance when testing covenants set by the bonds, with the annual conference call also not taking place. The FY22 Lease Aid Approval documents had not been uploaded, and the five-year capital plan was also not uploaded in a timely manner. Also noted was that while testing accrued interest on the bonds, it was discovered that there was a discrepancy between the interest that is paid through year-end and what was being accrued. This discrepancy was missed by both the school's financial firm and the auditor for the last several fiscal years. This resulted in an understatement of net position, and overstatement of accrued interest payable. Although this situation was remedied in Fiscal Year 2022, the ACC's Board of Directors expressed concern that this was missed by both the contracted financial firm and auditing firm for a number of years.

As the Academia Cesar Chavez Board of Directors is ultimately responsible for the school's financial management, the board has expressed significant concern that the current financial

services and advising being provided by the current firms contracted are not performing their due diligence, and therefore affecting the board's ability to make informed financial decisions for the health and longevity of the organization. This is an ongoing topic of discussion for the board during the 2021-2022 school year.

## **C2. Internal Controls & Board Oversight**

As previously stated, Academia Cesar Chavez was in search of an Executive Director for the entirety of the 2020-2021 school year. In the absence of an ED, school leadership worked closely with the Board Chair and the Board of Directors' Finance Committee to oversee the financial management of the school. The Board Chair met with school leadership biweekly, with ACC's contracted financial firm joining those meetings as needed.

The Finance Committee during FY21 consisted of the Board Chair, Board Treasurer, the Finance Manager, the two Heads of School, and the Family & Community Director. Committee meetings took place quarterly, where they reviewed quarterly statements prepared by the financial firm (BerganKDV) and prepared the following fiscal year's budget for board review. Documents and information requested by the committee were not consistently provided in a timely manner.

Many of the internal controls are implemented at the financial firm, where a majority of the accounting work is performed. These processes are documented, and controls are tested each year by the auditors. In the FY21 audit, it was noted that the internal controls failed to detect a batch of invoices being paid twice. This audit finding unfortunately fell in alignment with other discrepancies in services rendered by the financial firm, such as delays in meeting certain deadlines, wherein the board felt this spoke to a lack of reliability. In FY22, the situation is actively being rectified, and continues to be an ongoing topic of discussion for the new Executive Director, Finance Committee, and the Board of Directors as a whole.

The financial audit for Fiscal Year 2021 can be found in its entirety under Appendix G.

## **C3. Awards**

Academia Cesar Chavez received the 2021 Finance Award from the Minnesota Department of Education. This award is based on Fiscal Year 2020 financial reporting.

# Appendices

[A: Assessment Calendar](#)

[B: Professional Development Schedule](#)

[C: Organizational Chart](#)

[D: Board Information Template](#)

[E.1: Sample Schedule for Middle School](#)

[E.2: Sample Schedule for 2nd Grade](#)

[F: Enrollment Policy](#)

[G: Financial Audit for FY21](#)

**Academia Cesar Chavez Testing Calendar 2021-2022 (PreK-8)**  
**Research, Evaluation & Assessment**

Assessments	Test Dates	Estimated Time	Grade Level (X = Designated test grades)									
			PreK	K	1	2	3	4	5	6	7	8
<b>Fall (August – October 2021)</b>												
IRLA/ENIL Reading Assessment	September			x	x	x	x	x	x	x	x	x
Baseline Bridges Assessment	September			x	x	x	x	x	X			
Baseline Desmos Assessment	September									x	x	X
<b>Winter (December – February 2022)</b>												
Kindergarten ACCESS	February 7-11	45 minutes		x								
1 <sup>st</sup> -8 <sup>th</sup> Grade ACCESS Listening	February 14-15	65 minutes			x	x	x	x	x	x	x	x
1 <sup>st</sup> -8 <sup>th</sup> Grade ACCESS Reading	February 16-17	1 hour			x	x	x	x	x	x	x	x
1 <sup>st</sup> -8 <sup>th</sup> Grade ACCESS Writing	February 21-22	70-90 minutes			x	x	x	x	x	x	x	x
1 <sup>st</sup> -8 <sup>th</sup> Grade ACCESS Speaking	February 23-24	50 minutes			x	x	x	x	x	x	x	x
IRLA/ENIL Reading Assessment	January		x	x	x	x	x	x	x	x	x	X
<b>Spring (March – May 2022)</b>												
MCA Reading	April 19-21	1-2.5 hours					x	x	x	x	x	X
MCA Math	April 26-28	1-2.5 hours					x	x	x	x	x	X
MCA Science	May 2-3	.5-1.5 hours							x			X
MTAS Reading	April 18-22	1-2.5 hours										
MTAS Math	April 25-29	1-2.5 hours										
MTAS Science	May 2-5	.5-1.5 hours										
IRLA/ENIL Reading Assessment	May		x	x	x	x	x	x	x	X	X	X

**Due to the length of the MCA's, reserve the entire online testing windows.**

**ACCESS:** To measure progress towards meeting the WIDA English Language Development Standards

**MCA/MTAS:** To measure learning of the Minnesota Academic Standards

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*Professional Development 2020-21*

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<b>Date</b>	<b>Who &amp; Hours</b>	<b>Topic</b>	<b>Purpose Statement</b>
June, July, August	Abbey: June - 30 hours	LETRS - Phonemic Awareness correlation K-3	<ul style="list-style-type: none"> <li>• Articulate bridge from 1st to 2nd</li> <li>• Plan for phonics scope and sequence</li> <li>• Marita and LJ will meet with Korba to give guidance on the correlation project</li> </ul>
June	Betty	Intervention	<ul style="list-style-type: none"> <li>• AVMR training for Middle School Math Intervention</li> </ul>
June	Corissa & Rosalinda	Teacher Book Room Leveling	<ul style="list-style-type: none"> <li>• Support small group reading</li> </ul>
June	5th + MS ELA	5th-6th grade Writing	<ul style="list-style-type: none"> <li>• Aligning writing visual supports &amp; creating outlines</li> </ul>
June	Semita: Primary Sarah: Middle School	GLAD Strategies for for EL	<ul style="list-style-type: none"> <li>• <a href="https://begladtraining.com/training/6-day-training#sessions">https://begladtraining.com/training/6-day-training#sessions</a></li> <li>• Expand capacity for effective GLAD implementation PK-8</li> <li>• Team with EL teachers to train teachers in August</li> </ul>
June	EL	EL Coordinator & Data Planning	<ul style="list-style-type: none"> <li>• Collaboration focus areas for the year - create menu of collaboration and goals for the EL department based of data and schoolwide trends</li> <li>• ACCESS data analysis and service planning for fall schedule</li> </ul>
August/September	Academic	Back To School	<ul style="list-style-type: none"> <li>• New Hire Orientation</li> <li>• Back to School PD</li> </ul>

Sept. 1	Academic	All Staff Meeting	<ul style="list-style-type: none"> <li>● Mexican Independence Day</li> <li>● Integrating culture into instruction</li> </ul>
Sept. 16	Academic	All Staff Meeting	<ul style="list-style-type: none"> <li>● Distance Learning Data Driven Instruction and Alignment</li> </ul>
Sept. 23	Academic	All Staff Meeting	<ul style="list-style-type: none"> <li>● Distance Learning Instruction and Alignment</li> </ul>
Oct. 7	Academic	All Staff Meeting	<ul style="list-style-type: none"> <li>● Distance Learning Instruction and Alignment</li> </ul>
Oct. 13	Academic	Technology for Distance Learning	<ul style="list-style-type: none"> <li>● Google Classroom Level 1 All Staff</li> <li>● Grade Level Bands Google Classroom</li> </ul>
Oct. 14	Academic	Elementary & Middle School Monthly Meetings	<ul style="list-style-type: none"> <li>● Distance Learning Instruction and Alignment</li> <li>● Progress reports, distance learning grading and feedback</li> <li>● Google Classroom</li> </ul>
Oct. 21	3-5 Classroom Teachers	Hands On Science	<ul style="list-style-type: none"> <li>● Hands on Science synchronous learning unit planning</li> </ul>
Oct. 27	Elementary MS ELA Intervention SpEd Spanish	Differentiated Literacy	<ul style="list-style-type: none"> <li>● ARC Toolkits for small group instruction</li> <li>● School Pace for data driven instruction and progress monitoring</li> <li>● EL strategies and modification</li> </ul>
Oct. 28	Academic	Differentiation	<ul style="list-style-type: none"> <li>● School Pace</li> <li>● GLAD Strategies</li> </ul>
Nov. 4	Academic	All Staff Meeting	<ul style="list-style-type: none"> <li>● Distance Learning Instruction and Alignment</li> </ul>
Nov. 4	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> </ul>



Nov. 10	Elementary MS ELA Intervention SpEd Spanish	Differentiated Literacy	<ul style="list-style-type: none"> <li>● ARC Toolkits for small group instruction</li> <li>● School Pace for data driven instruction and progress monitoring</li> <li>● EL strategies and modification</li> <li>● Teacher small group observations and feedback</li> </ul>
Nov. 11	Academic	All Staff Meeting	<ul style="list-style-type: none"> <li>● Distance Learning Instruction and Alignment</li> </ul>
Nov. 12	New Hires to ACC	Instructional Support	<ul style="list-style-type: none"> <li>● School Pace and data driven small group literacy instruction</li> <li>● MS Math content and differentiation</li> </ul>
Dec. 2	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> </ul>
Dec. 2	Academic	All Staff Meeting	<ul style="list-style-type: none"> <li>● Distance Learning Instruction and Alignment</li> </ul>
Dec. 9	Academic	Elementary Middle School	<ul style="list-style-type: none"> <li>● Teacher Google Classroom work share</li> <li>● Elementary/Middle School Content and Alignment</li> </ul>
Dec. 16	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> </ul>
Jan. 6	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> </ul>
Jan. 12	Elementary MS ELA Intervention SpEd	Differentiated Literacy	<ul style="list-style-type: none"> <li>● ARC Toolkits for small group instruction</li> <li>● School Pace for data driven instruction and progress monitoring</li> </ul>

	Spanish		<ul style="list-style-type: none"> <li>● EL strategies and modification</li> <li>● Teacher small group observations and feedback</li> </ul>
Jan. 20	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> </ul>
Jan. 27	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> </ul>
Feb. 2	Elementary MS ELA Intervention SpEd Spanish	Differentiated Literacy	<ul style="list-style-type: none"> <li>● ARC Toolkits for small group instruction</li> <li>● School Pace for data driven instruction and progress monitoring</li> <li>● EL strategies and modification</li> <li>● Teacher small group observations and feedback</li> </ul>
Feb. 3	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> </ul>
Feb. 24	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> <li>● Unit Planning - gradual release of scientist to teacher led</li> </ul>
March 2	Elementary MS ELA Intervention SpEd Spanish	Differentiated Literacy	<ul style="list-style-type: none"> <li>● ARC Toolkits for small group instruction</li> <li>● School Pace for data driven instruction and progress monitoring</li> <li>● EL strategies and modification</li> <li>● Teacher small group observations and feedback</li> </ul>

March 3	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> <li>● Unit Planning - gradual release of scientist to teacher led</li> </ul>
March 10	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> <li>● Unit Planning - gradual release of scientist to teacher led</li> </ul>
March 12	Academic	Standards Based Planning	<ul style="list-style-type: none"> <li>● Early release team planning, standards alignment, summative assessments, loss of learning, data analysis for small group instruction</li> </ul>
March 15	K-2 SpEd EL	Bridges Math Implementation	<ul style="list-style-type: none"> <li>● Implementation</li> <li>● Number sense development</li> <li>● Assessment</li> <li>● Vertical Alignment</li> </ul>
March 17	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> <li>● Unit Planning - gradual release of scientist to teacher led</li> </ul>
March 24	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> <li>● Unit Planning - gradual release of scientist to teacher led</li> </ul>
March 30	Elementary MS ELA Intervention SpEd Spanish	Differentiated Literacy	<ul style="list-style-type: none"> <li>● ARC Toolkits for small group instruction</li> <li>● School Pace for data driven instruction and progress monitoring</li> <li>● EL strategies and modification</li> <li>● Teacher small group observations and feedback</li> </ul>

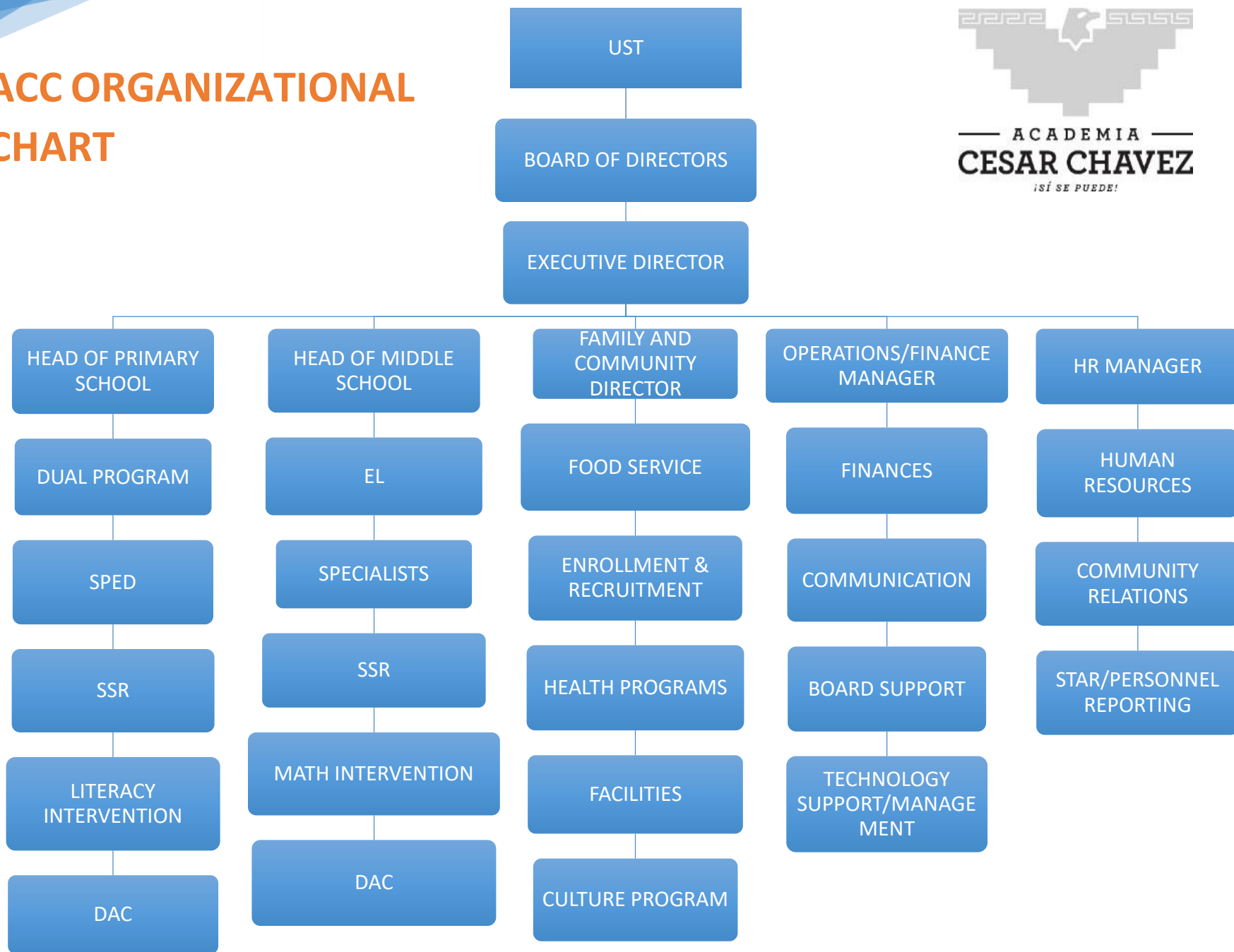
April 21	3-5 Classroom Teachers	Hands on Science	<ul style="list-style-type: none"> <li>● Distance learning hands on science instruction</li> <li>● Vertical alignment</li> <li>● Loss of learning</li> <li>● Unit Planning - gradual release of scientist to teacher led</li> </ul>
April 23	Academic	Standards Based Planning	<ul style="list-style-type: none"> <li>● Early release team planning, standards alignment, summative assessments</li> </ul>
May 4	Elementary MS ELA Intervention SpEd Spanish	Differentiated Literacy	<ul style="list-style-type: none"> <li>● ARC Toolkits for small group instruction</li> <li>● School PACE for data driven instruction and progress monitoring</li> <li>● EL strategies and modification</li> <li>● Teacher small group observations and feedback</li> <li>● Planning for next year</li> </ul>

### Weekly Meeting & Professional Development Schedule

<b>Tuesday</b>	<b>Wednesdays</b> <i>Required All Academic Staff</i>	<b>Thursdays</b> <i>Required if on the team</i>	<b>Fridays</b>
1. Dual Language PD on Bridging	1. All Staff Meeting	1. Academic Leadership	1. LETRS Sped training
2. LETRS K-2 training	2. Elementary/MS Meeting	2. SAT & Child Study	
	3. Google PD	3. Academic Leadership	
	4. Instructional PD	4. New Hire Instructional PD	



# ACC ORGANIZATIONAL CHART



Updated: 1/15/2020 DMC



## Board Member Information Template

Please include information for current and prior year members.

Due to the requirement for ongoing training in the three areas, please include training information for each member each year.

School: Academia Cesar Chavez Charter School

Name	Date Seated	Term End Date	Position	Type	Expertise	Email	Phone	Attendance Rate	Board Trainings: Date Completed, Topic and Trainer			
									Governance	Employment	Financial Management	Annual Ongoing Training
Susie Sample	10/2012	10/2016	Chair	Parent	Accountant, former bank board member	sample@yahoo.com	612-555-5555	90%	11/2/2012, through MACS	11/3/2012, through MACS	1/14/2013, through UST	3/15/2015 Lease Aid MACS  5/14/2015 Open Mtg Law UST
Jessica Lopez Lyman	5/19	5/22	Board Chair	Community	Community, Education	<a href="mailto:jlopezlyman@cesarchavezschool.com">jlopezlyman@cesarchavezschool.com</a>	(651) 260-9150	92%	<b>03/11/17</b> MN School Boards Assoc. Governance  <b>12/4/19</b> Legislation & Lobbying Presented by: Joe Nathan	<b>03/11/17</b> MN School Boards Assoc. Employment Matters	<b>03/17/17</b> MN School Boards Assoc. Financial Matters	<i>Other:</i> <b>06/15/16:</b> Dual Language Instruction  <b>06/15/16:</b> Reviewing School Assessment Data  <b>06/21/17:</b> Big ideas for better schools - 10 ways to improve education  <b>11/29/17:</b>



													Governance Best Practices  <b>06/2018:</b> Academic Success for Latino Scholars  <b>03/2019:</b> Data Practices and Records Retention Training
John Lozoya	05/20	05/23	Treasurer	Community	Community	jlozoya@cesarchavezschool.com	651-247-8012	77%	<b>02/2018</b> MN School Boards Assoc. Governance  <b>12/4/19</b> Legislation & Lobbying Presented by: Joe Nathan	<b>02/2018</b> MN School Boards Assoc. Employment Matters	<b>03/2018</b> MN School Boards Assoc. Financial Matters		<b>03/2019:</b> Data Practices and Records Retention Training
Osiris Gomez	5/21	5/24	Member	Community	Education	<a href="mailto:osirisgomez@cesarchavezschool.com">osirisgomez@cesarchavezschool.com</a>	612-626-4629	100%	<b><i>In the Process of completing required board training.</i></b>				
Mark Ahrens	5/21	5/24	Member	Community	Organizational/Financial Management; Administration; Academic/Education; Technology	<a href="mailto:mahrens@cesarchavezschool.com">mahrens@cesarchavezschool.com</a>	(952) 358-8767	77%	<b>6/19/10</b> Ratwik, Roszak & Maloney, PA, Board Governance  <b>12/4/19</b> Legislation & Lobbying Presented by: Joe Nathan	<b>6/5/10</b> Ratwik, Roszak & Maloney, PA, Oversight of Employment Matters	<b>12/12/10</b> Beltz, Kes, Darling, Oversight of Financial Matters; <b>10/17/12</b> Piper Jaffray, Bond Financing for Charter Schools; <b>11/28/12</b> CliftonLarson		Other: <b>06/15/16:</b> Dual Language Instruction  <b>06/15/16:</b> Reviewing School Assessment Data  <b>06/21/17:</b>



											<p>Allen, Audit Process in Charter Schools; <b>10/16/13</b> Borenstein &amp; McVeigh Charter School Bond Financing; <b>10/23/13</b> CliftonLarsonAllen Audit Procedures and Results <b>11/19/14</b> CliftonLarsonAllen Audit Procedures and Results <b>05/23/18:</b> Charter School Financial Training</p>	<p>Big ideas for better schools - 10 ways to improve education <b>11/29/17:</b> Governance Best Practices <b>06/2018:</b> Academic Success for Latino Scholars</p>
David G. Stanton	05/21	05/24	Member	Community	Education	<a href="mailto:dstanton@cesarchavezschool.com">dstanton@cesarchavezschool.com</a>	424-291-0691	100%	<p><b>01/2019</b> MN School Boards Assoc. Governance <b>12/4/19</b> Legislation &amp; Lobbying Presented by: Joe Nathan</p>	<p><b>01/2019</b> MN School Boards Assoc. Governance</p>	<p><b>01/2019</b> MN School Boards Assoc. Financial Matters</p>	<p><b>03/2019:</b> Data Practices and Records Retention Training</p>
Carlota Perez	5/21	05/23	Secretary	Teacher	Education	cmendoza@cesarchavezschool.com	651-778-2940	100%	<p><b>12/4/19</b> Legislation &amp; Lobbying Presented by: Joe Nathan  <b>In the Process of completing required board training.</b></p>	<p><b>In the Process of completing required board training.</b></p>	<p><b>6/23/20</b> Charter School Finances – A Public's Trust</p>	<p><b>01/2020:</b> LETRS (Language Essentials for Teachers of Reading &amp; Spelling) Training  <b>01/2020:</b> ACCESS Training</p>





Dusty Lee	5/20	05/23	Member	Teacher	Education	dlee@cesarchavezschool.com	651-778-2940	92%	<b>10/20/15</b> MN School Boards Assoc. Governance  <b>12/4/19</b> Legislation & Lobbying Presented by: Joe Nathan	<b>9/22/15</b> MN Dept. of Educ., Employment in Charter Schools	<b>6/23/20</b> Charter School Finances – A Public’s Trust	<b>2/2020 (In Progress):</b> K-12 Reading Licensure
Malicia Villegas	08/19	05/23	Member	Parent	Parent	mvillegas@cesarchavezschool.com	651-808-4448	69%	<b>12/4/19</b> Legislation & Lobbying Presented by: Joe Nathan  <b>8/19/20</b> MN School Boards Assoc. Governance	<b>9/23/20</b> MN Dept. of Educ., Employment in Charter Schools	<b>9/22/20</b> Charter School Finances – A Public’s Trust	
Aleida Enriquez	5/21	5/24	Secretary	Parent	Parent	aeenriquez@cesarchavezschool.com	651-387-5815	71%	<b>Resigned prior to completing required board training.</b>			
Enrique Estrada	5/21	5/24	Member	Community	Community	eeestrada@cesarchavezschool.com	651-266-8690	33%	<b>In the Process of completing required board training.</b>			
<b>Former Board members</b>												
Vanessa San Jose	5/16	5/19 – Did not rerun	Member	Teacher	Community, Education	vsanjose@cesarchavezschool.com	(651) 210-0960	100%	<b>09/22/16</b> MN School Boards Assoc. Governance	<b>10/11/16</b> MN School Boards Assoc. Employment Matters	<b>09/16/16</b> MN School Boards Assoc. Financial Matters  <b>05/23/18:</b> Charter School Financial Training	<b>Other:</b> <b>06/15/16:</b> Dual Language Instruction  <b>06/15/16:</b> Reviewing School Assessment Data



												<b>11/29/17:</b> Governance Best Practices  <b>06/2018:</b> Academic Success for Latino Scholars  <b>03/2019:</b> Data Practices and Records Retention Training
Nicole Gustafson	05/19	05/22 <b>RESIGNED</b> 06/2019	Member	Teacher	Education	<a href="mailto:ngustafson@cesarchavezschool.com">ngustafson@cesarchavezschool.com</a>		50%				
Dexter Yee Yick	01/18	05/20 <b>RESIGNED</b> 06/2019	Member	Community	Community	<a href="mailto:yeeyick@hotmail.com">yeeyick@hotmail.com</a>		60%	<b>03/2018</b> MN School Boards Assoc. Governance	<b>03/2018</b> MN School Boards Assoc. Employment Matters	<b>03/2018</b> MN School Boards Assoc. Financial Matters  <b>05/23/18:</b> Charter School Financial Training	<b>06/2018:</b> Academic Success for Latino Scholars
Carolina Ziemann	05/18	05/21 <b>RESIGNED</b> 05/2019	Member	Parent	Parent	<a href="mailto:ziemancarina@gmail.com">ziemancarina@gmail.com</a>		70%	<b>06/2018</b> MN School Boards Assoc. Governance	<b>06/2018</b> MN School Boards Assoc. Employment Matters	<b>06/2018</b> MN School Boards Assoc. Financial Matters  <b>05/23/18:</b> Charter School Financial Training	<b>06/2018:</b> Academic Success for Latino Scholars  <b>03/2019:</b> Data Practices and Records



												Retention Training
Christian Guerrero	5/17	5/20	Member	Parent		<a href="mailto:Christian.arelly.g@gmail.com">Christian.arelly.g@gmail.com</a>	(651) 332-3461	40%	<p><b>03/11/17</b> MN School Boards Assoc. Governance</p> <p><b>12/4/19</b> Legislation &amp; Lobbying Presented by: Joe Nathan</p>	<p><b>03/11/17</b> MN School Boards Assoc. Employment Matters</p>	<p><b>03/17/17</b> MN School Boards Assoc. Financial Matters</p>	<p><b>Other:</b> <b>06/15/16:</b> Dual Language Instruction</p> <p><b>06/15/16:</b> Reviewing School Assessment Data</p> <p><b>06/21/17:</b> Big ideas for better schools - 10 ways to improve education</p> <p><b>06/2018:</b> Academic Success for Latino Scholars</p>
Elizabeth Rodriguez	5/17	5/20	Member	Teacher	Education	<a href="mailto:brodriguez@cesarchavezschool.com">brodriguez@cesarchavezschool.com</a>	(651) 778-2940	100%	<p><b>6/5/10</b> Amy Mace, Ratwik, Roszak &amp; Maloney, PA, Board Governance</p> <p><b>12/4/19</b> Legislation &amp; Lobbying Presented by: Joe Nathan</p>	<p><b>6/5/10</b> Ratwik, Roszak &amp; Maloney, PA, Oversight of Employment Matters</p>	<p><b>6/12/10</b> Beltz, Kes, Darling, Oversight of Financial Matters</p> <p><b>11/19/14</b> CliftonLarsonAllen Audit Procedures and Results</p> <p><b>05/23/18:</b> Charter School Financial Training</p>	<p><b>Other:</b> <b>8/14</b> Benchmark Reading Curriculum</p> <p><b>06/15/16:</b> Dual Language Instruction</p> <p><b>06/15/16:</b> Reviewing School</p>



											<p>Assessment Data</p> <p><b>06/21/17:</b> Big ideas for better schools - 10 ways to improve education</p> <p><b>11/29/17:</b> Governance Best Practices</p> <p><b>06/2018:</b> Academic Success for Latino Scholars</p> <p><b>03/2019:</b> Spring Leadership Forum</p>	
Dr. Charles Keffer	5/19	5/22	Chair	Community	Organizational/Financial Management; Community Development, Faculty and Project Management; Administration; Academic/Education; Fund-Raising, Capital Campaign; Human Resources; Strategic/Long Range Planning	<a href="mailto:charlie@keffermail.com">charlie@keffermail.com</a>	(651) 644-4437	80%	<p><b>6/5/10</b> <i>Ratwik, Roszak &amp; Maloney, PA, Board Governance;</i></p> <p><b>2/13/13</b> <i>National Charter School Resource Center, Strengthen Your Board by Fixing your Board Meetings;</i></p> <p><b>2014-2015</b> <i>Attendance at weekly meetings from November 2014 through March 2015</i></p>	<p><b>12/8/09</b> <i>MN Dept. of Educ., Employment Practices &amp; Policies</i></p>	<p><b>12/9/09</b> <i>MN Dept. of Educ., Financial Management;</i></p> <p><b>10/17/12</b> <i>Piper Jaffray, Bond Financing for Charter Schools;</i></p> <p><b>11/28/12</b> <i>CliftonLarson Allen, Audit Process in Charter Schools;</i></p> <p><b>10/16/13</b></p>	<p><b>Other:</b></p> <p><b>06/15/16:</b> <i>Dual Language Instruction</i></p> <p><b>06/15/16:</b> <i>Reviewing School Assessment Data</i></p> <p><b>03/15/17:</b> <i>Promoting Effective Instruction for Children</i></p>



									<p>to learn about and implement the bond financing process for the recent bond issue to support ACC and its building company. <b>2014-2015</b> Attendance at regular meetings (about twice a month) to plan and implement the construction and renovation of facilities for ACC.</p> <p><b>12/4/19</b> Legislation &amp; Lobbying Presented by: Joe Nathan</p>		<p>Borenstein &amp; McVeigh Charter School Bond Financing; <b>10/23/13</b> CliftonLarsonAllen Audit Procedures and Results <b>2/24/14</b> Cushman Wakefield, Buying a Facility through Tax Exempt Bonds <b>11/19/14</b> CliftonLarsonAllen Audit Procedures and Results</p> <p><b>05/23/18:</b> Charter School Financial Training</p> <p><b>06/12/19:</b> U.S. Charter Schools Fiscal 2018 Medians Webcast</p>	<p>Learning English</p> <p><b>03/22/17:</b> Top Ten Pitfalls of the Open Meeting Law</p> <p><b>06/21/17:</b> Big ideas for better schools - 10 ways to improve education</p> <p><b>07/12/17:</b> S&amp;P Global Ratings Webinar</p> <p><b>07/18/17:</b> 5<sup>th</sup> Annual MN Charter School Conf.</p> <p><b>11/29/17:</b> Governance Best Practices</p> <p><b>06/2018:</b> Academic Success for Latino Scholars</p> <p><b>03/2019:</b> Data Practices and Records</p>
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												Retention Training  <b>4/2020:</b> Board Chat - Managing the Election Process During COVID-19
Rosalinda Chapa	5/20	5/23	Member	Parent	Education	<a href="mailto:rchapa@cesarchavezschool.com">rchapa@cesarchavezschool.com</a>	651-778-2940	100%	<b>8/19/20</b> MN School Boards Assoc. Governance			
Juan Vazquez  <b>RESIGNED 05/2021</b>	5/18	5/21	Member	Community	Community Resident;	Jvasquez@cesarchavezschool.com	(651) 331-8461	77%	<b>3/12/11</b> MN School Boards Assoc. Governance  <b>12/4/19</b> Legislation & Lobbying Presented by: Joe Nathan	<b>3/12/11</b> MN School Boards Assoc. Employment Matters	<b>3/12/11</b> MN School Boards Assoc. Financial Matters  <b>05/23/18:</b> Charter School Financial Training	<b>Other:</b> <b>06/15/16:</b> Dual Language Instruction  <b>06/15/16:</b> Reviewing School Assessment Data  <b>11/29/17:</b> Governance Best Practices
Julia Brandes  <b>RESIGNED 05/2021</b>	5/20	5/21	Member	Teacher	Education	<a href="mailto:jbrandes@cesarchavezschool.com">jbrandes@cesarchavezschool.com</a>	651-778-2940	100%	<b>9/16/20</b> MN School Boards Assoc. Governance	<b>10/21/20</b> MN Dept. of Educ., Employment in Charter Schools	<b>10/27/20</b> Charter School Finances – A Public's Trust	

**Note:**



Academia Cesar Chavez Middle School Schedule  
2021/2022

Period	Time	Description
Homeroom	7:30-7:57	With advisory teacher
Block 1	8:00-9:35	Core Classes
Block 2	9:38-11:12	Core Classes
Block 3	11:15-12:5 8	Lunch/Recess/ Advisory
Block 4	1:00-2:30	Electives
Dismissal	2:30-2:45	With advisory teacher

	<b>2nd</b>	
Start Time		
7:15		
7:30	breakfast	
7:45	Morning Meeting	
8:00	7:45-8:15	
8:15	Number Corner 8:15-8:35	
8:30		
8:45	Literacy block	
9:00	Specialist 9:00-9:40	
9:15		
9:30		
9:45	Literacy Block 9:45-11:00	
10:00		
10:15		
10:30		
10:45		
11:00	Lunch 11:00-11:30	
11:15		60
11:30	<b>Recess 11:30-12:00</b>	
11:45		
12:00	Literacy Block 12:00-12:40	
12:15		
12:30	<b>Science/Social Studies 12:40-1:10</b>	
12:45		
1:00	<b>Math Block</b>	
1:15	Whole Group 1:10-1:45	
1:30		
1:45	Work Places 1:45-2:30	
2:00		
2:15		
2:30		
2:45	dismissal	
3:00		
3:15		



**Academia Cesar Chavez Charter School**  
**Enrollment Policies and Procedures**



Academia Cesar Chavez's (ACC's) enrollment policy is intended to ensure families receive confirmation of enrollment after submitting a complete application and ensure that all families have an equal opportunity to enroll in ACC. Whenever possible, the school will strive to accommodate families with multiple siblings.

**Policy 1: Enrollment into ACC**

**1a.** ACC will limit enrollment to students within prekindergarten through 8<sup>th</sup> grade;

**1b.** ACC enrollment guidelines of the grade levels are as follows:

Prekindergarten	2 Classroom	40 Students	= 20 per class
Kindergarten:	2 Classrooms	60 Students	= 30 per class
1 <sup>st</sup> Grade:	2 Classrooms	50 Students	= 25 per class
2 <sup>nd</sup> Grade:	2 Classrooms	60 Students	= 30 per class
3 <sup>rd</sup> Grade:	3 Classrooms	78 Students	= 26 per class
4 <sup>th</sup> Grade:	3 Classrooms	78 Students	= 26 per class
5 <sup>th</sup> Grade:	3 Classrooms	78 Students	= 26 per class
6 <sup>th</sup> Grade:	2 Classrooms	60 Students	= 30 per class
7 <sup>th</sup> Grade:	2 Classrooms	60 Students	= 30 per class
8 <sup>th</sup> Grade:	2 Classrooms	60 Students	= 30 per class

**1c.** ACC will give enrollment preferences to siblings of enrolled students and foster children of enrolled students' parents.

**1d.** ACC will NOT limit enrollment based on intellectual ability, measures of achievement or aptitude, athletics or extracurricular ability, disabling conditions, or English proficiency.

The deadline for completed enrollment applications is February 15. On February 22, ACC's enrollment committee will determine if applications exceed capacity in any grade levels. If that is the case, ACC will give first priority to students already attending ACC, next siblings of students enrolled at ACC and foster children of enrolled students' parents, and then utilize a lottery drawing to determine remaining enrollments. When grade levels reach capacity (as defined in 1b) the remaining enrollment applications will be placed on a waiting list.

If space remains available in any grade level, future applications will be accepted first-come, first-serve.

**Policy 2: Prekindergarten Enrollment**

In order to enroll for the forthcoming year, children must be four years of age on or before September 1 of that same school year and have successfully completed early childhood screening. All children who have completed an enrollment application and have been admitted to ACC, by state law, must have a copy of their birth certificate, proof of having completed early childhood screening through an approved screening provider, and a completed immunization record on file with the school office before the first day of school. Entrance into ACC's prekindergarten program does not guarantee access into our school's kindergarten program. Students enrolled in ACC's prekindergarten program must submit an application for kindergarten as required of all other interested students.

**Policy 3: Kindergarten Enrollment**

In order to enroll for the forthcoming year, children must be five years of age on or before September 1 of that same school year and have successfully completed preschool screening. All children who have completed an enrollment application and have been admitted to ACC, by state law, must have a copy of their birth certificate, proof of having completed early childhood screening through an approved screening provider, and a completed immunization record on file with the school office before the first day of school.

**3a.** ACC will give enrollment preferences to incoming Kindergartener students who were enrolled in ACC's Prekindergarten Instructional Program.



# Annual Financial Report

## Academia Cesar Chavez Charter School

St. Paul, Minnesota

For the year ended June 30, 2021



### *Edina Office*

5201 Eden Avenue, Ste 250

Edina, MN 55436

**P** 952.835.9090

**F** 952.835.3261

### *Mankato Office*

100 Warren Street, Ste 600

Mankato, MN 56001

**P** 507.625.2727

**F** 507.388.9139

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Academia Cesar Chavez Charter School  
 St. Paul, Minnesota  
 Annual Financial Report  
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 For the Year Ended June 30, 2021

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INTRODUCTORY SECTION  
ACADEMIA CESAR CHAVEZ  
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2021

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Academia Cesar Chavez Charter School  
 St. Paul, Minnesota  
 Board of Education and Administration  
 For the Year Ended June 30, 2021

**BOARD OF EDUCATION**

Name	Position	Term Expires
Dr. Jessica Lopez Lyman	Board Chair	5/31/2022
John Lozoya	Board Treasurer	5/31/2023
Dr. Osiris Gómez	Board Secretary	5/31/2024
Dusty Lee	Member	5/31/2023
Mark Ahrens	Member	5/31/2024
Carlota Mendoza Perez	Member	5/31/2023
David Stanton	Member	5/31/2024
Enrique Estrada	Member	5/31/2024
Aleida Enriquez	Member	5/31/2024
Semita Perez	Member	5/31/2023
Malicia Villegas	Member	5/31/2023

**BUILDING COMPANY BOARD**

Name	Position	Term Expires
Katie G. de Aviña	President	9/1/2021
Mike Conners	Treasurer	9/1/2022
Tom Ressler	Secretary	9/1/2020

**ADMINISTRATION**

Name	Position
Norma Garces	Executive Director
Diana Morales-Carlson	Executive and Financial Manager
Martha Dominguez	Family and Community Director
Marita Moran-Wildenauer	Head of Primary School
Brenda Kes	Contracted CFO, BerganKDV



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FINANCIAL SECTION  
ACADEMIA CESAR CHAVEZ  
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2021

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## INDEPENDENT AUDITOR'S REPORT

Board of Education  
Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, Minnesota

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Academia Cesar Chavez Charter School (the School), St. Paul, Minnesota, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the 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 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 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 presentation of the financial statement.

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, each major fund and the aggregate remaining fund information of the School as June 30 2021, and the respective changes in financial position and the budgetary comparison for the General fund, Food Service and Community Service Special Revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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## 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, the Schedules of Employer's Share of the Net Pension Liability and the Schedules of Employer's Contributions on page 62 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 School's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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, individual fund financial schedules and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the regulatory basis financial statements as a whole.

The introductory section and supplementary information have 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 them.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2021, on our consideration of the 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 report is solely 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 the School's 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 School's internal control over financial reporting and compliance.



**Abdo**  
Minneapolis, Minnesota  
November 25, 2021



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## Management's Discussion and Analysis

As management of the Academia Cesar Chavez Charter School (the School), St. Paul, Minnesota, we offer readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2021.

### Financial Highlights

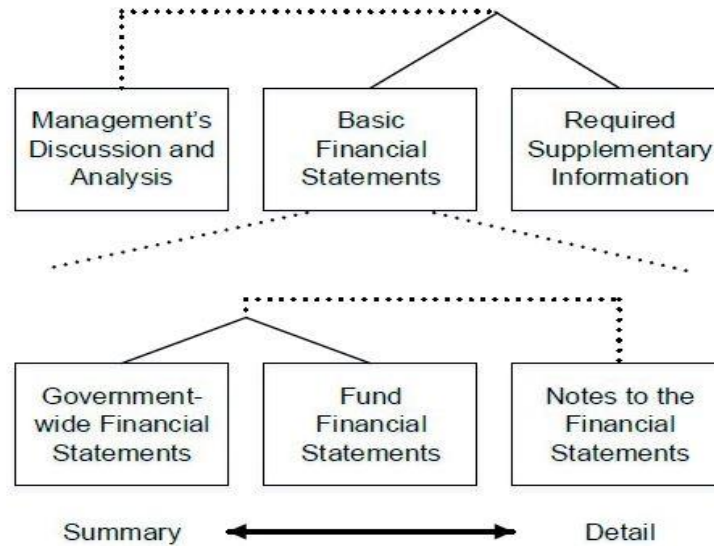
- As of the close of the current fiscal year, the School's governmental funds reported combined ending fund balances of \$4,499,972, an increase of \$628,045 in comparison with the prior year. Of this total amount, \$2,875,711 is unassigned and available for spending at the School's discretion, \$1,559,334 is restricted for specific reasons, and \$42,002 is nonspendable for prepaid items.
- At the end of the current fiscal year, the fund balance for the General fund was \$2,957,637 or 39.7 percent of total General fund expenditures.
- The School's total net position increased by \$520,873. This was primarily the result of expenses coming in under expectations.
- The liabilities and deferred inflows of resources of the School exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$314,899 (*net position*).



## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplemental information in addition to the basic financial statements themselves. The following chart shows how the various parts of this annual report are arranged and related to one another:

### Organization of Academia Cesar Chavez Charter School's Annual Financial Report



The following chart summarizes the major features of the School's financial statements, including the portion of the 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 School (except fiduciary funds)	The activities of the School that are not fiduciary, such as special education and building maintenance
Required financial statements	<ul style="list-style-type: none"> <li>Statement of Net Position</li> <li>Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>Balance Sheet</li> <li>Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>
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 expenses 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 School's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the School's assets, deferred inflows of resources, liabilities and deferred outflows of resources, with the difference between the four 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 School is improving or deteriorating.

The *statement of activities* presents information showing how the 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.

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

The government-wide financial statements start on page 24 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 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 the School'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 by the 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 School maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Building Company Special Revenue fund, Food Service Special Revenue fund, and the Community Service Special Revenue fund, which are considered to be major funds.

The School adopts annual appropriated budgets for its General fund, Food Service and Community Service special revenue funds. Budgetary comparison statements have been provided for the three funds to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 28 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 start on page 35 of this report.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the School's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found starting on page 62 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 School, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$314,899 at the close of the most recent fiscal year.

A portion of the School's net position, \$1,064,437 reflects its investment in capital assets (e.g., building, building improvements, and equipment), less any related debt used to acquire those assets that are still outstanding. The School uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending.

### Academia Cesar Chavez Charter School's Net Position

	Governmental Activities		
	2021	2020	Increase (Decrease)
<b>Assets</b>			
Current and other assets	\$ 5,192,881	\$ 4,602,638	\$ 590,243
Capital assets	11,646,057	11,552,336	93,721
<b>Total Assets</b>	<u>16,838,938</u>	<u>16,154,974</u>	<u>683,964</u>
<b>Deferred Outflows of Resources</b>			
Deferred pension resources	<u>2,718,187</u>	<u>3,842,456</u>	<u>(1,124,269)</u>
<b>Liabilities</b>			
Current and other liabilities	692,909	1,053,336	(360,427)
Noncurrent liabilities	16,436,618	16,026,260	410,358
<b>Total Liabilities</b>	<u>17,129,527</u>	<u>17,079,596</u>	<u>49,931</u>
<b>Deferred Inflows of Resources</b>			
Deferred pension resources	<u>2,742,497</u>	<u>4,076,231</u>	<u>(1,333,734)</u>
<b>Net Position</b>			
Net investment in capital assets	1,064,437	807,101	257,336
Restricted	34,534	31,757	2,777
Unrestricted	<u>(1,413,870)</u>	<u>(1,997,255)</u>	<u>583,385</u>
<b>Total Net Position</b>	<u>\$ (314,899)</u>	<u>\$ (1,158,397)</u>	<u>\$ 843,498</u>

At the end of the current fiscal year, the School is able to report a positive balance in two of the three categories of net position, net investment in capital assets and restricted net position. The School reports a deficit balance for its unrestricted governmental activities. The deficit equity balance is directly related to the net pension liability totaling \$4,330,198.

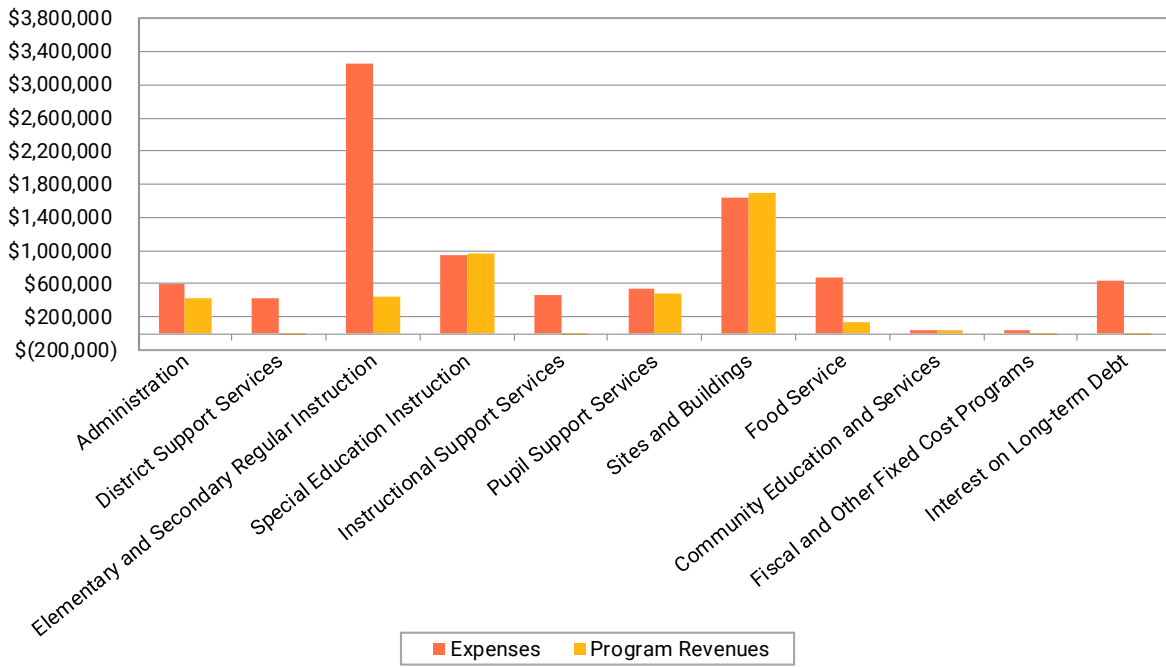
**Governmental Activities.** Governmental activities increased the School’s net position by \$520,873. Key elements of this increase are shown in the table below.

### Academia Cesar Chavez Charter School’s Changes in Net Position

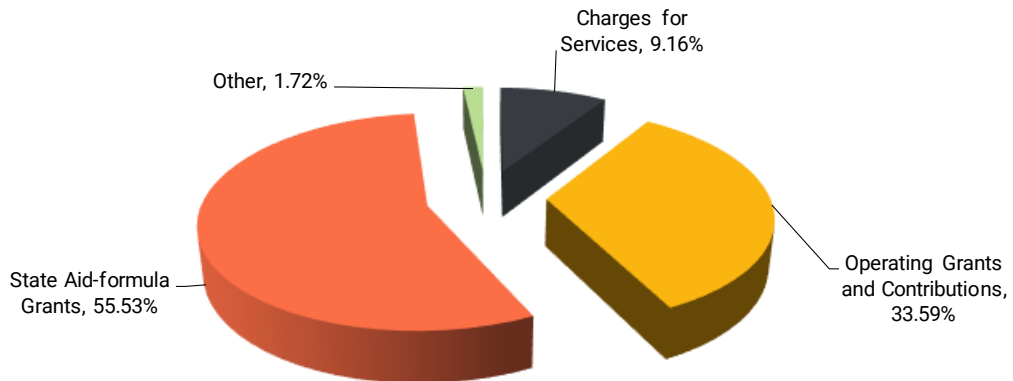
	Governmental Activities		
	2021	2020	Increase (Decrease)
Revenues			
Program revenues			
Charges for services	\$ 898,278	\$ 952,942	\$ (54,664)
Operating grants and contributions	3,294,901	2,211,659	1,083,242
General revenues			
State aid-formula grants	5,447,763	6,529,804	(1,082,041)
Other general revenues	164,168	91,064	73,104
Gain on sale of assets	-	-	-
Unrestricted investment earnings	4,772	31,418	(26,646)
Total Revenues	<u>9,809,882</u>	<u>9,816,887</u>	<u>(7,005)</u>
Expenses			
Administration	592,114	728,541	(136,427)
District support services	417,652	423,156	(5,504)
Elementary and secondary regular instruction	3,260,460	3,600,279	(339,819)
Special education instruction	945,388	1,069,216	(123,828)
Instructional support services	470,655	436,280	34,375
Pupil support services	550,665	794,478	(243,813)
Sites and buildings	1,633,800	1,678,700	(44,900)
Fiscal and other fixed cost programs	38,910	35,527	3,383
Food service	684,850	549,638	135,212
Community service	47,792	59,345	(11,553)
Interest on long-term debt	646,723	651,635	(4,912)
Total Expenses	<u>9,289,009</u>	<u>10,026,795</u>	<u>(737,786)</u>
Change in Net Position	520,873	(209,908)	730,781
Net Position, July 1	(1,158,397)	(948,489)	(209,908)
Prior Period Restatement (Note 7)	<u>322,625</u>	-	<u>322,625</u>
Net Position, June 30	<u>\$ (314,899)</u>	<u>\$ (1,158,397)</u>	<u>\$ 843,498</u>

The primary reasons for the increase in net position include elementary and secondary regular instruction and administration expenses decreasing \$339,819 and \$136,427, respectively from the prior year.

## Expenses and Program Revenues - Governmental Activities



## Revenues by Source - Governmental Activities



## Financial Analysis of the Government's Funds

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

**Governmental Funds.** The focus of the 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 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 School's governmental funds reported combined ending fund balances of \$4,499,972, an increase of \$628,045 in comparison with the prior year. Approximately 63.9 percent (\$2,875,711) constitutes unassigned fund balance that is available for spending at the School's discretion. The remainder of fund balance (\$1,624,261) is not available for new spending because it is either 1) nonspendable (\$42,002) 2) restricted (\$1,559,334) or 3) assigned (\$22,925).

The General fund is the chief operating fund of the School. At the end of the current year, unassigned fund balance of the General fund was \$2,875,711, while total fund balance was \$2,957,637. As a measure of the General fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 39.7 percent of total General fund expenditures, while total fund balance represents approximately 39.7 percent of that same amount.

The fund balance of the School's General fund increased \$600,469 during the current fiscal year. Revenues increased due to higher enrollment and federal entitlements while expenditures increased due to the addition of staffing costs and higher lease costs (both attributed to the higher student counts).

The Food Service fund has a total fund balance of \$14,758. The increase in fund balance during the current year was \$0.

The Building Company Special Revenue fund has a total fund balance of \$1,527,577. The increase in fund balance during the current year was \$27,576, and was the result of scheduled debt payments and building related capital expenditures being lower than revenues.

### General Fund Budgetary Highlights

During the fiscal year the School revised the budget; increasing revenues and expenditures by \$41,577 and \$89,059, respectively.

Total revenues were \$53,268 less than budget with the largest revenue variance from federal sources, which were \$99,544 less than anticipated. The variance was due to the school spending less than anticipated for special education and therefore, was reimbursed less than budgeted.

Total expenditures were \$677,513 under budget with the largest variance in current elementary and secondary regular instruction and special education instruction expenditures, which were \$234,427 under budget and \$68,995 under budget, respectively.

### Food Service Special Revenue Fund Budgetary Highlights

During the fiscal year the School revised the budget; increasing revenues and expenditures by \$37,893 and \$14,700, respectively.

Total revenues were \$85,993 more than budgeted with the largest revenue variance from federal sources, which were \$86,551 more than anticipated.

Total expenditures were \$164,098 over budget due to the School spending more than anticipated for food service.

## Capital Assets and Debt Administration

**Capital Assets.** The School's investment in capital assets for its governmental activities as of June 30, 2021, amounts to \$11,646,057 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment and leasehold improvements. The total depreciation expense for the year was \$404,032. The following is a schedule of capital assets as of June 30, 2021.

### Academia Cesar Chavez Charter School's Capital Assets (Net of Depreciation)

	Governmental Activities		
	2021	2020	Increase (Decrease)
Land	\$ 875,000	\$ 875,000	\$ -
Building and Improvements	9,866,781	9,970,999	(104,218)
Equipment	904,276	706,337	197,939
Total	<u>\$ 11,646,057</u>	<u>\$ 11,552,336</u>	<u>\$ 93,721</u>

Additional information on the School's capital assets can be found in Note 3B on page 45 of this report.

**Noncurrent Liabilities.** At the end of the current fiscal year, the School had the following noncurrent liabilities outstanding.

### Academia Cesar Chavez Charter School's Outstanding Debt

	Governmental Activities		
	2021	2020	Increase (Decrease)
Lease Revenue Bonds	<u>\$ 12,290,000</u>	<u>\$ 12,460,000</u>	<u>\$ (170,000)</u>

The School's total noncurrent liabilities decreased \$170,000. The primary reason for the decrease was regularly scheduled principal payments.

Additional information on the School's long-term debt can be found in Note 3E starting on page 46 of this report.

## Factors Bearing on the School's Future

The School is dependent on the state of Minnesota for its revenue authority. The 2021 Legislative session ended with schools receiving a 2.45% increase to the general education formula for FY 2022 and 2% increase to general education formula for FY 2023. The holdback will continue at its current level of 10%.

The School will strive to maintain its long-standing commitment to academic excellence and educational opportunity for students within a framework of financial fiduciary responsibility.

The School is monitoring the COVID-19 pandemic carefully, and is looking forward to a successful FY 2022 school year under new Administration

## Requests for Information

These financial statements are designed to provide our citizens, sponsor district, customers, and creditors with a general overview of the School's finances and to demonstrate the School's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Academia Cesar Chavez Charter School, 1801 Lacrosse Avenue, St. Paul, Minnesota 55119.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

ACADEMIA CESAR CHAVEZ  
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2021



Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, Minnesota  
Statement of Net Position  
June 30, 2021

	<u>Governmental Activities</u>
<b>Assets</b>	
Cash and temporary investments	\$ 2,935,470
Cash with fiscal agent	1,515,660
Accounts receivable	39,188
Due from the Department of Education	407,812
Due from the Federal government	252,749
Prepaid items	42,002
Capital assets	
Land	875,000
Depreciable assets, net of accumulated depreciation	<u>10,771,057</u>
Total Assets	<u>16,838,938</u>
<b>Deferred Outflows of Resources</b>	
Deferred pension resources	<u>2,718,187</u>
<b>Liabilities</b>	
Accounts and other payables	287,534
Accrued salaries payable	405,375
Noncurrent liabilities	
Due within one year	
Long-term liabilities	180,000
Due in more than one year	
Long-term liabilities	11,926,420
Net pension liability	<u>4,330,198</u>
Total Liabilities	<u>17,129,527</u>
<b>Deferred Inflows of Resources</b>	
Deferred pension resources	<u>2,742,497</u>
<b>Net Position</b>	
Net investment in capital assets	1,064,437
Restricted for	
Building company	2,777
Food service	14,758
Safe schools	16,999
Unrestricted	<u>(1,413,870)</u>
Total Net Position	<u><u>\$ (314,899)</u></u>

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

Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, Minnesota  
Statement of Activities  
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities</b>					<b>Governmental Activities</b>
Administration	\$ 592,114	\$ -	\$ 432,137	\$ -	\$ (159,977)
District support services	417,652	-	-	-	(417,652)
Elementary and secondary regular instruction	3,260,460	287	435,938	-	(2,824,235)
Special education instruction	945,388	-	963,520	-	18,132
Community education and services	47,792	-	46,934	-	(858)
Instructional support services	470,655	-	-	-	(470,655)
Pupil support services	550,665	-	483,175	-	(67,490)
Sites and buildings	1,633,800	897,731	794,739	-	58,670
Food service	684,850	260	138,458	-	(546,132)
Fiscal and other fixed cost programs	38,910	-	-	-	(38,910)
Interest on long-term debt	646,723	-	-	-	(646,723)
<b>Total Governmental Activities</b>	<b>\$ 9,289,009</b>	<b>\$ 898,278</b>	<b>\$ 3,294,901</b>	<b>\$ -</b>	<b>(5,095,830)</b>
<b>General Revenues</b>					
State aid-formula grants					5,447,763
Other general revenues					164,168
Unrestricted investment earnings					4,772
<b>Total General Revenues</b>					<b>5,616,703</b>
Change in Net Position					520,873
Net Position, July 1					(1,158,397)
Prior Period Restatement (Note 7)					322,625
Net Position, June 30					<b>\$ (314,899)</b>

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

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FUND FINANCIAL STATEMENTS

ACADEMIA CESAR CHAVEZ  
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2021

Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, Minnesota  
Balance Sheet  
Governmental Funds  
June 30, 2021

	General	Building Company	Food Service	Community Service	Total Governmental Funds
<b>Assets</b>					
Cash and temporary investments	\$ 1,925,945	\$ 24,524	\$ 289,688	\$ 695,313	\$ 2,935,470
Cash with fiscal agent	-	1,515,660	-	-	1,515,660
Accounts receivable	15,512	-	23,676	-	39,188
Due from the Department of Education	407,812	-	-	-	407,812
Due from the Federal government	213,225	-	38,568	956	252,749
Due from other funds	980,916	-	-	-	980,916
Prepaid items	42,002	-	-	-	42,002
<b>Total Assets</b>	<b><u>\$ 3,585,412</u></b>	<b><u>\$ 1,540,184</u></b>	<b><u>\$ 351,932</u></b>	<b><u>\$ 696,269</u></b>	<b><u>\$ 6,173,797</u></b>
<b>Liabilities</b>					
Accounts and other payables	\$ 228,089	\$ -	\$ 59,445	\$ -	\$ 287,534
Accrued salaries payable	399,686	-	5,689	-	405,375
Due to other funds	-	12,607	272,040	696,269	980,916
<b>Total Liabilities</b>	<b><u>627,775</u></b>	<b><u>12,607</u></b>	<b><u>337,174</u></b>	<b><u>696,269</u></b>	<b><u>1,673,825</u></b>
<b>Fund Balances</b>					
Nonspendable prepaid items	42,002	-	-	-	42,002
Restricted for					
Debt service	-	1,527,577	-	-	1,527,577
Food service	-	-	14,758	-	14,758
Safe schools	16,999	-	-	-	16,999
Assigned for music program	22,925	-	-	-	22,925
Unassigned	2,875,711	-	-	-	2,875,711
<b>Total Fund Balances</b>	<b><u>2,957,637</u></b>	<b><u>1,527,577</u></b>	<b><u>14,758</u></b>	<b><u>-</u></b>	<b><u>4,499,972</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 3,585,412</u></b>	<b><u>\$ 1,540,184</u></b>	<b><u>\$ 351,932</u></b>	<b><u>\$ 696,269</u></b>	<b><u>\$ 6,173,797</u></b>

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

Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, Minnesota  
Reconciliation of the Balance Sheet  
to the Statement of Net Position  
Governmental Funds  
June 30, 2021

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

Total Fund Balances - Governmental Funds	\$ 4,499,972
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	13,675,404
Less: accumulated depreciation	(2,029,347)
Noncurrent liabilities, including bonds payable, 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	
Bond principal payable	(12,290,000)
Discounts on bonds payable	183,580
Net pension liability	(4,330,198)
Governmental funds do not report long-term amounts related to pensions.	
Deferred outflow of pension resources	2,718,187
Deferred inflow of pension resources	(2,742,497)
	(314,899)
Total Net Position - Governmental Activities	\$ (314,899)

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

Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, Minnesota  
Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2021

	General	Building Company	Food Service	Community Service	Total Governmental Funds
<b>Revenues</b>					
Revenue from federal sources	\$ 902,483	\$ -	\$ 605,151	\$ 956	\$ 1,508,590
Revenue from state sources	7,169,226	-	16,482	45,978	7,231,686
Other local and county revenue	45,631	897,732	-	-	943,363
Interest earned on investments	4,692	80	-	-	4,772
Sales and other conversion of assets	-	-	260	-	260
Miscellaneous revenue	-	118,823	-	-	118,823
Total Revenues	<u>8,122,032</u>	<u>1,016,635</u>	<u>621,893</u>	<u>46,934</u>	<u>9,807,494</u>
<b>Expenditures</b>					
<b>Current</b>					
Administration	542,877	-	-	-	542,877
District support services	374,476	43,840	-	-	418,316
Elementary and secondary regular instruction	2,915,102	-	-	-	2,915,102
Special education instruction	903,083	-	-	-	903,083
Community education and services	-	-	-	46,934	46,934
Instructional support services	407,346	-	-	-	407,346
Pupil support services	563,424	-	-	-	563,424
Sites and buildings	1,350,714	2,811	-	-	1,353,525
Food service	-	-	682,598	-	682,598
Fiscal and other fixed cost programs	38,910	-	-	-	38,910
<b>Capital outlay</b>					
Administration	395	-	-	-	395
District support services	4,186	-	-	-	4,186
Elementary and secondary regular instruction	264,201	-	-	-	264,201
Instructional support services	51,910	-	-	-	51,910
Sites and buildings	32,141	132,070	-	-	164,211
Food service	-	-	12,093	-	12,093
<b>Debt service</b>					
Principal	-	170,000	-	-	170,000
Interest and other charges	-	640,338	-	-	640,338
Total Expenditures	<u>7,448,765</u>	<u>989,059</u>	<u>694,691</u>	<u>46,934</u>	<u>9,179,449</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>673,267</u>	<u>27,576</u>	<u>(72,798)</u>	<u>-</u>	<u>628,045</u>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	72,798	-	72,798
Transfers out	(72,798)	-	-	-	(72,798)
Total Other Financing Sources (Uses)	<u>(72,798)</u>	<u>-</u>	<u>72,798</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	600,469	27,576	-	-	628,045
Fund Balances, July 1	<u>2,357,168</u>	<u>1,500,001</u>	<u>14,758</u>	<u>-</u>	<u>3,871,927</u>
Fund Balances, June 30	<u>\$ 2,957,637</u>	<u>\$ 1,527,577</u>	<u>\$ 14,758</u>	<u>\$ -</u>	<u>\$ 4,499,972</u>

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

Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, 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, 2021

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

Net Change in Fund Balances - Total Governmental Funds	\$ 628,045
<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>	
Depreciation expense	(404,032)
Capital outlays	499,820
Loss on disposal of assets	(2,067)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. The amounts below are the effects of these differences in the treatment of long-term debt and related items.</p>	
Principal repayments	170,000
Amortized bond premium	(6,385)
<p>Long-term pension activity is not reported in governmental funds.</p>	
Pension revenues	2,388
Pension expense	(366,896)
Change in Net Position of Governmental Activities	\$ 520,873

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



Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, Minnesota  
Statement of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Revenue from federal sources	\$ 507,590	\$ 1,002,027	\$ 902,483	\$ (99,544)
Revenue from state sources	7,631,136	7,128,084	7,169,226	41,142
Other local and county revenue	67,200	44,189	45,631	1,442
Interest earned on investments	10,291	1,000	4,692	3,692
Sales and other conversion of assets	660	-	-	-
Total Revenues	<u>8,216,877</u>	<u>8,175,300</u>	<u>8,122,032</u>	<u>(53,268)</u>
<b>Expenditures</b>				
<b>Current</b>				
Administration	727,015	620,513	542,877	77,636
District support services	412,731	460,302	374,476	85,826
Elementary and secondary regular instruction	3,178,840	3,149,529	2,915,102	234,427
Special education instruction	1,128,789	972,078	903,083	68,995
Instructional support services	429,386	422,402	407,346	15,056
Pupil support services	818,087	712,755	563,424	149,331
Sites and buildings	1,367,655	1,388,028	1,350,714	37,314
Fiscal and other fixed cost programs	37,100	37,500	38,910	(1,410)
<b>Capital outlay</b>				
Administration	-	500	395	105
District support services	-	3,000	4,186	(1,186)
Elementary and secondary regular instruction	25,734	235,571	264,201	(28,630)
Instructional support services	55,000	80,800	51,910	28,890
Sites and buildings	35,000	43,300	32,141	11,159
Total Expenditures	<u>8,215,337</u>	<u>8,126,278</u>	<u>7,448,765</u>	<u>677,513</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,540	49,022	673,267	624,245
<b>Other Financing Sources (Uses)</b>				
Transfers out	-	-	(72,798)	(72,798)
Net Change in Fund Balances	1,540	49,022	600,469	551,447
Fund Balances, July 1	<u>2,357,168</u>	<u>2,357,168</u>	<u>2,357,168</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 2,358,708</u>	<u>\$ 2,406,190</u>	<u>\$ 2,957,637</u>	<u>\$ 551,447</u>

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

Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, Minnesota  
Statement of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
Food Service Special Revenue Fund  
For the Year Ended June 30, 2021

	Food Service Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Revenue from federal sources	\$ 415,408	\$ 518,600	\$ 605,151	\$ 86,551
Revenue from state sources	25,722	17,000	16,482	(518)
Sales and other conversion of assets	56,877	300	260	(40)
Total Revenues	<u>498,007</u>	<u>535,900</u>	<u>621,893</u>	<u>85,993</u>
Expenditures				
Current				
Food service	507,800	518,500	682,598	(164,098)
Capital outlay				
Food service	-	4,000	12,093	(8,093)
Total Expenditures	<u>507,800</u>	<u>522,500</u>	<u>694,691</u>	<u>(172,191)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,793)	13,400	(72,798)	(86,198)
Other Financing Sources (Uses)				
Transfers in	9,793	-	72,798	72,798
Net Change in Fund Balance	-	13,400	-	(13,400)
Fund Balances, July 1	<u>14,758</u>	<u>14,758</u>	<u>14,758</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 14,758</u>	<u>\$ 28,158</u>	<u>\$ 14,758</u>	<u>\$ (13,400)</u>

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

Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, Minnesota  
Statement of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
Community Service Special Revenue Fund  
For the Year Ended June 30, 2021

	Community Service Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Revenue from federal sources	\$ -	\$ -	\$ 956	\$ 956
Revenue from state sources	58,352	58,352	45,978	(12,374)
Total Revenues	58,352	58,352	46,934	(11,418)
Expenditures				
Current				
Community education and services	58,352	58,352	46,934	11,418
Net Change in Fund Balance	-	-	-	-
Fund Balances, July 1	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -

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

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Notes to the Financial Statements  
June 30, 2021

**Note 1: Summary of Significant Accounting Policies**

**A. Reporting Entity**

The Academia Cesar Chavez Charter School (the School), St. Paul, Minnesota is a nonprofit corporation that was formed on June 30, 2000, in accordance with Minnesota Statutes. The School is authorized by the University of St. Thomas and is operating under a three-year charter school authorizer contract extending through June 30, 2021. Academia Cesar Chavez is dedicated to providing a quality dual-language education that prepares critical thinking, socially competent, values driven, and culturally aware bilingual and bi-literate learners by advocating Latino cultural values in an environment of “familia” and community. By state statute, the charter school board must be composed of at least five unrelated members and must include at least one licensed teacher employed at the School or a licensed teacher providing instruction under a contract between the charter school and a cooperative; the parent or legal guardian of a student enrolled in the charter school; and an interested community member who is not employed by the School and does not have a child enrolled in the School.

The School’s financial statements include all funds, departments, agencies, boards, commissions, component units, and other organizations for which the School is considered to be financially accountable.

Component units are legally separate entities for which the School (primary government) is financially accountable, or for which the exclusion of the component unit would render the financial statements of the primary government misleading. The criteria used to determine if the primary government is financially accountable for a component unit includes whether or not the primary government appoints the voting majority of the potential component unit’s governing body, is able to impose its will on the potential component unit, is in a relationship of financial benefit or burden with the potential component unit, or is fiscally depended upon by the potential component unit.

Based on these criteria, there is one organization that is considered to be a component unit of the School. ACC Building Company (the Building Company) is a Minnesota nonprofit corporation holding Internal Revenue Service (IRS) classification as a 501(c)(3) tax-exempt organization which is intended to own the real estate and building that is leased by the School for its operations. The Building Company is governed by a separate board appointed by the board of the School. Although it is legally separate from the School, the Building Company is reported as if it were part of the School (as a component unit) because its sole purpose was to acquire, construct, and own an educational site.

Aside from authorizing, the University of St. Thomas has no authority, control, power, or administrative responsibilities over Academia Cesar Chavez Charter School. Therefore, the School is not considered a component unit of the University of St. Thomas.

Extracurricular student activities are determined primarily by student participants under the guidance of an adult and are generally conducted outside of school hours. The School has no student activity accounts.

**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 non-fiduciary activities of the School.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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. Other internally dedicated resources are reported as general revenues rather than as program revenues. Other items not properly included among program revenues are reported instead as *general revenues*.

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Notes to the Financial Statements  
June 30, 2021

**Note 1: Summary of Significant Accounting Policies (Continued)**

The School applies restricted resources first when an expense is incurred for a purpose for which both restricted and unrestricted net position is available. Depreciation expense that can be specifically identified by function is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the statement of activities. Generally, the effect of material interfund activity has been removed from the School-wide financial statements.

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

**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*, as are the fiduciary fund financial statements. 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 claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

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 School receives value without directly giving equal value in return, include grants, entitlement and donations. On a modified accrual basis, revenue from non-exchange transaction must also be available before it can be recognized. 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 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.

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

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Notes to the Financial Statements  
June 30, 2021

**Note 1: Summary of Significant Accounting Policies (Continued)**

***Description of Funds***

As required by state statute, the School operates as a nonprofit corporation under Minnesota Statutes §317A. However, state law also requires that the School comply with Uniform Financial Accounting and Reporting Standards for Minnesota School Districts (UFARS) which mandates the use of a governmental fund accounting structure. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures.

The various 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 this report are as follows:

***Major Governmental Funds***

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

The *Building Company special revenue fund* accounts for financial resources used for the acquisition or construction of major capital facilities authorized by bond issue. It also collects lease payments from the School's general fund and is responsible for debt service on outstanding bonds.

The *Food Service special revenue fund* is used to account for food service revenue and expenditures.

The *Community Service special revenue fund* accounts for the School's after school program.

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

***Deposits and Investments***

The 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.

Cash balances from all funds are pooled and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the respective funds on the basis of cash balance participation by each fund.

Cash with fiscal agent represents dollars held by others on behalf of the building company. Interest earnings are restricted to the funds that generate them.

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Notes to the Financial Statements  
June 30, 2021

**Note 1: Summary of Significant Accounting Policies (Continued)**

The 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 is rated in one of the two highest rating categories by a statistical rating agency, and all of the investments 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 School categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The School's recurring fair value measurements are valued using quoted market prices (Level 1 inputs).

***Accounts Receivable***

Accounts receivable include amounts billed for services provided before year end. 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 government-wide and fund financial statements.

Academia Cesar Chavez Charter School  
 St. Paul, Minnesota  
 Notes to the Financial Statements  
 June 30, 2021

**Note 1: Summary of Significant Accounting Policies (Continued)**

**Capital Assets**

Capital assets are recorded at historical cost, or estimated historical cost if purchased or constructed. The School defines capital assets as those with an initial, individual cost of more than \$500 and an estimated useful life in excess of one year. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Useful Lives in Years
Building and Improvements	20 - 50
Equipment	5 - 20

**Deferred Outflows of Resources**

In addition to assets, the statement of net 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 government has only 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 item 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. The General fund is typically used to liquidate the governmental net pension liability. 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 except that PERA's fiscal year end is June 30. 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.



Academia Cesar Chavez Charter School  
 St. Paul, Minnesota  
 Notes to the Financial Statements  
 June 30, 2021

**Note 1: Summary of Significant Accounting Policies (Continued)**

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

	GERP	TRA	Total Pension Expense
Pension Expense	\$ 16,551	\$ 825,798	\$ 842,349

***Long-term Obligations***

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The recognition of bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred.

In the fund financial statements, governmental fund types recognized bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

***Accrued Employee Benefits***

Unpaid sick leave and vacation pay has not been accrued in any funds as these benefits do not vest to employees.

***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 School 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 statement of net position of the government-wide statements and results from actuarial calculations.

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Notes to the Financial Statements  
June 30, 2021

**Note 1: Summary of Significant Accounting Policies (Continued)**

***Fund Balance***

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the 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 prepaids.

*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 Board of Education, which is the School's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Board of Education 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 Education itself or by an official to which the Board of Education delegates the authority.

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

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

***Net Position***

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- b. Restricted net position - Consists 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 "net investment in capital assets".

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

Academia Cesar Chavez Charter School  
 St. Paul, Minnesota  
 Notes to the Financial Statements  
 June 30, 2021

**Note 2: Stewardship, Compliance and Accountability**

**A. Budgetary Information**

The budget for each fund is prepared on the same basis of accounting as the financial statements. Prior to June, the Board adopts an annual budget for the following fiscal year for the General fund, the Food Service special revenue fund and the Community Service special revenue fund. A budget for the ACC Building Company was not adopted for fiscal year 2021. Legal budgetary control is at the fund level.

1. Prior to July 1, the Executive Director submits to the School’s Board of Directors, a proposed operating budget for the year commencing the following July1. The operating budget includes proposed expenditures and the means for financing them.
2. The Executive Director is authorized to transfer budgeted amounts between departments within any fund, however, any revisions that alter the total expenditures of any fund must be approved by the School’s Board.
3. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue funds.
4. Budgets are as originally adopted or as amended by the School’s Board of Directors.

Legal budgetary control is at the fund level. Budgeted expenditure appropriations lapse at year-end.

The General fund budget was amended during the current fiscal year. The revenues budget decreased \$41,577, primarily related to revenues from state sources. Budgeted expenditures also decreased by \$89,059 with the largest decrease in the special education instruction, which decreased by \$156,411. The final budgetary amounts called for an increase in fund balance of \$49,022.

The Food Service Special Revenue fund budget was amended during the current fiscal year. The revenues budget increased \$37,893, primarily related to revenues from federal sources, which increased by \$103,192. Budgeted food service expenditures also increased \$14,700. The final budgetary amounts called for an increase of \$13,400 in fund balance.

The Community Service special revenue fund budget was no amended during the year.

**B. Excess of Expenditures Over Appropriations**

For the year ended June 30, 2021, expenditures exceeded appropriations in the following funds:

Fund	Final Budget	Actual	Excess of Expenditures Over Appropriations
Food Service Fund	\$ 522,500	\$ 694,691	\$ 172,191

The excess of expenditures over appropriations were funded by revenues in excess of budget revenue in excess of budget and a transfer in from the General fund.

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Notes to the Financial Statements  
June 30, 2021

**Note 3: Detailed Notes on All Funds**

**A. Deposits and Investments**

***Deposits***

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the School's deposits and investments may not be returned or the 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 Education, the School maintains deposits at depository banks that are members of the Federal Reserve System.

Minnesota statutes require that all School deposits be protected by insurance, surety bond or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance, bonds, or irrevocable standby letters of credit from Federal Home Loan Banks.

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 School.

At year end, the School's carrying amount of deposits was \$2,935,470 and the bank balance was \$2,944,752. Of the bank balance, \$774,524 was covered by federal depository insurance and \$2,170,228 was covered by collateral held in the School's name and was not exposed to custodial credit risk.

Academia Cesar Chavez Charter School  
 St. Paul, Minnesota  
 Notes to the Financial Statements  
 June 30, 2021

**Note 3: Detailed Notes on All Funds (Continued)**

***Cash With Fiscal Agent***

As of June 30, 2021, the School had the following investments that are insured or registered, or securities held by the School's agent in the School's name:

Types of Investments	Credit Quality/ Ratings (1)	Segmented Time Distribution (2)	Fair Value and Carrying Amount
Non-pooled Investments			
Brokered Money Market Accounts	NA	less than one year	<u>\$ 1,515,660</u>

(1) Ratings are provided by various credit rating agencies where applicable to indicate association credit risk.

(2) Interest rate risk is disclosed using the segmented time distribution method.

N/A Indicates not applicable or available.

The investments of the School are subject to the following risks:

- *Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes limit the School's investments to the list on page 38 of the notes.
- *Custodial Credit Risk.* The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.
- *Concentration of Credit Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.
- *Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The School does not have policies in place to address the above risks.

The School has the following recurring fair value measurement as of June 30, 2021: Brokered money markets of \$1,515,660 are valued using quoted market prices (Level 2 inputs).

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**Note 3: Detailed Notes on All Funds (Continued)**

**B. Capital Assets**

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital Assets not being Depreciated				
Land	\$ 875,000	\$ -	\$ -	\$ 875,000
Capital Assets being Depreciated				
Buildings and improvements	11,009,127	141,479	-	11,150,606
Equipment	1,299,790	358,341	(8,333)	1,649,798
Total Capital Assets being Depreciated	<u>12,308,917</u>	<u>499,820</u>	<u>(8,333)</u>	<u>12,800,404</u>
Less Accumulated Depreciation for				
Buildings and improvements	(1,038,128)	(251,963)	6,266	(1,283,825)
Equipment	(593,453)	(152,069)	-	(745,522)
Total Accumulated Depreciation	<u>(1,631,581)</u>	<u>(404,032)</u>	<u>6,266</u>	<u>(2,029,347)</u>
Total Capital Assets being Depreciated, Net	<u>10,677,336</u>	<u>95,788</u>	<u>(2,067)</u>	<u>10,771,057</u>
Governmental Activities Capital Assets, Net	<u>\$ 11,552,336</u>	<u>\$ 95,788</u>	<u>\$ (2,067)</u>	<u>\$ 11,646,057</u>

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

<b>Governmental Activities</b>		
Administration		\$ 206
District support services		2,038
Elementary and secondary regular instruction		54,249
Special education instruction		288
Community service		993
Instructional support services		53,823
Pupil support services		1,831
Food service		2,252
Sites and buildings		<u>288,352</u>
Total Depreciation Expense - Governmental Activities		<u>\$ 404,032</u>

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**Note 3: Detailed Notes on All Funds (Continued)**

**C. Interfund Receivables and Payables**

The composition of Interfund balances as of June 30, 2021, is as follows:

Receivable Fund	Payable Fund	Amount
General	Food Service	\$ 272,040
General	Building Company Fund	12,607
General	Community Service Fund	696,269
		<hr/>
Total		<u>\$ 980,916</u>

**D. Short-term Indebtedness**

The Charter School has an available line of credit with BMO Harris N.A. The line of credit was issued on February 26, 2020 with \$400,000 available. The line of credit is secured by all assets of the Charter School, and had a variable interest rate to be no less than 3.00%. The Charter School did not draw funds on the line of credit during the fiscal year ended June 30, 2021.

**E. Long-term Liabilities**

Lease Revenue Bonds

Charter School Lease Revenue Bonds - HRA of the City of St. Paul - In March 2015, the ACC Building Company entered into an agreement for a \$12,630,000 loan from the HRA of the city of St. Paul, Minnesota to purchase and improve land and buildings to be used as a school site by the School. The loan is secured by a mortgage on the related land, building, and building contents, as well as the assignment of future lease revenue. The loan represents the proceeds of two charter school lease revenue bond issues sold by the HRA of the City of St. Paul. The first issue is the \$12,330,000 Charter School Lease Revenue Bonds, Series 2015A, which bear interest ranging from 4.25% to 5.25% and have final maturity of July 1, 2050. The second issue is the \$300,000 Taxable Charter School Lease Revenue Bonds, Series 2015B, which bear an interest rate of 6.25% and have a final maturity of July 1, 2020. Through the terms of the loan agreement, the Building Company assumes all responsibility for the bonds issued by the HRA, and must make loan payments sufficient to meet the scheduled semi-annual debt service payments to retire the bonds. The School has, however, pledged certain revenues in order to provide additional security for the timely payments of amounts due under the Lease. These revenues consists of all funds received by the School from the State of Minnesota with respect to general student funding, state building lease aid payments, state distributions of federal Title I funds, or any other funding sources, after deduction of all such operating expenses of the School (including the current expenses for staff and administrative salaries and benefits) required under law to provide educational program expenditures.

Description	Amount Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Charter School Lease Revenue, Series 2015A	\$ 12,330,000	4.25 - 5.25 %	03/31/15	07/01/50	\$ 12,290,000

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**Note 3: Detailed Notes on All Funds (Continued)**

Annual debt service requirements to maturity for the lease revenue bonds are as follows:

Year Ending June 30,	Revenue Bonds Payable		
	Principal	Interest	Total
2022	\$ 180,000	\$ 635,425	\$ 815,425
2023	185,000	627,775	812,775
2024	195,000	619,913	814,913
2025	205,000	611,625	816,625
2026	215,000	602,913	817,913
2027 - 2031	1,235,000	2,846,288	4,081,288
2032 - 2036	1,615,000	2,484,300	4,099,300
2037 - 2041	2,110,000	2,011,538	4,121,538
2042 - 2046	2,755,000	1,392,825	4,147,825
2047 - 2051	3,595,000	586,423	4,181,423
Total	<u>\$ 12,290,000</u>	<u>\$ 12,419,025</u>	<u>\$ 24,709,025</u>

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
Bonds Payable:					
Lease revenue bonds	\$ 12,460,000	\$ -	\$ (170,000)	\$ 12,290,000	\$ 180,000
Discount on Bonds	(189,965)	-	6,385	(183,580)	-
Governmental Activity Long-term Liabilities	<u>\$ 12,270,035</u>	<u>\$ -</u>	<u>\$ (163,615)</u>	<u>\$ 12,106,420</u>	<u>\$ 180,000</u>

**F. Lease Commitments**

In April, 2015 the School entered into an operating lease agreement to rent the School site from the Building Company (a blended component unit). Under the terms of the lease agreement, the lease term ends thirty-five years later or June 30, 2050. The net annual base rent for the term of the lease agreement is directly tied to the debt service requirements of the ACC Building Company. In addition, the School is responsible for all operating costs including maintenance and utility costs. For the year ended June 30, 2021, the School paid \$897,731 in rent under the terms of the previous and existing lease. The School has the option to extend the lease term ten times for a 5-year lease periods either on the same lease term or as agreed upon by the Building Company.



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**Note 3: Detailed Notes on All Funds (Continued)**

The following is a summary of future minimum lease payments:

Year Ending June 30,	Amount
2022	\$ 894,855
2023	896,758
2024	898,223
2025	899,252
2026	894,844
2027 - 2031	4,487,200
2032 - 2036	4,485,212
2037 - 2041	4,492,381
2042 - 2046	4,483,309
2047 - 2051	3,582,781
Total Minimum Lease Payments	\$ 26,014,815

**Note 4: Defined Benefit Pension Plans - Statewide**

Substantially all employees of the 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.

Educators employed in Minnesota's public elementary and secondary school, charter schools, and certain other TRA-covered educational institutions maintained by the state are required to be TRA members ( except those employed by St. Paul schools or Minnesota State colleges and universities). Educators first hired by Minnesota State may elect either TRA coverage or coverage through the Define Contribution Plan (DCR) administered by the State of Minnesota.

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**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.

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

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.

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, 2019		Ending June 30, 2020		Ending June 30, 2021	
	Employee	Employer	Employee	Employer	Employee	Employer
Basic	11.00%	11.71%	11.00%	11.92%	11.00%	12.13%
Coordinated	7.50%	7.71%	7.50%	7.92%	7.50%	8.13%

The School's contributions to TRA for the years ending June 30, 2021, 2020 and 2019 were \$370,295, \$214,562 and \$203,312, respectively. The 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 Comprehensive Annual Financial Report "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 Comprehensive Annual Financial Report Statement of Changes in Fiduciary Net Position	\$ 425,223,000
Add Employer Contributions not Related to Future Contribution Efforts	(56,000)
Deduct TRA's Contributions not Included in Allocation	(508,000)
Total Employer Contributions	<u>424,659,000</u>
Total Non-employer Contributions	<u>35,587,000</u>
 Total Contributions Reported in Schedule of Employer and Non-employer Pension Allocations	 <u><u>\$ 460,246,000</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.

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

**4. Actuarial Assumptions**

The total pension liability in the June 30, 2020 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, 2020
Experience Study	June 5, 2015
	November 6, 2017 (economic assumptions)
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Investment Rate of Return	7.50%
Price Inflation	2.50%
Wage Growth Rate	2.85% before July 1, 2028 and 3.25% thereafter
Projected Salary Increase	2.85% to 8.85% before July 1, 2028 and 3.5% to 9.25% thereafter
Cost of Living Adjustment	1% for January 2020 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 seven 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 adjustment.

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

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	35.50 %	5.10 %
International Equity	17.50	5.30
Private Markets	25.00	5.90
Fixed Income	20.00	0.75
Unallocated Cash	2.00	-
Total	100.00 %	

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 2019 valuation:

- Assumed termination rates were changed to more closely reflect actual experience.
- The pre-retirement mortality assumption was changed to RP-2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP-2015 scale.
- Assumed form of annuity election proportions were changed to more closely reflect actual experience for female retirees.

**5. Discount Rate**

The discount rate used to measure the total pension liability was 7.50 percent. There was no change since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2020 contribution rate, contributions from schools 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).

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

**6. Pension Liability**

At June 30, 2021, the School reported a liability of \$3,442,870 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on the 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 Charter School. The School's proportionate share was 0.0466 percent at the end of the measurement period which was a decrease of 0.0001 percent from its proportion measured as of June 30, 2019.

The pension liability amount reflected a reduction due to direct aid provided to TRA. The amount recognized by the 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 School were as follows:

Charter School's Proportionate Share of Net Pension Liability	\$ 3,442,870
State's Proportionate Share of Net Pension Liability Associated with the Charter School	<u>288,493</u>
 Total	 <u><u>\$ 3,731,363</u></u>

For the year ended June 30, 2021, the School recognized pension expense of \$799,370. It also recognized \$26,428 as an increase to pension expense for the support provided by direct aid.

On June 30, 2021, the School had deferred resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ 76,897	\$ 49,672
Changes in Actuarial Assumptions	1,312,793	2,646,692
Net Difference between Projected and Actual Earnings on Plan Investments	97,380	-
Changes in Proportion	716,093	5,099
Contributions to TRA Subsequent to the Measurement Date	<u>370,295</u>	<u>-</u>
 Total	 <u><u>\$ 2,573,458</u></u>	 <u><u>\$ 2,701,463</u></u>

Deferred outflows of resources totaling \$370,295 related to pensions resulting from the 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, 2022. Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

2022	\$ 414,044
2023	(410,539)
2024	(592,347)
2025	76,178
2026	14,364

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**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.

School's Proportionate Share of NPL		
1 Percent Decrease (6.50%)	Current (7.50%)	1 Percent Increase (8.50%)
\$ 5,270,998	\$ 3,442,870	\$ 1,936,586

The 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](http://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 School participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (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

All full-time and certain part-time employees of the School, other than teachers, are covered by the General Employees Plan. General Employees Plan 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 state 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.

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

General Employees Plan Benefits

GERP 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 Plan members. Members hired prior to July 1, 1989 receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent of average salary for each of the first 10 years of service and 1.7 percent of average salary for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for average salary for all years 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. Beginning in 2019, the postretirement increase will be equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. For recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

**3. Contributions**

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

General Employees Fund Contributions

Coordinated plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2019 and the School was required to contribute 7.50 percent for Coordinated Plan members. The School's contributions to the General Employees Fund for the years ended June 30, 2021, 2020 and 2019 were \$78,732, \$79,222 and \$74,894, respectively. The School's contributions were equal to the contractually required contributions for each year as set by state statute.

**4. Pension Costs**

General Employees Fund Pension Costs

At June 30, 2021, the School reported a liability of \$887,328 for its proportionate share of the General Employee Fund's net pension liability. The School's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. 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 School totaled \$27,440. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on the School's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The School's proportion was 0.0148 percent which was an increase of 0.0007 percent from its proportion measured as of June 30, 2020.



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

Charter School's Proportionate Share of Net Pension Liability	\$ 887,328
State's Proportionate Share of Net Pension Liability Associated with the Charter School	<u>27,440</u>
 Total	 <u><u>\$ 914,768</u></u>

For the year ended June 30, 2021, the School recognized pension expense of \$14,163 for its proportionate share of General Employees Plan's pension expense. In addition, the School recognized an additional \$2,388 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

At June 30, 2021, the School reported its proportionate share of General Employees Plan's deferred outflows of resources and deferred inflows of resources, related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ 7,715	\$ 3,359
Changes in Actuarial Assumptions	-	25,232
Net Difference between Projected and Actual Earnings on Plan Investments	17,662	-
Changes in Proportion	40,620	12,443
Contributions to PERA Subsequent to the Measurement Date	<u>78,732</u>	<u>-</u>
 Total	 <u><u>\$ 144,729</u></u>	 <u><u>\$ 41,034</u></u>

The \$78,732 reported as deferred outflows of resources related to pensions resulting from the School's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2022	\$ (35,304)
2023	4,117
2024	27,665
2025	28,485

**5. Actuarial Assumptions**

The total pension liability in the June 30, 2021 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

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

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

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 males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases for retirees are assumed to be 1.25 percent per year for the General Employees Plan.

Actuarial assumptions used in the June 30, 2021 valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the General Employee Plan was completed in 2019. The assumption changes were adopted by the Board and become effective with the July 1, 2020 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2020:

General Employees Fund

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Notes to the Financial Statements  
June 30, 2021

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

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:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Stocks	35.50 %	5.10 %
Alternative Assets (Private Markets)	25.00	5.90
Bonds (Fixed Income)	20.00	0.75
International Stocks	17.50	5.30
Cash	2.00	-
Total	<u>100.00 %</u>	

**6. Discount Rate**

The discount rate used to measure the total pension liability in 2021 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 General Employees Fund 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.

**7. Pension Liability Sensitivity**

The following presents the 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 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:

	School's Proportionate Share of NPL		
	1 Percent Decrease (6.50%)	Current (7.50%)	1 Percent Increase (8.50%)
General Employees Funds	\$ 1,422,078	\$ 887,328	\$ 446,201

**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](http://www.mnpera.org).

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Notes to the Financial Statements  
June 30, 2021

**Note 5: Other Information**

**A. Risk Management**

The 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 School carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There were no significant reductions in insurance coverage in fiscal year 2021.

**B. Contingencies**

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 School expects such amounts, if any, to be immaterial.

**C. Economic Dependency**

The School has a significant amount of revenue (73.7 percent) coming from the State of Minnesota.

**D. Income Taxes**

The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The School also qualifies as a tax-exempt organization under applicable statutes of the State of Minnesota.

Management believes that it is not reasonably possible for any tax position benefits to increase or decrease significantly over the next 12 months. As of June 30, 2021, there were no income tax related accrued interest or penalties recognized in either the statement of financial position or the statement of activities.

The School files informational returns in the U.S. federal jurisdiction, and in the Minnesota state jurisdiction. U.S. federal returns and Minnesota returns for the prior three fiscal years are closed. No returns are currently under examination in any tax jurisdiction.

**Note 6: COVID-19**

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus (“COVID-19”) and the risks to the international community as virus spreads globally. On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. In response to the pandemic, the State of Minnesota has issued stay-at-home orders and other measures aimed at slowing the spread of the coronavirus.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. Due to the rapid development and fluidity of this situation, the School cannot determine the ultimate impact that the COVID-19 pandemic will have on its financial condition, liquidity, and future revenue collection, and therefore any prediction as to the ultimate impact on the School’s financial condition, liquidity, and future results of its revenue collections is uncertain.

**Note 7: Prior Period Adjustment**

The School recorded a prior period adjustment related to accrued interest payable the was recorded in error in the prior fiscal years. This adjustment increased the government-wide statements beginning fund balance by \$322,625 and had no effect on the fund financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

ACADEMIA CESAR CHAVEZ  
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2021

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Required Supplementary Information  
June 30, 2021

**Schedule of Employer's Share of Teachers Retirement Association Net Pension Liability**

Year	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
6/30/2020	0.0466 %	\$ 3,442,870	\$ 288,493	\$ 3,731,363	\$ 2,709,110	127.1 %	75.5 %
6/30/2019	0.0467	2,976,668	263,256	3,239,924	2,636,988	122.9	78.2
6/30/2018	0.0427	2,679,946	251,915	2,931,861	2,428,413	110.4	78.1
6/30/2017	0.0322	6,427,704	621,123	7,048,827	1,775,733	362.0	51.6
6/30/2016	0.0289	6,893,340	691,864	7,585,204	1,534,733	449.2	44.9
6/30/2015	0.0286	1,769,193	216,954	1,986,147	1,382,533	128.0	76.8
6/30/2014	0.0293	1,350,123	95,097	1,445,220	1,382,914	97.6	81.5

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

**Schedule of Employer's Teachers Retirement Association Contributions**

Year	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)
6/30/2021	\$ 370,295	\$ 370,295	\$ -	\$ 4,554,680	8.13 %
6/30/2020	214,562	214,562	-	2,709,110	7.92
6/30/2019	203,312	203,312	-	2,636,988	7.71
6/30/2018	182,131	182,131	-	2,428,413	7.50
6/30/2017	133,180	133,180	-	1,775,733	7.50
6/30/2016	115,105	115,105	-	1,534,733	7.50
6/30/2015	103,690	103,690	-	1,382,533	7.50

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Required Supplementary Information (Continued)  
June 30, 2021

**Notes to the Required Supplementary Information - Teachers Retirement Association**

Changes in Actuarial Assumptions

2020 - Assumed termination rates were changed to more closely reflect actual experience. The pre-retirement mortality assumption was changed to RP-2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP-2015 scale. Assumed form of annuity election proportions were changed to more closely reflect actual experience for female retirees.

2019 - No changes noted.

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 - The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability. The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

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 2.50 percent for inflation.

2015 - The cost of living adjustment was not assumed to increase to 2.5 percent but remain at 2.0 percent for all future years. The investment return assumption was changed from 8.25 percent to 8.00 percent.

2014 - The cost of living adjustment was assumed to increase from 2.0 percent annually to 2.5 percent annually on July 1, 2034.



Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Required Supplementary Information (Continued)  
June 30, 2021

**Notes to the Required Supplementary Information - Teachers Retirement Association (Continued)**

Changes in Plan Provisions

2020 - No changes noted.

2019 - No changes noted.

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

- The COLA was reduced from 2.0 percent each January 1 to 1.0 percent, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1 percent each year until reaching the ultimate rate of 1.5 percent 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 percent if the funded ratio was at least 90 percent 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 percent to 3.0 percent, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5 percent to 7.5 percent, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years (7.71 percent in 2018, 7.92 percent in 2019, 8.13 percent in 2020, 8.34 percent in 2021, 8.55 percent in 2022, 8.75 percent in 2023). In addition, the employee contribution rate will increase from 7.50 percent to 7.75 percent on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

2017 - No changes noted.

2016 - No changes noted.

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 plan becomes fully funded.

2014 - The increase in the post-retirement benefit adjustment (COLA) will be made once the plan is 90% funded (on a market value basis) in two consecutive years, rather than just one year.

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Required Supplementary Information (Continued)  
June 30, 2021

**Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability**

Year	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 District (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
6/30/2020	0.0148 %	\$ 887,328	\$ 27,440	\$ 914,768	\$ 1,056,288	84.0 %	79.0 %
6/30/2019	0.0141	779,557	24,166	803,723	998,590	80.5	80.2
6/30/2018	0.0145	804,400	26,253	830,653	977,027	82.3	79.5
6/30/2017	0.0140	893,751	11,249	905,000	908,573	98.4	75.9
6/30/2016	0.0157	1,274,762	16,644	1,291,406	968,533	131.6	68.9
6/30/2015	0.0169	875,846	-	875,846	952,610	91.9	78.2
6/30/2014	0.0188	888,310	-	888,310	1,000,276	88.8	78.7

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

**Schedule of Employer's Public Employees Retirement Association Contributions**

Year	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)
6/30/2021	\$ 78,732	\$ 78,732	\$ -	\$ 1,049,759	7.50 %
6/30/2020	79,222	79,222	-	1,056,288	7.50
6/30/2019	75,479	75,479	-	1,005,853	7.50
6/30/2018	73,277	73,277	-	977,027	7.50
6/30/2017	68,143	68,143	-	908,573	7.50
6/30/2016	72,640	72,640	-	968,533	7.50
6/30/2015	70,255	70,255	-	952,610	7.38

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Required Supplementary Information (Continued)  
June 30, 2021

**Notes to the Required Supplementary Information - Public Employees Retirement Association**

Changes in Actuarial Assumptions

2020 - The price inflation assumption was decreased from 2.50% to 2.25%. The payroll growth assumption was decreased from 3.25% to 3.00%. Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates. Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter. Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments. The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019. The assumed spouse age difference was changed from two years older for females to one year older. The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

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 - The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability. The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

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 2.50 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.

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Required Supplementary Information (Continued)  
June 30, 2021

**Notes to the Required Supplementary Information - Public Employees Retirement Association (Continued)**

Changes in Plan Provisions

2020 - Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 - The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018 - The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024. Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Contribution stabilizer provisions were repealed. Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019. For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 - The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter. The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2016 - No changes noted.

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 increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

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TABLE

ACADEMIA CESAR CHAVEZ  
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2021



**Fiscal Compliance Report - 6/30/2021**  
**District: ACADEMIA CHARTER (4073-7)**

	Audit	UFARS	Audit - UFARS		Audit	UFARS	Audit - UFARS
<b>01 GENERAL FUND</b>				<b>06 BUILDING CONSTRUCTION</b>			
Total Revenue	\$8,122,032	<u>\$8,122,031</u>	\$1	Total Revenue	\$0	<u>\$0</u>	\$0
Total Expenditures	\$7,448,765	<u>\$7,448,765</u>	\$0	Total Expenditures	\$0	<u>\$0</u>	\$0
<i>Non Spendable:</i>				<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$42,002	<u>\$42,002</u>	\$0	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0
<i>Restricted / Reserved:</i>				<i>Restricted / Reserved:</i>			
4.01 Student Activities	\$0	<u>\$0</u>	\$0	4.07 Capital Projects Levy	\$0	<u>\$0</u>	\$0
4.02 Scholarships	\$0	<u>\$0</u>	\$0	4.13 Project Funded by COP	\$0	<u>\$0</u>	\$0
4.03 Staff Development	\$0	<u>\$0</u>	\$0	4.67 LTFM	\$0	<u>\$0</u>	\$0
4.07 Capital Projects Levy	\$0	<u>\$0</u>	\$0	<i>Restricted:</i>			
4.08 Cooperative Revenue	\$0	<u>\$0</u>	\$0	4.64 Restricted Fund Balance	\$0	<u>\$0</u>	\$0
4.13 Project Funded by COP	\$0	<u>\$0</u>	\$0	<i>Unassigned:</i>			
4.14 Operating Debt	\$0	<u>\$0</u>	\$0	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0
4.16 Levy Reduction	\$0	<u>\$0</u>	\$0	<b>07 DEBT SERVICE</b>			
4.17 Taconite Building Maint	\$0	<u>\$0</u>	\$0	Total Revenue	\$0	<u>\$0</u>	\$0
4.24 Operating Capital	\$0	<u>\$0</u>	\$0	Total Expenditures	\$0	<u>\$0</u>	\$0
4.26 \$25 Taconite	\$0	<u>\$0</u>	\$0	<i>Non Spendable:</i>			
4.27 Disabled Accessibility	\$0	<u>\$0</u>	\$0	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0
4.28 Learning & Development	\$0	<u>\$0</u>	\$0	<i>Restricted / Reserved:</i>			
4.34 Area Learning Center	\$0	<u>\$0</u>	\$0	4.25 Bond Refundings	\$0	<u>\$0</u>	\$0
4.35 Contracted Alt. Programs	\$0	<u>\$0</u>	\$0	4.33 Maximum Effort Loan Aid	\$0	<u>\$0</u>	\$0
4.36 State Approved Alt. Program	\$0	<u>\$0</u>	\$0	4.51 QZAB Payments	\$0	<u>\$0</u>	\$0
4.38 Gifted & Talented	\$0	<u>\$0</u>	\$0	4.67 LTFM	\$0	<u>\$0</u>	\$0
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	\$0	<i>Restricted:</i>			
4.41 Basic Skills Programs	\$0	<u>\$0</u>	\$0	4.64 Restricted Fund Balance	\$0	<u>\$0</u>	\$0
4.48 Achievement and Integration	\$0	<u>\$0</u>	\$0	<i>Unassigned:</i>			
4.49 Safe School Crime - Crime Levy	\$16,999	<u>\$16,999</u>	\$0	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0
4.51 QZAB Payments	\$0	<u>\$0</u>	\$0	<b>08 TRUST</b>			
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	\$0	Total Revenue	\$0	<u>\$0</u>	\$0
4.53 Unfunded Sev & Retirement Levy	\$0	<u>\$0</u>	\$0	Total Expenditures	\$0	<u>\$0</u>	\$0
4.59 Basic Skills Extended Time	\$0	<u>\$0</u>	\$0	<i>Restricted / Reserved:</i>			
4.67 LTFM	\$0	<u>\$0</u>	\$0	4.01 Student Activities	\$0	<u>\$0</u>	\$0
4.72 Medical Assistance	\$0	<u>\$0</u>	\$0	4.02 Scholarships	\$0	<u>\$0</u>	\$0
4.73 PPP Loan	\$0	<u>\$0</u>	\$0	4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	\$0
4.74 EIDL Loan	\$0	<u>\$0</u>	\$0	<b>18 CUSTODIAL</b>			
<i>Restricted:</i>				Total Revenue	\$0	<u>\$0</u>	\$0
4.64 Restricted Fund Balance	\$0	<u>\$0</u>	\$0	Total Expenditures	\$0	<u>\$0</u>	\$0
4.75 Title VII Impact Aid	\$0	<u>\$0</u>	\$0	<i>Restricted / Reserved:</i>			
4.76 Payments in Lieu of Taxes	\$0	<u>\$0</u>	\$0	4.01 Student Activities	\$0	<u>\$0</u>	\$0
<i>Committed:</i>				4.02 Scholarships	\$0	<u>\$0</u>	\$0
4.18 Committed for Separation	\$0	<u>\$0</u>	\$0	4.48 Achievement and Integration	\$0	<u>\$0</u>	\$0
4.61 Committed Fund Balance	\$0	<u>\$0</u>	\$0	4.64 Restricted Fund Balance	\$0	<u>\$0</u>	\$0
<i>Assigned:</i>				<b>20 INTERNAL SERVICE</b>			
4.62 Assigned Fund Balance	\$22,925	<u>\$22,925</u>	\$0	Total Revenue	\$0	<u>\$0</u>	\$0
<i>Unassigned:</i>				Total Expenditures	\$0	<u>\$0</u>	\$0
4.22 Unassigned Fund Balance	\$2,875,711	<u>\$2,875,711</u>	\$0	4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	\$0
<b>02 FOOD SERVICES</b>				<b>25 OPEB REVOCABLE TRUST</b>			
Total Revenue	\$621,893	<u>\$621,893</u>	\$0	Total Revenue	\$0	<u>\$0</u>	\$0
Total Expenditures	\$694,691	<u>\$694,691</u>	\$0	Total Expenditures	\$0	<u>\$0</u>	\$0
<i>Non Spendable:</i>				<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0	<i>Restricted / Reserved:</i>			
<i>Restricted / Reserved:</i>				<i>Restricted / Reserved:</i>			
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	\$0	<i>Unassigned:</i>			

Minnesota Department of Education

	\$0	<u>\$0</u>	<u>\$0</u>
4.74 EIDL Loan	\$0	<u>\$0</u>	<u>\$0</u>
<i>Restricted:</i>			
4.64 Restricted Fund Balance	\$14,758	<u>\$14,759</u>	<u>(\$1)</u>
<i>Unassigned:</i>			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
<b>04 COMMUNITY SERVICE</b>			
Total Revenue	\$46,934	<u>\$46,934</u>	<u>\$0</u>
Total Expenditures	\$46,934	<u>\$46,934</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>
4.73 PPP Loan	\$0	<u>\$0</u>	<u>\$0</u>
4.74 EIDL Loan	\$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>

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

**45 OPEB IRREVOCABLE TRUST**

Total Revenue	\$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>



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OTHER REQUIRED REPORTS

ACADEMIA CESAR CHAVEZ  
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2021

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**INDEPENDENT AUDITOR'S REPORT  
ON MINNESOTA LEGAL COMPLIANCE**

Members of the Board of Education  
Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America the financial statements of the governmental activities, each major fund and the aggregate remaining information of the Academia Cesar Chavez Charter School (the School), St. Paul, Minnesota as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated November 25, 2021.

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 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 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**  
Minneapolis, Minnesota  
November 25, 2021

**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 Education  
Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, 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 the governmental activities, each major fund and the aggregate remaining fund information of the Academia Cesar Chavez Charter School (the School), St. Paul, Minnesota, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated November 25, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over.

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.

*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. We consider the deficiency described in the accompanying Schedule of Findings, Responses and Questioned Costs as item 2021-003 to be a material weakness.

*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. We consider the deficiencies described in the accompanying Schedule of Findings, Responses and Questioned Costs as items 2021-001 and 2021-002 to be a significant deficiencies.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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 financial statements. 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 matter that is required to be reported under *Government Auditing Standards*.

## **Response to Findings**

The School's responses to the findings identified in our audit are described in the accompanying Schedule of Finding, Response and Questioned Costs. The School's responses were not subjected to the auditing procedures applied in the audit, accordingly, we express no opinion on the responses.

## **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 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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Abdo". The signature is written in a cursive, slightly slanted style.

**Abdo**  
Minneapolis, Minnesota  
November 25, 2021

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FEDERAL FINANCIAL AWARD PROGRAMS

ACADEMIA CESAR CHAVEZ  
ST. PAUL, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2021



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY *UNIFORM GUIDANCE***

Members of the Board of Education  
Academia Cesar Chavez Charter School  
Charter School No. 4073  
St. Paul, Minnesota

**Report on Compliance for Each Major Federal Program**

We have audited the Academia Cesar Chavez Charter School (the School), St. Paul, Minnesota compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2021. The School's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Finding, Response and Questioned Cost.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

## Report on Internal Control Over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



**Abdo**  
Minneapolis, Minnesota  
November 25, 2021



Academia Cesar Chavez Charter School  
 St. Paul, Minnesota  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended June 30, 2021

Administering Department	Grant Name	Federal Domestic Assistance Number	Federal Program Clusters	Federal Expenditures
U.S. Department of Education				
MN Department of Education	Special Education	84.027		\$ 76,200
MN Department of Education	ECIA, Chapter 1	84.010		172,493
MN Department of Education	Twenty-First Century Community Learning Centers	84.287		140,297
MN Department of Education	Training/Retraining Teachers	84.367		29,976
MN Department of Education	English Language Acquisition State Grants	84.365		41,180
MN Department of Education	Student Support and Academic Enrichment Program	84.424		12,844
MN Department of Education	Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act	84.425D 84.425C		145,833 <u>73,860</u>
Total U.S. Department of Education				<u>692,683</u>
U.S. Department of Treasury				
MN Department of Education	Coronavirus Relief Fund	21.019C		268,478
MN Department of Education	Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027C		<u>5,880</u>
Total U.S. Department of Treasury				<u>274,358</u>
U.S. Department of Agriculture				
MN Department of Education	Commodity Distribution	10.555	\$ 23,635	
MN Department of Education	COVID-19 - Summer Food Service Program	10.559	<u>483,175</u>	
	Total Child Nutrition Cluster		506,810	
MN Department of Education	Fresh Fruit and Vegetable Program	10.582	<u>34,941</u>	
	Total School Lunch			<u>541,751</u>
Total U.S. Department of Agriculture				<u>541,751</u>
Total				<u>\$ 1,508,792</u>

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Notes to the Schedule of Expenditures of Federal Awards  
For The Year Ended June 30, 2021

**Note 1: Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Academia Cesar Chavez Charter School under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, or changes in net position, of the School.

**Note 2: Basis of Accounting**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The School did not elect to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 3: Summary of Significant Accounting Policies for Expenditures**

Expenditures reported on this schedule are reported on the modified accrual basis of accounting.

**Note 4: Pass-through Entity Identifying Numbers**

Pass-through entity identifying numbers, if any, are presented where available.

**Note 5: Subrecipients**

No federal expenditures presented in this schedule were provided to subrecipients.

**Note 6: Indirect Cost Rate**

During the year ended June 30, 2021, the Academia Cesar Chavez Charter School did not elect the 10 percent de minimis indirect cost rate.

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Academia Cesar Chavez Charter School  
 St. Paul, Minnesota  
 Schedule of Findings, Responses and Questioned Costs  
 For the Year Ended June 30, 2021

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type Of Auditor's Report Issued	Unmodified
Internal Control Over Financial Reporting	
Material Weaknesses Identified?	Yes
Significant Deficiencies Identified Not Considered to be Material Weaknesses?	Yes
Noncompliance Material to Financial Statements Noted?	No

**Federal Awards**

Internal Control Over Major Programs	
Material Weaknesses Identified?	No
Significant Deficiencies Identified Not Considered to be Material Weaknesses?	No
Type Of Auditor's Report Issued on Compliance for Major Programs	Unmodified
Any Audit Findings Disclosed That Are Required To Be Reported In Accordance With Uniform Guidance	No

**Identification Of Major Programs/Projects**

CFDA No.

**Department of Agriculture - Child Nutrition Cluster**

National School Lunch Program	10.555
COVID-19 Summer Food Service Program	10.559
Dollar Threshold Used to Distinguish Between Type A and Type B Programs	\$ 750,000
Auditee Qualified As Low-Risk Auditee?	Yes

**Section II - Financial Statement Findings**

There are two significant deficiencies relating to the audit of financial statements reported in the 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*. Findings 2021-001 and 2021-002 are reported as significant deficiencies. The deficiencies are not considered to be a material weakness. Finding 2021-003 is considered a material weakness.

**Section III - Major Federal Award Findings and Questioned Costs**

There are no significant deficiencies, material weaknesses, or instances of noncompliance including questioned costs that are required to be reported in accordance with Uniform Guidance.

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Schedule of Findings, Responses and Questioned Costs (Continued)  
For the Year Ended June 30, 2021

<b><u>Finding</u></b>	<b><u>Description</u></b>
<b>2021-001</b>	<b>Internal Control Deficiency</b>
<i>Condition:</i>	During our audit, we noted an instance where the School's system of internal controls failed to detect a batch of invoices to the same vendor were paid twice.
<i>Criteria:</i>	The financial statements are the responsibility of the School's management; therefore, the School must be able to prevent or detect a material misstatement in the financial statements.
<i>Cause:</i>	A high amount of staff turnover in the bill approval position. The invoices were approved and paid for by two different people in the same position at different times during the year.
<i>Effect:</i>	This indicates that it would be likely that a misstatement may occur and not be detected by the School's system of internal control.
<i>Recommendation:</i>	We recommend current policies and procedures be revised to ensure proper invoice approval procedures are in place and canceling of paid invoices.
<i>Management Response:</i>	
	The Charter School now has a permanent person in the position to prevent this from happening in the future.
<b>2021-002</b>	<b>Compliance with Bond Covenants</b>
<i>Condition:</i>	While testing the covenants set by the bonds, we believe we found some instances of non-compliance that need to be remedied.
<i>Criteria:</i>	Management has a responsibility to maintain compliance with all rules and regulations. The School's bonds have covenants in place that the school is not in compliance with. The required annual conference call did not take place. The FY22 Lease Aid Approval documents have not been uploaded. The five-year capital plan was not uploaded in a timely manner.
<i>Cause:</i>	The annual conference call did not take place due to the amount of turnover in management. The FY22 Lease Aid approval documents are still in the process of being completed. The five-year capital plan was uploaded late because the School had a difficult time trying to find a contractor to perform the work.
<i>Effect:</i>	This could result in a downgrading of the School's bond rating.
<i>Recommendation:</i>	We recommend current policies and procedures be implemented to maintain a higher level of management oversight on compliance related matters.
<i>Management Response:</i>	
	The Charter School now has a permanent person in the position to prevent this from happening in the future. The School also has a full and complete board which will provide a higher level of oversight over compliance.

Academia Cesar Chavez Charter School  
St. Paul, Minnesota  
Schedule of Findings, Responses and Questioned Costs (Continued)  
For the Year Ended June 30, 2021

<b><u>Finding</u></b>	<b><u>Description</u></b>
<b>2021-003</b>	<b>Prior Period Adjustment</b>
<i>Condition:</i>	Accrued interested payable on bonds was overstated in the prior year.
<i>Criteria:</i>	While testing accrued interest on the bonds, it was discovered interest is paid through year-end and therefore there should not be accrued at year end.
<i>Cause:</i>	There was discrepancy in the interest that is paid through year-end and what was being accrued.
<i>Effect:</i>	This resulted in an understatement of net position, and overstatement of accrued interest payable.
<i>Recommendation:</i>	We recommend a continued review of what interest should be accrued at year end.
<i>Management Response:</i>	
	This has been corrected in the current year financial statements.



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**Corrective Action Plan (CAP):**

**2021-001 Internal Control Deficiency** - During our audit, we noted an instance where the School’s system of internal controls failed to detect a batch of invoices to the same vendor were paid twice.

**1. Explanation of Disagreement with Audit Finding:**

There is no disagreement with the audit finding.

**2. Actions Planned in Response to Finding:**

The Charter School now has a permanent person in the position to prevent this from happening in the future.

**3. Official Responsible for Ensuring CAP:**

The school’s director is the official responsible for ensuring corrective action.

**4. Planned Completion Date for CAP:**

Continuous.

**5. Plan to Monitor Completion of CAP:**

The School will continue to review its procedures to determine if any improvements can be made using the personnel available.

**Norma Garces**  
**Executive Director**



1801 Lacrosse Avenue  
St. Paul, MN 55119  
(651) 778-2940 Phone  
(651) 778-2942 Fax  
[www.cesarchavezschool.com](http://www.cesarchavezschool.com)

Martha Dominguez  
Family/ Community Director

Marita Moran-Wildenauer  
Head of Primary School

**BOARD OF DIRECTORS**

Dr. Jessica Lopez Lyman  
Community-Chair

Mark Ahrens  
Community-Treasurer

David G. Stanton  
Community-Secretary

Dusty Lee  
Teacher

Julia Brandes  
Teacher

Semita Perez  
Teacher

Malicia Villegas  
Parent

Aleida Enriquez  
Parent

Enrique Estrada  
Community

Dr. Osiris Gomez  
Community

Commander John Lozoya  
Community

Authorized by  
The University of St. Thomas

Founder  
Ramona A. de Rosales

**RESPECT      FAMILY      MISSION      UNITY      HARDWORK**

*“Academia Cesar Chavez is dedicated to providing a quality dual-language education which prepares critically thinking, socially competent, values driven, and culturally aware bi-lingual and bi-literate learners by advocating Latino cultural values in an environment of familia and community.”*

**Corrective Action Plan (CAP):**

**2021-002 Compliance with Bond Covenants** - While testing the covenants set by the bonds, we believe we found some instances of non-compliance that need to be remedied.

**1. Explanation of Disagreement with Audit Finding:**

There is no disagreement with the audit finding.

**2. Actions Planned in Response to Finding:**

The Charter School now has a permanent person in the position to prevent this from happening in the future. The School also has a full and complete board which will provide a higher level of oversight over compliance.

**3. Official Responsible for Ensuring CAP:**

The school’s director is the official responsible for ensuring corrective action.

**4. Planned Completion Date for CAP:**

Continuous.

**5. Plan to Monitor Completion of CAP:**

The School will continue to review its procedures to determine if any improvements can be made using the personnel available.

**Norma Garces**  
**Executive Director**



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**Corrective Action Plan (CAP):**

**2021-003 Prior Period Adjustment** - While testing accrued interest on the bonds, it was discovered interest is paid through year-end and therefore there should not be accrued at year end.

**1. Explanation of Disagreement with Audit Finding:**

There is no disagreement with the audit finding.

**2. Actions Planned in Response to Finding:**

The Charter School has corrected the over accrual and will not accrue in the future.

**3. Official Responsible for Ensuring CAP:**

The school’s director is the official responsible for ensuring corrective action.

**4. Planned Completion Date for CAP:**

Continuous.

**5. Plan to Monitor Completion of CAP:**

The School will continue to review its procedures for recording year end accruals.

**Norma Garces**  
**Executive Director**



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