

End of the Year Report SY2021



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MISSION STATEMENT

iLearn Academy Charter School, instills in its students the standards for academic scholarship, integrity, leadership, and responsible citizenship utilizing technology to propel students to be innovative, inventive, and imaginative (i³) global thinkers.

This report includes data from October 1, 2020 – September 30, 2021. Demographic data is provided by RenWeb, the student information system currently used by iLearn Academy Charter School (iLearn). Academic data is provided by Achieve 3000 (Reading assessment), McGraw Hill Diagnostic, and ACT Aspire (statewide assessment tool) for reading and math.

Type of Charter: STEM-based program for Elementary School age scholars, K-5th Grade

Charter Established: November 6, 2014

School Opened: January 27, 2015

School Hours: 7:15am – 2:15pm

Accreditation: Accredited by the Accrediting Commission for Schools, Western Association of Schools and Colleges through June 30, 2022

BOARD OF TRUSTEES

| | |
|-------------------------|----------------------------|
| Chairman of the Board: | Mrs. Helen Nishihira |
| Secretary of the Board: | Mrs. Rachel Cubacub |
| Member of the Board: | Ms. Rachel Stake |
| Member of the Board: | Mr. Augusto Sablan |
| Member of the Board: | Mr. Wilhelm Miranda Jr. |
| Member of the Board: | Mr. Vedasto R. Samonte III |
| Member of the Board: | Mrs. Lily Samonte |
| Parent Board Member: | None sitting currently |

SCHOOL LEADERSHIP

| | |
|----------------------------|----------------------|
| Chief Operations Officer | Mrs. Helen Nishihira |
| Chief Academic Officer | Ms. Rachel Stake |
| Principals Upper Division | Ms. Maria Dunn |
| Principals Lower Division | Mr. Argie Pamplona |
| Vice Principal/ Facilities | Mrs. Maria Singh |
| Comptroller | Mrs. Nina Field |
| Officer Manager | Mrs. Marti Sanchez |
| Faculty & Staff | 45 members |

iLearn Academy Charter School Organizational Chart

SCHOOL DEMOGRAPHICS FACULTY & STAFF

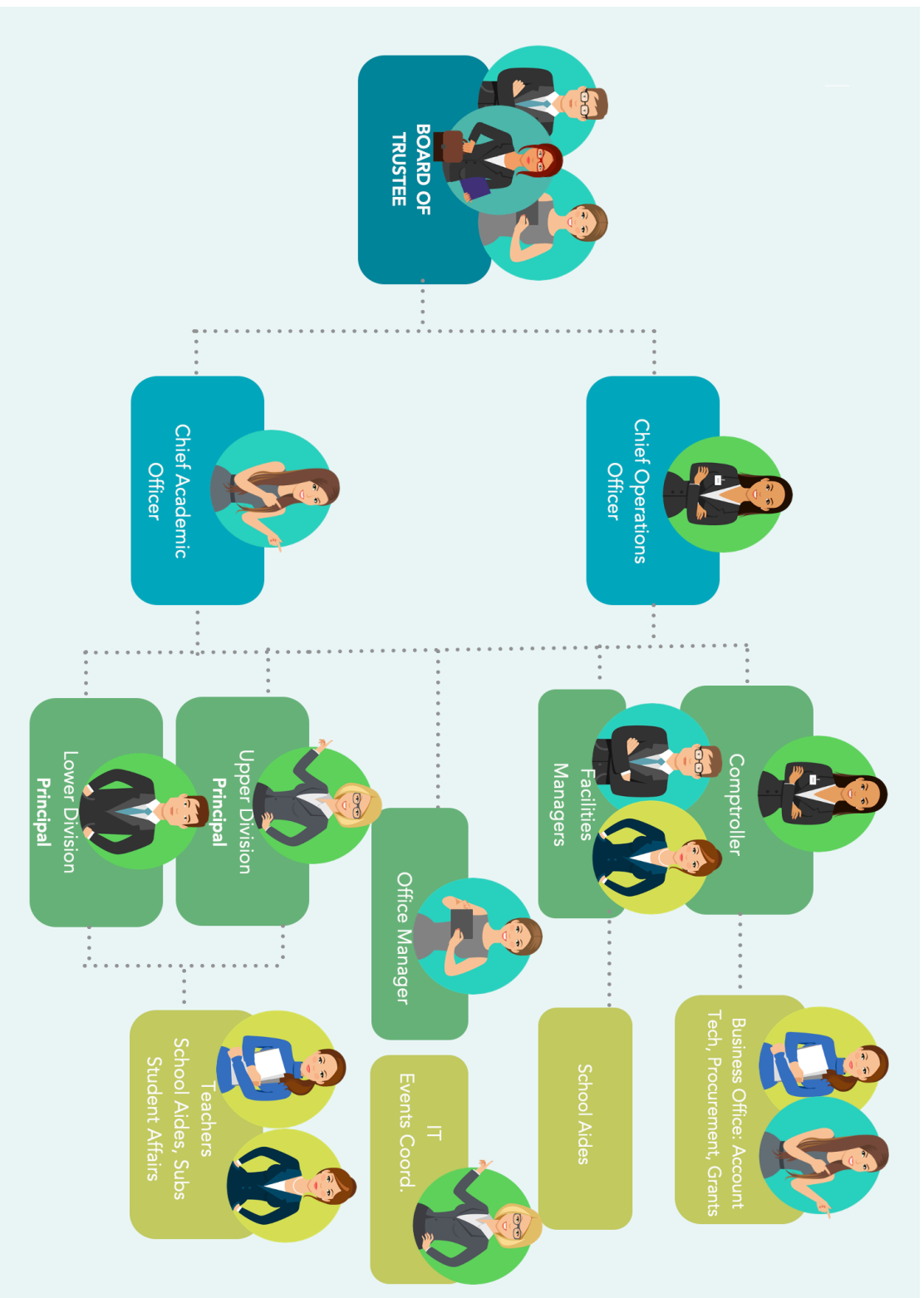


Table 1: Employee Description

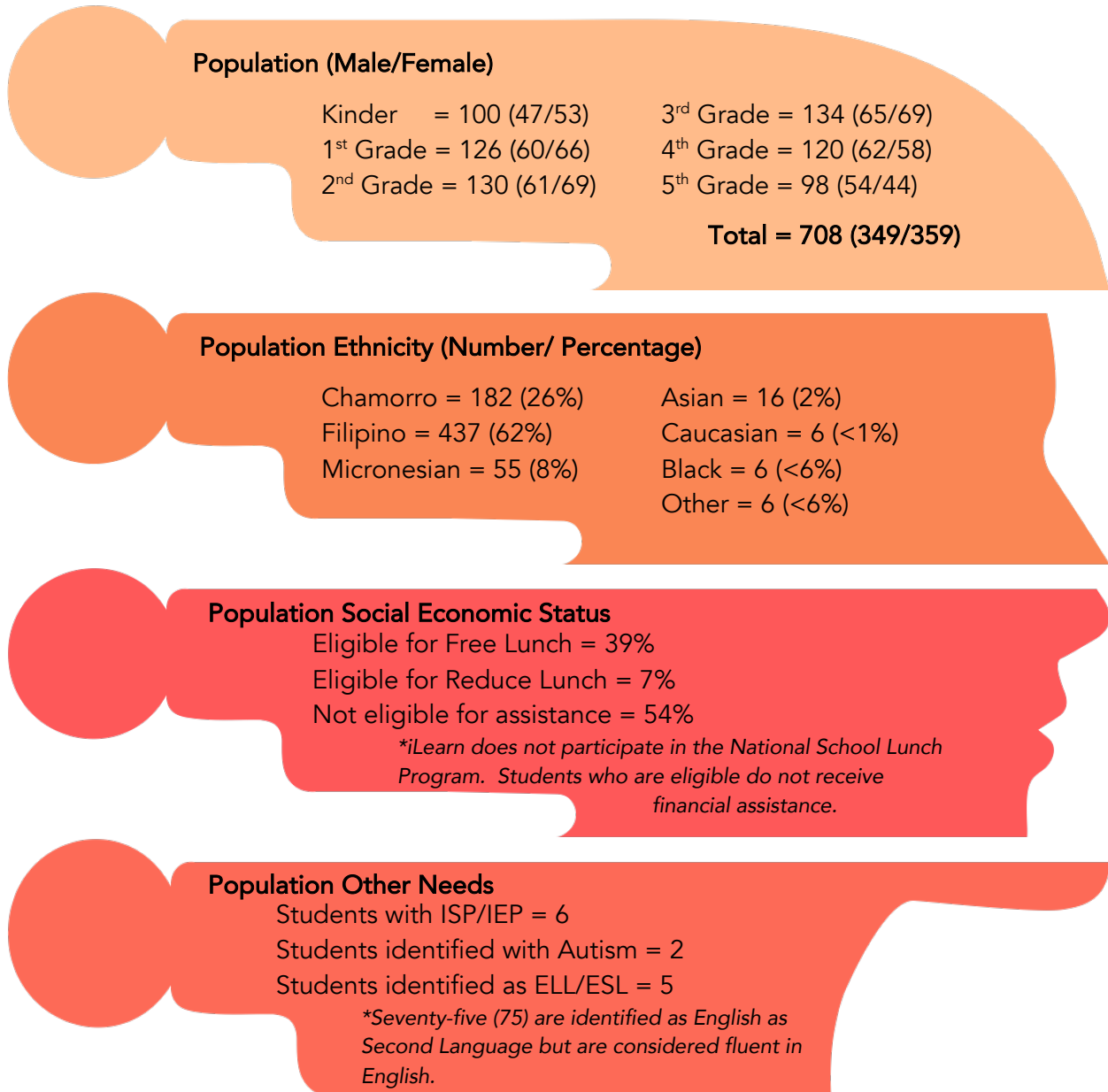
| Category | Title/Task | Qty | Qualifications | Job Responsibilities |
|------------------|--------------------------|-----|--|---|
| Executive | Chief Operations Officer | 1 | Master's Degree in Administration | <ol style="list-style-type: none"> 1. Serves as the superintendent of the school. 2. Oversees direct operations of the school and reports to the Board of Trustees, and GACSC. |
| | Chief Academic Officer | 1 | Master's Degree in Curriculum and Instruction | <ol style="list-style-type: none"> 1. Oversees the establishment of the curriculum, co-curricular activities, and extra-curricular activities. 2. Work with the Principals in matters that enhance academic performance of students and ensures all activities are in line with the vision and mission of the school. |
| Admin | Principal | 2 | Master's Degree in Education (Information Technology and Curriculum Development) | <ol style="list-style-type: none"> 1. Work with teachers to meet the academic, behavior, and mental health of students. Reviews lesson plans and teachers' schedules. 2. Work with the executive office to provide professional development. |
| | Facilities Manager | 1 | Bachelor's Degree | <ol style="list-style-type: none"> 1. Oversees the needs of school facilities. |
| | Comptroller | 1 | Bachelor's Degree in Business Accounting | <ol style="list-style-type: none"> 1. Supervise all incoming cash and payments including lease payments, class disbursements, payables, and payroll 2. Keep personnel file on each employee for payroll and insurance purposes. 3. Oversee government reporting in regard to finance. |

Table 1 continued

| Category | Title/Task | Qty | Qualifications | Job Responsibilities |
|-----------------|--|------------|---|---|
| Staff | Office Manager | 1 | High School Diploma Experience in managing office | <ol style="list-style-type: none"> 1. Manage front office. 2. Directs and Assists incoming visitors. 3. Serves as the school's registrar. |
| | Admin Asst I | 1 | High School Diploma Experience in clerical work | <ol style="list-style-type: none"> 1. Process applications of incoming students from the time of the first inquiry. 2. File information necessary for the school and other material as requested by Principal or Office Manager. 3. Assist business office with receivables. |
| | Admin Asst I | 1 | Bachelor's Degree in Business Finance | <ol style="list-style-type: none"> 1. Handles all withdrawal requests, procurement, grants, and others as assigned by chief admins |
| | Student Affairs | 1 | Bachelor's Degree | <ol style="list-style-type: none"> 1. Serves as the First Aid Counselor. 2. Track and compile attendance data of students. 3. Address student behavior issues. 4. And others, as described in the employee handbook. |
| | Prog Coordinator/ Special Events/ IT | 1 | Associates Degree | <ol style="list-style-type: none"> 1. Coordinates with principal and teachers in developing student IEP. Maintain records of students with IEP. 2. Coordinates school events 3. Manages deployment of digital devices for teachers, students, and staff |
| | School Aide | 5 | High School Diploma | <ol style="list-style-type: none"> 1. Manage safety of students 2. Minor custodial and maintenance work 3. Utilized as substitutes |
| Faculty | Teacher | 21/3 | Bachelor/ Master's Degree | <ol style="list-style-type: none"> 1. Create and maintain an atmosphere conducive to learning 2. Facilitate subjects and classes as assigned using curriculum and other supplementary materials 3. Keep accurate records of both grades and attendance 4. And others, as described in the employee handbook |
| | Limited Term – Teacher | 11 | Associates Degree in Education/ Bachelor's Degree in progress. | |

STUDENT DEMOGRAPHICS

Graph 1. STUDENT DEMOGRAPHICS AS OF SEPTEMBER 30, 2021



As of September 30, 2021, iLearn has a total of seven hundred eight (708) students enrolled. We started SY2021-22 with approximately seven hundred forty-seven (747) students. iLearn began the school year with one hundred percent of our students (100%) attending with the face-to-face module. When the number of COVID community spread increased, several parents requested for online. iLearn was only able to accommodate thirty (30%) of our student population for online without impacting operational cost. Because of this, several students sought to withdraw to seek out institutions that would accommodate a mode of learning they felt safe with.

Although there was a significant drop in enrollment, iLearn's average enrollment exceeded the allowable amount covered by the FY2021 budget law. The law only covered the budgetary cost of 620 enrolled students at six thousand, one hundred, fifty dollars per student.

SOCIO-ECONOMIC DEMOGRAPHIC

Although iLearn does not participate in the National School Lunch Program, iLearn tracks the needs of its students. With the "Beginning of the Year Demographic Survey" as a tool of measurement, it has been found that thirty-nine percent (39%) of our students would have qualified for free lunch and seven percent (7%) would have qualified for partially reduced lunch. This demonstrates an eleven-point significant increase in student needs. There is not enough data to indicate if this is a direct impact to COVID.

iLearn regularly monitor students to identify students whose economic status may have changed and is demonstrated in nutritional needs. If a student is found without means, the school covers 100% of the cost to feeding the student. To date, ninety-nine percent of our students either pack school lunch or purchase prepared school lunches without the assistance of the National School Lunch Program. Parents have been able to sufficiently provide with only a few students needing intervention.

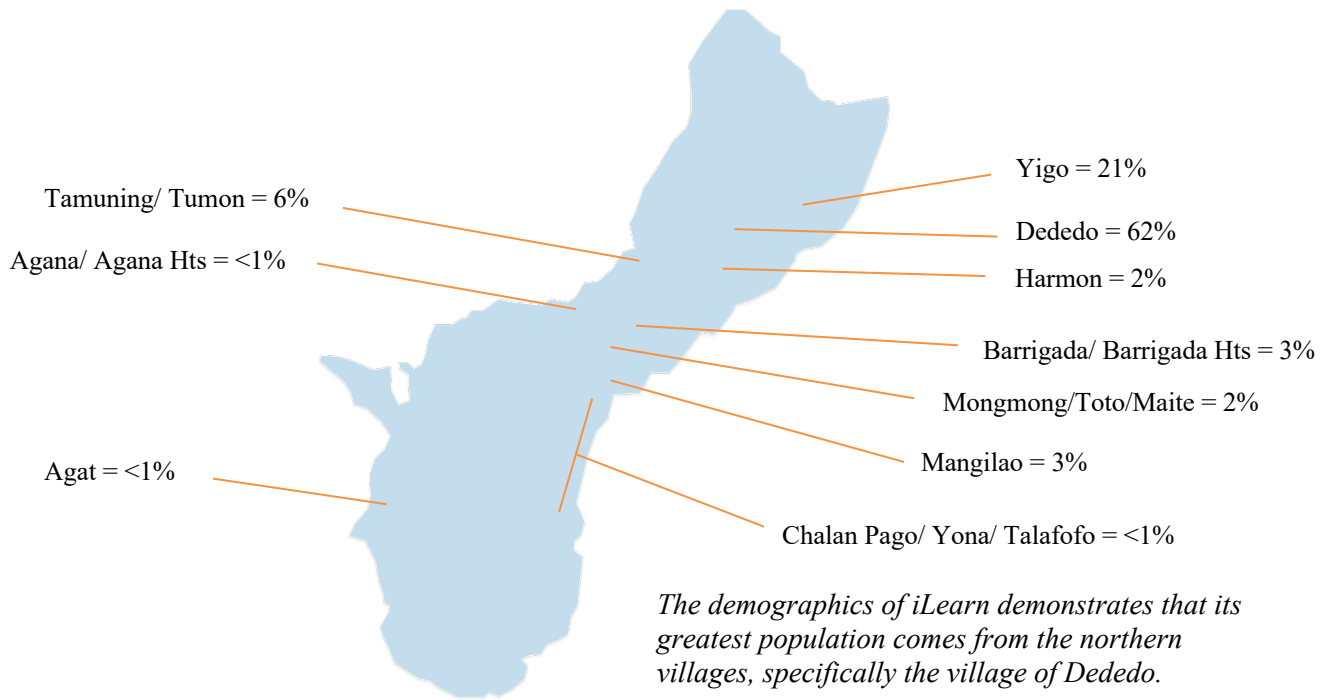
COVID-19 and online classes has made it difficult for iLearn to ensure that all student's nutritional needs are met.

STUDENT ATTENDANCE

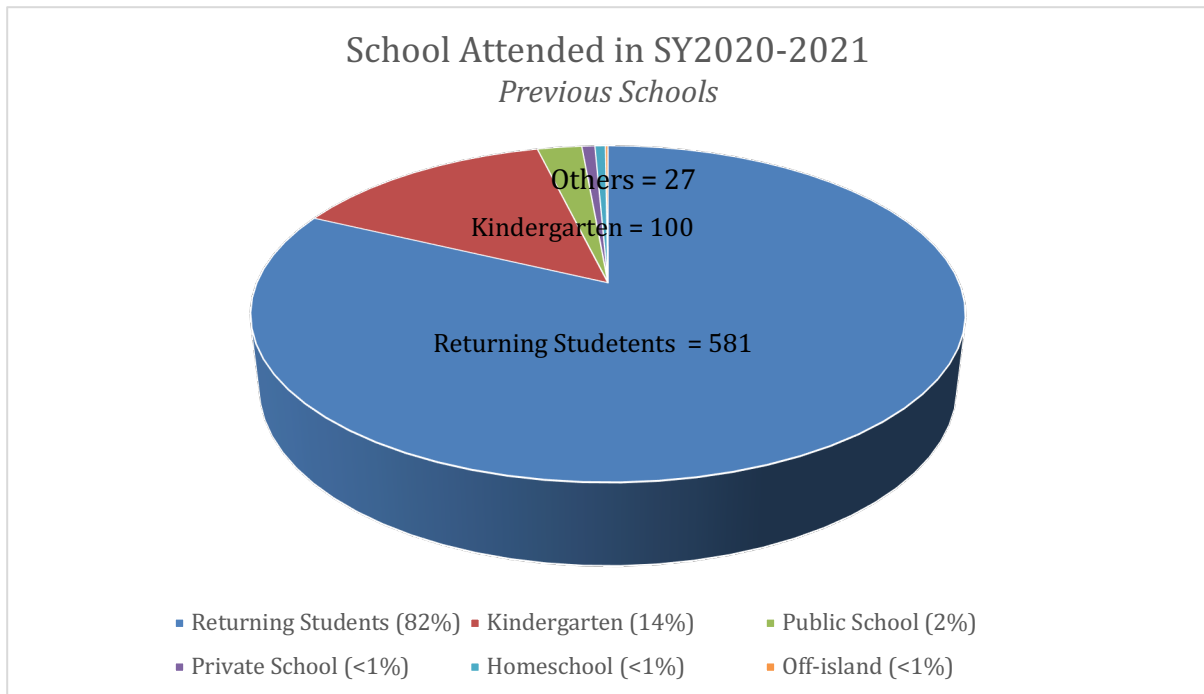
From August 2020 to January 2021, all students attended online classes via zoom. For students who were not able to login regularly, they were able to complete independent studies through google classroom. Attendance was not tracked. Completion of assignments were prioritized over attendance. The rationale for this was to give students and families as much flexibility as possible while ensuring that each student was able to fulfill quality academic experience.

January 2021 to May 2021, fifty percent of students attended a hybrid schedule and the other fifty percent attend classes online. Attendance was loosely monitored to allow flexibility for families dealing with COVID related issues such as childcare and internet connectivity.

Graph 2. Villages of student enrollment as of September 30, 2021

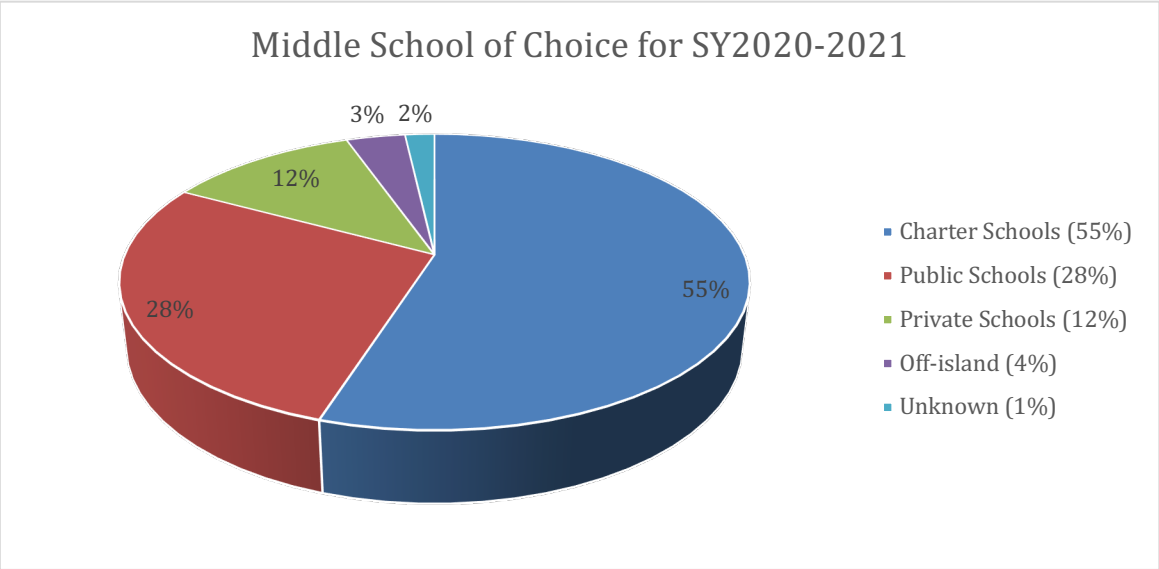


Graph 3. Feeder Schools for iLearn as of September 30, 2021.



iLearn experienced its lowest transfer rates entering SY2020-2021. Only four percent of students are classified as transfer students. There was a decrease of kindergarten enrollment. The past two school years, iLearn’s kindergarten enrollment would cap at one hundred twenty (120) students. Because the budget law for FY2021 still placed iLearn at a maximum enrollment of six hundred twenty (620) students, iLearn felt it would be financially safer to close kindergarten at one hundred (100) students as opposed to the annual enrollment of one hundred twenty (120) students. This left iLearn with approximately forty-five (45) kindergarten potentials remaining on a waiting list.

Graph 4. Middle School Choice for graduates May 27, 2021.



Fifty-five percent (55%) of iLearn graduates chose to continue with charter school and is now currently enrolled at SIFA Academy Charter School and Guahan Academy Charter School. This was an increase to last year’s forty-three percent (43%). Twenty-eight percent (28%) of iLearn graduates chose to return to their district and is currently enrolled in the following public schools: Benavente Middle School, Agueda Johnston, Astumbo Middle School, FBLG Middle School, and Untalan Middle School. This was a decrease to last year’s thirty-four percent (34%). Only twelve (12%) of iLearn graduates chose to move to private school. This was a decrease to last year’s eighteen percent (18%).

STUDENT ACADEMIC PERFORMANCE

The goal of iLearn Academy Charter School is that 75% of its students would perform at the “Ready” or “Exceeding” levels. Although iLearn students have yet to achieve these goals, there is an indication of a slow but upward progression from the previous school year. As a result, iLearn incorporated additional professional development sessions and provided additional time for collaboration among teachers to address two items: to identify the learning needs of our student scholars and to integrate instructional strategies to improve student learning. Additionally, iLearn adopted the Amplify CKLA program to assist in helping to improve reading and writing performance.

Graph 5: SY20-21 ACT Aspire Comparative Results: iLearn vs National

| Measure | Grade | English | Reading | Science | Math | STEM |
|---|----------|--------------|----------------|----------------|--------------|------------|
| ACT Aspire Benchmark | 3 | 413 | 415 | 418 | 413 | 420 |
| iLearn | 3 | 414 | 410 | 411 | 410 | 411 |
| iLearn Readiness Level | 3 | Ready | In Need | In Need | Close | |
| National Average | 3 | 417 | 413 | 415 | 413 | N/A |
| National Average Readiness Level | 3 | Ready | Close | Close | Ready | N/A |
| ACT Aspire Benchmark | 4 | 417 | 417 | 420 | 416 | 422 |
| iLearn | 4 | 420 | 414 | 416 | 412 | 414 |
| iLearn Readiness Level | 4 | Ready | Close | Close | Close | |
| National Average | 4 | 420 | 415 | 418 | 416 | N/A |
| National Average Readiness Level | 4 | Ready | Close | Close | Ready | N/A |
| ACT Aspire Benchmark | 5 | 419 | 420 | 422 | 418 | 425 |
| iLearn | 5 | 422 | 415 | 417 | 413 | 415 |
| iLearn Readiness Level | 5 | Ready | Close | Close | Close | |
| National Average | 5 | 423 | 417 | 420 | 418 | N/A |
| National Average Readiness Level | 5 | Ready | Close | Close | Ready | N/A |

The data above demonstrates iLearn’s performance against the national average. In all grade levels, iLearn’s scholars scored a few points above the ACT Aspire Benchmark for English. In all grade levels, iLearn’s scholars scored a few points below the ACT Aspire Benchmark for Math. In all grade levels, iLearn’s scholars scored below the Benchmark for Reading.

This is the first school year that iLearn has participated in completing the Science sub test and while in all grade level, iLearn’s scholars scored a few points below the ACT Aspire Benchmark for Science, we look forward to tracking student progress on an annual basis.

While reading scores are not at the desired level, there is evidence that the majority of our scholars have improved their scores on a personal level. This is evidenced through the collection of data from Achieve 3000.

Graph 6: ACT Aspire Five-Year Data Trend

| ACT Aspire Trend Data Schoolwide English Scores Average Score | | | | | |
|--|------|------|------|------|------|
| Grade | 2016 | 2017 | 2018 | 2019 | 2021 |
| 3 | 415R | 414R | 414R | 414R | 414R |
| 4 | 418R | 418R | 419R | 418R | 420R |
| 5 | 418C | 421R | 420R | 420R | 422R |

| ACT Aspire Trend Data Schoolwide Reading Scores Average Score | | | | | |
|--|------|------|------|------|------|
| Grade | 2016 | 2017 | 2018 | 2019 | 2021 |
| 3 | 411C | 409S | 410C | 410C | 410C |
| 4 | 412C | 413C | 413C | 414C | 414C |
| 5 | 413S | 416C | 415C | 415C | 415C |

| ACT Aspire Trend Data Schoolwide Mathematics Scores Average Score | | | | | |
|--|------|------|------|------|------|
| Grade | 2016 | 2017 | 2018 | 2019 | 2021 |
| 3 | 411C | 411C | 410C | 410C | 410C |
| 4 | 413C | 414C | 415C | 412C | 412C |
| 5 | 412C | 415C | 415C | 416C | 413C |

| ACT Aspire Trend Data Schoolwide Science Scores Average Score | | | | | |
|--|------|--|--|--|--|
| Grade | 2021 | | | | |
| 3 | 411S | | | | |
| 4 | 415C | | | | |
| 5 | 417C | | | | |

| ACT Aspire Trend Data Schoolwide STEM Scores Average Score | | | | | |
|---|------|--|--|--|--|
| Grade | 2021 | | | | |
| 3 | 411 | | | | |
| 4 | 414 | | | | |
| 5 | 415 | | | | |

| KEY | |
|-----|--------------------|
| E | Exceeding |
| R | Ready |
| C | Close |
| S | In Need of Support |

It should be noted that due to the COVID pandemic, iLearn (along with the rest of the nation) does not have scores for school year 2019-2020.

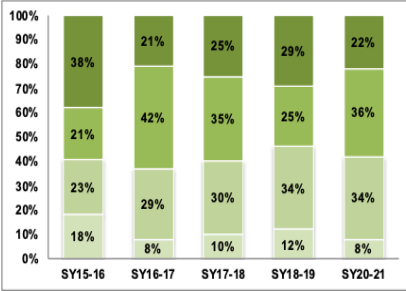
The above data demonstrated iLearn’s five-year performance. It takes three points of data to demonstrate learning trends and the results above clearly show iLearn is steadily progressing towards its academic goals.

Because iLearn completed the Science subtest this school year, a STEM composite score was compiled. Having this score will help iLearn have a better understanding and a more comprehensive evaluation of our overall program. A total of 10% of students who participated in the ACT Aspire Assessment scored as ready in STEM. We look forward to tracking student progress in this area on an annual basis.

Graph 7: ACT Aspire Percentage by Grade Level

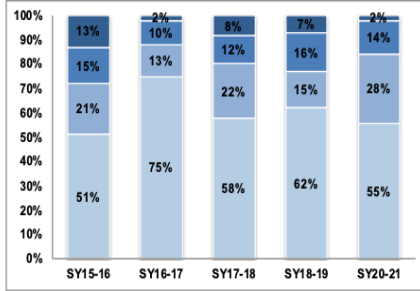
ACT Aspire Assessment Results Percentages by Year

ACT Aspire Assessment Results
3rd Grade English



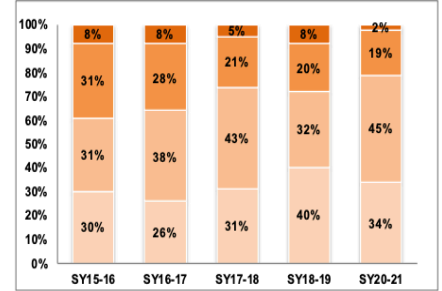
| School Year | In Need | Close | Ready | Exceeding | Total |
|-------------|---------|-------|-------|-----------|-------|
| SY15-16 | 18% | 23% | 21% | 38% | 100% |
| SY16-17 | 8% | 29% | 42% | 21% | 100% |
| SY17-18 | 10% | 30% | 35% | 25% | 100% |
| SY18-19 | 12% | 34% | 25% | 29% | 100% |
| SY20-21 | 8% | 34% | 36% | 22% | 100% |

ACT Aspire Assessment Results
3rd Grade Reading



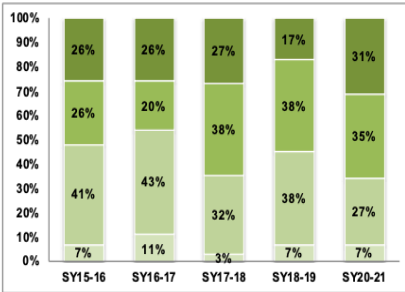
| School Year | In Need | Close | Ready | Exceeding | Total |
|-------------|---------|-------|-------|-----------|-------|
| SY15-16 | 51% | 21% | 15% | 13% | 100% |
| SY16-17 | 75% | 13% | 10% | 2% | 100% |
| SY17-18 | 58% | 22% | 12% | 8% | 100% |
| SY18-19 | 62% | 15% | 16% | 7% | 100% |
| SY20-21 | 55% | 28% | 14% | 2% | 100% |

ACT Aspire Assessment Results
3rd Grade Math



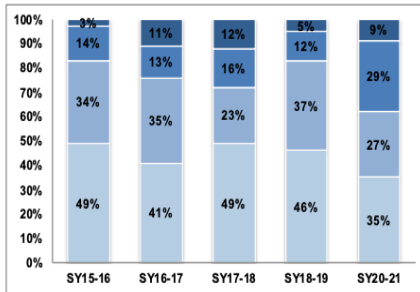
| School Year | In Need | Close | Ready | Exceeding | Total |
|-------------|---------|-------|-------|-----------|-------|
| SY15-16 | 30% | 31% | 31% | 8% | 100% |
| SY16-17 | 26% | 38% | 28% | 8% | 100% |
| SY17-18 | 31% | 43% | 21% | 5% | 100% |
| SY18-19 | 40% | 32% | 20% | 8% | 100% |
| SY20-21 | 34% | 45% | 19% | 2% | 100% |

ACT Aspire Assessment Results
4th Grade English



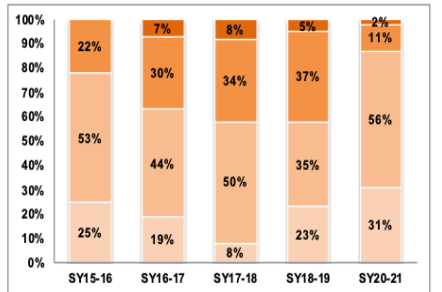
| School Year | In Need | Close | Ready | Exceeding | Total |
|-------------|---------|-------|-------|-----------|-------|
| SY15-16 | 7% | 41% | 26% | 26% | 100% |
| SY16-17 | 11% | 43% | 20% | 26% | 100% |
| SY17-18 | 3% | 32% | 38% | 27% | 100% |
| SY18-19 | 7% | 38% | 38% | 17% | 100% |
| SY20-21 | 7% | 35% | 31% | 31% | 100% |

ACT Aspire Assessment Results
4th Grade Reading



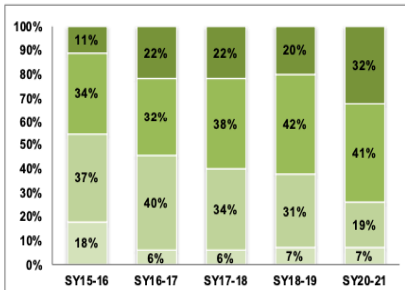
| School Year | In Need | Close | Ready | Exceeding | Total |
|-------------|---------|-------|-------|-----------|-------|
| SY15-16 | 49% | 34% | 14% | 3% | 100% |
| SY16-17 | 41% | 35% | 13% | 11% | 100% |
| SY17-18 | 49% | 23% | 16% | 12% | 100% |
| SY18-19 | 46% | 37% | 12% | 5% | 100% |
| SY20-21 | 35% | 27% | 29% | 9% | 100% |

ACT Aspire Assessment Results
4th Grade Math



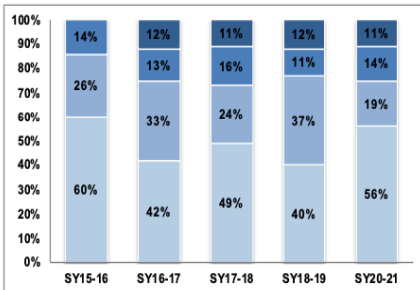
| School Year | In Need | Close | Ready | Exceeding | Total |
|-------------|---------|-------|-------|-----------|-------|
| SY15-16 | 25% | 53% | 22% | 8% | 100% |
| SY16-17 | 19% | 44% | 30% | 7% | 100% |
| SY17-18 | 8% | 50% | 34% | 8% | 100% |
| SY18-19 | 23% | 35% | 37% | 5% | 100% |
| SY20-21 | 31% | 56% | 11% | 2% | 100% |

ACT Aspire Assessment Results
5th Grade English



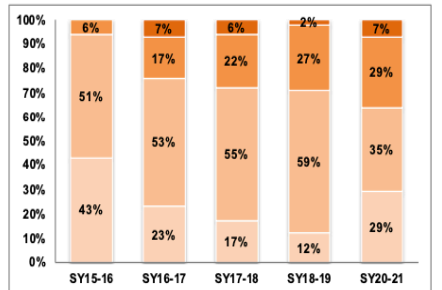
| School Year | In Need | Close | Ready | Exceeding | Total |
|-------------|---------|-------|-------|-----------|-------|
| SY15-16 | 18% | 37% | 34% | 11% | 100% |
| SY16-17 | 6% | 40% | 32% | 22% | 100% |
| SY17-18 | 6% | 34% | 38% | 22% | 100% |
| SY18-19 | 7% | 31% | 42% | 20% | 100% |
| SY20-21 | 7% | 19% | 41% | 32% | 100% |

ACT Aspire Assessment Results
5th Grade Reading



| School Year | In Need | Close | Ready | Exceeding | Total |
|-------------|---------|-------|-------|-----------|-------|
| SY15-16 | 60% | 26% | 14% | 3% | 100% |
| SY16-17 | 42% | 33% | 13% | 12% | 100% |
| SY17-18 | 49% | 24% | 16% | 11% | 100% |
| SY18-19 | 40% | 37% | 11% | 12% | 100% |
| SY20-21 | 56% | 19% | 14% | 11% | 100% |

ACT Aspire Assessment Results
5th Grade Math



| School Year | In Need | Close | Ready | Exceeding | Total |
|-------------|---------|-------|-------|-----------|-------|
| SY15-16 | 43% | 51% | 6% | 8% | 100% |
| SY16-17 | 23% | 53% | 17% | 7% | 100% |
| SY17-18 | 17% | 55% | 22% | 6% | 100% |
| SY18-19 | 12% | 59% | 27% | 2% | 100% |
| SY20-21 | 29% | 35% | 28% | 7% | 100% |

In conjunction with the ACT Aspire Assessment, iLearn Academy administers diagnostic tests for all students in K-5th grades. These tests are given at the beginning of the year, in the middle of the school year, and at the end of the year. Results indicate that substantial growth occurred across all grade levels when comparing pre-test diagnostic results to the end-of-the-year results. These findings support the results we received on the ACT Aspire. Additionally, the Grade Level Score Ranges are provided below.

Graph 8: Kindergarten thru 5th Grades Diagnostic Year-Round Results

| Diagnostic Levels - Kindergarten | | | | |
|----------------------------------|----------|----------------------------|-------------------------------|----------------------|
| | Students | Pre-Test Diagnostic (Mean) | End-of-Year Diagnostic (Mean) | Actual Growth (Mean) |
| Math | 120 | 120 | 149 | +29 |
| ELA | 120 | 107 | 149 | +42 |

| Diagnostic Levels - First Grade | | | | |
|---------------------------------|----------|----------------------------|-------------------------------|----------------------|
| | Students | Pre-Test Diagnostic (Mean) | End-of-Year Diagnostic (Mean) | Actual Growth (Mean) |
| Math | 133 | 131 | 181 | +50 |
| ELA | 133 | 118 | 172 | +54 |

| Diagnostic Levels - Second Grade | | | | |
|----------------------------------|----------|----------------------------|-------------------------------|----------------------|
| | Students | Pre-Test Diagnostic (Mean) | End-of-Year Diagnostic (Mean) | Actual Growth (Mean) |
| Math | 139 | 188 | 230 | +42 |
| ELA | 139 | 171 | 251 | +80 |

| Diagnostic Levels - Third Grade | | | | |
|---------------------------------|----------|----------------------------|-------------------------------|----------------------|
| | Students | Pre-Test Diagnostic (Mean) | End-of-Year Diagnostic (Mean) | Actual Growth (Mean) |
| Math | 130 | 238 | 288 | +50 |
| ELA | 130 | 270 | 332 | +62 |

| Diagnostic Levels - Fourth Grade | | | | |
|----------------------------------|----------|----------------------------|-------------------------------|----------------------|
| | Students | Pre-Test Diagnostic (Mean) | End-of-Year Diagnostic (Mean) | Actual Growth (Mean) |
| Math | 104 | 295 | 332 | +37 |
| ELA | 104 | 344 | 395 | +51 |

| Diagnostic Levels - Fifth Grade | | | | |
|---------------------------------|----------|----------------------------|-------------------------------|----------------------|
| | Students | Pre-Test Diagnostic (Mean) | End-of-Year Diagnostic (Mean) | Actual Growth (Mean) |
| Math | 111 | 370 | 449 | +79 |
| ELA | 111 | 405 | 530 | +125 |

Grade Level Score Ranges

| | | Grade Level Score Ranges | | | | | |
|--------------|----------------------------|--------------------------|---------|---------|---------|---------|---------|
| Subject | Diagnostic Readiness Level | K | 1 | 2 | 3 | 4 | 5 |
| Math and ELA | Above | 140+ | 240+ | 340+ | 440+ | 540+ | 640+ |
| | On | 60-130 | 130-230 | 230-330 | 330-430 | 430-530 | 530-630 |
| | Below | 10-50 | 60-120 | 130-220 | 230-320 | 330-420 | 430-520 |
| | Far Below | 0+ | 0-50 | 0-120 | 0-220 | 0-320 | 0-420 |

The graph provided below breaks down each grade level into the following categories by percentage: Above, On Level, Below, and Far Below. Students across all grade levels demonstrated a significant increase in learning as evidenced in the growth of percentages in the On Level and Above categories by the end of the school year.

Graph 9: Kindergarten thru 5th Grades Diagnostic Year-Round Results
(Students within Categories by Percentage)

| Kindergarten | | | | | | |
|------------------------------|-----------|------------|------------|------------|------------|-------|
| Mathematics | | | | | | |
| | Far Below | Below | On Level | Above | On + Above | Total |
| Pre-Test | 0% | 14% | 55% | 31% | 86% | 100% |
| End-of-Year | 0% | 0% | 57% | 43% | 100% | 100% |
| Pre-Test vs EOY | 0 | -14 | +2 | +12 | +14 | |
| English Language Arts | | | | | | |
| | Far Below | Below | On Level | Above | On + Above | Total |
| Pre-Test | 5% | 9% | 56% | 30% | 86% | 100% |
| End-of-Year | 1% | 13% | 41% | 45% | 86% | 100% |
| Pre-Test vs EOY | -4 | +4 | -15 | +15 | 0 | |

| 1st Grade | | | | | | |
|------------------------------|------------|------------|------------|-----------|------------|-------|
| Mathematics | | | | | | |
| | Far Below | Below | On Level | Above | On + Above | Total |
| Pre-Test | 5% | 53% | 35% | 7% | 42% | 100% |
| End-of-Year | 0% | 16% | 72% | 12% | 84% | 100% |
| Pre-Test vs EOY | -5 | -37 | +37 | +5 | +42 | |
| English Language Arts | | | | | | |
| | Far Below | Below | On Level | Above | On + Above | Total |
| Pre-Test | 22% | 44% | 26% | 8% | 34% | 100% |
| End-of-Year | 5% | 23% | 55% | 17% | 72% | 100% |
| Pre-Test vs EOY | -17 | -21 | +29 | +9 | +38 | |

| 2nd Grade | | | | | | |
|------------------------------|------------|------------|------------|------------|------------|-------|
| Mathematics | | | | | | |
| | Far Below | Below | On Level | Above | On + Above | Total |
| Pre-Test | 10% | 68% | 20% | 2% | 22% | 100% |
| End-of-Year | 10% | 35% | 51% | 4% | 55% | 100% |
| Pre-Test vs EOY | 0 | -33 | +31 | +2 | +33 | |
| English Language Arts | | | | | | |
| | Far Below | Below | On Level | Above | On + Above | Total |
| Pre-Test | 31% | 48% | 18% | 3% | 21% | 100% |
| End-of-Year | 7% | 29% | 51% | 13% | 64% | 100% |
| Pre-Test vs EOY | -24 | -19 | +33 | +10 | +43 | |

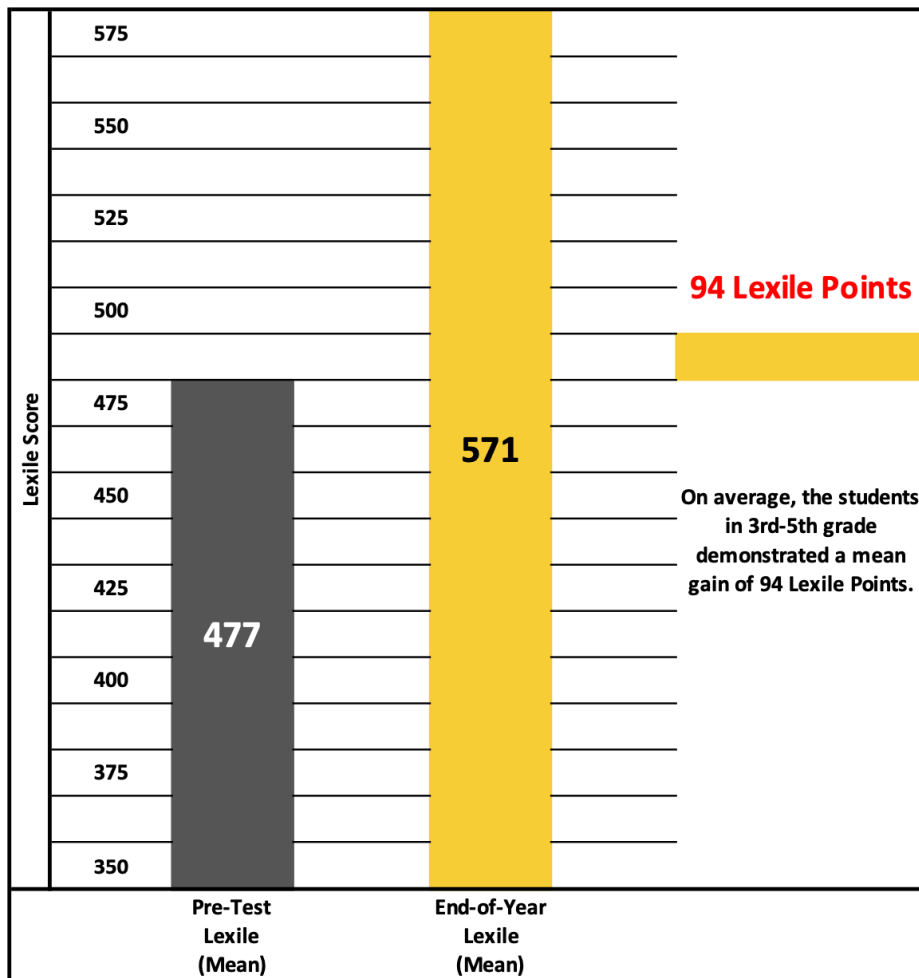
| 3rd Grade | | | | | | |
|------------------------------|------------|-----------|------------|------------|------------|-------|
| Mathematics | | | | | | |
| | Far Below | Below | On Level | Above | On + Above | Total |
| Pre-Test | 33% | 51% | 14% | 2% | 16% | 100% |
| End-of-Year | 15% | 59% | 24% | 2% | 26% | 100% |
| Pre-Test vs EOY | -18 | +8 | +10 | 0 | +10 | |
| English Language Arts | | | | | | |
| | Far Below | Below | On Level | Above | On + Above | Total |
| Pre-Test | 22% | 49% | 26% | 3% | 29% | 100% |
| End-of-Year | 17% | 40% | 30% | 13% | 43% | 100% |
| Pre-Test vs EOY | -5 | -9 | +4 | +10 | +14 | |

| 4th Grade | | | | | | |
|------------------------------|------------|------------|------------|------------|------------|-------|
| Mathematics | | | | | | |
| | Far Below | Below | On Level | Above | On + Above | Total |
| Pre-Test | 70% | 27% | 3% | 0% | 3% | 100% |
| End-of-Year | 40% | 48% | 10% | 2% | 12% | 100% |
| Pre-Test vs EOY | -30 | +21 | +7 | +2 | +9 | |
| English Language Arts | | | | | | |
| | Far Below | Below | On Level | Above | On + Above | Total |
| Pre-Test | 51% | 26% | 15% | 8% | 23% | 100% |
| End-of-Year | 34% | 22% | 26% | 18% | 44% | 100% |
| Pre-Test vs EOY | -17 | -4 | +11 | +10 | +21 | |

| 5th Grade | | | | | | |
|------------------------------|------------|------------|------------|------------|------------|-------|
| Mathematics | | | | | | |
| | Far Below | Below | On Level | Above | On + Above | Total |
| Pre-Test | 70% | 25% | 4% | 1% | 5% | 100% |
| End-of-Year | 32% | 55% | 11% | 2% | 13% | 100% |
| Pre-Test vs EOY | -38 | +30 | +7 | +1 | +8 | |
| English Language Arts | | | | | | |
| | Far Below | Below | On Level | Above | On + Above | Total |
| Pre-Test | 57% | 22% | 11% | 10% | 21% | 100% |
| End-of-Year | 30% | 21% | 21% | 28% | 49% | 100% |
| Pre-Test vs EOY | -27 | -1 | +10 | +18 | +28 | |

Graph 10: Achieve 3000 (Differentiated Reading Program) Lexile Gains for Grades 3-5

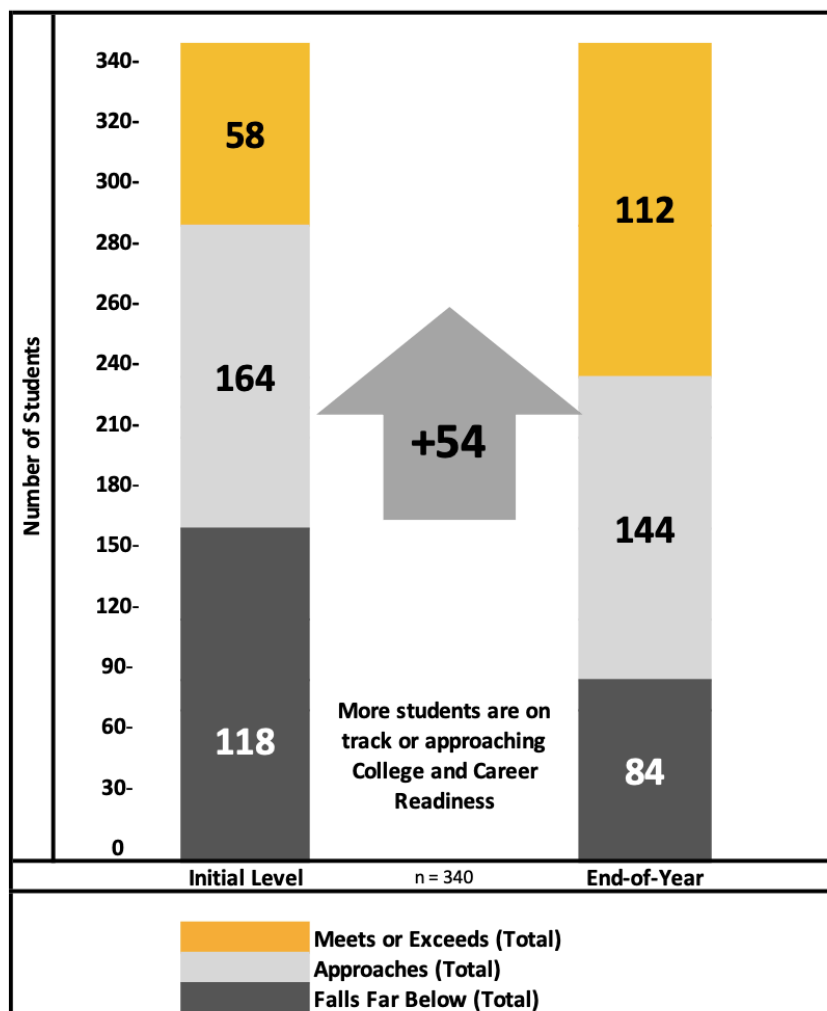
| Lexile Gains: Pre-Test to End-of-Year | | | | |
|---|------------|------------|------------|------------|
| | 3rd | 4th | 5th | Total |
| Overall Lexile Growth Total: | 16015 | 7845 | 8880 | 32740 |
| Overall Lexile Growth Average: | 122 | 79 | 80 | 94 |
| Overall Lexile Total PreTest: | | | | |
| Overall Lexile Total PreTest: | 46720 | 48405 | 63580 | 158705 |
| Overall Lexile Total PreTest Average: | 374 | 484 | 573 | 477 |
| Overall Lexile Total PostTest: | | | | |
| Overall Lexile Total PostTest: | 62735 | 56250 | 72460 | 191445 |
| Overall Lexile Total PostTest Average: | 496 | 563 | 653 | 571 |



The Achieve 3000 scores show growth in individual skills. The program allows student scholars to confidently participate in class discussions as they read materials from the same article but at their grade level. Scholars work towards personal goals and celebrate each personal milestone.

Graph 11: College and Career Readiness Indicator for Grades 3-5

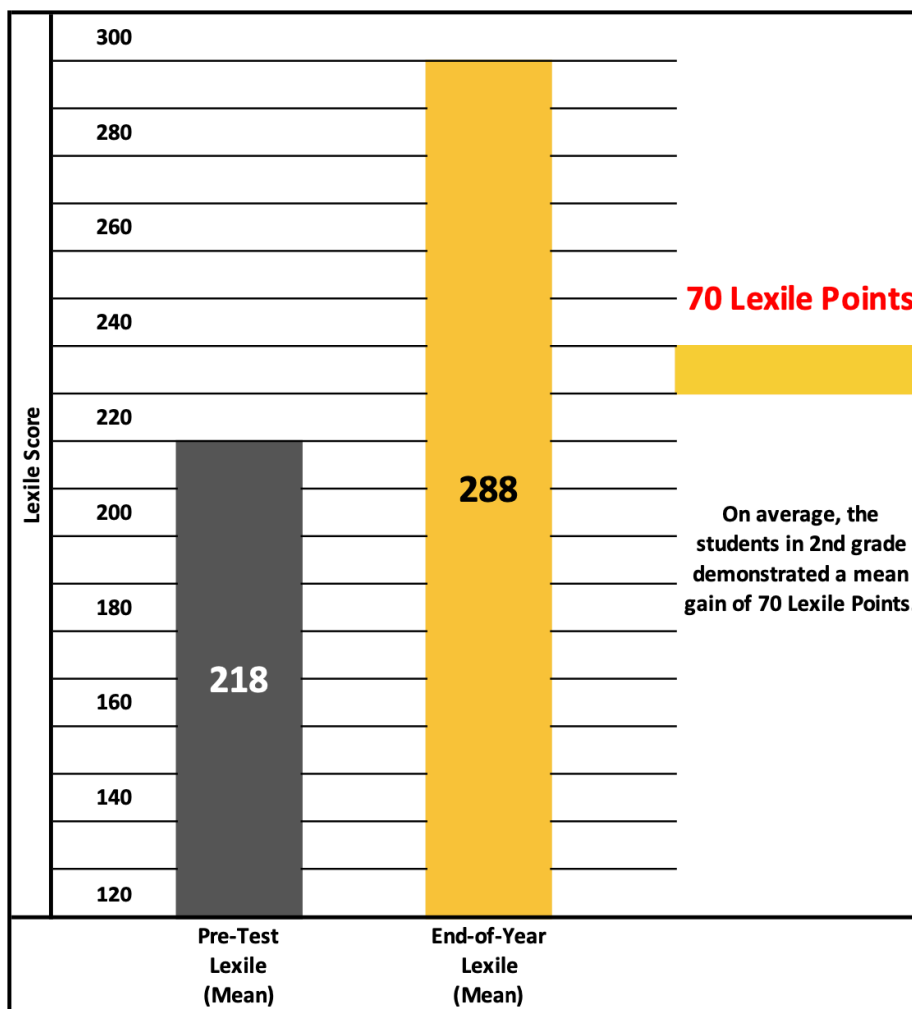
| College and Career Readiness | | | | |
|-------------------------------------|----|----|----|--------------|
| Levels | 3 | 4 | 5 | Total |
| Below | 42 | 36 | 40 | 118 |
| Below | 27 | 27 | 30 | 84 |
| Approach | 62 | 49 | 53 | 164 |
| Approach | 46 | 46 | 52 | 144 |
| Exceeds | 25 | 15 | 18 | 58 |
| Exceeds | 56 | 27 | 29 | 112 |
| | | | | Up 54 |



The preceding graph, based on pre-test and end-of-year Lexile scores, demonstrates that more ILearn Academy Charter School students are on track for college and career readiness after actively participating in the Achieve3000 program during the 2020-2021 school year

Graph 12: Achieve 3000 (Differentiated Reading Program) Lexile Gains for Grade 2

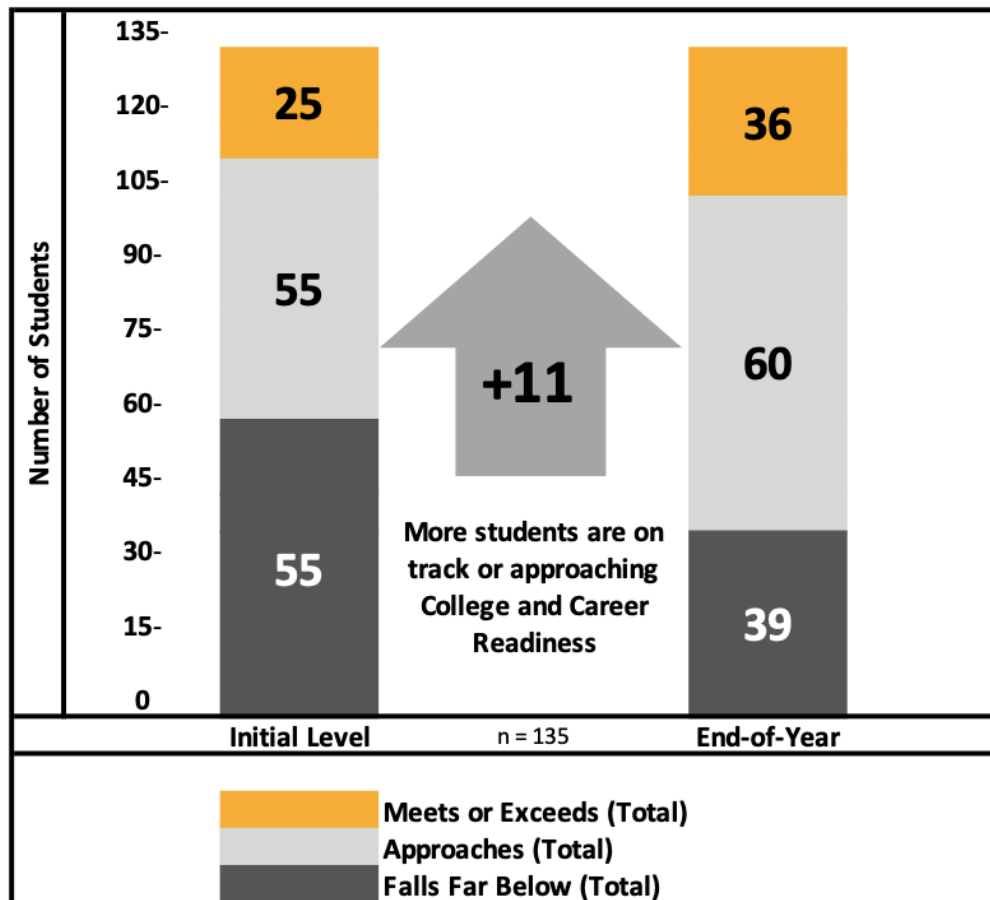
| Lexile Gains: Pre-Test to End-of-Year | | |
|---|------------|------------|
| | 2nd | Total |
| Overall Lexile Growth Total: | 9415 | 9415 |
| Overall Lexile Growth Average: | 70 | 70 |
| Overall Lexile Total PreTest: | | |
| Overall Lexile Total PreTest: | 29475 | 29475 |
| Overall Lexile Total PreTest Average: | 218 | 218 |
| Overall Lexile Total PostTest: | | |
| Overall Lexile Total PostTest: | 38890 | 38890 |
| Overall Lexile Total PostTest Average: | 288 | 288 |



Second Grade starts this program in the middle of the school year. Prior to this program, all second-grade student scholars work on a lower primary version of Achieve 3000 called Smarty Ants.

Graph 13: College and Career Readiness Indicator for Grade 2

| College and Career Readiness | | |
|------------------------------|----|-------|
| Levels | 2 | Total |
| Below | 55 | 55 |
| Below | 39 | 39 |
| Approach | 55 | 55 |
| Approach | 60 | 60 |
| Exceeds | 25 | 25 |
| Exceeds | 36 | 36 |
| | | Up 11 |



The preceding graph, based on pre-test and end-of-year Lexile scores, demonstrates that more ILearn Academy Charter School students are on track for college and career readiness after actively participating in the Achieve3000 program during the 2020-2021 school year

Graph 14: Overall Achieve 3000 Findings

| Findings that Count | | | | |
|---|-------------------------------------|-------------------------------|----------------------------------|-----------------------------|
| Findings That Count: | | | | |
| Student Performance Across 2nd Grade | | | | |
| Grade | Users with Valid Test Scores | Pre-Test Lexile (Mean) | End-Of-Year Lexile (Mean) | Actual Growth (Mean) |
| 2 | 135 | 218 | 288 | 70 |
| Overall | 135 | 218 | 288 | 70 |

| Findings that Count | | | | |
|--|-------------------------------------|-------------------------------|----------------------------------|-----------------------------|
| Findings That Count: | | | | |
| Student Performance Across the 3rd-5th Grade Levels | | | | |
| Grade | Users with Valid Test Scores | Pre-Test Lexile (Mean) | End-Of-Year Lexile (Mean) | Actual Growth (Mean) |
| 3 | 129 | 374 | 496 | 122 |
| 4 | 100 | 484 | 563 | 79 |
| 5 | 111 | 573 | 653 | 80 |
| Overall | 340 | 477 | 571 | 94 |

Overall, iLearn’s student scholars have not met school goals for reading levels. However, they have met personal goals and achieved personal growths. This is an indicator that Achieve 3000 is beneficial to student progress. Longevity of usage is necessary to acquire school goals of readiness.

OTHER STUDENT ACCOMPLISHMENTS

The greatest accomplishment our students and teachers encounter in school year 2020-2021 was their ability to maneuver through a very different academic scenario. Students adapted quickly in an ever-changing situation which demonstrated their leadership, social personal, and critical thinking skills.

PROFESSIONAL DEVELOPMENT

- A. Achieve 3000
 - B. Smarty Ants
 - C. Amplify Science
- WASC steering committees

OTHER NOTABLES

Through the Education Stimulus Funds (ESF), iLearn was able to upgrade all technological learning equipments, expand the online platform through Zoom, and provide mifi to students who did not have sufficient access to internet. Funds from allowed iLearn to focus on safety protocols such as health surveillance through thermal scanning, disinfected frequently used areas, and equipping students with basic school materials. ESF allowed iLearn to focus on distance learning while intervening student needs for mental health and well being.

FINANCIAL ACCOUNTABILITY

Information in this section comes from the Office of Public Accountability and from the financial portion of the Ernst & Young LLP Audit findings. For the purpose of this reporting and to reduce replication of information, only the portions that demonstrate the financial health and practices of iLearn Academy Charter School have been included.

Financial Chart 1: Net Position

iLearn Academy Charter School, Inc.
(A Non-Profit Organization)

Statements of Fiduciary Net Position

| | Agency Funds Years ended September 30, | |
|-------------------|--|------------------------|
| | <u>2020</u> | <u>2019</u> |
| Assets: | | |
| Cash | \$ <u>1,391</u> | \$ <u>2,662</u> |
| Total asset | \$ <u><u>1,391</u></u> | \$ <u><u>2,662</u></u> |
| Liability: | | |
| Others | \$ <u>1,391</u> | \$ <u>2,662</u> |
| Total liability | \$ <u><u>1,391</u></u> | \$ <u><u>2,662</u></u> |

From E&Y Audit 2020

iLearn Academy Charter School Inc.
(A Non-Profit Organization)

Governmental Funds Balance Sheets/Statements of Net Position

| | Years ended | | | | | |
|---------------------------------------|-------------------|--------------------|---------------------------|--------------------|----------------------|---------------------------|
| | 2020 | | 2019 | | | |
| | General Fund | Adjustments | Statement of Net Position | General Fund | Adjustments | Statement of Net Position |
| Assets: | | | | | | |
| Cash | \$ 371,591 | \$ --- | \$ 371,591 | \$ 193,152 | \$ --- | \$ 193,152 |
| Accounts receivable | 97,077 | --- | 97,077 | 150,815 | --- | 150,815 |
| Prepaid expenses | 81,200 | --- | 81,200 | 61,710 | --- | 61,710 |
| Depreciable capital assets, net | --- | 175,261 | 175,261 | 33,812 | --- | 33,812 |
| Inventory | 8,698 | --- | 8,698 | 1,575 | --- | 1,575 |
| Total assets | <u>\$ 558,566</u> | <u>\$ 175,261</u> | <u>\$ 733,827</u> | <u>\$ 441,064</u> | <u>\$ ---</u> | <u>\$ 441,064</u> |
| Liabilities and Fund Balance: | | | | | | |
| Accounts payable and accrued expenses | \$ 48,690 | \$ --- | \$ 48,690 | \$ 205,636 | \$ --- | \$ 205,636 |
| Notes payable: | | | | | | |
| Due within one year | --- | 101,608 | 101,608 | --- | 61,939 | 61,939 |
| Due after one year | --- | 426,911 | 426,911 | --- | 248,454 | 248,454 |
| Total liabilities | <u>48,690</u> | <u>528,519</u> | <u>577,209</u> | <u>205,636</u> | <u>310,393</u> | <u>516,029</u> |
| Fund balance: unassigned | <u>509,876</u> | <u>(509,876)</u> | <u>235,428</u> | <u>(235,428)</u> | <u>---</u> | <u>---</u> |
| Total liabilities and fund balances | <u>\$ 558,566</u> | <u>\$ ---</u> | <u>\$ 733,827</u> | <u>\$ 441,064</u> | <u>\$ ---</u> | <u>\$ 441,064</u> |
| Net position: | | | | | | |
| Invested in capital assets | | 175,261 | 175,261 | | --- | --- |
| Unrestricted | | <u>(18,643)</u> | <u>(18,643)</u> | | <u>(74,965)</u> | <u>(74,965)</u> |
| Total net position | | <u>\$ 156,618</u> | <u>\$ 156,618</u> | | <u>\$ (74,965)</u> | <u>\$ (74,965)</u> |

Financial Chart 2: Net Position

From E&Y Audit 2020

iLearn Academy Charter School, Inc.
(A Non-Profit Organization)

Statements of Governmental Fund Revenues, Expenditures and Changes in Fund Balance/Statements of Activities

| | 2020 | | | | 2019 | | | |
|---|-------------------|----------------|-------------------------|--------------------|----------------|-------------------------|---------------|--|
| | | | Years ended | | | | September 30, | |
| | General Fund | Adjustments | Statement of Activities | General Fund | Adjustments | Statement of Activities | | |
| Expenditures/expenses: | | | | | | | | |
| Instructional services: | | | | | | | | |
| Contract services | \$ 1,842,375 | \$ 218,126 | \$ 2,060,501 | \$ 1,747,897 | \$ 310,393 | \$ 2,058,290 | | |
| Salaries and wages | 1,639,796 | --- | 1,639,796 | 1,485,546 | --- | 1,485,546 | | |
| Support services: | | | | | | | | |
| Operations | 137,682 | (9,997) | 127,685 | 70,290 | --- | 70,290 | | |
| Interest | 16,939 | --- | 16,939 | 9,832 | --- | 9,832 | | |
| Insurance | 8,889 | --- | 8,889 | 7,991 | --- | 7,991 | | |
| Travel and meetings | 7,808 | --- | 7,808 | 10,236 | --- | 10,236 | | |
| Bank charges | 600 | --- | 600 | 484 | --- | 484 | | |
| Miscellaneous | 491 | --- | 491 | --- | --- | --- | | |
| Total expenditures/expenses | <u>3,654,580</u> | <u>208,129</u> | <u>3,862,709</u> | <u>3,332,276</u> | <u>310,393</u> | <u>3,642,669</u> | | |
| General revenues: | | | | | | | | |
| Appropriations | 3,813,000 | --- | 3,813,000 | 3,774,560 | --- | 3,774,560 | | |
| Grant | --- | 165,264 | 165,264 | 38,038 | --- | 38,038 | | |
| Fundraising | 26,279 | --- | 26,279 | 21,535 | --- | 21,535 | | |
| Miscellaneous | 17,046 | --- | 17,046 | 3,711 | --- | 3,711 | | |
| Donation | 120 | --- | 120 | 25,917 | --- | 25,917 | | |
| | <u>3,856,445</u> | <u>165,264</u> | <u>4,021,709</u> | <u>3,863,761</u> | <u>---</u> | <u>3,863,761</u> | | |
| Program revenues: | | | | | | | | |
| Student store | 46,008 | --- | 46,008 | 86,145 | --- | 86,145 | | |
| Extended learning | 26,575 | --- | 26,575 | 41,900 | --- | 41,900 | | |
| | <u>72,583</u> | <u>---</u> | <u>72,583</u> | <u>128,045</u> | <u>---</u> | <u>128,045</u> | | |
| Excess (deficiency) of revenues over (under) expenditures | 274,448 | (274,448) | 231,583 | 659,530 | (659,530) | 349,137 | | |
| Change in net position | 231,583 | --- | 231,583 | (424,102) | --- | (424,102) | | |
| Fund balance/net position: | | | | | | | | |
| Beginning of year | <u>235,428</u> | <u>---</u> | <u>(74,965)</u> | <u>(424,102)</u> | <u>---</u> | <u>(424,102)</u> | | |
| End of year | <u>\$ 509,876</u> | <u>\$ ---</u> | <u>\$ 156,618</u> | <u>\$ 235,428</u> | <u>\$ ---</u> | <u>\$ (74,965)</u> | | |

From E&Y Audit 2020

iLearn Academy Charter School, Inc.
(A Non-Profit Organization)

Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Cash

For the purpose of presentation in the Governmental Funds balance sheet/statement of net position, cash consists of cash balances deposited in banks.

Agency Funds

Agency funds represent the cash assets of various school clubs held by the Academy in a purely custodial capacity.

Funding

The Academy receives financial support in monthly allotments from the General Fund of the Government of Guam via the Department of Administration (DOA) to finance administrative and general expenses on a reimbursable basis. Such expenses mainly consist of contract dues under the A+ Contract, salaries and wages, and Extended Learning wages due to after school teachers. The actual amounts remitted to the Academy are determined by the DOA's Internal Auditors through the validation of submitted invoices.

Pursuant to Guam Public Law 35-36, the cost per pupil was \$6,150 for the fiscal year ending September 30, 2020. Student enrollment is not to exceed 620 students during Fiscal Year 2020. The number of enrolled students was multiplied by the FY 2020 Government of Guam General Appropriations Act approved amount of \$6,150 per student enrollee. For the fiscal year ended September 30, 2020, the maximum of 620 students were enrolled in the Academy. The Academy received government appropriations totaling \$3,813,000 and \$3,774,560, respectively, for the fiscal years ended September 30, 2020 and 2019.

Fundraising and Donations

The Academy participates in various fundraising activities during the year. Revenues received from these fundraising activities are recognized as fundraising income. In addition, the Academy receives cash donations from private individuals and businesses that are recognized as donations when received.

Compensated Absences

Permanent employees who are guaranteed leave with their contracts are entitled to paid vacation and sick leave. Entitled employees can accrue four hours of paid sick leave and three hours of paid personal leave every pay period. Accumulation of compensated leave hours may not exceed fifty-six hours of sick leave and twenty-one hours of personal leave within a school year. Unused personal or sick leave at the end of a school year will be credited to the employee at approximately half of the employee's current contractual rate multiplied by the number of unused hours of sick and personal leave.

iLearn Academy Charter School, Inc.
(A Non-Profit Organization)

Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Income Taxes

The Academy is a non-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Guam Territorial Income Tax Law. Therefore, the Academy has made no provision for income taxes in the accompanying financial statements. A Return of Organization Exempt from Income Tax is filed by the Academy. Forms 990 filed by the Academy are subject to examination by the Government of Guam Department of Revenue and Taxation for up to three years from the extended due date of each return.

Capital Assets

Property and equipment purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the Academy as assets with an initial cost of more than \$500 or the anticipated life or useful value of said property is more than one year. Donated property and equipment are valued at the estimated fair market value as of the date received.

Depreciation on all capital assets is provided on the straight-line basis over the estimated useful lives.

Deferred Outflows of Resources

In addition to assets, the statements of financial position, will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, deferred outflows of resources represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (deduction of net position) until then. The Academy has no items that qualify for reporting under this category.

Deferred Inflows of Resources

In addition to liabilities, the statements of financial position, will sometimes report a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (addition of net position) until then. The Academy has no items that qualify for reporting under this category.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

iLearn Academy Charter School, Inc.
(A Non-Profit Organization)

Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Upcoming Accounting Pronouncements

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. GASB Statement No. 84 will be effective for fiscal year ending September 30, 2021.

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. GASB Statement No. 87 will be effective for fiscal year ending September 30, 2023.

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. GASB Statement No. 89 will be effective for fiscal year ending September 30, 2022.

In March 2018, GASB issued Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. GASB Statement No. 90 will be effective for fiscal year ending September 30, 2021.

iLearn Academy Charter School, Inc.
(A Non-Profit Organization)

Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Upcoming Accounting Pronouncements, continued

In May 2019, GASB issued Statement No. 91, *Conduit debt obligations*. The primary objectives of this statement are to provide a single method reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. GASB Statement No. 91 will be effective for fiscal year ending September 30, 2023.

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. More comparable reporting will improve the usefulness of information for users of state and local government financial statements. This Statement addresses a variety of topics and includes specific provisions about leases; reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan; applicability of Statement no. 73 and 84 for postemployment benefits, measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature and terminology used to refer to derivative instruments. GASB Statement No. 92 will be effective for fiscal year ending September 30, 2021.

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates (IBOR)*. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. This Statement achieves that objective by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment; clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable; removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap; identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap; clarifying the definition of reference rate, as it is used in Statement 53, as amended. GASB Statement No. 93 will be effective for fiscal year ending September 30, 2022.

iLearn Academy Charter School, Inc.
(A Non-Profit Organization)

Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Upcoming Accounting Pronouncements, continued

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. GASB Statement No. 94 will be effective for fiscal year ending September 30, 2023.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. GASB Statement No. 96 will be effective for fiscal year ending September 30, 2023.

iLearn Academy Charter School, Inc.
(A Non-Profit Organization)

Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Upcoming Accounting Pronouncements, continued

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans— an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. GASB Statement No. 97 will be effective for fiscal year ending September 30, 2022.

The Academy is currently evaluating the effects the above upcoming accounting pronouncements might have on its financial statements.

3. Economic Dependency

The Academy receives approximately 100% of its annual revenue from the Guam Legislature under the Guam Academy Charter School Funds under a six-year agreement. Under such agreement, the Council will review the Academy every six years, beginning on the date on which the charter is granted or renewed, to determine whether the charter should be revoked for material violations of laws and the terms of agreement or if the Academy fails to meet the goals and student academic achievement expectations.

4. Related Party Transactions

For the year ended September 30, 2019, certain board members of the Academy were also officers or board members of SPCS. Pursuant to the terms and conditions of the A+ Contract, which expires in June 2023, SPCS is the sole provider of the facility, equipment, utilities, services, and supplies to the Academy in exchange for monthly contract dues. The agreement shall be automatically extended for successive periods of five years unless either party submits notice of non-renewal. For each of the years ended September 30, 2020 and 2019 fees incurred to SPCS totaled \$2,040,000.

For July 1, 2020 through June 30, 2023, the agreement calls for the following monthly fee payments:

- a) \$221,000 to accommodate 621 up to 740 students
- b) \$256,208 to accommodate 741 up to 860 students
- c) \$283,021 to accommodate 861 up to 950 students

iLearn Academy Charter School, Inc.
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Notes to Financial Statements, continued

4. Related Party Transactions, continued

Notes Payable

| | <u>2020</u> | <u>2019</u> |
|--|------------------|------------------|
| Unsecured note payable due to SPCS, interest at 6.0% per annum with monthly payments totaling \$6,573 inclusive of interest. Matures on March 2024 | \$237,766 | \$310,393 |
| Less current installments | <u>55,071</u> | <u>61,939</u> |
| | <u>\$182,695</u> | <u>\$248,454</u> |

5. Long-Term Liabilities

In July 2020, the Academy obtained an unsecured loan under the Paycheck Protection Program amounting to \$290,753 with an interest rate of 1% and maturing on June 30, 2025. The loan calls for monthly payments of \$5,532 starting January 30, 2021.

A summary of future maturities of notes payable is as follows:

| <u>Year ending September 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|----------------------------------|-------------------|------------------|-------------------|
| 2021 | \$ 101,608 | \$ 13,902 | \$ 115,510 |
| 2022 | 134,047 | 11,210 | 145,257 |
| 2023 | 138,998 | 8,892 | 147,890 |
| 2024 | 104,287 | 1,532 | 105,819 |
| 2025 | <u>49,578</u> | <u>207</u> | <u>49,785</u> |
| | <u>\$ 528,518</u> | <u>\$ 35,743</u> | <u>\$ 564,261</u> |

A summary of changes in long-term liabilities during fiscal year 2020 is as follows:

| | <u>Outstanding October 1, 2019</u> | <u>Increases</u> | <u>Decreases</u> | <u>Outstanding September 30, 2020</u> | <u>Current</u> | <u>Noncurrent</u> |
|----------------------------------|--|------------------|------------------|---|------------------|-------------------|
| Notes payable to related parties | \$310,393 | \$ --- | \$72,627 | \$237,766 | \$ 55,071 | \$182,695 |
| Notes payable | <u>---</u> | <u>290,753</u> | <u>---</u> | <u>290,753</u> | <u>46,537</u> | <u>244,216</u> |
| Total | <u>\$310,393</u> | <u>\$290,753</u> | <u>\$72,627</u> | <u>\$528,519</u> | <u>\$101,608</u> | <u>\$426,911</u> |

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Notes to Financial Statements, continued

5. Long-Term Liabilities, continued

A summary of changes in long-term liabilities during fiscal year 2019 is as follows:

| | Outstanding October 1, 2018 | Increases | Decreases | Outstanding September 30, 2019 | Current | Noncurrent |
|----------------------------------|-----------------------------------|-----------|-----------|--------------------------------------|----------|------------|
| Notes payable to related parties | \$42,500 | \$340,000 | \$72,107 | \$310,393 | \$61,939 | \$248,454 |

6. Property and Equipment

The following is a summary of the changes in capital assets for the year ended September 30, 2020:

| | Beginning Balance October 1, 2019 | Additions | Transfers and Deletions | Ending Balance September 30, 2020 |
|------------------------------------|---|-----------|-------------------------------|--------------------------------------|
| Capital assets depreciated: | | | | |
| Furniture, fixtures, and equipment | \$ 38,038 | \$165,264 | \$ --- | \$ 203,302 |
| Less accumulated depreciation | (4,226) | (23,815) | --- | (28,041) |
| Net capital assets depreciated | \$ 33,812 | \$141,449 | \$ --- | \$ 175,261 |

The following is a summary of the changes in capital assets for the year ended September 30, 2019:

| | Beginning Balance October 1, 2018 | Additions | Transfers and Deletions | Ending Balance September 30, 2019 |
|------------------------------------|---|-----------|-------------------------------|--------------------------------------|
| Capital assets depreciated: | | | | |
| Furniture, fixtures, and equipment | \$ --- | \$ 38,038 | \$ --- | \$ 38,038 |
| Less accumulated depreciation | --- | (4,226) | --- | (4,226) |
| Net capital assets depreciated | \$ --- | \$ 33,812 | \$ --- | \$ 33,812 |

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Notes to Financial Statements, continued

7. Concentration of Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Academy's deposits may not be returned to it. Such deposits are not covered by depository insurance and are either uncollateralized or collateralized with securities held by the pledging financial institution or held by the pledging financial institution but not in the depositor-government's name. The Academy does not have a depository policy for custodial credit risk.

The Academy maintains two bank accounts with a financial institution. The Academy at times maintains cash balances in excess of \$250,000, the amount insured by the Federal Deposit Insurance Corporation (FDIC). The Academy has not made any provisions as it has not incurred any losses due to exceeding insured amounts. All of the Academy's bank balance was fully insured as of September 30, 2020 and 2019.

8. Risk and Uncertainties

On January 30, 2020, the International Health Regulations Emergency Committee of the World Health Organization (WHO) declared the novel coronavirus (COVID-19) outbreak as a "Public Health Emergency of International Concern". On March 11, 2020, WHO officially declared COVID-19 a global pandemic. As further disclosed in Note 3, the Academy receives approximately 100% of its annual revenues from the Guam Legislature. Guam's economy is driven primarily by the tourism industry and the tax revenues derived from it. Because of the continual spike in the number of COVID-19 cases in Guam, China, Japan and Korea, many flights to and from Guam have been suspended or significantly reduced resulting in a decline in government revenues. Due to continued uncertainties surrounding the extent and duration of the COVID-19 outbreak and its impact on the tourism-based economy of Guam, the Academy is unable at this time to reasonably estimate the potential future impact on its financial statements.

The Academy is exposed to various risks of loss related to student or employee injury for which the Academy carries workers compensation insurance. The Academy maintains workmen's compensation insurance to provide for claims arising from these risks. There were no material losses sustained as a result of the Academy's risk management practices.

9. Subsequent Events

The Academy has evaluated subsequent events through December 21, 2020, which is the date the financial statements were available to be issued.

REPORT ENDS HERE

- This report was compiled in part by Helen Nishihira, Chief Operations Officer; Rachel Stake, Chief Academic Officer; Nina Field, Comptroller.
- Data for demographics came from the Beginning of the School Year Survey, RenWeb Student Information System, McGraw Hill Diagnostics, Achieve 3000.
- Annual Audit was provided by Ernst & Young LLP in coordination with Nina Field, Yvonne Miranda, and Florence Formoso.