KIN DAH LICHI'I OLTA' CHARTER HOLDER'S FINANCIAL SUSTAINABILITY

Financial Performance based on Fiscal Year 2012 Audit
* Unrestricted Days Cash **Falls far below**

Sustainability indicators

* Net income	(107,673)	Does not meet
* Fixed charged Coverage rati	(12.18)	Does not meet
* Cash flow (3-Year Cumulativ	(158,280)	Does not meet

The significant deficiences that need to be addressed is the cause of internal control that's been corrected. Back in FY11/12 starting in mid- March, the taxes for both Grant & Charter were being paid electronically out of the Charter checking account; which the former Payroll Technician staff had erroneously transmitted and caused an insufficient balance. The tax checks were sometimes MORE than the electronic payment. these differences were adjusted by an adjusting journal entry.

Since then, all expenses are adequately monitored and ensure that detailed records are maintained of the revenues and expenses.

Therefore, Kin Dah Lichi'I Olta' Charter will utilize the "Measure for Ratings of "Does Not Meet" or "Falls Far Below" table:

1b. Unrestricted Days Cash - the charter holder expects a receipt of cash from a grant - meaning that the Grant General Account has reimbursed Charter for their portion of the tax payments.

2b. Net Income - The net loss was from non-recurring events that will not occur in future periods.

2d. Fixed Charge Coverage Ratio - The charter holder's income is expected to improve which will result in "Meets" for the Fixed Charge Coverage Ratio in the next fiscal year.

2c. Cash Flow - the charter holder has reduced expenses that will result in positive cash flow in the next fiscal year.

KIN DAH LICHI'I OLTA'

	Three Year Cumulative Cash Flow				
	2010	2011	2012		
REVENUES					
State Aid	188,854	195,953	210,076		
Federal Revenue	240,651	222,995	152,175		
Other Revenue	8,102	100	0		
TOTAL	**437,607**	**419,048**	**362,251**	**~**	**1,218,906**
Net Assets	18,658		11,381		
TOTAL unrestricted revenues & net assets	**456,265**		**373,632**		
EXPENSES					
Program Services	387,757	296,047	323,224		
Management & General	118,667	77,822	159,275		
TOTAL EXPENSES	**506,424**	**373,869**	**482,499**		
Restricted and/or unrestricted Net Assets =	**-50,159**	**45,179**	**-108,867**		
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS					
STATE / GOVERNMENTAL GRANTS	11,744	18,769	12,575		
Net Assets Released from Restrictions	-18,658	0	-11,381		
	-6,914	18,769	1,194		
Decrease/Increase/Change in Net Assets	**-57,073**	**63,948**	**-107,673**		
NET Assets - July 1, 2009/July 1, 2010/July 1, 2011	**286,091**	**229,018**	**292,966**		
NET Assets - June30, 2010/June30, 2011/June30, 2012	**229,018**	**292,966**	**185,293**		

Financial Performance