



**Tuesday, February 25, 2025**  
**Rocketship Public Schools Audit Committee (2024-25 Q3)**

**Meeting Time: 12:30pm**

**Public Comment:** Members of the public can make comment on off-agenda items at the start of the meeting, and on agenda items immediately preceding the board's discussion of each item. You will be recognized once the public comment time begins, and be permitted to make comment for a duration of up to 3 minutes.

**Meeting Location: 2001 Gateway Place, Suite 230E San Jose, CA 95110**

-----

**Teleconference locations:**

**950 Owsley Ave, San Jose, CA 95122**

**1700 Cavallo Rd, Antioch, CA 94509**

**2351 Olivera Rd, Concord, CA 94520**

**909 Roosevelt Ave, Redwood City, CA 94061**

**311 Plus Park Blvd Suite 130, Nashville, TN 37217**

**2215 Ewell Rd, Belmont, CA 94002**

**222 N Wolfe Ave, Sunnyvale, CA 94085**

**228 Hamilton Ave, Palo Alto CA 94301**

**185 Spur Ridge Court, Healdsburg CA 95448**

---

**1. Opening Items**

A. Call to order

B. Public comment on off-agenda items

---

**2. Consent Items**

A. Approve minutes from December 6, 2024 Audit Committee meeting

---

**3. Agenda Items**

A. Organizational Health Dashboard Review

B. Audit and 990 Update

C. Recommend to the Rocketship Public Schools Board of Directors Selection of Audit Firm for the 2024-25 Audit

---

**4. Closed Session**

A. Conference with Legal Counsel — Anticipated Litigation: Potential/threatened litigation pursuant to California Government Code § 54956.9. Number of cases: 1

---

**5. Adjourn**

THE ORDER OF BUSINESS AND TIMINGS MAY BE CHANGED WITHOUT NOTICE: Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice, provided that the Board takes action to effectuate such change.

REASONABLE ACCOMMODATION WILL BE PROVIDED FOR ANY INDIVIDUAL WITH A DISABILITY: Pursuant to the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, any individual with a disability who requires reasonable accommodation to attend or participate in this meeting may request assistance by contacting us at [compliance@rsed.org](mailto:compliance@rsed.org).

SPANISH & VIETNAMESE TRANSLATION: If you need Spanish or Vietnamese audio translation in order to access the Rocketship Board meeting, please send a request to [compliance@rsed.org](mailto:compliance@rsed.org) at least 24 hours before the start of the meeting. If you would like to make a public comment in Spanish or Vietnamese and would like us to translate to English for the Board, please send a request to [compliance@rsed.org](mailto:compliance@rsed.org) at least 24 hours before the start of the meeting.

Si necesita traducción de audio al español para acceder a la reunión de la Mesa Directiva de Rocketship, envíe una solicitud a

compliance@rsed.org por lo menos 24 horas antes del inicio de la reunión.

Si desea hacer un comentario público en español y desea que lo traduzcamos al inglés para la Mesa Directiva, envíe una solicitud a compliance@rsed.org por lo menos 24 horas antes del inicio de la reunión.

## **Rocketship Public Schools Audit Committee (2024-25 Q2) (Friday, December 6, 2024)**

*Generated by Cristina Vasquez on Friday, December 6, 2024*

### **1. Opening Items**

#### **A. Call to order**

At 8:38am, Ms. Miller took roll call. With a quorum of committee members present, Ms. Miller called the meeting to order.  
Present: Courtney Shenberg, Louis Jordan, Julie Miller, Matt Red (advisor)  
Absent: Greg Stanger

#### **B. Public comment on off-agenda items**

At 8:38am, Ms. Miller called for public comment on off-agenda items. No comments from the public were made.

### **2. Consent Items**

#### **A. Approve minutes from August 20, 2024 Audit Committee meeting**

At 8:40am, a motion to approve consent items was made by Mr. Jordan, seconded by Ms. Shenberg, and carried unanimously by roll call vote.  
Y: Courtney Shenberg, Louis Jordan, Julie Miller  
N: --  
Abstain: --

### **3. Agenda Items**

#### **A. 403(b) Update**

At 8:41am, the committee discussed agenda item 3(A). No action was taken.

#### **B. Review and Recommend Approval of the 2023-24 Audit to the Rocketship Board of Directors**

At 8:51am, the committee discussed agenda item 3(B).  
At 9:39am, a motion to recommend approval of agenda item 3(B) to the Rocketship Board of Directors was made by Ms. Shenberg, seconded by Mr. Jordan, and carried unanimously by roll call vote.  
Y: Courtney Shenberg, Louis Jordan, Julie Miller  
N: --  
Abstain: --

#### **C. Audit Request for Proposal Process**

At 9:39am, the committee discussed agenda item 3(C). No action was taken.

#### **D. Controls Process Review**

At 9:44am, the committee discussed agenda item 3(D). No action was taken.

### **4. Adjourn**

At 9:49am, a motion to adjourn the meeting was made by Mr. Jordan, seconded by Ms. Shenberg, and carried unanimously by roll call vote.  
Y: Courtney Shenberg, Louis Jordan, Julie Miller  
N: --  
Abstain: --

# Q3 Rocketship Public Schools Audit Committee Meeting

February 25, 2025



# Agenda

## 1. Opening Items

- A.** Call to order
- B.** Public comment on off-agenda items

## 2. Consent Items

- A.** Approve minutes from December 6, 2024 Audit Committee meeting

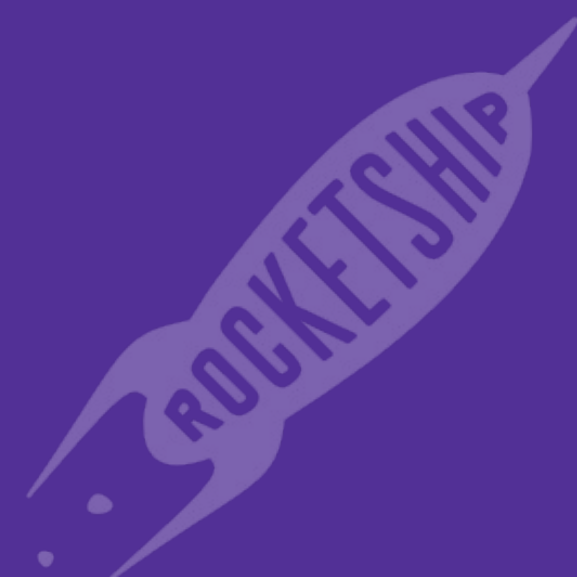
## 3. Agenda Items

- A.** Organizational Health Dashboard Review
- B.** Audit and 990 Update
- C.** Recommend to the Rocketship Public Schools Board of Directors Selection of Audit Firm for the 2024-25 Audit

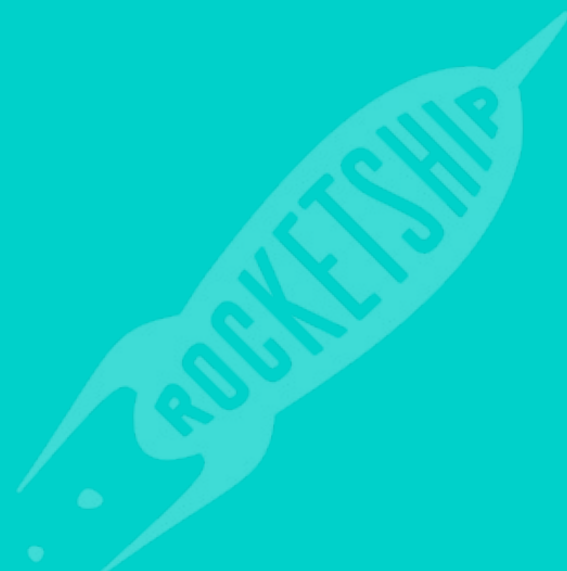
## 4. Closed Session

- A.** Conference with Legal Counsel — Anticipated Litigation: Potential/threatened litigation pursuant to California Government Code § 54956.9. Number of cases: 1

## 5. Adjourn



Public Comment





# Organizational Health Dashboard Review





# Purpose: Organizational Health Dashboard (OHD)

## Dashboard example

Strategic Lever: Quality Schools		Goal 1: By 2028, 55% of all Rocketeers are performing at the 67th percentile on NWEA Reading/Math Goal 2: By 2028, 60% of Rocketeers enrolled for 3 or more years are performing at the 67th percentile on NWEA Reading															
Activity: Personalized Learning		A coherent and targeted approach to student learning experiences across core, supplemental and intervention programming and daily use of formative data to facilitate students' ability to make accelerated growth towards mastery of grade level standards.															
Indicator		EOY 23-24	Quarterly Actuals					Targets				Quarterly Rating					
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
% at NWEA Map Reading 67th %ile		X	31%	22%	26%		31%	34%	X	37%	1	1					
% at NWEA Map Math 67th %ile		X	35%	27%	33%		34%	37%	X	40%	1	2					
% at NWEA Map Reading 67th %ile for students enrolled 3+ years			34%	26%	29%		34%	37%	X	40%	1	1					
% of Rocketeers meet NWEA Reading Tiered Growth			38%	N/A	40%		X	47%	X	50%		2					
Dibels BOY, MOY, EOY - % at benchmark		X	53%	42%	N/A												
% mastery CKLA Skills unit assessments (GK-G2)		X	37%	47%	47%												
% of Rocketeers meet NWEA Math Tiered Growth		X	42%	N/A	47%		X	45%	X	48%		3					
% mastery Eureka module assessments		X	44%	41%	48%												
Years growth on NWEA Map Reading		X	1.17	N/A	1.12		X	1.33	X	1.33		2					
Years growth on NWEA Map Math		X	1.18	N/A	1.25		X	1.25	X	1.25		2					
			Rating										1.00	1.86			

The Organizational Health Dashboard (OHD) and Regional Health Dashboards (RHD) are tools for tracking progress on key metrics tied to our 5-year goals. The metrics, like the goals they are tied to, are classified by Strategic Lever (Quality Schools, Community Power, Scaled Impact) or Key Enabler (Culture of Excellence and Belonging, Finance).

They are reviewed regularly at several levels of the organization and by each board (National and Regional) mid-year and end of year.

Strategic Lever: Scaled Impact		Goal: By 2028, 44,000 Lifetime Rocketeers																
Activity: Schools and Seats		Strategies to increase enrollment, retain Rocketeers, and increase seats across all regions.																
Indicator		EOY 23-24					Quarterly Actuals				Targets				Quarterly Rating			
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
# of lifetime rocketeers (Dec - 80+, June - 150+)		32244	N/A	32,497			X	X	X	35000								
% Enrollment to next SY June BSP		94%	91%	91%			100%	100%	100%	100%	2	2						
% retained Rocketeers SYTD		90%	97%	95%														
# new rocketeers for Oct 15 of current SY		3021	N/A	3042														
Projected new students for Oct 15 of next SY		2398	N/A	N/A														
Projected retained students for Oct 15 of next SY		7498	N/A	N/A														
		Rating										2.0	2.0	X	X			

\* [Link to Organizational Health and Regional Health Dashboards](#)



3: Meets or Exceeds

2: Approaching (80% target)

1: Does not meet

## Rocketship Key Metrics

		Current performance	Target for current period
Quality Schools	Years growth on NWEA Map Reading	1.12	1.33
	Years growth on NWEA Map Math	1.25	1.25
	% of Rocketeers meet NWEA Reading Tiered Growth	40%	47%
	% of Rocketeers meet NWEA Math Tiered Growth	47%	45%
	% of families meet PPH goal	72%	90%
Scaled Impact	% Enrollment to June BSP	90%	100%
Culture	NPS: Net Promoter Score	-9	7.5
Finance	% of schools forecasted to close EOY on budget	0%	100%



# Full Scaled Impact Section (for Business Committee)

3: Meets or Exceeds

2: Approaching (80% target)

1: Does not meet

Indicator
# of lifetime rocketeers (Dec - 80+, June - 150+)
% Enrollment to next SY June BSP
<i>% retained Rocketeers SYTD</i>
<i># new rocketeers for Oct 15 of current SY</i>
<b>Overall Rating</b>

EOY 23-24	Quarterly Actuals			
Q4	Q1	Q2	Q3	Q4
32244	N/A	32,497		
94%	91%	91%		
90%	97%	95%		
3021	N/A	3042		

## Full Finance Section (for Business Committee)

3: Meets or Exceeds

2: Approaching (80% target)

1: Does not meet

Indicator	EOY 23-24	Quarterly Actuals			
	Q4	Q1	Q2	Q3	Q4
Philanthropic funds raised (National)	\$5,300,000	\$4,600,000	\$4,600,000		
% of schools forecasted to close EOY on budget	65.21%	57%	0%		
% of regional NeSTs forecasted to close EOY on budget	40%	60%	0%		
Days of cash on hand	122.2	142.6	144.3		
Current ratio (current assets/current liabilities)	2.06	2.22	1.87		
% of NeST functions forecasted to close EOY on budget	77.77%	100%	100%		

# Audit(s) and 990 Updates



# FY25-Interim Audit

- I. CA State Compliance Testing
  - A. Program Testing-Identified:
    - 1. Expanded Learning Opportunities Grant (ELO-G).
    - 2. Expanded Learning Opportunities Program (ELO-P).
    - 3. Immunization: TBD.
  - B. Expected Updates (Additional Testing) - March 2025:
    - 1. Kindergarten Continuance.
    - 2. Independent Study.
- II. Financial Activity Testing
  - A. Internal control questionnaire updates.
  - B. Journal entry testing.
  - C. Other testing-TBD by CLA.
- III. Federal Audit-Major Program Determination
  - A. Preliminary Schedule of Expenditures of Federal Awards (SEFA).
- IV. Planned Interim Testing Period: Apr'25-May'25 (To Be Confirmed-CLA).



# FY25: 990 Tax Returns & 403(b) Audit

## I. 990 Tax Return(s)

- A. IRS due date: May 15, 2025.
- B. Status:
  - 1. Rocketship has submitted all requested documentation to CLA.
  - 2. CLA is currently reviewing all documentation.
  - 3. We anticipate filing all returns by the due date.
- C. Plan for approval:
  - 1. March 5 full board: Delegate audit committee to approve 990's for submission
  - 2. Reschedule May 14 audit committee (too close to deadline) to prior week
  - 3. Present and approve 990's, then submit.

## II. 403(b) Audit

- A. Department of Labor (DOL) due date is July 31, 2025.
- B. Status:
  - 1. Testing to begin in March 2025 (to be confirmed by CLA)
  - 2. We anticipate completing the audit by the due date.
  - 3. Plan year ending December 31, 2024: prior to vendor transition.



Recommend to the Rocketship Public  
Schools Board of Directors Selection of  
Audit Firm for the 2024-2025 Audit





# FY25-RFP Auditor Selection

## I. Process Recap:

- A. Rocketship released a Request for Proposal for audit services on 10/15. Seven firms were directly sent the RFP and the document was posted on our website.
- B. Submissions were due 12/15 - three proposals were received. In addition, KPMG indicated interest in future RFPs but limited capacity at present.

## II. Proposal Evaluation

- A. Each firm was assessed thoroughly to ensure alignment with our organization's needs and objectives. The evaluation criteria included factors such as technical expertise, industry experience, cost efficiency, and overall service approach.
- B. Based on the scoring outcomes, CliftonLarsonAllen LLP (CLA) surpassed other respondents Forvis Mazars, and Crowe:
  - 1. CLA: 4.15
  - 2. Forvis: 3.95
  - 3. Crowe: 3.80
- C. Forvis was a strong second option but is substantially more expensive than CLA and did not completely address how it would be approved to audit in multiple states.

## III. Management's recommendation is to engage CLA as Rocketships auditors for the following services:

- 1. FY25-Financial Audit.
- 2. FY25-990 Tax Returns.
- 3. CY 2024-403(b) Pension Plan Audit.
- 4. FY25-Wisconsin Annual Membership Audit.



# CLA Audit Fee - Cost Comparison

## FY24 to FY25 Fees Flux Assessment

	FY24			FY25 RFP Estimates <sup>3</sup>
	Per Contract <sup>*</sup>	Actuals	Variance	
Audit Fees (In Scope) <sup>1</sup>	241,483	241,483	-	258,950
Audit Fees (Out of Scope) <sup>2</sup>	15,750	18,900	3,150	-
403b (In scope) <sup>1</sup>	20,580	20,580	-	21,580
403b (Out of Scope) <sup>2</sup>	-	4,725	4,725	-
Tax (In Scope) <sup>1</sup>	31,600	31,600	-	33,250
Tax (Out of Scope) <sup>2</sup>	-	-	-	-
Consulting Fees (Time and Effort)	2,750	8,312	5,562	14,040
<b>Totals</b>	<b>312,163</b>	<b>325,599</b>		<b>327,820</b>

	FY24		FY25
<b>Total In Scope<sup>1</sup></b>	296,413	301,974	<b>327,820</b>
<b>Total Out Scope<sup>2</sup></b>	15,750	23,625	-

FY25 Estimated Fee increase (FY25 Estimates - FY24 Actuals) \$ 25,846  
 FY25 Estimated Fee increase % 9%

<sup>1</sup>	Costs associated with auditing activities that are planned and agreed upon within the original terms of the engagement. These activities are outlined in the audit plan and are part of the original scope of work.
<sup>2</sup>	Costs incurred for additional work not included in the original audit scope. These arise when the auditor is required to perform extra procedures or address unforeseen issues such as additional testing to cover irregularities found, or cover new regulations not initially planned etc.
<sup>3</sup>	Amounts based on CLA's submitted proposal on 11/15/2024
*	Amounts based on FY24 CLA's signed contracts

# CLA Audit Fee - Cost Comparison

## FY24 Fees Per Region

	RSED - CA		Wisconsin		Tennessee		DC		LDC	
	Estimates	Actuals	Estimates	Actuals	Estimates	Actuals	Estimates	Actuals	Estimates	Actuals
Audit Fees (In Scope) <sup>1</sup>	116,603	116,603	32,025	32,025	30,200	30,200	43,155	43,155	19,500	19,500
Audit Fees (Out of Scope) <sup>2</sup>	15,750	18,900	-	-	-	-	-	-	-	-
403b (In scope) <sup>1</sup>	20,580	20,580	-	-	-	-	-	-	-	-
403b (Out of Scope) <sup>2</sup>	-	4,725	-	-	-	-	-	-	-	-
Tax (In Scope) <sup>1</sup>	4,200	4,200	4,200	4,200	-	-	4,200	4,200	19,000	19,000
Tax (Out of Scope) <sup>2</sup>	-	-	-	-	-	-	-	-	-	-
Consulting Fees (Time and Effort)	-	6,499	-	-	2,750	1,813	-	-	-	-
<b>Totals</b>	<b>157,133</b>	<b>171,507</b>	<b>36,225</b>	<b>36,225</b>	<b>32,950</b>	<b>32,013</b>	<b>47,355</b>	<b>47,355</b>	<b>38,500</b>	<b>38,500</b>

# CLA Audit Fee - Cost Comparison

## FY24 Actual Fees vs FY25 RFP Estimates

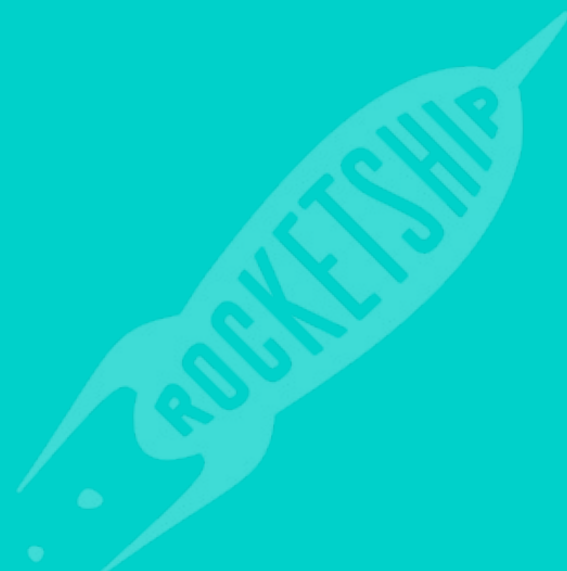
	RSED - CA		Wisconsin		Tennessee		DC		LDC	
	FY24 Actuals	FY25 Estimates	FY24 Actuals	FY25 Estimates	FY24 Actuals	FY25 Estimate s	FY24 Actuals	FY25 Estimate s	FY24 Actuals	FY25 Estimates
Audit Fees (In Scope) <sup>1</sup>	116,603	122,100	32,025	38,500	30,200	35,700	43,155	42,650	19,500	20,000
Audit Fees (Out of Scope) <sup>2</sup>	18,900		-		-		-		-	
403b (In scope) <sup>1</sup>	20,580	21,580	-		-		-		-	
403b (Out of Scope) <sup>2</sup>	4,725		-		-		-		-	
Tax (In Scope) <sup>1</sup>	4,200	4,500	4,200	4,200	-		4,200	4,200	19,000	20,350
Tax (Out of Scope) <sup>2</sup>	-		-		-		-		-	
Consulting Fees (Time and Effort)	6,499	6,330	-	2,140	1,813	1,790	-	2,340	-	1,440
<b>Totals</b>	<b>171,507</b>	<b>154,510</b>	<b>36,225</b>	<b>44,840</b>	<b>32,013</b>	<b>37,490</b>	<b>47,355</b>	<b>49,190</b>	<b>38,500</b>	<b>41,790</b>

*Motion:*

Recommend to the Rocketship Public  
Schools Board of Directors Selection of  
Audit Firm for the 2024-2025 Audit



Closed Session



The Audit Committee is in Closed  
Session

Rocketship Audit Committee Meeting

February 25, 2025



Adjourn

