



ACADEMICA NEVADA

6630 Surrey Street
Las Vegas, Nevada, 89119

August 1, 2021

Re: EMO Revenue and Expense Report

Dear Governing Board Members,

As part of our services to the schools, we prepare multiple state reports, including a financial report regarding Academica's revenue and expenses. This report is entitled the Educational Management Organization (EMO) Revenue and Expenses End of Year Report. As the attached report demonstrates, Academica is employing dozens of employees, paying for extensive facilities and equipment, retaining numerous independent contractors, and incurring several other additional costs in the millions of dollars to support the schools we serve.

This report does not capture all of our financial obligations. Similar to the financial obligations of our schools, we must maintain requisite amounts of cash on hand, meet debt obligations, and (unlike the schools we serve) pay taxes on any surplus. We also make significant donations to non-profit organizations that support our schools, such as the Charter School Association of Nevada, The National Alliance for Public Charter Schools, and others. Thus, the revenue and expense report gives a large, but not complete, picture of the financial obligations which Academica undertakes to support our family of public charter schools.

While the report does contain a pro-rata estimate of expenses attributable to your school (utilizing enrollment as a percentage of total Academica serviced schools' enrollment), we do not monitor our time spent on services on a per school basis. School needs vary greatly from month to month and year to year, depending upon amendment requests, charter renewals, bond issuances, special board meetings, etc. The flat, per-pupil fee we charge across all schools allows for economies of scale, is the lowest management/service fee we are aware of in this or any other State, and the flexibility to serve all our schools through the varying seasonal needs that may arise. Therefore, the total amount of all expenditures we make benefits all schools and we also report based on those total expenditures. Thus, the expenditures shown will exceed the revenues from your specific school, but thanks to the larger family of Academica schools you are all able to benefit from the broad supports we offer.

Sincerely,

Ryan J. Reeves

Chief Operations Officer
Academica Nevada