

Arts Academy CS

Charter Annual Report

07/01/2013 - 06/30/2014

School Profile

Demographics

1610 East Emmaus Avenue
Allentown, PA 18103
(610)351-0234

Phase:	Phase 3
CEO Name:	William Fitzpatrick
CEO E-mail address:	wfitzpatrick@arts-cs.org

Governance and Staff

Leadership Changes

Leadership changes during the past year on the Board of Trustees and in the school administration:

Board of Trustees:

Our Board President continues to be Kim Jamison. Our Vice-President, Holly O'Connor, resigned for personal reasons, and Board member Andrew Stengel was elected to serve as Vice-President. Katherine Noll completed her term of service and did not re-commit. Susan Harlan and David Passerman were appointed as members..

School Administration:

no changes

Board of Trustees Meeting Schedule

Location	Date and Time
Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	5/19/2014 6:00 PM
Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	6/16/2014 6:00 PM
Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	8/18/2014 6:00 PM
Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	9/15/2014 6:00 PM
Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	10/20/2014 6:00 PM
Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	11/17/2014 6:00 PM
Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	12/15/2014 6:00 PM
Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	1/19/2015 6:00 PM
Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	2/23/2015 6:00 PM
Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	3/16/2015 6:00 PM
Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	4/20/2015 6:00 PM

Professional Staff Member Roster

There are no professional staff members.

The professional staff member roster as recorded originally on the PDE-414 form

XLSX file uploaded.

Quality of Teaching and Other Staff

Position Categories	All Employed per Category	Appropriately Certified	Promoted	Transferred	Terminated	Contracted for Following Year
Chief Academic Officer/Director	1.00	0.00	0.00	0.00	0.00	1.00
Principal	1.00	1.00	0.00	0.00	0.00	1.00
Assistant Principal	0.00	0.00	0.00	0.00	0.00	0.00
Classroom Teacher (including Master Teachers)	22.00	22.00	0.00	0.00	0.00	22.00
Specialty Teacher (including Master Teachers)	5.00	0.00	0.00	0.00	1.00	4.00
Special Education Teacher (including Master Teachers)	2.00	2.00	0.00	0.00	0.00	2.00
Special Education Coordinator	1.00	1.00	0.00	0.00	0.00	1.00
Counselor	1.00	1.00	0.00	0.00	0.00	1.00
Psychologist	0.00	0.00	0.00	0.00	0.00	0.00
School Nurse	1.00	1.00	0.00	0.00	0.00	1.00
Security	1	0	0	0	0	1
Lunch Program Coordinator	1	1	0	0	0	1
Registrar	1	0	0	0	0	1
Secretary	1	0	0	0	0	1
Business Manager	1	0	0	0	0	1
Administrative Assistant	1	0	0	0	0	1
Facilities Manager	1	0	0	0	0	1
custodians	3	0	0	0	1	2
Cafeteria workers	3	0	0	0	0	3
Para-professionals	2	2	0	0	0	2
Technology Manager	1	0	0	0	0	1
Development Manager	1	0	0	0	0	1
Totals	51.00	31.00	0.00	0.00	2.00	49.00

Further explanation:

This narrative is empty.

Fiscal Matters

Major Fundraising Activities

Major fundraising activities performed this year and planned for next year:

Celebrate the Arts was our major fundraising event this past year. This event took place on March 8, 2013, and was held on the campus of DeSales University. This event features performances and food, plus auctioning of donated items. We plan to hold this event again next year in April.

Additional fundraising activities included: SaveAround Coupon Books, Giant A+, flower sales, t-shirts, etc.

Fiscal Solvency Policies

Changes to policies and procedures to ensure and monitor fiscal solvency:

The attached Purchasing and Payment Policy reflects a change to this area of fiscal monitoring. Under this newly amended policy, any purchase exceeding \$10,000 must have advance Board approval. Other than that, there were no significant changes made to any policies of this type. We continue to review, evaluate, and adopt policies specific to our school as we develop. Policies that have been reviewed, and adopted officially over the past year (which pertain to fiscal solvency) are uploaded in the next section.

Fiscal Solvency Policies

Charter School documents that describe policies and procedures that have been established to ensure and monitor fiscal solvency (optional if described in the narrative)

Files uploaded:

- Credit Card Policy 8.4.docx
- Board Policy 8.2 Purchasing and Payment 1013docx.docx

Accounting System

Changes to the accounting system the charter school uses:

No changes. We continue to outsource accounting to Repice & Taylor, Philadelphia.

Preliminary Statements of Revenues, Expenditures & Fund Balances

The completed and CEO signed Fiscal Template – Preliminary Statements of Revenues, Expenditures & Fund Balances

PDF file uploaded.

Financial Audits

Basics

Audit Firm: Hutchinson, Gillahan & Freeh
 Date of Last Audit: 06/30/2013
 Fiscal Year Last Audited: 2013

Explanation of the Report

Detailed explanation of the report (if the previous year's report has been submitted.) Any audit report for a school year that precedes this annual report by more than 2 years is not acceptable and may be considered a material violation:

This narrative is empty.

Financial Audit Report

The Financial Audit Report, which should include the auditor's opinion and any findings resulting from the audit

PDF file uploaded.

Citations

Financial audit citations and the corresponding Charter School responses

Description	Response
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Federal Programs Consolidated Review

Basics

Title I Status:
 Date of Last Federal
 Programs Consolidated
 Review:
 School Year Reviewed:

Federal Programs Consolidated Review Report

The Federal Programs Consolidated Review Report, which should include the Division's opinion and any findings resulting from the audit

No file has been uploaded.

Citations

Federal Programs Consolidated Review citations and the corresponding Charter School responses

Description	Response
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Special Education

Chapter 711 Assurances

The LEA agrees to comply with all requirements of Special Education outlined in 22 PA Code Chapter 711 and other state and federal mandates. These include:

Implementation of a full range of services, programs and alternative placements available to the Charter School for placement and implementation of the special education programs in the Charter School.

Implementation of a child find system to locate, identify and evaluate young children and children who are thought to be a child with a disability eligible for special education residing within the Charter School's jurisdiction. Child find data is collected, maintained and used in decision-making. Child find process and procedures are evaluated for their effectiveness. The Charter School implements mechanisms to disseminate child find information to the public, organizations, agencies and individuals on at least an annual basis.

Assurances of students with disabilities are included in general education programs and extracurricular and non-academic programs and activities to the maximum extent appropriate in accordance with an Individualized Education Program.

Following the state and federal guidelines for participation of students with disabilities in state and Charter School-wide assessments including the determination of participation, the need for accommodations and the methods of assessing students for whom regular assessment is not appropriate.

Assurance of funds received through participation in the medical assistance reimbursement program, ACCESS, will be used to enhance or expand the current level of services and programs provided to students with disabilities in this local education agency.

Special Education Support Services

Support Service	Location	Teacher FTE
Director of Educational Support Services	Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	1
Paraprofessional	AACS, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	2
Special Education Teacher	Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown (Salisbury Township), PA	2

Special Education Contracted Services

Title	Amt. of Time per Week	Operator	Number of Students
Occupational Therapist	2 Hours	Intermediate Unit	10 or fewer

School Psychologist	1 Hours	Outside Contractor	10 or fewer
Speech/Language Pathologist	4 Hours	Intermediate Unit	10 or fewer

Special Education Cyclical Monitoring

Date of Last Special Education Cyclical Monitoring:

07/28/2014

Link to Report (Optional):

Not Provided

Special Education Cyclical Monitoring Report

The Special Education Cyclical Monitoring Report, which should include the Bureau's findings

PDF file uploaded.

Facilities

Fixed assets acquired by the Charter School during the past fiscal year

Fixed assets acquired by the Charter School during the past fiscal year:

Corporate Environments	Lockers	40,659.13
Steel Ice Center	Lockers	2,279.56
Digital Future Now	Intercom System	9,909.00
School Outfitters	Science Hutch Cabinet	<u>2,174.64</u>
		55,022.33

The total Charter School expenditures for fixed assets during the identified fiscal year:

\$55,022.00

Facility Plans and Other Capital Needs

The Charter School's plan for future facility development and the rationale for the various components of the plan:

Academics:

For the coming school year we hope to increase technology use in the classroom by acquiring 2 new StarBoards (interactive whiteboards) and relocating a couple that we have so that they can be better utilized. Also, since we do not have a separate room to dedicate for a library, we are establishing an area of one classroom to house our student book library, and we are purchasing bookcases for that effort.

Security:

With the installation of new outside entry doors at all entrance point we will increase security.

The re-structuring of the Main Office/entry serves to further increase security at that entry point.

Arts:

For Arts areas: a double sink for the Visual Arts room will assist in clean-up for our many art students in order to increase time on task; Risers for our Vocalists will facilitate more productive rehearsal and class time for the music students; in Theater and for all performances held in our lower level cafeteria, we will utilize a new pipe & drape system to create a type of performance space to enhance in-house performances.

Future:

We continue to need large rehearsal and performance/assembly spaces to accommodate student needs. Additionally, our parking is not sufficient. We hope to address these needs in the future.

Memorandums of Understanding

Organization	Purpose
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West Bethlehem Ventures	Building lease
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Charter School Annual Report Affirmations

Charter Annual Report Affirmation

I verify that all information and records in this charter school annual report are complete and accurate.

The Chief Executive Officer and the Board of Trustee President of the charter school must sign this verification.

Affirmed by Kimberly Jamison on 7/31/2014

President, Board of Trustees

Affirmed by William Fitzpatrick on 7/30/2014

Chief Executive Officer

Charter School Law Affirmation

Pennsylvania's first Charter School Law was Act 22 of 1997, 24 P.S. § 17-1701-A et seq., which primarily became effective June 19, 1997, and has subsequently been amended.

The Charter School Law provides for the powers, requirements, and establishment of charter schools. The Charter School Law was passed to provide opportunities to teachers, parents, pupils and community members to establish and maintain schools that operate independently from the existing school district structure as a method to accomplish all of the following: (1) improve pupil learning; (2) increase learning opportunities for all pupils; (3) encourage the use of different and innovative teaching methods; (4) create new professional opportunities for teachers; (5) provide parents and pupils with expanded choices in types of educational opportunities that are available within the public school system; and (6) hold charter schools accountable for meeting measurable academic standards and provide the school with a method to establish accountability systems.

The charter school assures that it will comply with the requirements of the Charter School Law and any provision of law from which the charter school has not been exempted, including Federal laws and regulations governing children with disabilities. The charter school also assures that it will comply with the policies, regulations and procedures of the Pennsylvania Department of Education (Department). Additional information about charter schools is available on the Pennsylvania Department's website at: <http://www.education.state.pa.us>.

The Chief Executive Officer and Board of Trustees President of the charter school must sign this assurance.

Affirmed by Kimberly Jamison on 7/31/2014

President, Board of Trustees

Affirmed by William Fitzpatrick on 7/30/2014

Chief Executive Officer

Ethics Act Affirmation

Pennsylvania's current Public Official and Employee Ethics Act (Ethics Act), Act 93 of 1998, Chapter 11, 65 Pa.C.S. § 1101 et seq., became effective December 14, 1998 and has subsequently been amended.

The Ethics Act provides that public office is a public trust and that any effort to realize personal financial gain through public office other than compensation provided by law is a violation of that trust. The Ethics Act was passed to strengthen the faith and confidence of the people of Pennsylvania in their government. The Pennsylvania State Ethics Commission (Commission) administers and enforces the provisions of the Ethics Acts and provides guidance regarding its requirements.

The regulations of the Commission set forth the procedures applicable to all proceedings before the Commission as well as for the administration of the Statement of Financial Interests filing requirements. See 51 Pa. Code § 11.1 et seq.

The charter school assures that it will comply with the requirements of the Ethics Act and with the policies, regulations and procedures of the Commission. Additional information about the Ethics Act is available on the Commission's website at: <http://www.ethics.state.pa.us>.

The Chief Executive Officer and Board of Trustees President of the charter school must sign this assurance.

Affirmed by Kimberly Jamison on 7/31/2014

President, Board of Trustees

Affirmed by William Fitzpatrick on 7/30/2014

Chief Executive Officer

Board Policy 8.2

Purchasing and Payment

Employees authorized to purchase goods and services on behalf of the Charter School should select the best combination of price, quality, and service to meet the specific needs of the programs. Authorization to purchase goods and services must be in accordance with the approved budget adopted by the Board of Directors. Authorized individuals may use one of four methods to purchase goods and services, depending on the items being purchased and the size of the transaction. These four include:

- release against a contract
- purchase order
- employee reimbursement request
- petty cash

The preferred purchasing methods are releases against contracts and purchase orders. Reimbursement requests and petty cash should be for smaller items.

PURCHASING PROCEDURES

All purchases will be made in accordance with the approved annual budget unless otherwise permitted by the Board of Directors. The Financial Services Company, with assistance from the Business Administrator, will monitor expenditures against budgeted amounts.

For all purchases, the approval requirements will be as follows:

- a. Under \$500 Business Administrator only
- b. \$500 - \$10,000 Business Administrator and Executive Director
- c. Over \$10,000 Business Administrator, Executive Director and Board of Directors

1. Contracts

- For all professional services provided, a contract should be obtained that identifies the type of service to be performed, the time frame these services will occur and the amount due when the services are to be performed.
- The service provider will prepare an invoice and submit it to the school for payment on a timely basis.
- The business administrator will receive the invoice, stamp and date it with the approval stamp, and forward the invoice to the executive director for review.

- After reviewing the invoices, the executive director, or authorized representative, will approve all invoices by initialing and dating the invoice.
- The business administrator will forward all approved/initialed invoices to the financial services company for payment and to be entered into the accounting software. **(No invoices will be paid/entered without approval.)**

2. Purchase Orders

- For all orders greater than \$100, a purchase requisition will be created by the requestor. The purchase requisition should include the vendor name, address, contact information, description of goods to be ordered, quantity to be ordered, quoted price including shipping/handling if possible, and total amount.
- Once the purchase requisition is created, it will await approval by the principal, or other authorized representative. Once the purchase requisition is approved, the business administrator will write a purchase order in the PO software and place the order.
- As shipments are received, the business administrator will check the purchase order to ensure the proper goods were received.
- The business administrator will receive the invoice, stamp and date it with the approval stamp, and forward the invoice to the executive director for review.
- After reviewing the invoices, the executive director, or authorized representative, will approve all invoices by initialing and dating the invoice.
- The business administrator will forward all approved/initialed invoices to the financial services company for payment and to be entered into the accounting software. **(No invoices will be paid/entered without approval.)**

3. Employee Reimbursement Request

- Throughout the school year, teachers can submit reimbursement requests that have been approved prior to the purchase. All requests must be accompanied with the original receipt, purpose of the purchase, and proof of payment. **Sales tax is not reimbursable.**
- The business administrator will receive the reimbursement request, stamp and date it with the approval stamp, and forward the invoice to the executive director for review.
- After reviewing, the executive director, or authorized representative, will approve all reimbursement requests by initialing and dating the invoice.

- The business administrator will forward all approved/initialed reimbursement requests to the financial services company for payment and to be entered into the accounting software. **(No requests will be paid/entered without approval.)**

4. Petty Cash

- Please refer to the Petty Cash policy.

PAYMENT PROCEDURES

1. The business administrator will forward invoices to the financial services company on a weekly basis.
2. An aging schedule will be generated by the financial services company and invoices due at this time will be submitted for payment.
3. Two authorized signors will sign the checks.
4. Once the checks are generated, the financial services company will sign the checks and forward them to the school.
5. Once the checks are received by the school, the business administrator will forward them to the executive director for signatures. Once signed, the business administrator will prepare the checks and necessary remittance slips for mailing, and attach the check back-up to the invoice and file.
6. Once the checks are signed and prepared, they will be placed in the mail.

AACS Board approved: 11/18/2013

**REPORT ON
ARTS ACADEMY CHARTER SCHOOL
BASIC FINANCAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2013**

ARTS ACADEMY CHARTER SCHOOL

Basic Financial Statements

For the Fiscal Year Ended June 30, 2013

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ARTS ACADEMY CHARTER SCHOOL

Basic Financial Statements

For the Fiscal Year Ended June 30, 2013

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FINANCIAL SECTION



HUTCHINSON, GILLAHAN & FREEH, P.C.

ACCOUNTANTS, AUDITORS & CONSULTANTS

October 18, 2013

Board of Directors
Arts Academy Charter School
1610 E. Emmaus Avenue
Allentown, PA 18103

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Arts Academy Charter School, as of and for the year ended June 30, 2013, 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 an opinion 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 entity'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 entity'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 statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Arts Academy Charter School at June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-10 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 the 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 purposes of forming opinions on the financial statements that collectively comprise the Arts Academy Charter School's financial statements as a whole. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with the basis of accounting described in the notes to the financial statements. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards we have also issued our report dated October 18, 2013, on our consideration of Arts Academy Charter 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 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 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 Arts Academy Charter School's internal control over financial reporting and compliance.

Respectfully submitted,

Cherie A. Freeh, CPA, CGMA

October 18, 2013

ARTS ACADEMY CHARTER SCHOOL
Allentown, Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
Required Supplementary Information (RSI)
For the Year Ended June 30, 2013

The discussion and analysis of the Arts Academy Charter School's financial performance provides an overall review of the School's financial activities for the fiscal year ended June 30, 2013. The intent of this discussion and analysis is to look at the financial performance as a whole; however, readers should also review the notes to the basic financial statements to enhance their understanding of the School's financial performance.

The Management's Discussion and Analysis (MD&A) is a component of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and the Management's Discussion and Analysis – for State and Local Governments issued in 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Arts Academy Charter School's Mission Statement

The Arts Academy Charter School will provide a rich and comprehensive educational program for students in grades 5-8 by employing an intensive artistic immersion program. A rigorous and traditional academic program will be enhanced with rich and varied experiences in Dance, Figure Skating, Instrumental Music, Visual Art, Vocal Music, and Theatre. The School will enable each student to make maximum and intelligent use of his or her special talents in preparation for a highly successful high school experience.

Arts Academy Charter School's History

Founded by Dr. Thomas Lubben and a group of dedicated community partners in 2012, The Arts Academy Charter School opened in August 2012.

Financial Highlights

- At the close of the current fiscal year, the School reports an ending net position balance of \$557,252.

FINANCIAL STATEMENTS

The financial statements consist of three parts: Management Discussion and Analysis, the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of Arts Academy Charter School. The first two statements are government-wide financial statements – the Statement of Net Position and the Statement of Activities. These provide both long-term and short-term information about the School's overall financial status.

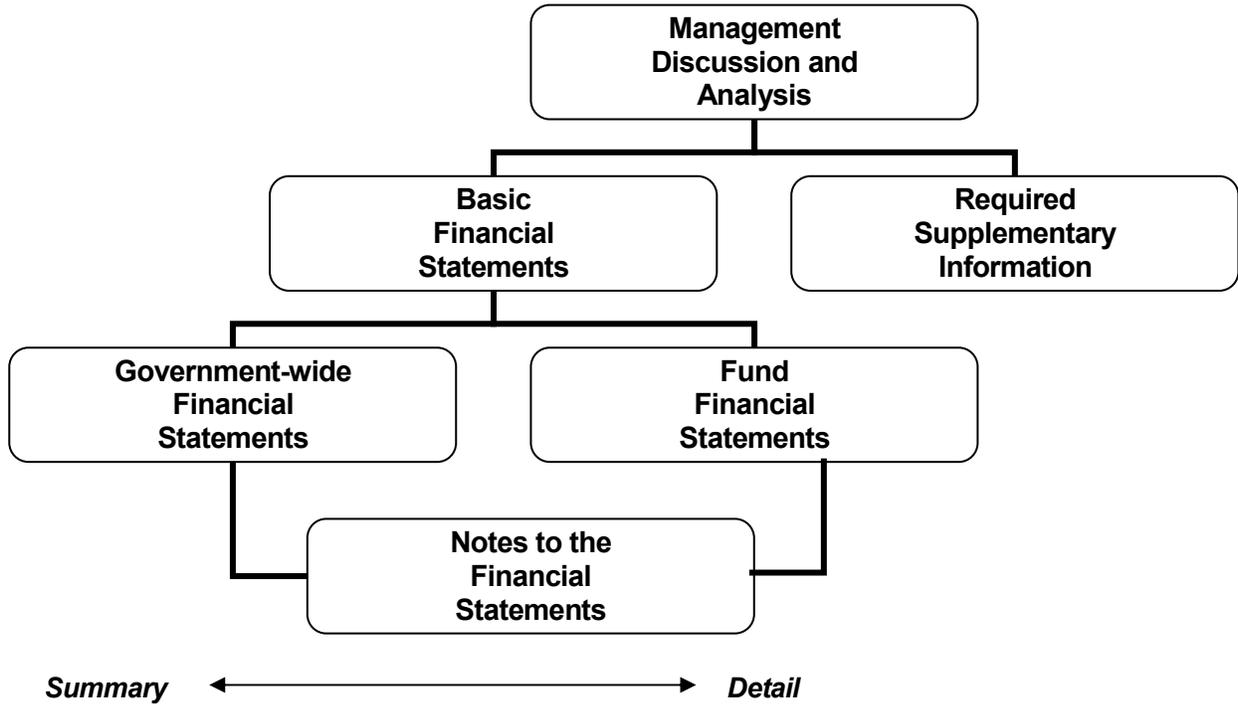
The remaining statements are fund financial statements that focus on individual parts of the School's operations in more detail than the government-wide statements. The governmental funds statements tell how the School's services were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and reports the financial statements with the comparison of the School's budget for the year.

**ARTS ACADEMY CHARTER SCHOOL
Management's Discussion And Analysis (MD&A)
Required Supplementary Information (RSI)
For the Year Ended June 30, 2013**

Figure A-1 shows how the required parts of the Financial Section are arranged and relate to one another.

Figure A- 1 - Required Components of the Arts Academy Charter School's Financial Report



ARTS ACADEMY CHARTER SCHOOL
Management's Discussion And Analysis (MD&A)
Required Supplementary Information (RSI)
For the Year Ended June 30, 2013

Figure A-2 summarizes the major features of the financial statements, including the portion of the Program they cover and the types of information they contain. The remainder of this overview section of management discussion and analysis explains the structure and contents of each of the statements.

Figure 2 - Major Features of Arts Academy Charter School's Government-Wide and Fund Financial Statements

	Fund Statements			
	Government-wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire School (except fiduciary funds)	The activities of the School that are not proprietary or fiduciary, such as education, administration and community services	Activities the School operates similar to private business - The School has one proprietary fund - The Food Service Fund	Instances in which the School is the trustee or agent to someone else's resources – The School does not have any fiduciary funds
Required financial statements	Statement of net position, Statement of activities.	Balance Sheet, Statement of revenues, expenditures, and changes in fund balance	Statement of net position, Statement of revenues, expenses and changes in net position, Statement of cash flows	Statement of fiduciary net position, Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow-outflow 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 payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

**ARTS ACADEMY CHARTER SCHOOL
Management's Discussion And Analysis (MD&A)
Required Supplementary Information (RSI)
For the Year Ended June 30, 2013**

OVERVIEW OF FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements, as presented, comprise four components: Management's Discussion and Analysis (this section), the Basic Financial Statements, Supplementary Information and Single Audit Requirements (if applicable).

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 and liabilities, with the difference between the two 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.

The government-wide financial statements report on the function of the School that is principally supported by subsidies from school districts whose constituents attend the School.

Fund Financial Statements

A *fund* is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes. The School, like governmental type entities, utilizes fund accounting to demonstrate compliance with finance-related legal requirements. The School financial statements present one governmental fund – the general fund, and one proprietary fund – the food service fund.

- Governmental funds – Most of the School's activities are reported in governmental funds, which focus on the determination of financial position and change in financial position, not on income determination. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the School's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.
- Proprietary funds – These funds are used to account for the School's activities that are similar to business operations in the private sector; or where the reporting is on determining net income, financial position, changes in financial position, and a significant portion of funding through user charges. When the School charges customers for services it provides these services are generally reported in proprietary funds. The Food Service Fund is the School's proprietary fund and is the same as the business-type activity

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Required Supplementary Information (RSI)
For the Year Ended June 30, 2013**

reported in the government-wide statements, but provides more detail and additional information, such as cash flows.

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.

FINANCIAL ANALYSIS OF THE SCHOOL AS A WHOLE

The School's total net position was \$557,252 at June 30, 2013.

Table 1 - Net Position - Fiscal Year Ended June 30, 2013 and June 30, 2012

	2013			2012		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and Other Assets	\$ 665,027	\$ 18,613	\$ 683,640	\$ 49,495	\$ -	\$ 49,495
Non-Current Assets	276,384	-	276,384	-	-	-
Total Assets	941,411	18,613	960,024	49,495	-	49,495
Deferred Outflows of Resources	2,916	-	2,916	-	-	-
Current and Other Liabilities	365,259	29,086	394,345	56,749	-	56,749
Long-term Liabilities	11,343	-	11,343	-	-	-
Total Liabilities	376,602	29,086	405,688	56,749	-	56,749
Deferred Inflows of Resources	-	-	-	-	-	-
Net Position invested in capital assets, net of related debt	276,384	-	276,384	-	-	-
Restricted	-	-	-	1,131	-	1,131
Unrestricted (See Note 10)	291,341	(10,473)	280,868	(8,385)	-	(8,385)
Total Net Position	\$ 567,725	\$ (10,473)	\$ 557,252	\$ (7,254)	\$ -	\$ (7,254)

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For the Year Ended June 30, 2013**

The results of this year's operations as a whole are reported in the Statement of Activities. All expenses are reported in the first column. Specific charges, grants, revenues and subsidies that directly relate to specific expense categories are represented to determine the final amount of the School's activities that are supported by other general revenues.

Table 2 takes the information from that Statement and rearranges it slightly so one can see the total revenues for the year.

Table 2 - Changes in Net Position – Fiscal Year Ended June 30, 2013 and June 30, 2012

	2013			2012		
	Govern- mental Activities	Business- Type Activities	Total	Govern- mental Activities	Business- Type Activities	Total
REVENUES						
<i>Program Revenues</i>						
Charges for Services	\$ 22,131	\$ 42,400	\$ 64,531	\$ -	\$ -	\$ -
Operating Grants and Contributions	213,611	57,302	270,913	-	-	-
Capital Grants and Contributions	95,000	-	95,000	-	-	-
General Revenues	<u>3,613,561</u>	<u>-</u>	<u>3,613,561</u>	<u>4,162</u>	<u>-</u>	<u>4,162</u>
TOTAL REVENUES	3,944,303	99,702	4,044,005	4,162	-	4,162
EXPENSES						
Instruction	1,843,709	-	1,843,709	268	-	268
Instructional Student Support	119,407	-	119,407	-	-	-
Administrative Support	622,006	-	622,006	9,023	-	9,023
Operations and Maintenance	724,761	-	724,761	2,125	-	2,125
Food Service	-	110,175	110,175	-	-	-
Student Activities	21,755	-	21,755	-	-	-
Debt service	4,013	-	4,013	-	-	-
Unallocated depreciation	<u>33,673</u>	<u>-</u>	<u>33,673</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENSES	\$ 3,369,324	\$ 110,175	\$ 3,479,499	\$ 11,416	\$ -	\$ 11,416
Change in Net Position	\$ 574,979	\$ (10,473)	\$ 564,506	\$ (7,254)	\$ -	\$ (7,254)

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For the Year Ended June 30, 2013**

Table 3 shows the School's largest functions – instructional programs, instructional student support, administrative, and operation and maintenance of plant, among others, with each program's net cost (total cost less revenues generated by the activities). This table also shows the net costs offset by the other unrestricted grants, subsidies, contributions, and charges for services to show the remaining financial needs supported by local education agency revenue and other miscellaneous revenues.

Table 3 - Governmental Activities – Fiscal Year Ended June 30, 2013 and June 30, 2012

Functions/Programs	2013		2012	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	\$ 1,843,709	\$ 1,548,664	\$ 268	\$ (268)
Instructional Student Support	119,407	119,407	119,407	-
Administrative & Bus. Support Svcs.	622,006	622,006	9,023	(9,023)
Operation & Maint. of Plant	724,761	711,195	2,125	(2,125)
Pupil Transportation	-	-	-	-
Student Activities	21,755	(376)	21,755	-
Debt Service	4,013	4,013	-	-
Unallocated Depreciation Expense	33,673	33,673	-	-
Total Governmental Activities	\$ 3,369,324	\$ 3,038,582	\$ 152,578	\$ (11,416)

Government Fund

The focus of the School's governmental fund 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, fund balance may serve as a useful measure of a government's net resources available for spending for program purposes at the end of the fiscal year.

The School's governmental funds, reported an ending fund balance of \$312,220. For the year ended June 30, 2013, the School's revenues of \$3,952,593, were more than the expenditures of \$3,633,119 by \$319,474.

Table 4 reflects the activities of the Food Service Program.

Table 4 – Business-type Activities – Fiscal Year Ended June 30, 2013 and June 30, 2012

FUNCTIONS/PROGRAMS	2013		2012	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Food Service	\$ 110,175	\$ 10,473	\$ -	\$ -
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 110,175	\$ 10,473	\$ -	\$ -

The Statement of Revenues, Expenses and Changes in Fund Net Position for this proprietary fund will further detail the actual results of these operations.

General Fund Budget

During the fiscal year, the Board authorizes revisions to the original budget to accommodate variances from the original budget estimates to the actual expenditures of the School. A schedule showing the School's original and final budget amounts compared with amounts actually paid and received is provided.

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Arts Academy Charter School applies for federal, state, and local grants and these grants cannot always be anticipated in the budgeting process and must be added to the budget during the fiscal year. In addition, grants that are anticipated during the budgeting process are based on estimates. The budget must be modified during the fiscal year based on the actual grant awards.

The budgetary reserve includes amounts that may be transferred into expenditures for unexpected expenditures, upon approval of the Board. These amounts will only be appropriated into expenditure categories when the expenditure is necessary for the operation of the school. Any budget reserve amount not appropriated during the year will become part of the unreserved fund balance and available for future years' budgeting.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2013, the School's investment in capital assets for its governmental activities totaled \$276,384. This investment in capital assets includes furniture, software, equipment, leasehold improvements, and intangible assets.

The School invested \$310,057 in additions to capital assets during the year.

Table 5 - Capital Assets Net of Depreciation & Amortization – Governmental Activities

	2013	2012
	Govern- mental Activities	Govern- mental Activities
Leasehold Improvements	\$ 41,767	\$ -
Intangible Assets	14,000	-
Furniture and Equipment	220,617	-
TOTAL	\$ 276,384	\$ -

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The School does not anticipate any change in programs due to economic factors or budget concerns.

FUTURE EVENTS THAT WILL FINANCIALLY IMPACT THE SCHOOL

No future events that will financially impact the School are anticipated at this time.

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

The financial report is designed to provide interested parties a general overview of the School's finances. Questions regarding any of the information provided in this report should be addressed to the Executive Director, Arts Academy Charter School, 1610 E. Emmaus Avenue, Allentown, PA 18103.

FINANCIAL STATEMENTS

ARTS ACADEMY CHARTER SCHOOL
Statement of Net Position
As of June 30, 2013

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 119,670	\$ 11,469	\$ 131,139
Investments	-	-	-
Due From Other Funds	29,086	-	-
Due From Other Governments	492,009	7,144	499,153
Other Receivables	15,464	-	15,464
Prepaid Expenses	8,798	-	8,798
TOTAL CURRENT ASSETS	665,027	18,613	654,554
NON-CURRENT ASSETS:			
Leasehold Improvements (Net of Depreciation)	41,767	-	41,767
Intangible Assets (Net of Amortization)	14,000	-	14,000
Furniture and Equipment (Net of Depreciation)	220,617	-	220,617
TOTAL NON-CURRENT ASSETS	276,384	-	276,384
TOTAL ASSETS	\$ 941,411	\$ 18,613	\$ 930,938
DEFERRED OUTFLOWS OF RESOURCES	\$ 2,916	\$ -	\$ 2,916
LIABILITIES			
CURRENT LIABILITIES:			
Due to Other Governments	\$ 4,765	\$ -	4,765
Due to Other Funds	-	29,086	-
Accounts Payable	60,023	-	60,023
Current Portion of Long-Term Obligations	1,735	-	1,735
Accrued Salaries and Benefits	287,074	-	287,074
Payroll Deductions and Withholdings	11,662	-	11,662
Other Current Liabilities	-	-	-
TOTAL CURRENT LIABILITIES	365,259	29,086	365,259
NON-CURRENT LIABILITIES:			
Long-Term Portion of Compensated Absences	\$ 11,343	\$ -	\$ 11,343
Other Long Term Liabilities	-	-	-
TOTAL LIABILITIES	\$ 376,602	\$ 29,086	\$ 376,602
DEFERRED INFLOWS OF RESOURCES	\$ -	\$ -	\$ -
NET POSITION			
Invested in Capital Assets, Net of Related Debt	276,384	-	276,384
RESTRICTED FOR:			
Capital Projects	-	-	-
Other Restrictions	96,091	-	96,091
Unrestricted	195,250	(10,473)	184,777
TOTAL NET POSITION	\$ 567,725	\$ (10,473)	\$ 557,252

(1) Internal balances represent the amount owed to or from the two types of activities within the Primary Government. Since internal balances do not represent assets or liabilities of the total Primary Government, their balances are eliminated in the "total" column per GASB Statement No. 34, para. 58.

The accompanying notes are an integral part of this financial statement.

ARTS ACADEMY CHARTER SCHOOL
Statement of Activities
For the Fiscal Year Ended June 30, 2013

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
		CHARGES FOR SERVICES	GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
GOVERNMENTAL ACTIVITIES:							
Instruction	\$ 1,843,709	\$ -	\$ 200,045	\$ 95,000	\$ (1,548,664)	\$ -	\$ (1,548,664)
Instructional Student Support	119,407	-	-	-	(119,407)	-	(119,407)
Admin. & Fin'l Support Services	622,006	-	-	-	(622,006)	-	(622,006)
Oper. & Maint. of Plant Svcs.	724,761	-	13,566	-	(711,195)	-	(711,195)
Student Activities	21,755	22,131	-	-	376	-	376
Debt Service	4,013	-	-	-	(4,013)	-	(4,013)
Unallocated Depreciation Expense	33,673	-	-	-	(33,673)	-	(33,673)
TOTAL GOVERNMENTAL ACTIVITIES	3,369,324	22,131	213,611	95,000	(3,038,582)	-	(3,038,582)
BUSINESS-TYPE ACTIVITIES:							
Food Service	110,175	42,400	57,302	-	-	(10,473)	(10,473)
TOTAL PRIMARY GOVERNMENT	\$ 3,479,499	\$ 64,531	\$ 270,913	\$ 95,000	\$ (3,038,582)	\$ (10,473)	\$ (3,049,055)
GENERAL REVENUES							
Grants, Subsidies, & Contributions Not Restricted					\$ 32,889	\$ -	\$ 32,889
Investment Earnings					-	-	-
Fundraising Income (Net of Expenses)					3,000	-	3,000
Local Education Agencies					3,575,499	-	3,575,499
Special Item - Gain (Loss) on Sale of Investments					-	-	-
Miscellaneous Items					2,173	-	2,173
Transfers					-	-	-
TOTAL GENERAL REVENUES, SPECIAL ITEMS, EXTRAORDINARY ITEMS, AND TRANSFERS					3,613,561	-	3,613,561
CHANGE IN NET POSITION					574,979	(10,473)	564,506
NET POSITION - BEGINNING					(7,254)	-	(7,254)
NET POSITION - ENDING					\$ 567,725	\$ (10,473)	\$ 557,252

The accompanying notes are an integral part of this financial statement.

ARTS ACADEMY CHARTER SCHOOL
Balance Sheet – Governmental Funds
As of June 30, 2013

	GENERAL FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS		
Cash and Cash Equivalents	\$ 119,670	\$ 119,670
Due from Other Funds	29,086	29,086
Due from Other Governments	492,009	492,009
Other Receivables	15,464	15,464
Prepaid Expenditures	8,798	8,798
Security Deposit	2,916	2,916
TOTAL ASSETS	\$ 667,943	\$ 667,943
 <u>LIABILITIES AND FUND BALANCES</u>		
LIABILITIES:		
Due to Other Governments	\$ 4,765	\$ 4,765
Due to Other Funds	-	-
Accounts Payable	50,487	50,487
Current Portion of Long-Term Debt	1,735	1,735
Accrued Salaries and Benefits	287,074	287,074
Payroll Deductions and Withholdings	11,662	11,662
Deferred Revenues	-	-
Other Current Liabilities	-	-
TOTAL LIABILITIES	355,723	355,723
 FUND BALANCES:		
Nonspendable	11,714	11,714
Restricted	96,091	96,091
Committed	-	-
Assigned	-	-
Unassigned	204,415	204,415
TOTAL FUND BALANCES	312,220	312,220
TOTAL LIABILITIES AND FUND BALANCES	\$ 667,943	\$ 667,943

The accompanying notes are an integral part of this financial statement.

ARTS ACADEMY CHARTER SCHOOL
Reconciliation of the Governmental Funds – Balance Sheet
To the Statement of Net Position
As of June 30, 2013

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS \$ 312,220

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$310,057 and the accumulated depreciation is \$33,673. 276,384

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

Compensated Absences (11,343)

Liabilities which are not measurable and are not expected to use currently available financial resources are not included as liabilities in the fund financial statements (9,536)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES **\$ 567,725**

The accompanying notes are an integral part of this financial statement.

ARTS ACADEMY CHARTER SCHOOL
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

	GENERAL FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES		
Local Sources	\$ 3,738,982	\$ 3,738,982
State Sources	117,520	117,520
Federal Sources	96,091	96,091
TOTAL REVENUES	3,952,593	3,952,593
EXPENDITURES		
Instruction	2,110,789	2,110,789
Support Services	1,493,404	1,493,404
Operation of Non-Instructional Services	21,755	21,755
Capital Outlay	2,606	2,606
Debt Service	4,565	4,565
TOTAL EXPENDITURES	3,633,119	3,633,119
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	319,474	319,474
OTHER FINANCING SOURCES (USES)		
Fund Transfers In	-	-
Fund Transfers Out	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-
SPECIAL/EXTRAORDINARY ITEMS		
Special Items	-	-
Extraordinary Items	-	-
NET CHANGE IN FUND BALANCE	319,474	319,474
FUND BALANCES - BEGINNING	(7,254)	(7,254)
FUND BALANCES - ENDING	\$ 312,220	\$ 312,220

The accompanying notes are an integral part of this financial statement.

ARTS ACADEMY CHARTER SCHOOL
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
To the Statement of Activities
For the Year Ended June 30, 2013

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS **\$ 319,474**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceed capital outlays in the current period.

Depreciation expense	(33,673)		
less - capital outlays	<u>310,057</u>		276,384

In the statement of activities, certain operating expenses -- compensated absences (paid time off) and special termination benefits -- are measured by the amounts earned during the year. In the governmental funds; however, expenditures for these items are measured by the amount of financial resources used. This amount represents the difference between the amount earned versus the amount used.

(11,343)

In the Governmental funds report, accounts payable are recorded based upon the liabilities being probable, measurable and the expectation that they will be paid using currently available financial resources. This amount represents the difference between the full accrual liability and the modified accrual liability

(9,536)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 574,979**

The accompanying notes are an integral part of this financial statement.

ARTS ACADEMY CHARTER SCHOOL
Statement of Net Position
Proprietary Funds
As of June 30, 2013

	FOOD SERVICE	FUND	TOTAL
<u>ASSETS</u>			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$	11,469	\$ 11,469
Investments		-	-
Due from Other Funds		-	-
Due from Other Governments		7,144	7,144
Other Receivables		-	-
Prepaid Expenses		-	-
Other Current Assets		-	-
TOTAL CURRENT ASSETS		18,613	18,613
		-----	-----
NON-CURRENT ASSETS:			
Building & Bldg. Improvements (Net)		-	-
Machinery & Equipment (Net)		-	-
Other Long-Term Receivables		-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS	\$	18,613	\$ 18,613
 <u>LIABILITIES</u>			
CURRENT LIABILITIES:			
Due to Other Funds	\$	29,086	\$ 29,086
Due to Other Governments		-	-
Accounts Payable		-	-
Deferred Revenue		-	-
TOTAL CURRENT LIABILITIES		29,086	29,086
		-----	-----
NON-CURRENT LIABILITIES:			
Long-Term Portion of Compensated Absences		-	-
Other Retirement Benefits		-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		29,086	29,086
 <u>NET POSITION</u>			
Invested in Capital Assets, with No Related Debt		-	-
Restricted for Legal Purposes		-	-
Unrestricted		(10,473)	(10,473)
TOTAL NET POSITION	\$	(10,473)	\$ (10,473)

The accompanying notes are an integral part of this financial statement.

ARTS ACADEMY CHARTER SCHOOL
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
As of June 30, 2013

	FOOD SERVICE FUND	TOTAL
OPERATING REVENUES:		
Charges for Services	\$ 42,400	\$ 42,400
Other Operating Revenues	-	-
TOTAL OPERATING REVENUES	42,400	42,400
	-----	-----
OPERATING EXPENSES:		
Salaries	19,508	19,508
Employee Benefits	4,623	4,623
Food Supplies	86,044	86,044
Other Operating Expenses	-	-
TOTAL OPERATING EXPENSES	110,175	110,175
OPERATING INCOME	(67,775)	(67,775)
	-----	-----
<u>NON-OPERATING REVENUES</u>		
Contributions and Donations	-	-
State Sources	4,221	4,221
Federal Sources	53,081	53,081
TOTAL NON-OPERATING REVENUES (EXPENSES)	57,302	57,302
<u>INCOME BEFORE CONTRIBUTIONS</u>	(10,473)	(10,473)
Capital Contributions	-	-
Transfers In (Out)	-	-
CHANGES IN NET POSITION	(10,473)	(10,473)
NET POSITION - BEGINNING	-	-
NET POSITION - ENDING	\$ (10,473)	\$ (10,473)

The accompanying notes are an integral part of this financial statement.

ARTS ACADEMY CHARTER SCHOOL
Statement of Cash Flows
Proprietary Funds
As of June 30, 2013

	FOOD SERVICE FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Users	\$ 42,400	\$ 42,400
Cash Payments to Employees for Services	(24,131)	(24,131)
Cash Payments to Suppliers for Goods and Services	(86,044)	(86,044)
Cash Payments to Other Operating Expenses	-	-
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	(67,775)	(67,775)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Local Sources	-	-
State Sources	3,864	3,864
Federal Sources	46,294	46,294
Interfund Receipts (Payments)	29,086	29,086
Operating Transfers In (Out) / Residual Equity	-	-
NET CASH PROVIDED BY (USED FOR) NON-CAPITAL FINANCING ACTIVITIES	79,244	79,244
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Gain/Loss on Sale of Fixed Assets (Proceeds)	-	-
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	-	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Earnings on Investments	-	-
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,469	11,469
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	-	-
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 11,469	\$ 11,469

The accompanying notes are an integral part of this financial statement.

ARTS ACADEMY CHARTER SCHOOL
Statement of Cash Flows
Proprietary Funds
As of June 30, 2013

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES

	FOOD SERVICE FUND	TOTAL
OPERATING INCOME	\$ (67,775)	(67,775)
	-----	-----
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Depreciation and Net Amortization	-	-
Provision for Uncollectible Accounts	-	-
CHANGE IN ASSETS AND LIABILITIES:		
(Increase) Decrease in Accounts Receivable	-	-
Increase (Decrease) in Accounts Payable	-	-
Increase (Decrease) in Deferred Revenue	-	-
TOTAL ADJUSTMENTS	-	-
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$ (67,775)	\$ (67,775)

The accompanying notes are an integral part of this financial statement.

ARTS ACADEMY CHARTER SCHOOL
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
General Fund
For the Year Ended June 30, 2013

	BUDGETED AMOUNTS		ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET POSITIVE	BUDGET TO GAAP DIFFERENCE	ACTUAL
	ORIGINAL	FINAL		(NEGATIVE)		AMOUNTS GAAP BASIS
REVENUES						
Local Sources	3,445,000	\$ 3,445,000	\$ 3,738,982	\$ 293,982	\$ -	\$ 3,738,982
State Sources	195,000	195,000	117,520	(77,480)	-	117,520
Federal Sources	60,000	60,000	96,091	36,091	-	96,091
TOTAL REVENUES	<u>3,700,000</u>	<u>3,700,000</u>	<u>3,952,593</u>	<u>252,593</u>	<u>-</u>	<u>3,952,593</u>
EXPENDITURES						
Regular Programs	2,050,846	2,050,846	1,919,450	131,396	-	1,919,450
Special Education	200,963	200,963	191,339	9,624	-	191,339
Support Services - Instructional Staff	-	-	48,735	(48,735)	-	48,735
Support Services - Administrative	2,400	2,400	2,092	308	-	2,092
Legal Services	5,000	5,000	9,002	(4,002)	-	9,002
Office of the Principal Services	244,280	244,280	238,321	5,959	-	238,321
Other Administrative Services	200,631	200,631	215,768	(15,137)	-	215,768
Pupil Health Services	66,783	66,783	70,103	(3,320)	-	70,103
Support Services - Business	159,718	159,718	162,244	(2,526)	-	162,244
Operation of Building Services	726,493	726,493	738,849	(12,356)	-	738,849
Support Services - Fundraising	-	-	8,290	(8,290)	-	8,290
Student Activities	-	-	21,755	(21,755)	-	21,755
Facilities Acquisition, Construction and Improvement	-	-	2,606	(2,606)	-	2,606
Debt Service	8,750	8,750	4,565	4,185	-	4,565
Refund of Prior Year Receipts	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>3,665,864</u>	<u>3,665,864</u>	<u>3,633,119</u>	<u>32,745</u>	<u>-</u>	<u>3,633,119</u>
Excess (Deficiency) of Revenues over Expenditures	<u>34,136</u>	<u>34,136</u>	<u>319,474</u>	<u>285,338</u>	<u>-</u>	<u>319,474</u>
OTHER FINANCING SOURCES (USES)						
Fund Transfers In	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special Items	-	-	-	-	-	-
Extraordinary Items	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	<u>34,136</u>	<u>34,136</u>	<u>319,474</u>	<u>285,338</u>	<u>-</u>	<u>319,474</u>
FUND BALANCE - JULY 1, 2012	<u>-</u>	<u>-</u>	<u>(7,254)</u>	<u>(7,254)</u>	<u>-</u>	<u>(7,254)</u>
FUND BALANCE - JUNE 30, 2013	<u>\$ 34,136</u>	<u>\$ 34,136</u>	<u>\$ 312,220</u>	<u>\$ 278,084</u>	<u>\$ -</u>	<u>\$ 312,220</u>

The accompanying notes are an integral part of this financial statement.

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

Note 1 – Background and Summary of Significant Accounting Policies

A. *Background and Reporting Entity*

Arts Academy Charter School (the School) is organized as a nonprofit corporation in Pennsylvania to operate a charter school in accordance with Pennsylvania Act 22 of 1997, whereby a charter is granted for a four-year period and may be renewed for additional five-year periods upon expiration. The School began operations in September 2012. For the year ended June 30, 2013, the School included grades 6-8.

Arts Academy Charter School is a charter school which has financial accountability and control over all activities related to the students' education. The School receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the School is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board (GASB) pronouncement.

A reporting entity is comprised of the primary government, component units and other organizations that are included to insure that the financial statements of the School are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the School.

As required by generally accepted accounting principles, these financial statements are to present the Arts Academy Charter School (the primary government) and organizations for which the primary government is financially accountable. The School is financially accountable for an organization if the School appoints a voting majority of the organization's governing board and (1) the School is able to significantly influence the programs or services performed or provided by the organization and the School financially benefits from the organization, or (2) the School is legally entitled to or can otherwise access the organization's resources, the School is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization, or the School is obligated for the debt of the organization. Component units may also include organizations that are financially dependent on the School in that the School approves their budget. The Arts Academy Charter School does not have any component units as of June 30, 2013.

B. *Basis of Presentation*

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as U.S. generally accepted accounting principles for state and local governments.

C. *Government-wide and Fund Financial Statements*

The government-wide financial statements (the statement of net position and the statement of activities) report on the School as a whole. The statement of activities demonstrates the degree to which the direct expenses of the School's function are offset by program revenues. These statements include the Government activities of the School except for fiduciary funds. The statements distinguish between those activities of the school that are governmental and those that are considered business-type activities.

During the year, the School segregates transactions related to certain School functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

statements are designed to present financial information of the School at this more detailed level. The Fund financial statements presented are the School's General Fund and Food Service Fund.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide Financial Statements:

The statement of net position and the statement of activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

The statement of net position presents the financial condition of the governmental and business-type activities of the School at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School's governmental activities and business-type activities of the School. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School with certain limited exceptions. The comparison of direct expenses with program revenues identified the extent to which each governmental function is self-financing or draws from the general revenues of the School.

Fund Financial Statements:

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 measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The School reports the following major governmental fund:

General Fund – The General Fund is the operating fund of the School and accounts for all general revenues and expenditures of the School.

Proprietary Funds - Proprietary funds focus on the determination of changes in net assets, financial position and cash flows and are classified as enterprise funds.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The School's major enterprise fund is:

Food Service Fund – The Food Service Fund is used to account for the School's food service operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods to the student body on a continuing basis be financed primarily through user charges.

Fiduciary Funds - Fiduciary funds reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the School

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

under a trust agreement for individuals, private organizations, or other School's and are therefore not available to support the School's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School does not have any fiduciary funds as of June 30, 2013

E. Method of Accounting

The School has adopted the standards for external financial reporting for all state and local governmental entities, which includes a statement of net position, a statement of activities and changes in net position. It requires the classification of net position into three components – invested in capital assets, net of related debt; restricted; and unrestricted.

These calculations are defined as follows:

- Invested in capital assets, net of related debt – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors such as through debt covenants, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The School's restricted net position represents receivables that are grantor restricted for federal grant purposes.
- Unrestricted net position – This component of net position consists of net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

F. Budgets and Budgetary Accounting

An operating budget is adopted prior to the beginning of each year of educational operation for the General Fund on a modified accrual basis of accounting. The General Fund is the only fund for which a budget is legally required.

The Pennsylvania School Code dictates specific procedures relative to adoption of the School's budget and reporting of its financial statements.

Legal budgetary control is maintained at the sub-function/major object level. The PA School Code allows the School Board to make budgetary transfers between major function and major object codes only within the last nine months of the fiscal year, unless there is a two-thirds majority of the Board approving the transfer. Appropriations lapse at the end of the fiscal period. Budgetary information reflected in the financial statements is presented at or below the level of budgetary control and includes the effect of approved budget amendments.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the PDE-2028 when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all 2012-13 budget transfers.

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

Encumbrances

Any encumbrances outstanding at year-end do not represent GAAP expenditures or liabilities but represent budgetary accounting controls. The General Fund Budget is maintained on the modified accrual basis of accounting, except that budgetary basis expenditures include any encumbrances issued for goods or services not received at year-end and not terminated.

The actual results of operations are presented in accordance with GAAP and the School's accounting policies do not recognize encumbrances as expenditures until the period in which the goods or services are actually received and a liability is incurred.

G. 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 the reported amounts of assets and liabilities and disclosure 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.

H. Cash

The School's cash is considered to be its balances at commercial banks.

I. Capital Assets

Capital assets, which include leasehold improvements, equipment and software, are reported in the government-wide financial statements. All capital assets are capitalized at cost and updated for additions and retirements during the year. All assets purchased with a useful life greater than one year and costing more than \$2,500 would be capitalized. This does not include textbooks. The School does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Capital assets of the School are depreciated or amortized using the straight-line method over the useful lives of the assets.

J. Income Tax Status

The School is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The School did not have any unrelated business taxable income in the fiscal year presented.

K. Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the governmental activities statement of net position.

L. Reclassification

Certain amounts may have been reclassified to conform to the June 30, 2013, presentation of government-wide financial statements on the accrual basis of accounting versus the governmental fund financial statements on the modified accrual basis of accounting.

M. Net Position

Net position represents the difference between assets plus deferred inflows and liabilities plus deferred outflows. Net position invested in capital assets, net of related debt consists of capital asset, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

are limitations imposed on its use either through the enabling legislation adopted by the School or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

The School applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

N. Fund Balance

The Governmental Accounting Standards Board has established accounting and financial reporting standards for all governments that report governmental funds. They established criteria for classifying fund balances into the following specifically defined classifications:

- **Nonspendable** fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- **Restricted** fund balance includes amounts that are restricted externally by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally. The School's highest level of decision making is the Board of Directors.
- **Assigned** fund balance comprises amounts *intended* to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The School expresses this intent through board action and has not delegated this authority.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications.

Note 2 - Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of Differences between Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and School-wide statements certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. Differences between the governmental funds statement of revenues, expenditures and changes in fund balance and the statement of activities fall into one of three broad categories.

The amounts shown in the columns on the following page represent:

- a) Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis whereas the accrual basis of accounting is used on the statement of activities.

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

- b) Capital related differences include (1) the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and (2) the difference between recording an expenditure for the purchase of capital items in the governmental fund statements, and capitalization and recording of depreciation or amortization expense on those items as recorded in the statement of activities.
- c) Long-term debt transaction differences occur because long-term debt proceeds are recorded as revenue and both interest and principal payments are recorded as expenditures in the governmental fund statements. In the statement of activities, long-term debt proceeds are recorded as a liability; principal payments are recorded as a reduction of liabilities.

	TOTAL GOVERN- MENTAL FUNDS	LONG- TERM REVENUES/ EXPENSES	CAPITAL RELATED ITEMS	LONG-TERM DEBT TRANSACTIONS	TOTAL FOR STATEMENT OF ACTIVITIES
REVENUES AND OTHER SOURCES					
LOCAL SOURCES:					
Interest and Investment Earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Fundraising	11,290				11,290
Revenues from Student Activities	22,131				22,131
Miscellaneous	2,173	-	-	-	2,173
Contributions and Donations	32,889	-	-	-	32,889
Charges for Services	-	-	-	-	-
Local Education Agencies	3,575,499	-	-	-	3,575,499
INTERMEDIATE SOURCES:					
Charges for Services	-	-	-	-	-
Operating and Capital Grants and Contributions	95,000	-	-	-	95,000
STATE SOURCES:					
Operating and Capital Grants and Contributions	117,520	-	-	-	117,520
FEDERAL SOURCES:					
Operating and Capital Grants and Contributions	96,091	-	-	-	96,091
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Gain/Loss on Sale of Investments	-	-	-	-	-
TOTAL REVENUES	3,952,593	-	-	-	3,952,593
EXPENDITURES/EXPENSES					
Instruction	2,110,789	-	(274,975)	7,895	1,843,709
Instructional Student Support	118,838	-	-	569	119,407
Admin. & Fin'l Support Services	627,427	552	(8,015)	2,042	622,006
Oper. & Maint. of Plant Svcs.	738,849	9,536	(27,067)	837	722,155
Facilities Acquisition, Construction & Improvement	2,606	-	-	-	2,606
Fundraising Expenses	8,290	-	-	-	8,290
Student Activities	21,755	-	-	-	21,755
Capital Outlay	-	-	-	-	-
Debt Service	4,565	(552)	-	-	4,013
Depreciation/Amortization - Unallocated	-	-	33,673	-	33,673
TOTAL EXPENDITURES/EXPENSES	3,633,119	9,536	(276,384)	11,343	3,377,614
NET CHANGE FOR THE YEAR	\$ 319,474	\$ (9,536)	\$ 276,384	\$ (11,343)	\$ 574,979

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

Note 3 - Stewardship, Compliance, and Accountability

A. Compliance with finance related legal and contractual provisions

The School has no material violations of finance related legal and contractual provisions.

B. Deficit fund balance or net position of individual funds

The food service fund shows negative net position. This is the result of timing since the School was newly formed and in the first year of food service operations.

C. Excess of expenditures over appropriations in individual funds

No individual fund, which has a legally adopted budget, had an excess of expenditures over appropriations.

D. Budgetary Compliance

The School's only legally adopted budget is for the General Fund. All budgetary transfers were made within the last nine months of the fiscal year. The School does not have any outstanding encumbrances at June 30, 2013.

Note 4 - Detailed Notes on All Funds and Account Groups

Assets

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the School's deposits may not be returned to it. As of June 30, 2013, none of the School's bank balance of \$150,356 was exposed to custodial credit risk as:

Uninsured and uncollateralized	\$	-
Collateralized with securities held by the pledging financial institution		-
Uninsured and collateral held by the pledging bank's trust department not in the School's name		-
TOTAL	\$	-

Reconciliation to Financial Statements

Uncollateralized Amount above	\$	-	
Plus: Insured Amount		150,356	
Deposits in Transit			
Undeposited Funds			
Less: Outstanding Checks		(24,503)	
Carrying Amount - Cash Balances		125,853	
Plus: Petty Cash		74	
Balance in Paypal Account Considered Cash Equivalent		5,212	
Less: Certificate of Deposit Considered Investment by School Code		-	
TOTAL CASH PER FINANCIAL STATEMENTS	\$	131,139	

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

Investments

Permitted investments for Pennsylvania Schools are defined in the Public School Code of 1949 as:

1. United States Treasury Bills;
2. Short-term obligations of the United States Government or its agencies or instrumentalities;
3. Deposits in savings accounts or time deposits or share accounts of institutions insured by the F.D.I.C; and,
4. Obligations of the United States of America or any of its agencies or instrumentalities, the Commonwealth of Pennsylvania or any of its agencies or instrumentalities or any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities.

As of June 30, 2013 the School did not have any investments.

Capital Assets

Capital asset balances and activity for the year ending June 30, 2013, were:

	<u>BEGINNING BALANCE</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>ENDING BALANCE</u>
GOVERNMENTAL ACTIVITIES:				
Capital Assets being depreciated:				
Leasehold Improvements	\$ -	\$ 45,238	\$ -	\$ 45,238
Furniture and Equipment		249,819		249,819
Software	-	15,000	-	15,000
TOTAL CAPITAL ASSETS BEING DEPRECIATED OR AMORTIZED	<u>-</u>	<u>310,057</u>	<u>-</u>	<u>310,057</u>
Less Accumulated Depreciation/Amortization for:				
Leasehold Improvements	-	(3,471)	-	(3,471)
Software		(1,000)	-	(1,000)
Furniture and Equipment	-	(29,202)	-	(29,202)
TOTAL ACCUMULATED DEPRECIATION/AMORTIZATION	<u>-</u>	<u>(33,673)</u>	<u>-</u>	<u>(33,673)</u>
TOTAL CAPITAL ASSETS BEING DEPRECIATED NET OF ACCUMULATED DEPRECIATION/AMORTIZATION	<u>-</u>	<u>276,384</u>	<u>-</u>	<u>276,384</u>
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION/AMORTIZATION	<u>\$ -</u>	<u>\$ 276,384</u>	<u>\$ -</u>	<u>\$ 276,384</u>

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

***DEPRECIATION EXPENSE WAS CHARGED TO GOVERNMENTAL FUNCTIONS AS FOLLOWS:**

Regular Programs	\$	-
Other Programs		-
Special Education		-
Guidance Services		-
Psychological Services		-
Social Services		-
Support Services - Instructional Staff		-
Support Services - Administration		-
Board Services		-
Legal Services		-
Office of the Executive Director Services		-
Community Relations Services		-
Office of the Principal Services		-
Pupil Health Services		-
Support Services - Business		-
Operation of Building Services		-
Student Transportation Services		-
Support Services - Central		-
System-Wide Technology Services		-
Human Resources		-
Temporary Services		-
Student Activities		-
Depreciation/Amortization - Unallocated		33,673
TOTAL DEPRECIATION FOR GOVERNMENTAL ACTIVITIES	\$	<u>33,673</u>

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The School has the following item that qualifies for reporting in this category:

Security Deposit	\$ 2,916
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In addition to liabilities, the statement of financial position 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 for fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The School currently has no deferred inflows of resources.

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

Short-Term Debt

Interfund Receivables and Payables

The following Interfund receivables and payables were in existence at June 30, 2013:

	INTERFUND RECEIVABLES	INTERFUND PAYABLES
General Fund	\$ 29,086	\$ -
Food Service Fund	-	29,086
TOTAL	\$ 29,086	\$ 29,086

Long-Term Liabilities

Long-term liability balances and activity for the year ended June 30, 2013, were:

	BEGINNING BALANCE	ADDITIONS	REDUCTIONS	ENDING BALANCE	AMOUNTS DUE WITHIN ONE YEAR
GOVERNMENTAL ACTIVITIES:					
<i>Other Liabilities:</i>					
Paid Time Off Days	-	13,078	-	13,078	1,735
Total Other Liabilities	-	13,078	-	13,078	1,735
TOTAL GOVERNMENTAL ACTIVITY					
LONG-TERM LIABILITIES	\$ -	\$ 13,078	\$ -	\$ 13,078	\$ 1,735

Line-of-Credit

In May 2012, the School entered into an agreement with Meridian Bank for a line of credit in the amount of \$300,000 to provide working capital for the School. Interest on the line of credit is payable monthly at 1% above the Wall Street Journal U.S. Prime Rate. The principal is payable on demand. As of June 30, 2013, there was no outstanding balance on this loan.

Lease Commitments

Emmaus Avenue Building Lease

On May 3, 2012, the School entered into a 354 month lease agreement with West Bethlehem Ventures, LP. The lease commenced August 1, 2012 and ends January 31, 2042, for the building located at 1610 Emmaus Avenue, Salisbury, Pennsylvania. The operating lease provides that the School pay an annual rent of \$310,000 the first year with \$10,000 increases in each of the next 4 years and subsequent to that a 3% annual increase every 5 years after year 5.

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

The remaining payments on this lease as of June 30, 2013 are:

<u>FISCAL YEAR</u>	<u>AMOUNT</u>
2013-14	\$ 319,167
2014-15	329,167
2015-16	339,167
2016-17	349,167
2017-18	350,000
2018 and thereafter	<u>8,823,026</u>
TOTAL	<u>\$ 10,509,694</u>

Compensated Absences

Paid Time-Off Days

Under the School's paid time off policy, faculty and administrators are entitled to accumulate unused paid time off days from year to year. These accumulated paid time off days are non-vesting during the employee's tenure. Upon retirement from the Pennsylvania School System and the School, professional employees and administrators, who are at least 55 years of age receive payment for unused paid time off days at a rate equal to one-half the prevailing substitute daily wage or presently \$42.50 per day.

Unused paid time off days are paid upon an Administrator or professional employee's termination. The School maintains records of employee's accumulated paid time off days. In accordance with GASB Statement No. 16, the portion of unused paid time off earned at June 30, 2013, that will use currently available financial resources is \$1,735, including fica tax and retirement contributions, which has been recorded in the General Fund and as a current liability within the governmental activities column in the government-wide statement of net position. The remaining unused paid time off earned at June 30, 2013, of \$11,343, including fica tax and retirement contributions is recorded as long-term liability in the governmental activities column of the government-wide statement of net position.

Defined Benefit Pension Plans

Plan Description

<i>Name of Plan:</i>	Public School Employees' Retirement System (the System).
<i>Type of Plan:</i>	Governmental cost-sharing multiple-employer 401 (a) defined-benefit plan.
<i>Benefits:</i>	Retirement and disability, legislatively mandated <i>ad hoc</i> cost-of-living adjustments, healthcare insurance premium assistance to qualifying annuitants.
<i>Authority:</i>	The Public School Employees' Retirement Code (Act No. 96 of October 2, 1975, as amended) (24 Pa. C.S. 8101-9102).

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

Annual Financial Report: The System issues a Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for the plan. A copy of the report may be obtained by writing to Beth Girman, Office of Financial Management, Public School Employees' Retirement System, 5 N. 5th Street, Harrisburg, PA 17108-1905 or by emailing Beth at bgirman@pa.gov. The CAFR is also available on the Publications page of the PSERS website, www.pfers.state.pa.us.

Funding Policy

Authority: The contribution policy is established in the Public School Employees' Retirement Code and requires contributions by active members, employers, and the Commonwealth.

Contribution Rates:

Member Contributions

- Active members, who joined the System prior to July 22, 1983, contributed at 5.25% (Membership Class T-C) or at 6.50% (Membership Class T-D) of the member's qualifying compensation.
- Members who joined the System on or after July 22, 1983 and who were active or inactive as of July 1, 2001, contribute at 6.25% (Membership Class T-C) or at 7.50% (Membership Class T-D) of the member's qualifying compensation.
- Members who joined the System after June 30, 2001 and before July 1, 2011, contribute at 7.50% (automatic Membership Class T-D). For all new hires and for members who elected Class T-D membership, the higher contribution rates began with service rendered on or after January 1, 2002.
- Members who joined the System after June 30, 2011, automatically contribute at the Membership Class T-E rate of 7.5% (base rate) of the member's qualifying compensation. All new hires after June 30, 2011, who elect Class T-F membership, contribute at 10.3% (base rate) of the member's qualifying compensation. Membership Class T-E and Class T-F are affected by a "shared risk" provision in Act 120 of 2010 that in future fiscal years could cause the Membership Class T-E contribution rate to fluctuate between 7.5% and 9.5% and Membership Class T-F contribution rate to fluctuate between 10.3% and 12.3%.

Employer Contributions: Contributions required of employers are based upon an actuarial valuation. For fiscal year ended June 30, 2013, the rate of employer's contribution was 12.36% of covered payroll. The 12.36% rate is composed of a pension contribution rate of 11.50% for pension benefits and 0.86% for healthcare insurance premium assistance.

The employer's current year covered payroll was \$1,701,616 and total payroll was \$1,701,616.

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

The total employee and employer contributions for this current year were \$113,075 and \$210,320, respectively.

Note 5 – 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. The School carries commercial insurance for such risks. There has been no significant reduction in insurance coverage from inception in any of the School's policies.

Note 6 – Local Educational Agencies Revenue

Charter schools are funded by the local public school districts in which each student resides. The rate per student is determined annually and is based on the budgeted total expenditure per average daily membership of the prior school year for each school district. The annual rate is paid monthly by each sending school district and is prorated if a student enters or leaves during the year. Total tuition revenue from other local education agencies was \$3,575,499.

Note 7 – Government Grants and Reimbursement Programs

The School participates in numerous state and federal grant and reimbursement programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs and reimbursement programs for retirement expenses, and facility lease costs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School has not complied with the rules and regulations governing the grants and reimbursement programs, refunds of any money received may be required and the collectability of any related receivables may be impaired. In the opinion of the School, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

Note 8 - Contingencies

From time to time the Organization is a party to legal proceedings including claims involving employment and other matters. The Organization carries insurance coverage against all such claims. Any such claims are vigorously defended by the Organization and its indemnities. Management believes that such legal proceedings to which it may become party to would not have a material adverse affect upon its financial position or results of operations. According to the School's legal counsel, as of June 30, 2013 there was no pending or threatened litigation.

Note 9 – Restricted Net Position

Invested in Capital Assets, Net of Related Debt

The component of this restriction in the governmental activities column is total capital assets (net of depreciation and amortization) of \$276,384 less related debt of \$0.

Other Restrictions

This restriction of \$96,091 pertains to federal grant receivables at year end.

ARTS ACADEMY CHARTER SCHOOL
Notes To Basic Financial Statements
Fiscal Year Ended June 30, 2013

Note 10 – Governmental Fund Balances

Detailed information about aggregated fund balances:

Nonspendable Fund Balance

Prepaid Expenses	\$	8,798
Security Deposit		<u>2,916</u>
Total Non-Spendable Fund Balance	\$	<u>11,714</u>

Restricted Fund Balance

Restricted for use in Federal Programs \$96,091.

The School's highest level of decision making is the Board of Directors.

A resolution of the Board of Directors is required to establish modify or rescind a fund balance commitment or assignment.

Note 11 – Subsequent Events

Subsequent events have been evaluated through October 18, 2013, which is the date the financial statements were issued.



HUTCHINSON, GILLAHAN & FREEH, P.C.

ACCOUNTANTS, AUDITORS & CONSULTANTS

October 18, 2013

Board of School Directors
Arts Academy Charter School
1610 E. Emmaus Ave.
Allentown, PA 18103

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

We have audited the basic financial statements of the governmental activities and the general fund of The Arts Academy Charter School, as of and for the year ended June 30, 2013, which collectively comprise the Arts Academy Charter School's basic financial statements and have issued our report thereon dated October 18, 2013. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Arts Academy Charter School's internal control over financial reporting 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 Arts Academy Charter School's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Arts Academy Charter School's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

ARTS ACADEMY CHARTER SCHOOL

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Arts Academy Charter School's financial statements are free of 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 determination of financial statement amounts. 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 matters that are required to be reported under Government Auditing Standards. We noted certain matters that we reported to the management of the Arts Academy Charter School in a separate letter dated October 18, 2013.

This report is intended solely for the information and use of management, the Board of School Directors, and federal and state agencies and is not intended to be and should not be used by anyone other than those specified parties.

Respectfully submitted,

Cleci A. Fresh, CPA, CGMA

October 18, 2013

S U P P L E M E N T A R Y I N F O R M A T I O N

ARTS ACADEMY CHARTER SCHOOL
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the Year Ended June 30, 2013

REVENUES

LOCAL SOURCES:

Interest/Dividends	\$	-
Fundraising		11,290
Revenues from Student Activities		22,131
Revenue Received from Intermediate Sources - Federal		-
Revenue Received from Intermediate Sources - State		95,000
Revenue Received from Other LEAs		3,575,499
Contributions		32,889
Miscellaneous		<u>2,173</u>

TOTAL LOCAL SOURCE REVENUE \$ 3,738,982

STATE SOURCES:

Rentals	13,566
Retirement Revenue	<u>103,954</u>

TOTAL STATE SOURCE REVENUE 117,520

FEDERAL SOURCES:

Title I	80,725
Title II	15,366
	<u>-</u>

TOTAL FEDERAL SOURCE REVENUE 96,091

TOTAL REVENUES \$ 3,952,593

ARTS ACADEMY CHARTER SCHOOL
Statement of Revenues, Expenditures and Changes in Fund Balance -
General Fund
For the Year Ended June 30, 2013

EXPENDITURES

Regular Programs	\$ 1,919,450
Special Education	191,339
Support Services - Instructional Staff	48,735
Support Service - Administrative	2,092
Legal Services	9,002
Office of the Principal Services	238,321
Other Administrative Services	215,768
Pupil Health Services	70,103
Support Services - Business	162,244
Operation of Building Services	738,849
Support Services - Fundraising	8,290
Student Activities	21,755
Facilities Acquisition, Construction and Improvement	2,606
Debt Service	4,565
	<u>-</u>

TOTAL EXPENDITURES **\$ 3,633,119**

**EXCESS (DEFICIENCY) OF REVENUES
OVER EXPENDITURES** **\$ 319,474**

OTHER FINANCING SOURCES (USES)

	\$ -
	<u>-</u>
TOTAL OTHER FINANCING SOURCES	\$ -

FUND BALANCE - JULY 1, 2012 **(7,254)**

FUND BALANCE - JUNE 30, 2013 **\$ 312,220**

ARTS ACADEMY CHARTER SCHOOL
Statement of Revenues, Expenses and Changes in Net Position
Food Service Fund
For the Year Ended June 30, 2013

NET POSITION - JULY 1, 2012		\$	-
REVENUES			
Lunch Sales	\$	42,400	
State Lunch Subsidies		3,015	
State Retirement Subsidy		1,206	
Federal Lunch Subsidies		<u>53,081</u>	
TOTAL REVENUES			<u>99,702</u>
TOTAL FUNDS AVAILABLE			99,702
EXPENSES AND OPERATING TRANSFERS			
Salaries and Benefits		24,131	
Food Supplies		<u>86,044</u>	
TOTAL EXPENSES AND OPERATING TRANSFERS			<u>110,175</u>
NET POSITION - JUNE 30, 2013		\$	<u>(10,473)</u>

35								
36								
37								
38								
39								

Total Number of Administrators (do not include CEO) _____ 1
Total Number of Teachers ____29____ Counselors ____1____ School Nurses ____1____ Others _____
Total Number of Professional Staff _____ 32

PA Department of Education, 333 Market Street, Harrisburg, PA 17126-0333

Preliminary Statement of Revenues, Expenditures & Fund Balances
Include ALL Funds
as of June 30, 2014

Name of School : Arts Academy Charter School

Address of School : 1610 E. Emmaus Ave. Allentown, PA 18103

CEO Signature _____

REVENUES

6000		REVENUE FROM LOCAL SOURCES	
6500		EARNINGS ON INVESTMENTS	
	6510	Interest on Investments and Interest-Bearing Checking Accounts	
	6520	Dividends on Investments	
	6530	Gains or Losses on Sale of Investments	
	6540	Earnings on Investments in Real Property	
	6590	Other Earnings or Investments	
6600		FOOD SERVICE REVENUE	21,874.37
	6610	Daily Sales - Reimbursable Programs	
	6620	Daily Sales - Non-Reimbursable Programs	
	6630	Special Functions	
	6640	Non-Cash Contributions	
	6650	Price Reduction for Reduced Price and Free Meals (Debit)	
	6690	Other Food Service Revenues	
6700		REVENUES FROM STUDENT ACTIVITIES	
	6710	Admissions	
	6720	Bookstore Sales	
	6730	Student Organization Membership Dues and Fees	
	6740	Fees	
	6750	Student Activity - Special Events	35,299.10
	6790	Other Student Activity Income	
6800		REVENUES FROM INTERMEDIARY SOURCES / PASS THROUGH	
	6810	Revenue from Local Governmental Units	
	6820	Revenue from Intermediary Sources - Commonwealth Funds	
	6830	Revenues from Intermediary Sources - Federal Funds	
	6890	Other Revenues from Intermediary Sources	

6900		OTHER REVENUE FROM LOCAL SOURCES	
	6910	Rentals	
	6920	Contributions & Donations from Private Sources / Capital Contributions	32,219.47
	6930	Gains or Losses on Sale of Fixed Assets (Economic Resource Measurement Focus Only)	
	6940	Tuition from Patrons	
	6941	Regular Day School Tuition	3,845,777.19
	6942	Summer School Tuition	1,485.00
	6943	Adult Education Tuition	
	6944	Receipts From Other LEAs in Pennsylvania - Education	
	6945	Receipts from Out-of-State LEAs	
	6946	Receipts from Member Districts - AVTS / Special Program Jointure only	
	6947	Receipts from Members of Intermediate Units for Education by Withholding	
	6948	Receipts from Members of Intermediate Units for Direct Contributions	
	6949	Other Tuition from Patrons	
	6950	Unassigned	
	6960	Services Provide Other Local Governmental Units / LEAs	
	6961	Transportation Services Provided Other Pennsylvania LEAs	
	6969	All Other Services Provided Other Governments and LEAs Not Specified Above	
	6970	Services Provided Other Funds	
	6980	Revenue from Community Service Activities	
	6990	Refunds and Other Miscellaneous Revenue	
	6991	Refunds of a Prior Year Expenditure	
	6999	Other Revenues Not Specified Above	6,248.62
7000		REVENUE FROM STATE SOURCES	
7100		BASIC INSTRUCTIONAL AND OPERATING SUBSIDIES	
	7150	Unassigned	
	7160	Tuition for Orphans and Children Placed in Private Homes	
	7180	Staff and Program Development	
7200		REVENUE FOR SPECIFIC EDUCATIONAL PROGRAMS	
	7210	Homebound Instruction	
	7220	Vocational Education	
	7230	Alternative Education	
	7240	Driver Education - Student	
	7250	Migratory Children	
	7260	Workforce Investment Act (WIA)	
	7270	Specialized Education of Exceptional Pupils	
	7280	Adult Literacy	

	7290		Additional Educational Program Revenues	
7300			REVENUES FOR NON-EDUCATIONAL PROGRAMS	
	7310		Transportation (Regular and Additional)	
	7320		Rental and Sinking Fund Payments / Building Reimbursement Subsidy	12,150.00
	7330		Health Services (Medical, Dental, Nurse, Act 25)	5,484.25
	7340		Unassigned	
	7350		Sewage Treatment Operations / Environmental Subsidies	
	7360		Safe Schools	
7400			VOCATIONAL TRAINING OF THE UNEMPLOYED	
7500			STATE REVENUE NOT LISTED ELSEWHERE IN THE 7000 SERIES OF ACCOUNTS	
	7502		Dual Enrollment Grants	
	7503		Project 720/High School Reform	
	7599		Other State Revenue Not Listed Elsewhere in the 7000 Series	
7600			REVENUE FOR MILK, LUNCH AND BREAKFAST PROGRAMS	2,030.40
7800			REVENUE FOR THE COMMONWEALTH'S SHARE OF PAID BENEFITS	
	7810		State Share of Social Security and Medicare Taxes	
	7820		State Share of Retirement Contributions	169,677.00
7900			REVENUE FOR TECHNOLOGY	
	7910		Educational Technology	
	7990		Other Technology Grants	
8000			REVENUE FROM FEDERAL SOURCES	
8100			UNRESTRICTED GRANTS-IN-AID DIRECT FROM THE FEDERAL GOVERNMENT	
	8110		Payments for Federally Impacted Areas - P.L. 81-874	
	8190		Other Unrestricted Federal Grants-in-Aid Direct from the Federal Government	
8200			UNRESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE COMMONWEALTH	
8300			RESTRICTED GRANTS-IN-AID DIRECTLY FROM THE FEDERAL GOVERNMENT	
	8310		Payments for Federally Impacted Areas - P.L. 81-815	
	8320		Energy Conservation Grants - TA and ECM	

	8390	Other Restricted Federal Grants-in-Aid Directly from the Federal Government	
8500		RESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE COMMONWEALTH FOR THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT (IDEA), NO CHILD LEFT BEHIND (NCLB), VOCATIONAL EDUCATION, CHILD NUTRITION AND CAREER EDUCATION PROGRAMS	88,276.00
	8510	Individuals with Disabilities Education Act (IDEA) and No Child Left Behind (NCLB)	35,847.00
	8520	Vocational Education	
	8530	Child Nutrition Program	43,079.52
	8540	Nutrition Education and Training	
	8560	Federal Block Grants	
	8570	Unassigned	
	8580	Child Care and Development Block Grants	
	8590	Unassigned	
8600		RESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE COMMONWEALTH FOR DRIVER EDUCATION, ADULT EDUCATION, CETA, HEADSTART, ENERGY CONSERVATION, WORKFORCE INVESTMENT ACT AND OTHER PROGRAMS	
	8610	Homeless Assistance Act	
	8620	Adult Basic Education	
	8640	Headstart	
	8650	Unassigned	
	8660	Workforce Investment Act (WIA)	
	8670	Unassigned	
	8680	Unassigned	
	8690	Other Restricted Federal Grants-in-Aid through the Commonwealth	
8800		MEDICAL ASSISTANCE REIMBURSEMENTS	
9000		OTHER FINANCING SOURCES	
9100		SALE OF BONDS	
	9110	Bond Issue Proceeds (Gross)	
	9120	Proceeds from Refunding of Bonds	
9200		PROCEEDS FROM EXTENDED TERM FINANCING	
9300		INTERFUND TRANSFERS	
	9310	General Fund Transfers	
	9320	Special Revenue Fund Transfers	

	9330	Capital Projects Funds Transfers	
	9340	Debt Service Fund Transfers	
	9350	Enterprise Fund Transfers	
	9360	Internal Service Fund Transfers	
	9370	Trust and Agency Fund	
	9380	Activity Fund Transfers	
	9390	Permanent Fund Transfers	
9400		SALE OF OR COMPENSATION FOR LOSS OF FIXED ASSETS	
9500		Unassigned	
9600		Unassigned	
9700		TRANSFERS INVOLVING COMPONENT UNITS AND PRIMARY GOVERNMENTS	
	9710	Transfers from Component Units	
	9720	Transfers from Primary Governments	
9800		INTRAFUND TRANSFERS IN	
	9810	General Fund Intrafund Transfers	
	9820	Special Revenue Intrafund Transfers	
	9840	Debt Service Intrafund Transfers	
	9850	Enterprise Intrafund Transfers	
	9860	Internal Service Intrafund Transfers	
	9870	Trust and Agency Intrafund Transfers	
	9880	Activity Interfund Transfers	
TOTAL REVENUES			4,299,447.92

Preliminary Statement of Revenues, Expenditures & Fund Balances
Include ALL Funds
as of June 30, 2014

Name of School : Arts Academy Charter School

Address of School : 1610 E. Emmaus Ave. Allentown, PA 18103

CEO Signature _____

Note-Expenditures may be submitted EITHER as accrual or cash basis

EXPENDITURES

1000	INSTRUCTION	
1100	REGULAR PROGRAMS - ELEMENTARY / SECONDARY	1,919,725.19
1200	SPECIAL PROGRAMS - ELEMENTARY / SECONDARY	217,802.62
1300	VOCATIONAL EDUCATION	
1400	OTHER INSTRUCTIONAL PROGRAMS - ELEMENTARY / SECONDARY	
1600	ADULT EDUCATION PROGRAMS	
1700	HIGHER EDUCATION PROGRAMS	
1800	PRE-KINDERGARTEN	
2000	SUPPORT SERVICES	
2100	SUPPORT SERVICES - PUPIL PERSONNEL	
	2110 Supervision of Pupil Personnel Services	
	2120 Guidance Services	45,849.55
	2130 Attendance Services	
	2140 Psychological Services	
	2150 Speech Pathology and Audiology Services	
	2160 Social Work Services	
	2170 Student Accounting Services	
	2190 Other Pupil Personnel Services	
2200	SUPPORT SERVICES - INSTRUCTIONAL STAFF	
	2210 Supervision of Educational Media Services	

	2220	Technology Support Services	
	2230	Educational Television Services	
	2240	Computer-Assisted Instruction Support Services	
	2250	School Library Services	
	2260	Instruction and Curriculum Development Services	
	2270	Instructional Staff Professional Development Services	
	2280	Nonpublic Support Services	
2300		SUPPORT SERVICES - ADMINISTRATION	
	2310	Board Services	187.46
	2320	Board Treasurer Services	
	2340	Staff Relations and Negotiations Services	
	2350	Legal Services	27,426.23
	2360	Office of the Superintendent (Executive Director) Services	
	2370	Community Relations Services	
	2380	Office of the Principal Services	250,960.66
	2390	Other Administration Services	337,996.30
2400		SUPPORT SERVICES - PUPIL HEALTH	59,468.13
2500		SUPPORT SERVICES - BUSINESS	
	2510	Fiscal Services	81,600.00
	2520	Purchasing Services	
	2530	Warehousing and Distributing Services	
	2540	Printing, Publishing and Duplicating Services	
	2590	Other Support Services - Business	84,141.11
2600		OPERATION AND MAINTENANCE OF PLANT SERVICES	886,387.35
	2610	Supervision of Operation and Maintenance of Plant Services	
	2620	Operation of Buildings Services	
	2630	Care and Upkeep of Grounds Services	
	2640	Care and Upkeep of Equipment Services	
	2650	Vehicle Operations and Maintenance Services (Other than Student Transportation Vehicles)	
	2660	Security Services	
	2690	Other Operation and Maintenance of Plant Services	
2700		STUDENT TRANSPORTATION SERVICES	
	2710	Supervision of Student Transportation Services	
	2720	Vehicle Operation Services	
	2730	Monitoring Services	
	2740	Vehicle Servicing and Maintenance Services	
	2750	Nonpublic Transportation	

	2790	Other Student Transportation Services	
2800		SUPPORT SERVICES - CENTRAL	
	2810	Planning, Research, Development and Evaluation Services	
	2820	Information Services	
	2830	Staff Services	
	2840	Data Processing Services	
	2850	State and Federal Agency Liaison Services	
	2860	Management Services	
	2890	Other Support Services Central	
2900		OTHER SUPPORT SERVICES - CENTRAL	
	2990	Pass-Thru Funds	
3000		OPERATION OF NON-INSTRUCTIONAL SERVICES	
3100		FOOD SERVICES	88,182.96
3200		STUDENT ACTIVITIES	
	3210	School Sponsored Student Activities	35,546.03
	3250	School Sponsored Athletics	
3300		COMMUNITY SERVICES	
	3310	Community Recreation	
	3320	Civic Services	
	3330	Public Library Services	
	3340	Custody and Child Care	
	3350	Welfare Activities	
	3390	Other Community Services	
3400		SCHOLARSHIPS AND AWARDS	
4000		FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT SERVICES	
4100		SITE ACQUISITION SERVICES - ORIGINAL AND ADDITIONAL	
4200		EXISTING SITE IMPROVEMENT SERVICES	
4300		ARCHITECTURE AND ENGINEERING SERVICES / EDUCATIONAL SPECIFICATIONS DEVELOPMENT - ORIGINAL AND ADDITIONAL	
4400		ARCHITECTURE AND ENGINEERING SERVICES / EDUCATIONAL SPECIFICATIONS - IMPROVEMENTS	3,815.29

4500	BUILDING ACQUISITION AND CONSTRUCTION SERVICES - ORIGINAL AND ADDITIONAL	
4600	EXISTING BUILDING IMPROVEMENT SERVICES	
5000	OTHER EXPENDITURES AND FINANCING USES	
5100	DEBT SERVICE / OTHER EXPENDITURES AND FINANCING USES	1,734.77
5200	FUND TRANSFERS	
5300	TRANSFERS INVOLVING COMPONENT UNITS	
5400	INTRAFUND TRANSFERS OUT	
5800	SUSPENSE ACCOUNT	
5900	BUDGETARY RESERVE	
TOTAL EXPENDITURES		4,040,823.65

**TOTAL REVENUES MINUS TOTAL EXPENDITURES = CURRENT FUND
BALANCE AS OF JUNE 30, 2014**

258,624.27

Charter School Corrective Action Verification/Compliance and Improvement Plan - Bureau of Special Education

This form is designed to serve both as a planning tool and as verification of completion of corrective action.

Charter School: Arts Academy CS

Chief Executive Officer: Mr. William Fitzpatrick

Special Education Director/Coordinator: Kathleen Adolt-Silva

BSE Special Education Adviser: JoAnn Radicchi

Date of Report: July 28, 2014

Date Final Report Sent to LEA: May 05, 2014

Reminder: The timelines for corrective action of all non-compliance items may not exceed ONE YEAR from the Date Final Report Sent to LEA

First Visit Date: June 13, 2014

Y	N	NA	D K	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
						Topical Area 1: Policies, Practices, and Procedures			
Y						1. FSA-ASSISTIVE TECHNOLOGY AND SERVICES Standard: The Local Education Agency (LEA) observed the requirement that the provision of assistive technology is reflected in the student's IEP			
Y						1A. FSA-HEARING AIDS Standard: Each public agency shall ensure that the hearing aids worn in school by children with hearing impairments, including deafness, are functioning properly. Each public agency must ensure that the external components of surgically implanted medical devices are functioning properly			
	N					2. FSA-POSITIVE BEHAVIOR SUPPORT Standard: LEA complies with the positive behavior support policy requirements.	The LEA will update its current Positive Behavior Support policy to include the required elements. The LEA will submit a copy of the Board approved policy to the BSE adviser as verification of the Corrective Action. LEA will train staff in the correct use of restraints, including a focus on de-escalation techniques and provide an agenda and log-in sheets to the Special Education Adviser for review.	05/05/2015 PaTTAN IU21 School District BSE	

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
Y						3. FSA-CHILD FIND Standard: LEA demonstrates compliance with annual public notice requirements.			
Y						4. FSA-CONFIDENTIALITY Standard The LEA is in compliance with confidentiality requirements.			
		X				5. FSA-DISPUTE RESOLUTION (DUE PROCESS HEARING DECISION IMPLEMENTATION) Standard: The LEA uses dispute resolution processes for program improvement.			
Y						8. FSA-PROCEDURAL REQUIREMENTS FOR SUSPENSION Standard: The LEA adheres to procedural requirements in suspending students with disabilities.			
Y						10. FSA-INDEPENDENT EDUCATIONAL EVALUATION Standard: The LEA documents a procedure for responding to requests made by parents for an independent educational evaluation at public expense.			
Y						11A. FSA-LEAST RESTRICTIVE ENVIRONMENT Standard: The LEA's continuum of special education services supports the availability of LRE under 34 CFR Part 300.			
Y						12. FSA-EXTENDED SCHOOL YEAR SERVICES			
Y						13. FSA-RELATED SERVICE INCLUDING PSYCHOLOGICAL COUNSELING			
	N					15. FSA-PARENT TRAINING Standard: Parent opportunities for training and information sharing address the special knowledge, skills and abilities needed to serve the unique needs of children with disabilities.	LEA will survey parents to determine desired training topics and will develop an Improvement plan. LEA will provide the survey results and Improvement Plan to BSE adviser for review by 11-5-2014.	05/05/2015 PaTTAN IU 21 BSE	
						INTERVIEW RESULTS (Parent)			
						P 62. My school district/charter school makes available training related to the needs of students with disabilities that I could attend.			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
					5 0 0 1 2 0	Always Sometimes Rarely Never Don't Know Does not Apply			
					3 1 0 1 2 1	P 63. My school district/charter school invites parents to trainings that are available to school staff regarding research based best practices, supplementary aids and services, differentiating instruction and modifying the general education curriculum. Always Sometimes Rarely Never Don't Know Does not Apply			
Y						18. FSA-SURROGATE PARENTS (STUDENTS REQUIRING) Standard: The LEA identifies eligible students in need of surrogate parents and recruits, selects, trains, and assigns in a timely manner.			
Y						19. FSA-PERSONNEL TRAINING Standard: In-service training appropriately and adequately prepares and trains personnel to address the special knowledge, skills, and abilities to serve the unique needs of children with disabilities, including those with low incidence disabilities, when applicable.			
						INTERVIEW RESULTS (General & Special Education Teacher)			
10	0	0				GE 88. Do you receive training regarding how to differentiate instruction and modify the curriculum in your classroom?			
10	0	0				GE 89. Do you receive training regarding how to provide positive behavior supports for students with negative behaviors?			
8	1	1				GE 90. If you have a student with a behavioral need, have you been trained how to deescalate negative and aggressive student behavior?			
7	3	0				GE 91. Do you participate in determining the kinds of training and technical assistance needed to support students with IEPs in regular education classrooms?			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
6	0	4				GE 94. If a student has AT included in his/her current IEP, have you received training in AT, and accessing AT resources?			
10	0	0				SE 124. Do you collaborate with general education teachers and administrators to recommend training needs for personnel within the LEA?			
Y						20. FSA-INTENSIVE INTERAGENCY APPROACH Standard: The LEA identifies, reports, and provides for the provision of Free Appropriate Public Education (FAPE) for all students with disabilities including those students needing intensive interagency approaches.			
		X				21. FSA-SUMMARY OF ACADEMIC AND FUNCTIONAL PERFORMANCE/PROCEDURAL SAFEGUARD REQUIREMENTS FOR GRADUATION Standard: The LEA provides Summary of Academic Achievement and Functional Performance for children whose eligibility terminates due to graduation or aging out. The LEA provides required prior written notice for graduation			
						Topical Area 2: Delivery of Service			
Y						17. FSA-PUBLIC SCHOOL ENROLLMENT Standard: The LEA's percentage of children with disabilities served in special education is comparable to state data.			
	N					17B. FSA-PUBLIC SCHOOL ENROLLMENT Standard: Timely provision of FAPE for students who transfer public agencies within state, and from another state.	LEA will develop a procedure for new students and include what is to be done and who is responsible for each step of the procedure. LEA will make a copy of this procedure available for BSE Adviser review.	05/05/2015 PaTTAN IU 21 BSE	
Y						22. FSA-DISPROPORTIONATE REPRESENTATION THAT IS THE RESULT OF INAPPROPRIATE IDENTIFICATION Standard: LEA does not demonstrate disproportionate representation of racial/ethnic groups receiving special education or by disability group.			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
Y						23. FSA-EDUCATIONAL BENEFIT REVIEW Standard: The IEP meets procedural compliance and is reasonably calculated to enable the child to advance appropriately toward attaining their annual goals.			
						CLASSROOM OBSERVATIONS			
7	0	0		3		CO 1. Is the instruction provided to the student individualized as required by his/her IEP?			
7	0	0		3		CO 2. Is the instruction being provided in accordance with the goals in the student's IEP?			
2	0	8		0		CO 3. If assistive technology is included in the student's IEP and required for the activity observed, is it being used?			
9	0	1		0		CO 4. If the student is in a regular education setting, is he/she participating in the lesson taught by the general education teacher or a co-teacher?			
9	0	1		0		CO 5. If the student is in a regular education setting, is the student appropriately integrated (physically) in the class?			
10	0	0		0		CO 6. If the student's IEP contains supplementary aids and/or services, are they being delivered in the classroom setting as required?			
10	0	0		0		CO 7. Does this setting coincide with the student's IEP with regard to the extent to which the student is educated with non-disabled peers?			
						INTERVIEW RESULTS (Parent, General & Special Education Teacher)			
					7 1 0 0 0 0	P 55. My child does classroom work in a regular classroom with students without disabilities. Always Sometimes Rarely Never Don't Know Does not Apply			
						P 56. My child participates or has the opportunity to participate in school activities other than classroom work, including extra-curricular activities, with students without disabilities.			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
					8 0 0 0 0 0	Always Sometimes Rarely Never Don't Know Does not Apply			
					8 0 0 0 0 0	P 56a. My child goes on field trips, attends school functions and/or participates in extracurricular activities with their same age/grade peers who are non-disabled. Always Sometimes Rarely Never Don't Know Does not Apply			
					8 0 0 0 0 0	P 56b. There are routine opportunities for my child to interact with peers who are non-disabled that are planned and/or facilitated by school personnel. Always Sometimes Rarely Never Don't Know Does not Apply			
10	0	0				GE 70. Are you familiar with the content of this student's current IEP, including accommodations, supplementary aids and services, and annual goals?			
9	0	1				GE 71. Do you adapt and modify the general education curriculum based on the student's current IEP?			
9	0	1				GE 72. Do you have support from special education personnel to help you modify curriculum, instruction and assessment as required in the student's current IEP?			
10	0	0				GE 73. Are you and the special education personnel working collaboratively to implement this student's program?			
8	0	2				GE 78. Are all the supplementary aids and services necessary for the student's progress in the general education class included in his/her current IEP?			
10	0	0				GE 80. Is the student making progress within the general education curriculum?			
10	0	0				GE 80a. In your opinion, is this student benefiting from participation in your general education classroom?			
0	0	0				GE 80b. If yes, in what ways?			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
						<p>Increased confidence, more independent.</p> <p>Maturity & organizational skills.</p> <p>Socially</p> <p>Socially, increased independence.</p> <p>Group work/partner work gives student reassurance.</p> <p>Being able to work with other students, good modeling.</p> <p>Increased on-task behavior, peer pressure to behave in age-appropriate ways.</p> <p>On-task, self-advocates.</p> <p>Group work, grade level content.</p> <p>More confidence.</p>			
0	0	10				GE 80c. If no, what does this student need that he/she is not receiving in your class?			
10	0	0				GE 85. Do you have sufficient time to collaborate with the special education teacher in order to meet this student's needs?			
10	0	0				GE 85a. Have you received sufficient training, technical assistance and other support to teach this student?			
0	0	10				GE 85b. If no, what training or support would assist you?			
10	0	0				GE 93. Do special education personnel work directly with you to help you reduce negative student behaviors?			
10	0	0				SE 95. Is this student participating in the general education class and curriculum with students without disabilities to the maximum extent possible?			
10	0	0				SE 95a. In the most recent IEP meeting for this student, did you discuss whether he/she could be educated in a general education classroom for the entire school day?			
4	6	0				SE 95b. In the most recent IEP meeting, did the IEP team recommend removal of this student from the general education classroom for any part of the school day?			
0	0	6				<p>SE 95c. If yes, what reasons were discussed for recommending removal?</p> <p>Re-teach, extra time for test.</p> <p>Need quiet area for related service.</p> <p>Re-teach, extra time on test.</p> <p>Needs extra support time for practice, review & re-teaching.</p>			
0	0	6				SE 95d. If yes, how was the amount of time that this student would be removed from the general education classroom decided?			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
						IEP team decided based on student need. IEP team. IEP team decided based on student need. By the IEP team based on student need.			
10	0	0				SE 95e. In the most recent IEP meeting, did the IEP team discuss whether this student could be educated satisfactorily in a general education classroom for the entire school day with supplementary aids and services?			
10	0	0				SE 96. Has the student been given the opportunity to participate in non-academic and extracurricular activities with children without disabilities?			
6	0	4				SE 97. Have necessary supports been offered and/or provided to enable that participation?			
7	0	3				SE 99. Are you and related services personnel working together toward meeting the measurable annual goals for this student?			
10	0	0				SE 100. Are you and general education personnel working together toward meeting the measurable annual goals for this student?			
10	0	0				SE 115. Did the IEP team have available information regarding use of the Supplementary Aids and Services ToolKit?			
10	0	0				SE 125. Do you collaborate with general education teachers to identify training needs related to the provision of supplementary aids and services to students with IEPs in the general education classroom?			
						Topical Area 3: Performance Indicators			
		X				5A. FSA-EFFECTIVE USE OF DISPUTE RESOLUTION Standard: The LEA uses dispute resolution processes for program improvement.			
		X				6. FSA-GRADUATION RATES (SPP) Standard: The graduation rate of the LEA's students with disabilities is comparable to the state graduation rate.			
		X				7. FSA-DROPOUT RATES (SPP) Standard: The dropout rate of the LEA's students with disabilities is comparable to the state dropout rate.			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
Y						8A. FSA-SUSPENSION RATES Standard: The LEA's rate of suspensions and expulsions of students with disabilities is comparable to the rate of other LEAs in the state.			
Y						11. FSA-LEAST RESTRICTIVE ENVIRONMENT (SPP) Standard: Students with disabilities are provided for in the least restrictive environment			
Y						16. FSA-PARTICIPATION IN PSSA AND PASA (SPP) Standard: The LEA's population of students who participate in state assessment is comparable with the state data.			
Y						16A. FSA-DISTRICT-WIDE ASSESSMENT			
						Topical Area 4: Evaluation and Reevaluation Process and Content			
						CONSENT AND WAIVER REQUIREMENTS FOR EVALUATION/REEVALUATION			
						PERMISSION TO EVALUATE (File Reviews)			
0	0	10				FR 153. PTE-Consent Form is present in the student file			
0	0	10				FR 154. Demographic data			
0	0	10				FR 155. Reason(s) for referral for evaluation			
0	0	10				FR 156. Proposed types of tests and assessments			
0	0	10				FR 157. Contact person's name and contact information			
0	0	10				FR 158. Parent signature or documentation of reasonable efforts to obtain consent			
0	0	10				FR 159. Parent has selected a consent option			
0	0	10				FR 159a. NOREP/Prior Written Notice was issued			
						PERMISSION TO REEVALUATE (File Reviews)			
4	0	6				FR 194. PTRE-Consent Form is present in the student file			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
4	0	6				FR 195. Demographic data			
4	0	6				FR 196. Reason for reevaluation			
4	0	6				FR 197. Types of assessment tools, tests and procedures to be used			
4	0	6				FR 198. Contact person's name and contact information			
3	1	6			25%	FR 199. Parent has selected a consent option	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 PaTTAN IU21 BSE	
3	1	6			25%	FR 200. Parent signature or documentation of reasonable efforts to obtain consent	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 PaTTAN IU 21 BSE	
1	2	7			67%	FR 200a. NOREP/Prior Written Notice was issued	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 PaTTAN IU 21 BSE	
						AGREEMENT TO WAIVE REEVALUATION (File Reviews)			
2	0	8				FR 201. Agreement to Waive Reevaluation is present in the student file			
2	0	8				FR 202. Waiver was completed within required timelines (3 years (2 years for any MR student or any student placed in an Approved Private School) from date of ER, prior RR, or Agreement to Waive RR)			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
2	0	8				FR 203. Reason reevaluation is not necessary at this time is included			
2	0	8				FR 204. Contact person's name and contact information			
2	0	8				FR 205. Parent has selected a consent option			
2	0	8				FR 206. Parent signature			
						EVALUATION REPORT (INITIAL) (File Reviews)			
0	0	10				FR 160. ER is present in the student file			
0	0	10				FR 161. Evaluation was completed within timelines			
0	0	10				FR 162. A copy of the ER was disseminated to parents at least 10 school days prior to meeting of the IEP team (unless this requirement is waived by parent in writing)			
0	0	10				FR 163. Demographic data			
0	0	10				FR 164. Date report was provided to parent			
0	0	10				FR 165. Reason(s) for referral			
0	0	10				FR 166. Reason(s) for referral reflect the reason(s) listed on the PTE-Consent Form			
0	0	10				FR 167. Evaluations and information provided by the parents of the student (or documentation of LEA's attempts to obtain parent input)			
0	0	10				FR 168. Teacher observations and observations by related service providers, when appropriate			
0	0	10				FR 169. Recommendations by teachers			
0	0	10				FR 170. The student's physical condition (including health, vision, hearing); social or cultural background; and adaptive behavior relevant to the student's suspected disability and potential need for special education			
0	0	10				FR 171. Assessments, including when appropriate, current classroom based assessments, aptitude and achievement tests; local and/or state assessments; behavioral assessments; vocational technical education assessment results; interests, preferences, aptitudes (for secondary transition); etc.			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
0	0	10				FR 172. If an assessment is not conducted under standard conditions, description of the extent to which it varied from standard conditions (including if the assessment was given in the student's native language or other mode of communication)			
0	0	10				FR 173. Lack of appropriate instruction in reading			
0	0	10				FR 174. Lack of appropriate instruction in math			
0	0	10				FR 175. Limited English proficiency			
0	0	10				FR 176. Present levels of academic achievement			
0	0	10				FR 177. Present levels of functional performance			
0	0	10				FR 178. Behavioral information			
0	0	10				FR 179. Conclusions			
0	0	10				FR 180. Disability Category			
0	0	10				FR 181. Recommendations for consideration by the IEP team			
0	0	10				FR 182. Evaluation Team Participants documented			
0	0	10				FR 183. For students evaluated for SLD documentation of Agree/Disagree			
0	0	10				FR 184. Documentation that the student does not achieve adequately for age, etc.			
0	0	10				FR 185. Indication of process(es) used to determine eligibility			
0	0	10				FR 186. Instructional strategies used and student-centered data collected			
0	0	10				FR 187. Educationally relevant medical findings, if any			
0	0	10				FR 188. Effects of the student's environment, culture, or economic background			
0	0	10				FR 189. Data demonstrating that regular education instruction was delivered by qualified personnel, including the ESL program, if applicable			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
0	0	10				FR 190. Data based documentation of repeated assessments of achievement at reasonable intervals, which was provided to parents			
0	0	10				FR 191. Observation in the student's learning environment			
0	0	10				FR 192. Other data if needed			
0	0	10				FR 193. Statement for all 6 items indicated to support conclusions of the evaluation team			
						REEVALUATION REPORT (File Reviews)			
8	0	2				FR 207. RR is present in the student file			
5	3	2			38%	FR 208. Reevaluation was completed within timelines (either 60 calendar days from the date of LEA receipt of signed PTRE-Consent Form, excluding summer break, or within 3 years (2 years for any MR student or any student placed in an Approved Private School) of date of ER, prior RR, or Agreement to Waive RR)	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
5	3	2			38%	FR 209. A copy of the RR was disseminated to parents at least 10 school days prior to the meeting of the IEP team (unless this requirement was waived by a parent in writing)	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
8	0	2				FR 210. Demographic data			
7	1	2			13%	FR 211. Date IEP team reviewed existing evaluation data	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
7	1	2			13%	FR 212. Physical condition, social, or cultural background and adaptive behavior relevant to the student's need for special education	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
7	1	2			13%	FR 213. Evaluations and information provided by the parent (or documentation of LEA's attempts to obtain parent input)	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
8	0	2				FR 214. Aptitude and achievement tests			
7	1	2			13%	FR 215. Current classroom based assessments and local and/or state assessments	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
7	1	2			13%	FR 216. Observations by teacher(s) and related service provider(s) when appropriate	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
7	1	2			13%	FR 217. Teacher recommendations	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
5	1	4			17%	FR 218. Lack of appropriate instruction in reading	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
5	1	4			17%	FR 219. Lack of appropriate instruction in math	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
5	1	4			17%	FR 220. Limited English proficiency	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
7	1	2			13%	FR 221. Conclusion regarding need for additional data is indicated	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
4	0	6				FR 222. Reasons additional data are not needed are included			
8	0	2				FR 223. Determination whether the child has a disability and requires special education			
8	0	2				FR 224. Disability category(ies)			
7	1	2			13%	FR 225. Summary of findings includes student's educational strengths and needs	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
8	0	2				FR 226. Summary of findings includes present levels of academic achievement and related developmental needs, including transition needs as appropriate			
8	0	2				FR 227. Summary of findings includes recommendations for consideration by the IEP team regarding additions or modifications to the student's programs			
3	1	6			25%	FR 228. Interpretation of additional data	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
4	0	6				FR 229. Documentation that the student does not achieve adequately for age, etc.			
4	0	6				FR 230. Indication of process(es) used to determine eligibility			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
4	0	6				FR 231. Instructional strategies used and student-centered data collected			
4	0	6				FR 232. Educationally relevant medical findings, if any			
4	0	6				FR 233. Effects of the student's environment, culture, or economic background			
4	0	6				FR 234. Data demonstrating that regular education instruction was delivered by qualified personnel, including the ESL program, if applicable			
4	0	6				FR 235. Data based documentation of repeated assessments of achievement at reasonable intervals, which was provided to parents			
4	0	6				FR 236. Observation in the student's learning environment			
3	0	7				FR 237. Other data if needed			
4	0	6				FR 238. Statement for all 6 items			
7	1	2			13%	FR 239. Documentation of Evaluation Team Participants	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
5	2	3			29%	FR 240. Documentation that team members Agree/Disagree	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
						INTERVIEW RESULTS (Parent & Special Education Teacher)			
8	0	0	0			P 24. Have you been asked to provide information for your child's evaluation/reevaluation?			
7	0	0	1			P 25. Were you given the opportunity to provide this information in writing or in another way that worked for you?			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
7	0	0	1			P 26. Was the information you provided to the school for your child's evaluation considered in your child's Evaluation Report?			
1	1	5	1			P 27. If your child was not reevaluated when required (every 2 years for children with mental retardation, or any child placed in an Approved Private School, and every 3 years for children with other disabilities) did you agree in writing to waive the reevaluation?			
1	5	1	1			P 51. Have you requested an Independent Educational Evaluation (IEE) for your child to be paid for by the school?			
0	1	6	1			P 52. If you have obtained an IEE for your child, were the results of that evaluation considered by the team?			
0	0	7	1			P 53. Were the results of the IEE included in the school's Evaluation Report for your child?			
0	0	10				SE 119. If this student is not making progress, has he/she been reevaluated and/or has the IEP been reviewed?			
						Topical Area 5: IEP Process and Content			
						INVITATION TO PARTICIPATE IN IEP TEAM OR OTHER MEETING (File Reviews)			
9	1	0			10%	FR 241. Invitation is present in the student file	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
9	0	1				FR 242. Invitation to Participate in the IEP Meeting was issued prior to the meeting (or documentation that parent signed waiver to move directly to IEP meeting)			
9	0	1				FR 243. Demographic data			
9	0	1				FR 244. Purpose(s) of the meeting			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
0	1	9			100%	FR 245. Transition planning and services – Invitation to parents is checked (age 14, younger if determined appropriate)	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
0	0	10				FR 246. Transition planning and services - if appropriate, evidence that a representative of any participating agency was invited to the IEP team meeting with the prior consent of the parent or student			
0	1	9			100%	FR 247. Transition planning and services – Invitation to student is checked (age 14, or younger if determined appropriate)	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
9	0	1				FR 248. Invited IEP team members			
9	0	1				FR 249. Date/time/location of meeting			
9	0	1				FR 250. Parent response, or documentation of parent attendance at the meeting, or documentation of multiple efforts to encourage participation			
						PARENT CONSENT TO EXCUSE MEMBERS FROM ATTENDING IEP TEAM MEETING (File Reviews)			
0	0	10				FR 251. Parent Consent to Excuse Members from Attending the IEP Team Meeting is present in the student file			
0	0	10				FR 252. Demographic data			
0	0	10				FR 253. Form designates IEP team member(s) for whom attendance is not necessary			
0	0	10				FR 254. Form designates which members will submit written input prior to the meeting			
0	0	10				FR 255. Parent written consent is documented			
						FR 256. The team members excused:			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
					0 0 0	a. General Education Teacher b. Special Education Teacher c. Local Education Agency Representative			
						IEP CONTENT (File Reviews)			
10	0	0				FR 257. IEP is present in the student file			
10	0	0				FR 258. IEP was completed within timelines			
10	0	0				FR 259. Demographic data			
10	0	0				FR 260. IEP implementation date			
10	0	0				FR 261. Anticipated duration of services and programs			
1	0	9				FR 262. If appropriate, LEA and parent agreement to make changes to IEP without convening an IEP meeting			
						DOCUMENTATION OF IEP TEAM PARTICIPATION (File Reviews)			
10	0	0				FR 263. Parents			
7	1	2			13%	FR 264. Student	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
10	0	0				FR 265. General Education Teacher			
10	0	0				FR 266. Special Education Teacher			
10	0	0				FR 267. Local Education Agency Representative			
0	0	10				FR 270. Community Agency Representative			
0	0	10				FR 271. Teacher of the Gifted			
0	0	10				FR 272. Written input provided by IEP team member(s) excused from participating in the IEP meeting if the invitation stated they were to provide written input			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
10	0	0				FR 273. Copy of Procedural Safeguards Notice was given to parent during the school year			
						SPECIAL CONSIDERATIONS (File Reviews)			
0	0	10				FR 274. If the student is blind or visually impaired, a description of the instruction in Braille and the use of Braille, unless the IEP team determines that such instruction is not appropriate			
0	0	10				FR 275. If the student is deaf or hard of hearing, a communication plan			
1	0	9				FR 276. If the student has communication needs, needs must be addressed in the IEP			
0	1	9			100%	FR 277. If the student requires assistive technology devices and/or services, needs must be addressed in the IEP	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
0	0	10				FR 278. If the student has limited English proficiency, the IEP team must consider English as Second Language for provision of FAPE			
0	0	10				FR 279. If the student has behaviors that impede his/her learning or that of others, the IEP includes a Positive Behavior Support Plan based on a functional assessment of behavior utilizing positive behavior techniques			
0	0	10				FR 280. If the student has other special considerations, these are addressed in the IEP			
						PRESENT LEVELS OF ACADEMIC ACHIEVEMENT AND FUNCTIONAL PERFORMANCE (File Reviews)			
8	2	0			20%	FR 281. Student's present levels of academic achievement	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
9	1	0			10%	FR 282. Student's present levels of functional performance	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
4	0	6				FR 283. Present levels related to current postsecondary transition goals (if student is 14, or younger if determined by IEP team)			
1	7	2			88%	FR 284. Parental concerns for enhancing the education of the student (if provided by parent to the LEA)	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
3	7	0			70%	FR 285. How the student's disability affects involvement and progress in the general education curriculum	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
7	3	0			30%	FR 286. Strengths	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
7	3	0			30%	FR 287. Academic, developmental, and functional needs related to student's disability	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
						TRANSITION SERVICES (File Reviews)			
1	1	8			50%	FR 289. Evidence that the measurable postsecondary goal(s) were based on age appropriate transition assessment	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
1	1	8			50%	FR 290. An appropriate measurable postsecondary goal or goals that covers education or training, employment, and, as needed, independent living	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
0	0	10				FR 291. Evidence that the postsecondary goal or goals that covers education or training, employment, and, as needed, independent living are updated annually			
1	1	8			50%	FR 292. Location, Frequency, Projected Beginning Date, Anticipated Duration, and Person(s)/Agency Responsible for Activity/Service	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
1	1	8			50%	FR 292a. Transition services include courses of study that will reasonably enable the student to meet his/her postsecondary goal(s)	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
1	1	8			50%	FR 292b. Transition services in the IEP that will reasonably enable the student to meet his/her postsecondary goal(s)	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
1	1	8			50%	FR 292c. Annual goals are related to the student's transition services	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
						PARTICIPATION IN STATE AND LOCAL ASSESSMENTS (File Review)			
9	0	1				FR 293. Documentation of IEP team decision regarding participation in statewide assessments (PSSA/Keystone Exams or PASA)			
9	0	1				FR 294. If the student will participate in the PSSA, documentation of IEP team decision regarding participation with or without accommodations			
1	0	9				FR 295. If the student will participate in the PASA, an explanation of why the student cannot participate in the PSSA/Keystone Exams			
1	0	9				FR 296. If the student will participate in the PASA, explanation of why PASA is appropriate			
1	0	9				FR 297. If the student will participate in the PASA, how student's performance will be documented (videotape or written narrative)			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
6	0	4				FR 298. Indication of IEP team decision regarding participation in local assessments (local or alternate local)			
6	0	4				FR 299. If the student will participate in local assessments, indication of IEP team decision regarding participation with or without accommodations			
0	0	10				FR 300. If the IEP indicates the student will participate in an alternate local assessment, explanation of why the student cannot participate in the regular assessment			
0	0	10				FR 301. If the student will participate in an alternate local assessment, explanation of why the alternate assessment is appropriate			
						ANNUAL GOALS AND OBJECTIVES (INCLUDING ACADEMIC AND FUNCTIONAL GOALS) (File Reviews)			
8	2	0			20%	FR 302. Measurable Annual Goals	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
10	0	0				FR 303. Description of how student progress toward meeting goals will be measured			
10	0	0				FR 304. Description of when periodic reports on progress will be provided to parents			
10	0	0				FR 305. Documentation of progress reporting on Annual Goals			
0	0	10				FR 306. Short Term Objectives			
						SPECIAL EDUCATION/RELATED SERVICES/SUPPLEMENTARY AIDS AND SERVICES/PROGRAMS MODIFICATIONS (File Reviews)			
10	0	0				FR 307. Program Modifications and Specially-Designed Instruction			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
8	1	1			11%	FR 308. If the student's most recent Evaluation Report contained recommendations for modifications and accommodations, did the IEP team address those recommendations in development of this IEP	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
10	0	0				FR 309. If Program Modifications and Specially Designed Instruction are included on the IEP, the location, frequency, projected beginning date and anticipated duration of services			
0	0	10				FR 310. If a student attends a Career or Vocational Technical School, evidence that the specially designed instruction addresses the student's needs in Career and Vocational Technical School			
1	0	9				FR 311. If Related Services are included on the IEP, the location, frequency, projected beginning date and anticipated duration of services			
1	0	9				FR 312. If the student's most recent Evaluation Report contained recommendations for the provision of related services, including psychological counseling, did the IEP team address those recommendations in development of this IEP			
8	0	2				FR 313. If Supports for school personnel are included on the IEP, the personnel to receive support, support, location, frequency, projected beginning date and anticipated duration of services			
9	0	1				FR 314. If the student's most recent Evaluation Report contained recommendations for program modifications or supports for school personnel provided for the student, did the IEP team address those recommendations in development of this IEP			
0	0	10				FR 315. Support services, if the student is identified as gifted and also is identified as a student with a disability			
10	0	0				FR 316. A conclusion regarding student eligibility for ESY			
10	0	0				FR 317. Information or data reviewed by the IEP team to support the ESY eligibility determination			
0	0	10				FR 318. Where ESY services were deemed appropriate, annual goals and when appropriate, short term objectives that are to be addressed in the child's ESY program			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
0	0	10				FR 319. Where ESY was determined to be appropriate, ESY service to be provided, location, frequency, projected beginning date and anticipated duration of services			
						EDUCATIONAL PLACEMENT (File Reviews)			
7	3	0			30%	FR 320. Explanation of the extent, if any, to which the student will not participate with students without disabilities in the regular education class	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
4	6	0			60%	FR 321. Explanation of the extent, if any, to which the student will not participate with students without disabilities in the general education curriculum	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
10	0	0				FR 322. Type of support, by amount (itinerant, supplemental, full-time)			
10	0	0				FR 323. Type of special education supports, e.g. autistic support, emotional support, learning support, etc.			
10	0	0				FR 324. Location of student's program (name of LEA where the IEP will be implemented)			
10	0	0				FR 325. Location of student's program (name of School Building where the IEP will be implemented)			
4	1	5			20%	FR 326. If child will not be attending his/her neighborhood school, reason why not	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
						PENNDATA REPORTING FOR EDUCATIONAL ENVIRONMENT (File Reviews)			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
5	5	0			50%	FR 327. Completed Section A or Section B	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
						IEP DEVELOPMENT			
						INTERVIEW RESULTS (Parent & General Education Teacher)			
8	0	0	0			P 28. Were you invited to participate in your child's most recent IEP team meeting?			
8	0	0	0			P 29. Did you participate in developing the current IEP for your child?			
7	0	1	0			P 30. Was the meeting held at a time and location that was convenient for you?			
3	0	5	0			P 31. If you were unable to participate in person, did the school offer other arrangements for you to participate by phone or through other methods?			
8	0	0	0			P 32. Was the input you provided considered in the development of your child's current IEP?			
7	1	0	0			P 32a. Have you received sufficient training, technical assistance and other support to participate as an IEP team member?			
0	0	7	0			P 32b. If no, what training or support would assist you? The whole process.			
8	0	0	0			P 33. Were the services you requested for your child considered by the IEP team in the development of your child's current IEP?			
8	0	0	0			P 35. Was the current IEP developed at the IEP meeting?			
5	0	3	0			P 36. If there was a draft IEP developed prior to the IEP meeting were you provided a copy of the draft either before or at the meeting?			
7	0	0	1			P 37. Were the special education teacher, the general education teacher and the school representative at the IEP meeting?			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
0	0	7	1			P 38. If required IEP team members (special education teacher, general education teacher, or LEA) did not attend the meeting, did you agree in writing to them not being there?			
0	0	7	1			P 39. Was written input from the excused IEP team member(s) available to you before the meeting?			
		8	0			P 65. If you did not participate in your child's IEP meeting, what kept you from participating?			
4	1	5				GE 74. Did you attend the most recent IEP meeting for this student or have the opportunity to provide input?			
1	2	7				GE 75. Did you recommend any needed supports to implement the current IEP for this student?			
1	0	9				GE 76. Were those recommendations considered by the IEP team?			
10	0	0				GE 86. When a student with a disability is included in your class do you have the opportunity to provide information to the IEP team?			
10	0	0				GE 87. Do you provide progress monitoring data as part of the IEP development process?			
						IEP CONTENT			
						INTERVIEW RESULTS (Parent, General & Special Education Teacher)			
7	0	0	1			P 40. Did the IEP team consider the recommendations that were made in your child's most recent evaluation, including all recommendations that were made by the evaluation team for special education, related services, and supports for school personnel?			
6	0	2	0			P 41. Did the IEP team accept or reject the evaluation team's recommendations for special education, related services, and supports for school personnel for appropriate educational reasons.			
10	0	0				GE 81. Are this student's goals based on the PA Standards/PA Common Core or, if appropriate, alternate standards?			
10	0	0				GE 82. Is the specially designed instruction in this student's current IEP appropriate to meet his/her educational needs?			
10	0	0				GE 83. Is the current IEP appropriate to meet this student's educational needs?			
10	0	0				SE 98. Unless otherwise specified in the student's IEP, is the length of this student's instructional day the same as nondisabled students?			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
10	0	0				SE 102. Is the specially-designed instruction in the current IEP appropriate to meet this student's educational needs?			
10	0	0				SE 103. Are the student's annual goals based on the PA Standards/PA Common Core or, if appropriate, alternate standards?			
9	0	1				SE 104. If appropriate, are the student's annual goals based on functional performance?			
9	1	0				SE 106. If the student's most recent Evaluation Report contained recommendations for modifications and accommodations did the IEP team address those recommendations in development of the student's current IEP and accept or reject the ER recommendations for appropriate educational reasons?			
9	0	1				SE 107. If the student's most recent Evaluation Report contained recommendations for provision of related services, including psychological counseling, did the IEP team address those recommendations in development of the student's current IEP and accept or reject the ER recommendations for appropriate educational reasons?			
10	0	0				SE 108. If the student's most recent Evaluation Report contained recommendations for program modifications or supports for school personnel that will be provided for the student, did the IEP team address those recommendations in development of the student's current IEP and accept or reject the ER recommendations for appropriate educational reasons?			
10	0	0				SE 112. Was it an IEP team decision as to whether this student would participate in the PSSA/Keystone Exams, PASA, and other district-wide/charter school-wide assessments?			
9	0	1				SE 117. Is this student making progress in meeting the annual goals of his/her current IEP?			
10	0	0				SE 117a. In your opinion, is this student benefiting from participation in the general education classroom?			
0	0	0				SE 117b. If yes, in what ways?			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
						<p>Reduced anxiety. Socially More independent, preparing for high school. Benefiting socially. Academically Socially, exposure to age-appropriate skills. Learning how to be organized, successful & independent. Stays on task, likes being successful through modifications. Socially Increased independence.</p>			
0	0	10				SE 117c. If no, what does this student need that he/she is not receiving?			
10	0	0				SE 118. Is the progress on annual goals recorded and reported to the parent based on objective and measurable data?			
						IEP IMPLEMENTATION			
						INTERVIEW RESULTS (Parent, General & Special Education Teacher)			
8	0	0	0			P 48. Were the special education and related services in your child's current IEP provided within 10 school days of the completion of the IEP?			
8	0	0	0			P 49. Are the special education and related services included in your child's current IEP provided at no cost to you?			
					8 0 0 0 0 0	<p>P 57. When all students in the school receive a report card, I also receive a progress report on my child's IEP goals.</p> <p>Always Sometimes Rarely Never Don't Know Does not Apply</p>			
					7 0 0 0 0 1	<p>P 58. My child's progress is reported to me by the school in a manner that I understand.</p> <p>Always Sometimes Rarely Never Don't Know Does not Apply</p>			
8	0	0	0			P 64. My child is receiving the supports and services agreed upon at the IEP meeting.			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
10	0	0				GE 77. If supports for school personnel are included in the student's current IEP, has the LEA provided those supports?			
10	0	0				GE 79. Are the supplementary aids and services, including program modifications and specially designed instruction in the student's current IEP, being provided?			
0	0	10				GE 79a. In the most recent IEP meeting for this student, did you discuss whether the student could be educated in a general education classroom for the entire school day?			
0	0	10				GE 79b. In the most recent IEP meeting, did the IEP team recommend removal of this student from the general education classroom for any part of the school day?			
0	0	10				GE 79c. If yes, what reasons were discussed for recommending removal?			
0	0	10				GE 79d. If yes, how was the amount of time that this student would be removed from the general education classroom decided?			
3	0	7				GE 79e. In the most recent IEP meeting, did the IEP team discuss whether this student could be educated satisfactorily in a general education classroom for the entire school day with supplementary aids and services?			
4	0	6				GE 84. If appropriate, are you implementing the positive behavior support plan for this student as written in the current IEP			
9	0	1				GE 92. If a student with an IEP is having behavioral difficulties in your classroom, do you address the behavior in your classroom rather than sending him/her back to the special education classroom to address the behavior issue unless indicated otherwise in the student's IEP?			
10	0	0				SE 105. Are the supplementary aids and services, including program modifications and specially designed instruction in the student's current IEP, being provided?			
10	0	0				SE 109. Is this student receiving the type and amount of special education instruction and related services specified in his/her current IEP?			
10	0	0				SE 110. Was this student's current IEP implemented no later than 10 school days after its completion or no later than the IEP implementation date?			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
10	0	0				SE 111. If supports for school personnel are included in this student's current IEP, has the LEA provided those supports?			
10	0	0				SE 113. If required, were the testing accommodations included in this student's current IEP implemented?			
10	0	0				SE 114. Was the placement decision made by the IEP team after the annual goals, specially designed instruction, and related services were developed?			
10	0	0				SE 120. Is this student receiving the supports and services agreed upon in his/her current IEP, including related services?			
						PROVISION OF ESY AND RELATED SERVICES INTERVIEW RESULTS (Parent & Special Education Teacher)			
4	0	4	0			P 42. If your child's current IEP includes psychological counseling as a related service, and he/she receives these services, including transportation, are they provided at no cost to you?			
2	2	1	3			P 43. Was your child's need for extended school year (ESY) – which means services over the summer or during breaks from the regular school calendar - discussed at an IEP meeting?			
2	2	1	3			P 44. Did you receive an explanation of what would make your child eligible for ESY services?			
4	0	2	2			P 45. Did you agree with the IEP team's conclusion about your child's eligibility for ESY services?			
1	0	5	2			P 46. If you did not agree with the decision on ESY eligibility, were you given a written notice (NOREP/PWN) explaining that you could ask for a due process hearing?			
0	0	6	2			P 47. If your child was determined to be eligible for ESY services, did the IEP team decide upon the goals and services needed for the ESY program?			
10	0	0				SE 121. Was the consideration of ESY eligibility discussed during this student's current IEP meeting?			
0	0	10				SE 122. If this student was determined to be ESY eligible, did the IEP team determine what goals and services were needed and include them in the IEP?			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
0	0	10				SE 122a. At the most recent IEP meeting, did the IEP team discuss the development of a plan to transition this student back into the school district (or charter school if student is enrolled in a charter school) with supplementary aids and services?			
0	0	10				SE 122b. Are staff from the home district (or charter school if student is enrolled in a charter school) involved with the planning and implementation of this student program?			
0	0	10				SE 122c. Does this student go on field trips, attend school functions or participate in extracurricular activities with his/her same age/grade peers who are non-disabled?			
0	0	10				SE 122d. Does this student need supplementary aids and services to participate in non-academic and/or extra-curricular activities?			
0	0	10				SE 122e. If yes, are needed supplementary aids and services being provided to this student?			
0	0	10				SE 122f. Are there routine opportunities for this student to interact with non-disabled peers that are planned and/or facilitated by school personnel?			
						SECONDARY TRANSITION (Parent & Special Education Teacher)			
1	0	7	0			P 50. If your child is age 14 or older was he/she invited to participate in the IEP meeting for transition planning?			
8	0	0	0			P 50a. In the most recent IEP meeting for your child, did you discuss whether your child could be educated in a general education classroom for the entire school day?			
8	0	0	0			P 50b. In the most recent IEP meeting, did the IEP team recommend removal of your child from the general education classroom for any part of the school day?			
0	0	0	0			P 50c. If yes, what reasons were discussed for recommending removal? Extra help. Need for related service. Needs extra help. Extra time as needed. Delivery of related service. Additional assistance with regular ed assignments. Additional time to learn & process new material. Needs more help in some subjects.			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
0	0	0	0			P 50d. If yes, how was the amount of time that your child would be removed from the general education classroom decided? As little as possible. Just enough time for related services. Based on student need. Not all the time, as needed. IEP decided based on need. IEP team discussion & decision. Teacher recommendation. By general & special ed teacher based on need.			
8	0	0	0			P 50e. In the most recent IEP meeting, did the IEP team discuss whether your child could be educated satisfactorily in a general education classroom for the entire school day with supplementary aids and services?			
8	0	0	0			P 50f. In your opinion, is your child benefiting from participation in the general education classroom?			
0	0	0	0			P 50g. If yes, in what ways? Making progress. Socially Emotionally Self-esteem Socially Socially Socially Socially			
0	0	8	0			P 50h. If no, what does your child need that he/she is not receiving in the class?			
					3 0 0 0 0 0 5	P 59. I am satisfied with the transition services developed for my child. Always Sometimes Rarely Never Don't Know Does not Apply			
						P 60. My child is learning skills that will lead to a high school diploma and further education and/or employment.			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
					6 1 0 0 0 1	Always Sometimes Rarely Never Don't Know Does not Apply			
2	0	8				SE 116. Were this student's desired post school outcomes considered when the IEP team developed the annual goals?			
10	0	0				SE 123. Where appropriate, does the LEA invite a representative of a participating agency that is likely to be responsible for providing or paying for transition services to the IEP meeting?			
						Topical Area 6: NOREP/PWN			
						(File Reviews)			
10	0	0				FR 328. NOREP/PWN is present in the student file			
10	0	0				FR 329. Demographic data			
10	0	0				FR 330. Type of action taken			
8	2	0			20%	FR 331. A description of the action proposed or refused by the LEA	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
7	3	0			30%	FR 332. An explanation of why the LEA proposed or refused to take the action	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
4	5	1			56%	FR 333. A description of the other options the IEP team considered and the reason why those options were rejected	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
10	0	0				FR 334. Description of each evaluation procedure, assessment, record or report used as the basis for proposed action or action refused			
6	4	0			40%	FR 335. Description of other factor(s) relevant to LEA's proposal or refusal	LEA will provide training for special education staff regarding the special education process and the proper completion of forms to ensure compliance. The LEA will provide the BSE adviser with documentation of trainings, including agendas and sign-in sheets. The BSE adviser will conduct a review of files to verify compliance.	05/05/2015 BSE PaTTAN IU 21	
10	0	0				FR 336. Educational placement recommended (including amount and type)			
10	0	0				FR 337. Signature of school district superintendent or charter school CEO or designee			
10	0	0				FR 338. Parent signature or documentation of reasonable efforts to obtain consent (e.g. mailed to parents, certified mail, visit to the parent's home, etc.)			
10	0	0				FR 339. Parent has selected a consent option			
10	0	0				FR 340. NOREP/PWN reflects the educational placement indicated on the student's IEP			
						INTERVIEW RESULTS (Parent)			
1	0	7	0			P 34. If services that you requested for your child were rejected by the school, did you receive a written notice (NOREP/PWN) explaining why the request was rejected?			
						P 61. If I don't understand my child's educational rights, and I inquire about them, someone from the school takes the time to explain them to me.			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
					7 1 0 0 0 0	Always Sometimes Rarely Never Don't Know Does not Apply			
						Topical Area 7: Additional Interview Responses			
						INTERVIEW RESULTS (Parent & Special Education Teacher)			
					7 1 0 0 0 0	P 54. I am a partner with school personnel when we plan my child's education program. Always Sometimes Rarely Never Don't Know Does not Apply			
		0	0		1 1 3 1 1 3 1 2	P 66. Tell me anything you really like about your child's special education program. a. modifications c. staff-aide ratios g. staff open to suggestions, good communication h. follow the IEP i. support services k. staff's understanding and attitude l. more inclusion n. other They make my child feel a part of everything. Good communication. Flexibility			
		3	1		1 3	P 67. Tell me anything you would like to change about the program. f. less inclusion n. other I would change the name "special education." Trainings would be great. More help in math.			
		1	0		2 1 4	P 68. The school explains what options parents have if the parent disagrees with a decision of the school. a. Very strongly agree b. Strongly agree c. Agree			
						P 69. Additional comments about your child's program.			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
						Not happy with enrollment procedure. Do not want a label. Want assistance but not someone who is a crutch. Very happy with services.			
10	0	0				SE 101. Do you hold the required certification to implement this student's program?			
10	0	0				SE 101a. Have you received sufficient training, technical assistance and other support to teach this student?			
0	0	10				SE 101b. If no, what training or support would assist you?			
						Topical Area 8: Student Interview Results			
			0			S 126. What kind of support are you currently receiving?			
0	0	0	0			S 127. Is this support enough to help you be successful in your school program?			
					0 0 0 0 0	S 128. How satisfied are you with your high school educational program? Very Somewhat A Little Not at All Don't Know			
						S 129. What do you like best about the program?			
						S 130. What do you like least about the program?			
					0 0 0 0 0	S 131. How satisfied are you with your special education supports/services? Very Somewhat A Little Not at All Don't Know			
						S 132. What do you like best about the special education supports/services?			
						S 133. What do you like least about the special education supports/services?			
						S 134. How much time do you spend with students who do not have disabilities?			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
					0	Too Much			
					0	Enough			
					0	A Little			
					0	Not Enough			
					0	Don't Know			
0	0	0	0			S 135. Do you participate in any extra-curricular activities?			
						S 136. If yes, which ones			
						S 137. If no, why not			
0	0		0			S 138. Were you invited to participate in the last IEP meeting?			
						Other			
0	0		0			S 139. Did you participate in the last IEP meeting?			
						Other			
0	0		0			S 140. Do you have a post secondary transition program?			
						Other			
0	0		0			S 141. Do you have an employment transition program?			
						Other			
0	0		0			S 142. Do you have a community living transition program?			
						Other			
0	0		0			S 143. Did you assist in the development of the transition program?			
						Other			
0	0		0			S 144. Is that transition plan being followed?			
						Other			
0	0		0			S 145. Did you discuss what you would do after graduation or finishing high school?			
						Other			
			0			S 146. Which of the following agencies participate in your IEP development?			
0	0		0			S 147. If any agency participated in your IEP did they assist you or provide services?			
						Other			
						S 148. Comments			

Y	N	NA	DK	Not Obs	% #	Citation	Required Corrective Action Evidence of Change	Timelines and Resources	Closed Date
0	0	0	0			S 149. Do you participate in any activities in the community?			
						S 150. If yes, which ones?			
						S 151. If no, why not?			
						S 152. Are there any other agencies that could help you within the community?			
						Topical Area 9: Other Non-compliance Issues			
						Topical Area 10: Other Improvement Plan Issues			
						FSA 15A Parent Survey Results	The LEA will conduct a parent survey and develop an improvement plan based on the survey results to improve parent engagement based upon survey results. Improvement plan will be submitted by 11-5-2014.	11/05/2014 PaTTAN IU 21 BSE	
						FSA 19A Teacher Survey Results	The LEA will conduct a survey of teaching staff and develop an improvement plan based on the survey results. Improvement plan will be submitted by 11-5-2014.	11/05/2014 PaTTAN IU 21 BSE	



Board Policy 8.4

CREDIT CARD POLICIES AND PROCEDURES

Objectives

1. To allow school personnel access to efficient and alternative means of payment for approved expenses, especially expenses related to business travel, business meals, and online ordering.
2. To improve efficiency and reduce costs of payables processing.

Policies

1. A school credit card will be issued to the CEO and Business Administrator, only with approval of the Board of Directors. Additional cards may be issued at the request of the CEO, only with the approval of the Board of Directors.
2. Credit card will only be used for business purposes. Personal purchases of any type are not allowed.
3. The following purchases are not allowed:
 - Alcoholic beverages/tobacco products
 - Capital equipment and upgrades over \$5,000
 - Construction, renovations / installations
 - Controlled substances
 - Items or services on term contracts
 - Maintenance agreements
 - Personal items or loans
 - Purchases involving trade-in of school property
 - Rentals
 - Any other items deemed inconsistent with the policies of the school
4. Cash advances on credit cards are *not* permitted.
5. Cardholders will be required to sign an agreement, indicating acceptance of these terms. Individuals who do not adhere to these policies and procedures risk revocation of their credit card privileges and/or disciplinary action.

Procedures

1. Credit card may be requested by written request to the CEO, detailing the desire/need for the card.

2. Original detailed receipts must be obtained and returned to the Business Administrator immediately. In the case of an online purchase, an order confirmation or similar document must be printed and returned to the business administrator. In the case of meals and entertainment, each receipt must include the names of all persons involved in the purchase and a brief description of the business purpose of the purchase, in accordance with Internal Revenue Service regulations.
3. Every effort is to be used to ensure that purchases do not include sales tax. Tax-exempt certificates are available through the Business Manager. Tangible personal property is property that can be touched and retained in one's possession (excludes food, entertainment, and other consumables.) Services are works or activities performed by another for a fee (includes normal services such as personal services performed by professionals and/or non-professionals, but excludes lodging.) Sales tax may be paid for minimal expenditures from one-time vendors who refuse the exemption, but sales taxes should not be paid (select another vendor) where the purchases are for more substantial expenditures or are repetitively incurred.
4. Upon receipt of the monthly statement, the Business Administrator will reconcile the charges made with the receipts submitted and note/follow-up on any discrepancies. Receipts will be attached to the monthly statement, and then the statement will be submitted for payment.
5. The cardholder must ensure that the card will be maintained in a reasonably secure manner that does not subject it to unreasonable risk of theft or loss. If the card is lost or stolen, the cardholder must immediately notify the Business Administrator and/or the CEO as well as report the theft/loss to the credit card company.

AACS Board approved: 11/18/2013

ARTS ACADEMY CHARTER SCHOOL
Cardholder Agreement

I, _____, hereby acknowledge receipt of the following
credit card: _____ / _____ - _____ - _____ - _____
(type of credit card) (credit card number)

I understand that improper use of this card may result in disciplinary action, as well as personal liability for any improper purchases. As a cardholder, I agree to comply with the terms and conditions of this agreement, including the attached Credit Card Policies and Procedures agreement.

I acknowledge receipt of said Agreement and Policies/Procedures and confirm that I have read and understand the terms and conditions. I understand that by using this card, I will be making financial commitments on behalf of the Charter School and that the Charter School will be liable to _____ for all charges made on this card.
(Name of Credit Card Company)

I will strive to obtain the best value for the Charter School when purchasing merchandise and/or services with this card.

As a holder of this Charter School credit card, I agree to accept the responsibility and accountability for the protection and proper use of the card, as enumerated above. I will return the card to the Business Administrator, upon demand, during the period of my employment. I further agree to return the card upon termination of employment. I understand that the card is not to be used for personal purchases. If the card is used for personal purchases or for purchases for any other entity, the Charter School will be entitled to reimbursement from me of such purchases. The method of reimbursement may be via payroll deduction if necessary. The Charter School shall be entitled to pursue legal action, if required, to recover the cost of such purchases, together with costs of collection and reasonable attorney fees. I understand that I must take reasonable precautions to prevent the loss or theft of the card and, in the event that the card becomes lost or stolen, I will take all necessary action required by Board Policy to report the loss/theft.

Signature _____ Date _____
(Cardholder)

Signature _____ Date _____
(Board President)

35								
36								
37								
38								
39								

Total Number of Administrators (do not include CEO) _____ 1
Total Number of Teachers ____29____ Counselors ____1____ School Nurses ____1____ Others _____
Total Number of Professional Staff _____ 32

PA Department of Education, 333 Market Street, Harrisburg, PA 17126-0333