

Evergreen Community CS

Charter Annual Report

07/01/2013 - 06/30/2014

School Profile

Demographics

PO Box 523

Mountainhome, PA 18342

(570)595-6355

Phase:

Phase 1

CEO Name:

Jill Shoemith

CEO E-mail address:

evergrn@ptd.net

Governance and Staff

Leadership Changes

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

During the period of July 1, 2013 through June 30, 2014 there were no changes on the Board of Trustee or in the School Administration. The Board of Trustees is comprised of:

Joanne Storer, President
 Christopher Kinsley, Sr., Vice President
 Maryann Lewis, Secretary/Treasurer
 Frank Lopez, Member
 Danielle Perez, Member
 Tijuanna Sommers, Member
 Bret Reigel, Member

The School Administration is comprised of:

Jill Shoesmith, Director
 Dr. Loree Guthrie, Principal

Board of Trustees Meeting Schedule

Location	Date and Time
Evergreen Community Charter School, Route 390 and Grace Ave. Cresco, PA 18326	7/25/2013 7:00 PM
Evergreen Community Charter School	9/26/2013 7:00 PM
Evergreen Community Charter School	10/24/2013 7:00 PM
Evergreen Community Charter School	12/12/2013 7:00 PM
Evergreen Community Charter School	1/23/2014 7:00 PM
Evergreen Community Charter School	2/27/2014 7:00 PM
Evergreen Community Charter School	3/27/2014 7:00 PM
Evergreen Community Charter School	4/24/2014 7:00 PM
Evergreen Community Charter School	5/22/2014 7:00 PM

Professional Staff Member Roster

Daniel Cohen	
PA Certified	No
Areas of Certification	English
Grades Teaching or Serving	9-12
All Areas of Assignment, Subject Areas Teaching, or Services Provided	English 9-12, Western Civ., Creative Writing
Number of Hours Annually Worked in Assignment	1080
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Mary Anne Katz	
PA Certified	Yes
Areas of Certification	Chemistry, Math 7-9
Grades Teaching or Serving	7-12
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Chemistry, Math 7-9
Number of Hours Annually Worked in Assignment	1080
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Patricia O'Keefe	
PA Certified	Yes
Areas of Certification	General Science, Biology
Grades Teaching or Serving	6-12
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Science 6-9, Biology
Number of Hours Annually Worked in Assignment	1080
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Nancy Price	
PA Certified	Yes
Areas of Certification	Spanish
Grades Teaching or Serving	6-12
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Spanish
Number of Hours Annually Worked in Assignment	1080
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Sandra Eble	
PA Certified	Yes
Areas of Certification	Elem Ed, Mid-Level English 7-9
Grades Teaching or Serving	6-8
All Areas of Assignment, Subject Areas Teaching, or Services Provided	English 6, English 7, English 8, Creative Writing 6, Creative Writing 7
Number of Hours Annually Worked in Assignment	1080
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Jeff Laubach	
PA Certified	Yes
Areas of Certification	Social Studies
Grades Teaching or Serving	9-12
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Social Studies 9-12, Mythology
Number of Hours Annually Worked in Assignment	1080
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Dr. Edward Hallinan	
PA Certified	No
Areas of Certification	Physics, Trigonometry
Grades Teaching or Serving	11-12
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Physics, Trigonometry
Number of Hours Annually Worked in Assignment	540
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Susan Swanson	
PA Certified	No
Areas of Certification	Reading Specialist
Grades Teaching or Serving	7-12
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Reading Resource
Number of Hours Annually Worked in Assignment	270

Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Dr. Loree Guthrie	
PA Certified	Yes
Areas of Certification	Comprehensive English, Elementary Principal, Secondary Principal, Superintendent
Grades Teaching or Serving	6-12
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Principal
Number of Hours Annually Worked in Assignment	50
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Kathryn Yerkes	
PA Certified	Yes
Areas of Certification	Math 7-9, Special Education K-12, ESL Prog Spec
Grades Teaching or Serving	6-12
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Math 7-9, Special Ed Resource
Number of Hours Annually Worked in Assignment	1080
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Steven Richard	
PA Certified	Yes
Areas of Certification	Elem Ed., Mid Citizen Ed 7-9, Mid 7-9, Mid Science 7-9
Grades Teaching or Serving	6-9
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Math 6, Social Studies 6-8
Number of Hours Annually Worked in Assignment	1080
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Michael Vary	
PA Certified	Yes
Areas of Certification	Math 7-12, Physics

Grades Teaching or Serving	7-12
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Math 7-12
Number of Hours Annually Worked in Assignment	1080
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Jill Shoemith	
PA Certified	Yes
Areas of Certification	Hlth/Phys Ed., Math 7-12
Grades Teaching or Serving	6-12
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Hlth/Phys Ed.
Number of Hours Annually Worked in Assignment	1080
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

Susan Anderson	
PA Certified	Yes
Areas of Certification	School Nurse K-12, Inst I English
Grades Teaching or Serving	6-12
All Areas of Assignment, Subject Areas Teaching, or Services Provided	School Nurse
Number of Hours Annually Worked in Assignment	1080
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

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

No file has been 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	1.00				1.00

Principal	1.00	1.00				1.00
Assistant Principal						
Classroom Teacher (including Master Teachers)	13.00	10.00				10.00
Specialty Teacher (including Master Teachers)	1.00	0.00				1.00
Special Education Teacher (including Master Teachers)	1.00	1.00				1.00
Special Education Coordinator						
Counselor						
Psychologist						
School Nurse	1.00	1.00				1.00
Totals	18.00	14.00	0	0	0	15.00

Further explanation:

This narrative is empty.

Fiscal Matters

Major Fundraising Activities

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

Evergreen did not engage in any fund raising activities during the 2013-14 school year and has no plans for such activities during 2014-15. Events such as the prom and field trips are considered optional and funded by the interested students and their families. Evergreen does produce a yearbook every year but does not solicit ads.

Fiscal Solvency Policies

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

In addition to the fiscal solvency policies adopted during the 2012-13 year, (Common Trust Policy, Credit Card Policy, Budget Preparation Policy, Budget Planning Policy, and Budget Admendment Policy) Evergreen's Board has adopted a Signed Purchase Policy to ensure and monitor fiscal solvency

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:

- SignedPurchPol.pdf
- CommonTrustPolicy.pdf
- BudgetAmendPolicy.pdf
- CCPolicy.pdf
- BudgetPlanningPolicy.pdf
- BudgetPrepPolicy.pdf

Accounting System

Changes to the accounting system the charter school uses:

Evergreen Community Charter School complies with GAAP and utilizes the accrual method of accounting. Under the modified accrual basis, Evergreen budgets and records income in the period income is earned and budgets and records expenses in the period expenses are incurred. Evergreen capitalizes fixed assets, when appropriate, in compliance with GAAP. Reporting systems follow the same GAAP methods.

Evergreen completes payroll and associated State and Federal payroll related tax reporting. Accounting practices integrate with the Pennsylvania State Chart of Accounts. The accounting

software, Quickbooks, allows Evergreen to create and change the account structure as PDE modifies the chart of accounts.

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: Riley and Company, Inc. has been appointed by the Board to complete the yearly audits from June 30 2013, 2014, and 2015. The results of the Audit for 2013-14 will be forwarded to PDE as soon as it is completed.

Date of Last Audit: 08/30/2013

Fiscal Year Last Audited: 2012-13

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
Speech Therapist	Evergreen Community Charter Achool	0.16

Special Education Contracted Services

Title	Amt. of Time per Week	Operator	Number of Students
School Psychologist (as needed for evaluations)	5 Minutes	Outside Contractor	10 or fewer

Special Education Cyclical Monitoring

Date of Last Special Education Cyclical Monitoring:
Link to Report (Optional):

03/09/2010
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:

Evergreen's procurement practice policies and procedures provide for fair and equitable treatment of all persons of firms involved, assures that supplies, services and construction are procured efficiently, effectively and at the most favorable prices available to us, promotes competition in contracting, provides safeguards for maintaining a procurement system of quality and integrity and, assures that our purchasing actions were in full compliance applicable to Federal, State, and local laws. During the 2013-2014 year, we replaced 16) laptops, science lab equipment, 24) rectangular and round folding tables, and 30) desks and chairs.

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

\$21,835.39

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:

Evergreen will continue to upgrade in terms of instructional equipment and supplies. The facility is more than adequate for our current and future plans. The school is in a long term lease with the property owner and has no intentions of moving from this site. Classroom renovations continue during the summer months to insure safety and the best possible environment for learning.

Memorandums of Understanding

Organization	Purpose
Barrett Township Police Department	<p>The Purpose of this Memorandum is to establish procedures to be followed when any of the following incidents occur on school property, at any school sponsored activities, or on any public conveyance providing transportation to or from a school or school sponsored activity:</p> <ol style="list-style-type: none"> 1. Possession of a weapon 2. Act of violence 3. Possession, use or sale of a controlled substance or drug paraphernalia 4. Purchase, consumption, possession or transportation of alcoholic beverage by a minor and or in the presence of a minor 5. Gang-related activity 6. Ethnic intimidation 7. Harassment and stalking <p>It is further the purpose of the Memorandum to foster a relationship of</p>

	cooperation, mutual support and the sharing of information and resources while working together to maintain the physical security and safety of the school.
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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 Joanne Storer on 8/4/2014

President, Board of Trustees

Affirmed by Jill Shoesmith on 8/1/2014

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 Joanne Storer on 8/4/2014

President, Board of Trustees

Affirmed by Jill Shoemith on 8/1/2014

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 Joanne Storer on 8/4/2014

President, Board of Trustees

Affirmed by Jill Shoemith on 8/1/2014

Chief Executive Officer

Evergreen Community Charter School
P.O. Box 523
Mountainhome, PA 18342

Board of Trustees Policy

Credit Card/Debit Card Policy

Purpose:

The Board of Trustees of Evergreen Community Charter School ("Charter School") recognizes the value of an efficient method of payment and recordkeeping for certain expenses. The Board, therefore, authorizes the use of credit cards and debit cards (referred to collectively as "Credit Cards"). The authorization, handling and use of credit cards have been established to provide a convenient and efficient means to purchase goods and services from vendors.

Although the cards are issued in the Charter School's employee's name, they are considered School property and should be used with good judgment.

Authority:

Credit cards shall not be used in order to circumvent the general purchasing procedures established by Pennsylvania State law and Board policy. The Board affirms that credit cards shall only be used in connection with Board-approved or school-related activities and that only those types of expenses that are for the benefit of Charter School and serve a valid and proper purpose shall be paid for by credit card.

Under no circumstances shall credit cards be used for personal purchases. The credit card is for business related purchases only and personal charges are not to be made to the card. Purchases are limited to meals, refreshments, travel, small supplies and other Charter School -related items.

The cardholder is the only person entitled to use the card and is responsible for all charges made against the card. Improper use of the card can be considered a misappropriation of Charter School funds. Inappropriate or illegal use of the credit card may result in a loss of credit card privileges, disciplinary action, up to and including termination, personal responsibility for any and all inappropriate charges, including finance charges and interest assessed in connection with the purchase, and/or possible referral to law enforcement authorities for prosecution.

Responsibilities:

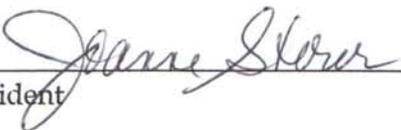
All charges are billed directly to and paid directly by Charter School. Therefore, any personal charges on the credit card could be considered misappropriation of Charter School funds since the cardholder cannot pay the bank directly.

Credit cardholders are expected to comply with internal control procedures in order to protect Charter School assets. This includes keeping receipts, coding transaction to the appropriate general ledger code, reviewing the transaction for propriety, reconciling monthly statements and following proper card security measures. Cardholders are responsible for reconciling their monthly statement and resolving any discrepancies by contacting the supplier first and then the bank.

The Chief Executive Officer ("CEO") shall annually submit for Board approval the position titles authorized to use Charter School credit card(s) in conducting school business.

TO THE EXTENT THAT ANYTHING IN THIS POLICY COULD BE CONSTRUED TO CONFLICT WITH THE SCHOOL'S CHARTER OR APPLICABLE STATE AND/OR FEDERAL LAWS, THE APPLICABLE STATE AND/OR FEDERAL LAWS AND/OR CHARTER CONTROL.

ADOPTED this day 25th of July, 2013



President



Secretary

**Evergreen Community Charter School
P.O. Box 523
Mountainhome, PA 18342**

Board of Trustees Policy

Common Trusts Policy

1. Purpose

The Board of Trustees (the "Board") of the Evergreen Community Charter School ("Charter School") recognizes the need to establish a mechanism for the acceptance and use of gifts, bequests or grants made to Charter School.

2. Delegation of Authority

- 2.1 The Board accepts with gratitude bequests for the advancement of education or for the general welfare of its students and staff.
- 2.2 All bequests shall be accepted by a resolution of the Board setting forth the identity of the grantor (unless the grantor requests anonymity), the stipulated use of the bequest, the time period over which the bequest is to be expended and limitations, if any, which apply to the use of funds.
- 2.3 The Chief Executive Officer ("CEO") shall see to the investment of all trust funds received with the term of the investment consistent with the period of the intended use of the funds and the purpose of Charter School.
- 2.4 The CEO in consultation with key staff, shall determine the most appropriate use of trust funds consistent with the intent of the grantor and the purpose of Charter School. Recommended uses shall be submitted by resolution for approval of the Board.

3. Guidelines

- 3.1 No bequest or grant of funds shall be accepted if conditions associated with the grant would be antithetical to the mission of Charter School.
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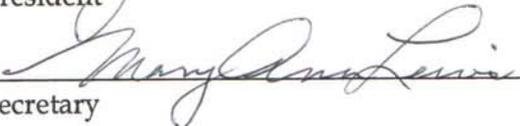
- 3.2 No bequest or grant of funds shall be accepted for any purpose inconsistent with the ideals of a free and democratic society.

TO THE EXTENT THAT ANYTHING IN THIS POLICY COULD BE CONSTRUED TO CONFLICT WITH THE SCHOOL'S CHARTER OR APPLICABLE STATE AND/OR FEDERAL LAWS, THE APPLICABLE STATE AND/OR FEDERAL LAWS AND/OR CHARTER CONTROL.

ADOPTED this day 25th of July, 2013



President



Secretary

Evergreen Community Charter School
P.O. Box 523
Mountainhome, PA 18342

Board of Trustees Policy

Budget Preparation Policy

1. Purpose

- 1.1 The Board of Trustees (the "Board") of Evergreen Community Charter School ("Charter School") considers the preparation of an annual budget to be one of its most important responsibilities because the budget is the financial reflection of the education plan for Charter School. The budget shall be designed to carry out that plan in a thorough and efficient manner and to maintain the facilities and honor the obligations of Charter School.

2. Authority

- 2.1 The budget should be studied by each member of the Board during its preparation but, once adopted, it deserves the support of all members of the Board regardless of their position when adoption was voted.

TO THE EXTENT THAT ANYTHING IN THIS POLICY COULD BE CONSTRUED TO CONFLICT WITH THE SCHOOL'S CHARTER OR APPLICABLE STATE AND/OR FEDERAL LAWS, THE APPLICABLE STATE AND/OR FEDERAL LAWS AND/OR CHARTER CONTROL.

ADOPTED this day 25th of July, 2013



President



Secretary



Evergreen Community Charter School
P.O. Box 523
Mountainhome, PA 18342

Board of Trustees Policy

Budget Amendment Policy

1. Purpose
 - 1.1 It is the policy of the Board of Trustees of Evergreen Community Charter School that the annual budget may be amended periodically throughout the school year as circumstances, funding levels and needs change.
2. Delegation of Authority
 - 2.1 The Board of Trustees shall have the power to amend the budget to authorize the transfer of any unencumbered balance or portion thereof from one appropriation to another.
 - 2.2 The Chief Executive Officer or her designee shall present a resolution with a detailed listing of proposed budget adjustments by fund, function and class for approval. The resolution shall specify the source of funds for each amendment.

TO THE EXTENT THAT ANYTHING IN THIS POLICY COULD BE CONSTRUED TO CONFLICT WITH THE SCHOOL'S CHARTER OR APPLICABLE STATE AND/OR FEDERAL LAWS, THE APPLICABLE STATE AND/OR FEDERAL LAWS AND/OR CHARTER CONTROL.

ADOPTED this day 25th of July, 2013

Jeanne Skarec
President

Mary Ann Lewis
Secretary

**Evergreen Community Charter School
P.O. Box 523
Mountainhome, PA 18342**

Board of Trustees Policy

Purchases Budgeted Policy

1. Purpose

- 1.1 It is the policy of the Board of Trustees (the "Board") that when funds are available, all purchases contemplated within the current budget and not subject to bid be made in a manner that ensures the best interests of Evergreen Community Charter School ("Charter School").

2. Authority

- 2.1 All purchases that are within budgetary limits and were originally contemplated within the budget may be made upon authorization of the Chief Executive Officer unless the contemplated purchase is for more than \$500.00 in which case prior approval is required from the Board.
- 2.2 All purchase requests must be referred to the CEO or to designee, who shall check as to whether the proposed purchase is subject to bid, whether sufficient funds exist in the budget, and whether the material might already be available.
- 2.3 There shall be a reasonable effort made to obtain, in writing, at least three quotations from independent sources for the supplies, equipment or services desired whenever possible.

3. Guidelines

- 3.1 Purchase requests shall be submitted on an approved requisition form. Upon the placement of a purchase order, the CEO's designee shall encumber the expenditure against a specific budget line item to guard against the creation of liabilities in excess of appropriations.

TO THE EXTENT THAT ANYTHING IN THIS POLICY COULD BE CONSTRUED TO CONFLICT WITH THE SCHOOL'S CHARTER OR APPLICABLE STATE AND/OR FEDERAL LAWS, THE APPLICABLE STATE AND/OR FEDERAL LAWS AND/OR CHARTER CONTROL.

ADOPTED this day 26 of June, 2014



President



Secretary

EVERGREEN COMMUNITY
CHARTER SCHOOL

BASIC FINANCIAL STATEMENTS

AS AT JUNE 30, 2013

EVERGREEN COMMUNITY CHARTER SCHOOL
Index to Basic Financial Statements
As at June 30, 2013

Independent Auditor's Report

Statement of Net Position Exhibit A

Statement of Activities Exhibit B

Balance Sheet – Governmental Fund Exhibit C

Reconciliation of the Governmental Fund Balance Sheet to the
Statement of Net Position Schedule 1

Statement of Revenues, Expenditures, and Change in Fund
Balance – Governmental Fund Exhibit D

Reconciliation of the Governmental Fund Statement of Revenues,
Expenditures, and Change in Fund Balance to the
Statement of Activities Schedule 2

Statement of Net Position – Fiduciary Fund Exhibit E

Statement of Changes in Net Position – Fiduciary Fund Exhibit F

Notes to Financial Statements

Required Supplementary Information:

Statement of Revenues, Expenditures, and Change in Fund
Balance – Budget and Actual (GAAP Basis) – General Fund Exhibit G

John J. Riley, CPA
Paul V. Conforti, CPA
Gary A. Hazen, CPA, CDFA
Scott A. Miller, CPA, CFE, CVA, CFF
Mary R. Frantz
Debra A. Borger, CPA, CGFM

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[570] 424-0667
Fax: [888] 839-8616
www.rileyandcompany.com
e-mail: info@rileyandcompany.com

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Evergreen Community Charter School
Mountainhome, PA

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Evergreen Community Charter School, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the 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 opinions 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 opinions.

Opinions

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 Evergreen Community Charter School, as of and for the year ended June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the general fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the General Fund Budget and Actual comparison 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 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.

Riley and Company, Inc.

Stroudsburg, PA 18360
January 22, 2014

EVERGREEN COMMUNITY CHARTER SCHOOL
Statement of Net Position
As at June 30, 2013

Exhibit A

Current Assets	
Cash	\$161,656
Restricted cash	36,337
Due from other governments	10,503
Due from foundation	10,618
Prepaid expense	14,204
Security deposit	<u>9,000</u>
Total Current Assets	242,318
Noncurrent Assets	
Capital Assets, Net of Accumulated Depreciation	<u>353,913</u>
Total Assets	<u>\$596,231</u>
Current Liabilities	
Accounts payable	\$534
Due to other governments	276,832
Student accounts	159
Accrued payroll	8,721
Payroll withholdings payable	25,806
Deferred grant revenue	<u>27,906</u>
Total Liabilities	<u>339,958</u>
Net Position:	
Unrestricted	(97,640)
Net investment in capital assets	<u>353,913</u>
Total Net Position	<u>\$256,273</u>

The "Notes to Financial Statements" are an integral part of these statements and should be read in conjunction therewith.

EVERGREEN COMMUNITY CHARTER SCHOOL
Statement of Activities
For the Year Ended June 30, 2013

Exhibit B

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue</u>
Governmental Activities:					
Instructional					
Regular	(\$729,942)	\$951,023	\$29,102	\$0	\$250,183
Special	(108,691)	150,959	5,934	0	48,202
Support					
Administration	(199,237)	0	9,380	0	(189,857)
Operation and Maintenance	(259,463)	0	0	0	(259,463)
Non-Instructional					
Student Activities	(22,219)	21,363	0	0	(856)
Food Services	<u>(3,316)</u>	<u>2,803</u>	<u>0</u>	<u>0</u>	<u>(513)</u>
 Total Governmental Activities	 (1,322,868)	 1,126,148	 44,416	 0	 (152,304)
General Revenues:					
Grants					21,065
Interest and rents					99
Other					<u>4,249</u>
 Total General Revenues					 <u>25,413</u>
 Change in Net Position					 (126,891)
 Net Position at Beginning of Year, as Previously Reported					 650,390
 Prior Period Adjustment – Note 9					 <u>(267,226)</u>
 Net Position at Beginning of Year, as Restated					 <u>383,164</u>
 Net Position at End of Year					 <u>\$256,273</u>

The accompanying notes are an integral part of these financial statements and should be read in conjunction therewith.

EVERGREEN COMMUNITY CHARTER SCHOOL
Balance Sheet
Governmental Fund
As at June 30, 2013

Exhibit C

Assets:	
Cash	\$161,656
Restricted cash	36,337
Prepaid expense	14,204
Security deposit	9,000
Due from foundation	<u>10,618</u>
 Total Assets	 <u>\$231,815</u>
 Liabilities:	
Accounts payable	\$534
Due to other governments	32,697
Student accounts	159
Accrued payroll	8,721
Payroll withholdings payable	7,375
Deferred grant revenue	<u>27,906</u>
 Total Liabilities	 77,392
 Fund Balance:	
Unassigned	<u>154,423</u>
 Total Liabilities and Fund Balances	 <u>\$231,815</u>

The "Notes to Financial Statements" are an integral part of these statements and should be read in conjunction therewith.

EVERGREEN COMMUNITY CHARTER SCHOOL
Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
For the Year Ended June 30, 2013

Schedule 1

Total Fund Balance - Governmental Fund	\$154,423
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.	353,913
Certain state subsidy payments were not received until several months after the Charter School's year end. This amount is not available soon enough to pay for current year expenditures.	10,503
Certain liabilities were not paid until several months after the Charter School's year end. These amounts are not considered payable on the modified accrual basis of accounting.	<u>(262,566)</u>
Total Net Position - Governmental Activities	<u>\$256,273</u>

The "Notes to Financial Statements" are an integral part of these statements and should be read in conjunction therewith.

EVERGREEN COMMUNITY CHARTER SCHOOL
Statement of Revenues, Expenditures, and Change in Fund Balance -
Governmental Fund
For the Year Ended June 30, 2013

Exhibit D

Revenues:		
Local Sources		\$1,107,407
State Sources		<u>60,693</u>
Total Revenues		<u>1,168,100</u>
Expenses:		
Instruction:		
Regular programs		713,768
Special programs		<u>101,961</u>
Total Instruction		<u>815,729</u>
Support Services:		
Administration		195,345
Operation and maintenance		<u>227,661</u>
Total Support Services		<u>423,006</u>
Noninstructional Services:		
Student activities		22,219
Food services		<u>3,316</u>
Total Noninstructional Services		<u>25,535</u>
Total Expenses		<u>1,264,270</u>
Net Change in Fund Balance		(96,170)
Fund Balance at Beginning of Year		<u>250,593</u>
Fund Balance at End of Year		<u>\$154,423</u>

The "Notes to Financial Statements" are an integral part of these statements and should be read in conjunction therewith.

EVERGREEN COMMUNITY CHARTER SCHOOL
Reconciliation of the Governmental Fund
Statement of Revenues, Expenditures, and Change in Fund Balance
to the Statement of Activities
For the Year Ended June 30, 2013

Schedule 2

Net Change in Fund Balance - Governmental Fund	(\$96,170)
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlay is reported in governmental funds as an expenditure. However, in the statement of activities, the cost of capitalized assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlay during the year.	(40,168)
Because this refund of prior year revenue was paid more than 60 days after June 30, 2012, it is reported in the current year in the governmental fund.	23,089
Because state subsidy payments were received more than 60 days after the Charter School's fiscal year end, this amount is considered "available" revenues in the governmental fund.	4,788
Because certain expenditures were not paid until several months after the Charter School's fiscal year end, they are not considered expenditures for the current year under the modified accrual basis of accounting.	<u>(18,430)</u>
Change in Net Position - Governmental Activities	<u>(\$126,891)</u>

The "Notes to Financial Statements" are an integral part of these statements and should be read in conjunction therewith.

EVERGREEN COMMUNITY CHARTER SCHOOL
Statement of Net Position -
Fiduciary Fund
As at June 30, 2013

Exhibit E

	Scholarship Fund
Assets:	
Investments	<u>\$4,024</u>
Net Position:	
Net position held in trust for scholarship	<u>\$4,024</u>

The "Notes to Financial Statements" are an integral part of these statements and should be read in conjunction therewith.

EVERGREEN COMMUNITY CHARTER SCHOOL
Statement of Changes in Net Position -
Fiduciary Fund
For the Year Ended June 30, 2013

Exhibit F

	Scholarship Fund
Additions:	
Interest income	<u> \$1</u>
Change in Net Position	1
Net Position at Beginning of Year	<u>4,023</u>
Net Position at End of Year	<u>\$4,024</u>

The "Notes to Financial Statements" are an integral part of these statements and should be read in conjunction therewith.

EVERGREEN COMMUNITY CHARTER SCHOOL
Notes to Financial Statements
As at June 30, 2013

Page 1

Note 1: Summary of Significant Accounting Policies:

Organization

Evergreen Community Charter School is an academic charter school located in Monroe County, Pennsylvania. The Charter School opened in 1996 as Evergreen Community School and obtained charter school status for the 2006-2007 fiscal year. The Charter School provides a quality education for students in grades six through twelve.

The financial statements of the Charter School have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Charter School applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Basis of Presentation

Government-wide financial statements

The statement of net position and the statement of activities display information about the Charter School as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the Charter School at year-end and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and other obligations. The Charter School's net position is reported in three parts - net investment in capital assets; restricted; and unrestricted. The restricted component of net position utilizes restricted resources to finance qualifying activities.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not properly included among program revenues are reported instead as general revenues.

EVERGREEN COMMUNITY CHARTER SCHOOL
Notes to Financial Statements
As at June 30, 2013

Note 1: Summary of Significant Accounting Policies: (Continued)

Fund Financial Statements

The Charter School's accounts are organized on the basis of funds, each of which is considered as a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprise its assets, liabilities, reserves, fund balance, revenues, and expenditures or expenses as appropriate. The fund types utilized by the Charter School and a brief description of their accounting purposes are discussed below. There are two categories of funds: governmental and fiduciary.

Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. For the classification of Governmental Funds, the Charter School considers an expenditure to be made from the most restrictive first, when more than one classification is available. The Charter School has one governmental fund, which is always considered a major fund:

General Fund

The General Fund is the general operating fund of the Charter School. It is used to account for all financial resources, except those required to be accounted for in another fund.

Fiduciary Funds

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and which are therefore not available to support the Charter School's programs. The reporting focus is on net position and changes in net position and the fiduciary funds are reported using accounting principles similar to proprietary funds.

Scholarship Fund

The Charter School has one private purpose trust fund, the Scholarship Fund. The assets of the Scholarship fund are used to provide post secondary scholarships to needy students.

Note 1: Summary of Significant Accounting Policies: (Continued)

Basis of Accounting/Measurement Focus

The government-wide financial statements are reported 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 related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (total assets less total liabilities) is used as a practical measure of financial resources and the statement of activities includes all transactions and events that increased or decreased net position during the year. Depreciation and amortization are charged as expenses against current operations in the statement of activities and accumulated depreciation or amortization are reported on the statement of net position.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities, generally, are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The governmental fund types follow the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The Charter School considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year.

Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than principal and interest payments on long-term debt, which is recognized when due, are recorded when the related fund liability is incurred, if measurable. Expenditures for services to be performed in future years are recorded as prepayments. Materials and supplies are considered expenditures when purchased.

Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned because they are measurable and available.

EVERGREEN COMMUNITY CHARTER SCHOOL
Notes to Financial Statements
As at June 30, 2013

Note 1: Summary of Significant Accounting Policies: (Continued)

Basis of Accounting/Measurement Focus (Continued)

Grant revenues are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Conversely, when such funds are received in advance, they are recorded as deferred revenues until earned.

Cash and Cash Equivalents

Cash and cash equivalents include demand and interest-bearing bank deposits and are carried at cost plus accrued interest, which approximates fair value.

Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations do not lapse at fiscal year-end and outstanding encumbrances are recorded as a reserve of the fund balance. Accordingly, differences may exist between actual results and the applicable budgetary data presented in the accompanying financial statements. There were no encumbrances as of June 30, 2013.

Organizational Costs

The Charter School has capitalized start up costs in accordance with generally accepted accounting principles as established by FASB 142.

Capital Assets

Capital assets, which include capitalized start-up costs, leasehold improvements, and furniture and equipment, are reported in the applicable governmental column on the government-wide financial statements. Capital assets are recorded at cost. Upon sale or retirement, the cost and related accumulated depreciation are eliminated from the respective accounts, and the resulting gain or loss is included in the results of operations.

EVERGREEN COMMUNITY CHARTER SCHOOL
Notes to Financial Statements
As at June 30, 2013

Note 1: Summary of Significant Accounting Policies: (Continued)

Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the Charter School are depreciated using the straight line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Leasehold improvements	30
Furniture and equipment	5-7

Equity Classification - Government-Wide Financial Statements

Equity is classified as net position and displayed in two components for government-wide presentation:

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Unrestricted net position - All other net position that does not meet the definition of "net investment in capital assets."

Equity Classification - Governmental Fund Financial Statements

In the fund financial statements, the Charter School reports fund balance classifications in accordance with the provisions of GASB No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." The following are the Charter School's fund balance categories:

Non-Spendable - Not in spendable form or legally or contractually required to remain intact.

Restricted - Externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation.

EVERGREEN COMMUNITY CHARTER SCHOOL
Notes to Financial Statements
As at June 30, 2013

Page 6

Note 1: Summary of Significant Accounting Policies: (Continued)

Committed - Only can be used for specific purposes pursuant to constraints by formal action of the highest level of decision-making authority. The Charter School's Committed Fund Balance is fund balance reporting required by the Charter School Trustees, either because of a Charter School Policy or in the Charter School Policy Manual, or because of motions that passed at Board meetings.

Assigned - Constrained by intent to be or used for specific purpose. The Charter School's Assigned Fund Balance is fund balance reporting under the direction of authorized Charter School Personnel.

Unassigned - Residual classification of the Charter School's general fund and includes all spendable amounts not contained in the other classifications.

Currently, the Charter School only has Unassigned Fund Balances.

No minimum fund balance policies have been established.

When both restricted and unrestricted resources are available for use in funds other than the General Fund, it is the Charter School's policy to first use unrestricted resources - committed, and assigned - in order as needed, and then use externally restricted resources. For the General Fund, the Charter School's policy is to first use externally restricted resources and then use unrestricted resources - committed, assigned, and unassigned - in order as needed.

Note 2: Cash and Cash Equivalents:

Deposit and Investment Policy

The Charter School does not have a formally adopted deposit and investment policy that limits allowable deposits or investments and addresses the specific types of risk to which they are exposed.

Custodial Credit Risk to Deposits

Custodial Credit Risk is the risk that, in the event of a bank failure, the Charter School's deposits may not be recovered. The Charter School's policy for minimizing credit risk for bank balances exceeding Federal Deposit Insurance Corporation's (FDIC) insured limits relies upon Act 72 of 1971. The Act requires the financial institution to pool collateral for all of its government deposits in addition to having the collateral held by an approved custodian in the institution's name.

EVERGREEN COMMUNITY CHARTER SCHOOL
Notes to Financial Statements
As at June 30, 2013

Note 2: Cash and Cash Equivalents: (continued)

Credit Risk

The Charter School is permitted to invest funds in U.S. Treasury Bills, Short-Term Obligations of the United States Government or its agencies or instrumentalities, obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision, Certificates of Deposit, Secured Purchase Agreements, authorized Investment Trust Companies, and Time or Share Accounts of Institutions insured or secured by the FDIC to the extent such certificates are insured by a proper bond or collateral in accordance with the law.

Note 3: Capital Assets:

	July 1, <u>2012</u>	<u>Additions</u>	<u>Disposals</u>	June 30, <u>2013</u>
Capital Assets Not Being Depreciated:				
Capitalized Start-Up Costs	<u>\$10,044</u>	<u>\$0</u>	<u>\$0</u>	<u>\$10,044</u>
Capital Assets Being Depreciated:				
Leasehold Improvements	431,516	0	0	431,516
Equipment	<u>111,796</u>	<u>17,076</u>	<u>0</u>	<u>128,872</u>
Total Capital Assets Being Depreciated	543,312	17,076	0	560,388
Less Accumulated Depreciation	<u>(159,275)</u>	<u>(57,244)</u>	<u>0</u>	<u>(216,519)</u>
Net Capital Assets Being Depreciated	<u>384,037</u>	<u>(40,168)</u>	<u>0</u>	<u>343,869</u>
Capital Assets, Net of Accumulated Depreciation	<u>\$394,081</u>	<u>(\$40,168)</u>	<u>\$0</u>	<u>\$353,913</u>

EVERGREEN COMMUNITY CHARTER SCHOOL
Notes to Financial Statements
As at June 30, 2013

Note 3: Capital Assets: (Continued)

Depreciation was charged to the governmental activities as follows:

<u>Instruction</u>	
Regular	\$21,174
Special	<u>4,268</u>
Total Instruction	<u>25,442</u>
<u>Support Services</u>	
Operation of Plant and Maintenance	<u>31,802</u>
Total	<u>\$57,244</u>

Note 4: Due to Other Governments:

In early November 2012, it was discovered that Pocono Mountain School District had been overbilled with respect to tuition for gifted students since the inception of the Charter School. It was determined that the amount due from 2006 - 2012 was \$267,226. During the current year, the Charter School began paying the funds back, and plans to have the monies all paid back to Pocono Mountain School District by the end of the 2013-2014 school year. As of June 30, 2013, the balance due was \$247,135.

In July 2008, the Charter School received an Implementation Grant for approximately \$293,000 from Pennsylvania Department of Education. During the year ended June 30, 2013, the Charter School expended \$21,065 of these funds for computers and educational supplies and furniture. The term of the grant expired on June 30, 2013. Per the grant agreement, all unspent funds at that time must be repaid to the State. The balance due to the State at June 30, 2013 was \$29,697. The funds were returned subsequent to the year end.

EVERGREEN COMMUNITY CHARTER SCHOOL
Notes to Financial Statements
As at June 30, 2013

Page 9

Note 5: Defined Benefit Pension Plan

Plan description: The Charter School contributes to a governmental cost-sharing multiple-employer defined benefit pension plan administered by Pennsylvania Public School Employees' Retirement System (PSERS). Benefit provisions of the plan are established under the provisions of the Pennsylvania Public School Employees' Retirement Code (the Code) and may be amended by an act of the Pennsylvania State Legislature. The plan provides retirement, disability, and death benefits, legislatively mandated ad hoc cost-of-living adjustments, and healthcare insurance premium assistance to qualifying plan members and beneficiaries.

It also provides for refunds of a member's accumulated contribution upon termination of a member's employment in the public school sector. PSERS issues a publicly available financial report that includes financial statements and required supplementary information for the plan.

That report may be obtained by writing to PSERS, P.O. Box 125, Harrisburg, PA 17108-0125. The report is also available in the publications section of the PSERS website on the Internet at www.psers.state.pa.us.

Funding policy: The contribution policy is set by the Code and requires contributions by active employees and by participating employers. Plan members are required to contribute 5.25 or 6.50 percent of their compensation if they joined the plan before July 22, 1983, and 6.25 or 7.50 percent if they joined on or after that date. The contributions required of participating employers are based on an actuarial valuation and are expressed as a percentage of annual covered payroll during the period for which the amount is determined.

For the fiscal year ended June 30, 2013, the rate of employer contribution was 12.36 percent of covered payroll. The 4.76 percent rate is composed of a pension contribution rate of 11.5 percent for pension benefits and .86 percent for health insurance premium assistance.

The Charter School is required to pay the entire employer contribution rate and is reimbursed by the Commonwealth in an amount equal to the Commonwealth's share as determined by the income aid ratio (as defined in Act 29 of 1994), which is at least one-half of the total employer rate. Evergreen Community Charter School's contribution to PSERS for the year ended June 30, 2013 was \$66,710. This amount is equal to the required contribution.

EVERGREEN COMMUNITY CHARTER SCHOOL
Notes to Financial Statements
As at June 30, 2013

Note 6: Economic Dependency:

Evergreen Community Charter School receives the majority of its funding through tuition charged to participating school districts for providing educational services to students. The majority of tuition fees are received from Pocono Mountain School District, the jurisdiction in which the Charter School is located. In addition, students from East Stroudsburg Area, Stroudsburg Area, Pleasant Valley, and Wallenpaupack Area School Districts also attend the Charter School; hence tuition is also paid by these school districts.

Note 7: Related Party Transactions:

Evergreen Community Charter School is a related party to Evergreen Community School Foundation. The Foundation operated the School prior to when it obtained Charter School status from the Pennsylvania Department of Education. During the fiscal year, the Foundation made contributions to the Charter School money to cover certain expenses.

The Charter School has entered into an operating lease with the Foundation for use of the facility for the five year period ending June 30, 2016. Lease expense paid to the Foundation for the 2012-2013 school year totaled \$180,000, consisting of \$15,000 per month, for 12 months. Future minimum lease payments consist of the following:

2013-2014 School Year	\$15,000 per month
2014-2015 School Year	\$15,000 per month
2015-2016 School Year	\$15,000 per month

EVERGREEN COMMUNITY CHARTER SCHOOL
Notes to Financial Statements
As at June 30, 2013

Note 8: Risk Management:

The Charter School is exposed to various risks of loss related to theft of, damage to, or destruction of assets, errors and omissions; injuries to employees; employees' health and life; and natural disasters.

The Charter School manages these various risks of loss as follows:

<u>Type of Loss</u>	<u>Method Managed</u>	<u>Risk of Loss Retained</u>
Torts, errors, and omissions	Purchased commercial insurance	Limited
Workers compensation, health and life	Purchased commercial insurance	Limited
Physical property loss and natural disasters	Purchased commercial insurance	Limited

Management believes such coverage is sufficient to preclude any significant uninsured losses to The Charter School. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

Note 9: Prior Period Adjustment:

Prior period adjustments were posted to the books and records of Evergreen Community Charter School in order to correct liabilities recorded on the Statement of Net Position at June 30, 2012. The effects on the government-wide statements were to increase liabilities and decrease net position by \$267,226.

Note 10: Line of Credit:

In January 2010, Evergreen Community Charter School obtained a \$280,000 revolving line of credit from Pennstar Bank and Trust to help finance its operations when state budget lags in payments. This line is collateralized by all of Evergreen Community Charter School's accounts receivable, and interest is payable monthly on outstanding balances at an interest rate of 4.25% (1.0% variable over the "Wall Street Journal" Prime Rate of 3.25%) at June 30, 2013. No borrowings occurred during the fiscal year ended June 30, 2013. The line of credit was renewed with no changes to terms and conditions, and will expire on January 31, 2014.

EVERGREEN COMMUNITY CHARTER SCHOOL
Notes to Financial Statements
As at June 30, 2013

Note 11: Subsequent Events:

On December 12, 2013, the Charter School received a loan in the amount of \$229,135 from Evergreen Community School Foundation. The funds will be used to pay back the balance due to Pocono Mountain School District.

Management has evaluated subsequent events through January 22, 2014, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

EVERGREEN COMMUNITY CHARTER SCHOOL
Statement of Revenues, Expenditures, and
Change in Fund Balance – Budget and Actual (GAAP Basis) - General Fund
For the Year Ended June 30, 2013

Exhibit G
Page 1

	<u>Budgeted Amounts</u>		<u>Actual</u> (Budgetary Basis)	<u>Variance</u> Positive (Negative)
	<u>2013</u>	<u>2012</u>		
Revenues:				
Local sources	\$1,251,800	\$1,091,400	\$1,107,407	\$16,007
State sources	<u>38,500</u>	<u>57,500</u>	<u>60,693</u>	<u>3,193</u>
Total Revenues	<u>1,290,300</u>	<u>1,148,900</u>	<u>1,168,100</u>	<u>19,200</u>
Expenses:				
Instruction:				
Regular programs	650,600	667,900	713,768	45,868
Special programs	<u>127,300</u>	<u>134,400</u>	<u>101,961</u>	<u>(32,439)</u>
Total Instruction	<u>777,900</u>	<u>802,300</u>	<u>815,729</u>	<u>13,429</u>
Support Services:				
Administration	192,800	198,100	195,345	(2,755)
Operation and maintenance	<u>266,000</u>	<u>242,900</u>	<u>227,661</u>	<u>(15,239)</u>
Total Support Services	<u>458,800</u>	<u>441,000</u>	<u>423,006</u>	<u>(17,994)</u>
Noninstructional Services:				
Student activities	47,600	38,600	22,219	(16,381)
Food services	<u>6,000</u>	<u>6,000</u>	<u>3,316</u>	<u>(2,684)</u>
Total Noninstructional Services	<u>53,600</u>	<u>44,600</u>	<u>25,535</u>	<u>(19,065)</u>
Total Expenses	<u>\$1,290,300</u>	<u>\$1,287,900</u>	<u>\$1,264,270</u>	<u>(\$23,630)</u>

EVERGREEN COMMUNITY CHARTER SCHOOL
Statement of Revenues, Expenditures, and
Change in Fund Balance – Budget and Actual (GAAP Basis) - General Fund
For the Year Ended June 30, 2013

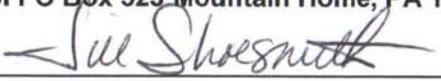
Exhibit G
 Page 2

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>2013</u>	<u>2012</u>	<u>(Budgetary</u>	<u>Positive</u>
			<u>Basis)</u>	<u>(Negative)</u>
Total Expenses	\$1,290,300	\$1,287,900	\$1,264,270	(\$23,630)
Other Financing Sources:				
Fund balance used	0	139,000	0	(139,000)
Net Change in Fund Balances	\$0	\$0	(96,170)	(\$96,170)
Fund Balance at Beginning of Year			250,593	
Fund Balance at End of Year			\$154,423	

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

Name of School Evergreen Community Charter School

Address of School PO Box 523 Mountain Home, PA 18342

CEO Signature 

REVENUES

6000		REVENUE FROM LOCAL SOURCES	
6500		EARNINGS ON INVESTMENTS	
	6510	Interest on Investments and Interest-Bearing Checking Accounts	91.90
	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	
	6610	Daily Sales - Reimbursable Programs	
	6620	Daily Sales - Non-Reimbursable Programs	2,086.00
	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	25,010.11
	6750	Student Activity - Special Events	1,086.00
	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	24,932.10
	6890	Other Revenues from Intermediary Sources	1,213,617.96

6900		OTHER REVENUE FROM LOCAL SOURCES	
	6910	Rentals	
	6920	Contributions & Donations from Private Sources / Capital Contributions	2,103.98
	6930	Gains or Losses on Sale of Fixed Assets (Economic Resource Measurement Focus Only)	
	6940	Tuition from Patrons	
	6941	Regular Day School Tuition	
	6942	Summer School Tuition	
	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	
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	
	7330	Health Services (Medical, Dental, Nurse, Act 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	6,244.09
7600		REVENUE FOR MILK, LUNCH AND BREAKFAST PROGRAMS	
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	48,755.76
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	

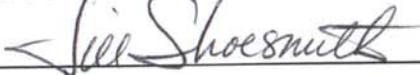
	8390	Other Restricted Federal Grants-in-Aid Directly from the Federal Government	
8500		RESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE COMMONWEALTH FOR THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT (IDEA), NO CHILD LEFT BEHIND (NCLB), VOCATIONAL EDUCATION, CHILD NUTRITION AND CAREER EDUCATION PROGRAMS	
	8510	Individuals with Disabilities Education Act (IDEA) and No Child Left Behind (NCLB)	
	8520	Vocational Education	
	8530	Child Nutrition Program	
	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	
			1,323,927.90
TOTAL REVENUES			

Preliminary Statement of Revenues, Expenditures & Fund Balances
 Include ALL Funds
 as of June 30, 2013

Name of School Evergreen Community Charter School

Address of School PO Box 523 Mountain Home, PA 18342

CEO Signature 

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

EXPENDITURES

1000	INSTRUCTION	834,858.34
1100	REGULAR PROGRAMS - ELEMENTARY / SECONDARY	
1200	SPECIAL PROGRAMS - ELEMENTARY / SECONDARY	71,166.63
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	
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	
	2320	Board Treasurer Services	
	2340	Staff Relations and Negotiations Services	
	2350	Legal Services	
	2360	Office of the Superintendent (Executive Director) Services	
	2370	Community Relations Services	
	2380	Office of the Principal Services	128,627.98
	2390	Other Administration Services	27,609.16
2400		SUPPORT SERVICES - PUPIL HEALTH	
2500		SUPPORT SERVICES - BUSINESS	
	2510	Fiscal Services	
	2520	Purchasing Services	
	2530	Warehousing and Distributing Services	
	2540	Printing, Publishing and Duplicating Services	
	2590	Other Support Services - Business	
2600		OPERATION AND MAINTENANCE OF PLANT SERVICES	
	2610	Supervision of Operation and Maintenance of Plant Services	
	2620	Operation of Buildings Services	189,907.70
	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	129.22
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	1,935.00
3200		STUDENT ACTIVITIES	27,838.42
	3210	School Sponsored Student Activities	
	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	

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	5,720.93
5200	FUND TRANSFERS	
5300	TRANSFERS INVOLVING COMPONENT UNITS	
5400	INTRAFUND TRANSFERS OUT	
5800	SUSPENSE ACCOUNT	
5900	BUDGETARY RESERVE	
TOTAL EXPENDITURES		1,287,793.38

**TOTAL REVENUES MINUS TOTAL EXPENDITURES = CURRENT FUND
BALANCE AS OF JUNE 30, 2014 = \$ 36,134.52**



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF EDUCATION
333 MARKET STREET
HARRISBURG, PA 17126-0333
www.pde.state.pa.us

Bureau of Special Education
717-783-6913

FAX: 717-783-6139

April 19, 2010

Ms. Jill Shoemith
CEO
Evergreen Community CS
P. O. Box 523
Mountainhome, Pa 18342

Dear Ms. Shoemith:

Enclosed is the Report of Findings presenting results of the cyclical monitoring which was conducted by the Bureau of Special Education (BSE) in the Evergreen Community CS the week of March 9, 2010.

The Executive Summary is arranged in two parts and includes an Appendix. PART I presents the Summary of Findings including an explanation of the review process and general findings. PART II describes the corrective action process. A description identifying findings of noncompliance, corrective action required, improvement planning needed, and results of interviews of staff and parents can be found in the Appendix. Due to the small sample size (less than 10) this report will not reflect raw data counts to avoid violating Confidentiality requirements under 34 CFR 300.610. The charter school must complete corrective action within the calendar days as outlined in the Charter School Corrective Action Verification/School District Compliance and Improvement Plan developed with the Single Point of Contact (SPOC). Follow-up onsite reviews verifying the charter school's completion of corrective action will be conducted by the BSE. The SPOC will contact the charter school to schedule the initial visit within 60 days of issuance of the monitoring report.

34 CFR 300.600 mandates the BSE to carry out monitoring activities and implementation of any necessary corrective action. Legal compliance is the basis on which high quality programs are built. It is policy of the Department of Education to promote and ensure compliance with special education statutes and regulations through an array of activities such as a coordinated program of plan review, compliance monitoring, technical assistance, and funding decisions. However, if the Department does not succeed in obtaining prompt compliance through activities such as monitoring, then more rigorous steps can be taken to make sure compliance is resolved. These include:

- Notification to the entity granting the charter of the failure of the charter school to comply with federal regulations.
- Deferment of the disbursement of state or federal funds pending resolution of the issue
- Reduction of the amount of funds (for example, by the amount of money it takes to provide an appropriate education to a particular child or children) if a district is unwilling to provide appropriate services

None of these steps are desirable and none should be necessary if each school district is familiar with and attentive to the rules governing special education.

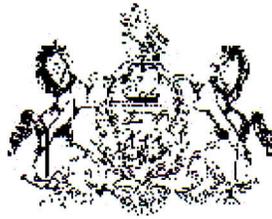
If you have any questions about this report, contact Juanita Kirton, the Chairperson of the compliance monitoring team.

Please convey my thanks to all staff who participated in the review. Their time and assistance is appreciated.

Sincerely,

John J. Tommasini
Director

Attachments: Executive Summary
Appendix: Detailed Report of Findings, Including Corrective Actions Required
CC: Chairperson
Jill Deitrich
SD Monitoring File



Executive Summary BSE Compliance Monitoring Review of the Evergreen Community CS

PART I SUMMARY OF FINDINGS

A. Review Process

Prior to the Bureau of Special Education (BSE) monitoring the week of March 9, 2010, the Evergreen Community CS was formally notified of the dates the onsite review would be conducted. Notice and invitation to comment was also provided to the Local Task Force on Right-to-Education. The charter school was informed of its responsibility to compile various reports, written policies, and procedures to document compliance with requirements.

While onsite, the monitoring team employed a variety of techniques to gain an in depth understanding of the charter school's program operations. These techniques included:

- Interviews of charter school administrative and instructional personnel
- Review of policies, notices, plans, outcome and performance data, special education forms and formats, and data reports used and compiled by the charter school (Facilitated Self-Assessment)
- Comprehensive case studies (including classroom observations, interviews of parents, students, and general and special education teachers, and student file reviews).

B. General Findings

In reaching compliance determinations, the BSE monitoring teams apply criteria contained in federal and state special education regulations. Specifically, these are:

- Individuals with Disabilities Education Improvement Act of 2004
- 22 Pa. Code Chapter 711
- 34 CFR Part 300

Commendations

In addition to reporting the status of compliance, the BSE wishes to recognize the Evergreen Community CS for the following:

- The Charter School is commended for the high level of communication and involvement with families and the surrounding community. Parents report that teachers and administrators are always available via phone, internet, school or home visits.

This report focuses on compliance with requirements and also contains descriptive information (such as interview results) intended to provide feedback to assist in program planning.

C. Overall Findings

1. FACILITATED SELF-ASSESSMENT (FSA)

The chairperson reviewed the FSA submitted by the charter school and conducted onsite verification activities of the information submitted in the FSA. The onsite verification activities included review of policies, notices, procedures, and charter school file reviews.

FSA	In Compliance	Out of Compliance
Assistive Technology and Services; Hearing Aids	0	2
Positive Behavior Support Policy	1	0
Child Find (Annual Public Notice and General Dissemination Materials)	1	0
Confidentiality	1	0
Dispute Resolution (Due process hearing decision implementation)	1	0
Exclusions: Suspensions and Expulsions (Procedural Requirements)	1	0
Independent Education Evaluation	1	0
Least Restrictive Environment (LRE)	1	0
Provision of Extended School Year Services	1	0
Provision of Related Service Including Psychological Counseling	1	0
Parent Training	0	1
Public School Enrollment	1	0
Surrogate Parents (Students Requiring)	1	0
Personnel Training	0	1
Intensive Interagency Approach	1	0
Summary of Academic Achievement and Functional Performance/Procedural Safeguard Requirements for Graduation	0	0
Disproportionate Representation that is the Result of Inappropriate Identification	1	0

IMPROVEMENT PLAN REQUIRED	Yes	No
Effective use of Dispute Resolution	0	1
Graduation Rates (SPP)	0	0
Dropout Rates (SPP)	0	1
Suspensions (Rates)	0	1
Least Restrictive Environment (LRE) (SPP)	0	1
Participation in PSSA and PASA (SPP)	0	1
Participation in Charter-Wide Assessment	0	1
Public School Enrollment	0	1
Disproportionate Representation due to Identification, Educational Environment, Suspension or Expulsion	0	1

2. FILE REVIEW (Student case studies)

The education records of randomly selected students participating in special education programs were studied to determine whether the charter school complied with essential requirements.

The status of compliance of the Evergreen Community CS is as follows:

Sections of the FILE REVIEW	In Compliance	Out of Compliance	NA
Essential Student Documents Are Present and Were Prepared Within Timelines	38	6	52
Evaluation/Reevaluation: Process and Content	93	6	369
Individualized Education Program: Process and Content	247	77	156
Procedural Safeguards: Process and Content	60	0	12
TOTALS	438	89	589

3. TEACHER AND PARENT INTERVIEWS

Interviews were conducted with parents and teachers of students selected by the BSE for the sample group. The goal is to determine if the charter school involves parents and professionals in required processes (e.g., evaluation, IEP development), whether programs and services are being provided, and whether the charter school provides training to enhance knowledge. Parent and teacher satisfaction with the special education program is also generally assessed.

	# Yes Responses	# No Responses	# of Other Responses
Program Implementation: General Ed Teacher Interviews	118	21	11
Program Implementation: Special Ed Teacher Interviews	150	0	30
Program Implementation: Parent Interviews	93	7	81
TOTALS	361	28	122

4. STUDENT INTERVIEWS

Results of the student interviews are reflected on the Charter School Corrective Action Verification/Compliance and Improvement Planning document.

5. CLASSROOM OBSERVATIONS

Observations are conducted in classrooms of students selected by the BSE for the sample group.

	# Yes Responses	# No Responses	# of Other Responses
Classroom Observations	29	0	13

PART II CORRECTIVE ACTION PROCESS

PART I of this report presented an overall summary of findings. In the Appendix to the report, we have provided the detailed findings for each of the criteria of the compliance monitoring document, i.e. FSA, File Reviews, Interviews and Classroom Observations. The detailed report of findings includes:

- Criteria Number
- Statements of all requirements
- Whether each requirement was met, not met, not applicable or other
- Statements of corrective action required for those criteria not met. *Criteria not met that require corrective action by the charter school are gray-shaded.*

Charter schools are advised that in accordance with requirements of the Individuals with Disabilities Education Act, all noncompliance must be corrected as soon as possible but in no case later than one year from the date of the monitoring report. The BSE is required to verify timely correction of noncompliance, and must report annually to the federal government and the public on this requirement.

Upon receipt of this report, the charter school should review the corrective action and improvement planning required. The report is formatted so that findings from all components of the monitoring are consolidated by topical area. The report lists the finding, and whether corrective action is required. For certain types of findings, corrective action will be prescribed, and will not vary from charter school to charter school. For example, if the finding is that the charter school lacks a specific required policy, it is reasonable to have the BSE prescribe a standardized remedy and timeline for correcting this deficiency. However, the majority of corrective action activities will be individually designed by the charter school based on their own unique circumstances and goals.

With respect to the File Review, because students were selected at random, findings are generalized to the entire population of students with disabilities. During the corrective action review, the BSE Single Point of Contact (SPOC) will generally select students at random and not focus solely on those students in the original sample. However in specific circumstances, e.g. students of secondary transition age, follow up of students in the original sample is required. Consequently, the charter school should approach corrective action on a systemic basis. If there has been a finding of noncompliance regarding the appropriateness or implementation of an individual student's program, the individual students are identified to the charter school and, because of the significance of the provision of a free appropriate public education (FAPE) to these students; the charter school must take immediate, individual corrective action.

The SPOC will schedule an onsite visit with the charter school within 60 days following issuance of the monitoring report. The SPOC, charter school, and PaTTAN staff will develop a Charter School Corrective Action Verification/Compliance and Improvement Plan. PaTTAN and IU staff is available to assist the charter school.

Upon conclusion of the corrective action process, the charter school will be notified of its successful completion of the monitoring process.



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717-783-6913

FAX: 717-783-6139

November 2, 2010

Ms. Jill Shoesmith
CEO
Evergreen Community CS
P. O. Box 523
Mountainhome, Pa 18342

Dear Ms. Shoesmith:

I have been informed that the areas of noncompliance cited as a result of the special education compliance monitoring visit conducted on March 9, 2010 have been corrected as of November 2, 2010 by the charter school. It is with pleasure that I commend you and your staff for efforts made in achieving resolution of the noncompliance areas.

Please note, if you have improvement plans that were developed as a component of the corrective action plan, they will remain open and you are required to implement the improvement plans until the specific corrective action for those items has been completed as approved by your adviser.

As you know, compliance monitoring is required by Federal regulations to determine a local education agency's compliance with Federal and State requirements for students identified as eligible for special education. Your response to the monitoring visit and subsequent corrective action assures the continuation of improved special education services to Pennsylvania students.

The Department of Education appreciates your cooperation and the Bureau of Special Education remains available to you should you desire further assistance in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "John J. Tommasini".

John J. Tommasini
Director