

Franklin Towne Charter Elementary School

Charter Annual Report

07/01/2013 - 06/30/2014

School Profile

Demographics

4259 Richmond Street
Philadelphia, PA 19137
(215)289-3389

Phase:

Phase 3

CEO Name:

Joseph Venditti

CEO E-mail address:

jvenditti@franklintowne.org

Governance and Staff

Leadership Changes

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

Franklin Towne Charter Elementary School has benefited greatly from a talented, committed, and stable Board of Trustees, experiencing only one vacancy in 2013-2014. Mr. Joseph Dougherty left the Board in spring 2014 due to personal reasons. As of July 2014, the position remains open with an active candidate search underway. There were no leadership changes in 2013-2014 in the school administration.

Board of Trustees Meeting Schedule

Location	Date and Time
Franklin Towne Charter High School; 5301 Tacony St., Philadelphia, PA	7/15/2014 6:00 PM
Franklin Towne Charter High School; 5301 Tacony St., Philadelphia, PA	8/19/2014 6:00 PM
Franklin Towne Charter High School; 5301 Tacony St., Philadelphia, PA	9/15/2014 6:00 PM
Franklin Towne Charter High School; 5301 Tacony St., Philadelphia, PA	10/21/2014 6:00 PM
Franklin Towne Charter High School; 5301 Tacony St., Philadelphia, PA	11/18/2014 6:00 PM
Franklin Towne Charter High School; 5301 Tacony St., Philadelphia, PA	12/16/2014 5:00 PM
Franklin Towne Charter High School; 5301 Tacony St., Philadelphia, PA	1/20/2015 6:00 PM
Franklin Towne Charter High School; 5301 Tacony St., Philadelphia, PA	2/17/2015 6:00 PM
Franklin Towne Charter High School; 5301 Tacony St., Philadelphia, PA	3/17/2015 6:00 PM
Franklin Towne Charter High School; 5301 Tacony St., Philadelphia, PA	4/21/2015 6:00 PM
Franklin Towne Charter High School; 5301 Tacony St., Philadelphia, PA	5/19/2015 6:00 PM
Franklin Towne Charter High School; 5301 Tacony St., Philadelphia, PA	6/16/2015 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

PDF 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	1.00	0.00	0.00	0.00	0.00
Principal	1.00	1.00	0.00	0.00	0.00	0.00
Assistant Principal	1.00	1.00	0.00	0.00	0.00	1.00
Classroom Teacher (including Master Teachers)	39.00	39.00	0.00	0.00	0.00	39.00
Specialty Teacher (including Master Teachers)	6.00	6.00	0.00	0.00	0.00	6.00
Special Education Teacher (including Master Teachers)	6.00	6.00	0.00	0.00	0.00	6.00
Special Education Coordinator	1.00	1.00	0.00	0.00	0.00	0.00
Counselor	0.00	0.00	0.00	0.00	0.00	0.00
Psychologist	1.00	1.00	0.00	0.00	0.00	0.00
School Nurse	0.00	0.00	0.00	0.00	0.00	0.00
Totals	56.00	56.00	0.00	0.00	0.00	52.00

Further explanation:

We have interpreted the intent of the chart above to be to track staff turnover during 2013-14 and staff retention from 2013-14 to 2014-15. The "Promoted," "Transferred," and "Terminated" columns reflect turnover among those staff employed at the start of the 2013-14 school year (as reflected in the "All Employed per Category" column) during the course of the 2013-14 school year. The "Contracted for Following Year" column reflects solely those staff who were employed at the beginning of the 2013-14 school year, who are returning for 2014-15 in the same position category. This chart does not reflect any new hires for 2014-15, and, as such, a reduction between the number of staff in "All Employed per Category" and the number of staff in "Contracted for the Following Year," does not necessarily indicate a reduction in positions for the upcoming school year.

Fiscal Matters

Major Fundraising Activities

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

FTCES has a very active Home and School Committee that held various fund raisers during 2013-14 (i.e., candle sales, pizza sales, Scholastic Book Fairs, etc.). Their efforts raised approximately \$28,000, which was used to support the academic program and the school's climate and culture improvement initiatives.

FTCES continues to benefit from grant funding that supports our educational program. Through a partnership with Franklin Towne Charter High School, FTCES again participated in the 21st Century Community Learning Center grant program for out of school time programming. Our students have access to a wide array of after school and summer programming through this grant, which began in December 2011 and continued through this school year.

FTCES intends to continue the dual fundraising tactics of Home and School fundraisers paired with grant writing in 2014-15.

Fiscal Solvency Policies

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

FTCES' goal is to maintain a substantial fund balance each year, which is sufficient to cover a minimum of two month's payroll. The fund balance will ensure that the school has a buffer in the event of unforeseen circumstances such as unscheduled repairs and maintenance, delay in receipt of federal funds, lower than anticipated student enrollment, etc.

FTCES maintains its fiscal solvency by employing strict internal controls. Internal controls are designed to safeguard assets and help to detect losses from employee dishonesty or error. A fundamental concept in a good system of internal controls is the segregation of duties.

Although the size of the FTCES accounting staff prohibits complete adherence to this concept, FTCES implements a variety of practices to improve existing internal control without impairing efficiency. These internal controls are outlined in detail in our Internal Controls Policy, which was forwarded to the School District of Philadelphia during the renewal.

Additionally, the school maintains an on-site Business Office and an education management company — OmniVest Management, LLC — to provide back-office support and ongoing financial planning services. The Business Office employs a rigorous purchase order and budget-tracking process to ensure that all expenditures are within the established departmental budgets.

OmniVest Management prepares monthly financial packets which are shared with the school

administration and Board treasurer and are presented to the full Board of Trustees at the monthly, public Board meetings. These packets track actual revenues and expenditures versus the budget to ensure that any abnormalities are recognized and addressed promptly. There were no changes in FTCES' policies and procedures to ensure and monitor fiscal solvency in 2013-14, but a copy of the Internal Controls Policy is attached.

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:

- FTCES - Internal Controls Policy.pdf

Accounting System

Changes to the accounting system the charter school uses:

For the 2013-14 school year, FTCES continued to contract with OmniVest Management, LLC to provide its back office and fiscal management services. OmniVest ensures that the general ledger structure and account classifications are in accordance with the Pennsylvania Department of Education guidelines. FTCES also utilizes OmniVest Management, LLC's internal controls and procedures, which include annual and monthly budgeting, cash management, general ledger control, monthly financial reporting, and account reconciliation. The accounting software system used is QuickBooks Premier Accountant Edition 2012. This software is customized with the Pennsylvania State Chart of Accounts for Pennsylvania Public Schools. The school is 100 percent compliant with the Pennsylvania State Chart of Accounts for PA Public Schools. All of the school's financial and budgetary reporting is prepared in accordance with the Generally Accepted Accounting Principles (GAAP) and the applicable standards set by the Government Accounting Standards Board, including GASB 34 and GASB 54. The school follows all relevant laws and regulations that govern charter schools within the Commonwealth of Pennsylvania. Additionally, U.S. Government laws and regulations that relate to grant funding are adopted as the grant funding is received.

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:	Anthony Kubicek
Date of Last Audit:	06/30/2013
Fiscal Year Last Audited:	2012-2013

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:

The school's Board of Trustees has engaged Certified Public Accountant Anthony J. Kubicek to conduct our audit for the fiscal year ended June 30, 2014. The audit report for fiscal year ended June 30, 2014 is expected to be completed by November 15, 2014. FTCES will provide PDE and the School District of Philadelphia with a copy of this audit report immediately upon its completion.

To date, the most recent audit available is the audit for the fiscal year ending June 30, 2013. This audit was completed on November 15, 2013. The "Management's Discussion and Analysis" can be found on pages 3-6 of this document. A summary of audit results includes the following: (1) The auditor's report was unqualified; (2) No reportable conditions were disclosed relating to the audit of the financial statements reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on Audit of Financial Statements performed in accordance with *Government Auditing Standards*; (3) No reportable conditions in internal control over major federal award programs (i.e. Title I, Title II, IDEA) were reported in the Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance; and (4) the school qualified as a low-risk auditee.

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:	Yes
Date of Last Federal Programs Consolidated Review:	05/06/2011

School Year Reviewed: 2010-11

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

PDF file uploaded.

Citations

Federal Programs Consolidated Review citations and the corresponding Charter School responses

Description	Response
<p>Topic: Title I, Highly Qualified/ Issue: All instructional paraprofessionals supported by Title I are highly qualified.</p>	<p>In the 2011-12 school year, 100% of FTCES instructional paraprofessionals are highly qualified. Specifically, we have employed three (3) paraprofessionals to serve as academic support personnel to our primary academy (grades K-3), as follows:</p> <ul style="list-style-type: none"> • Ms. Carla Peoples (holds a B.S. in Education) • Mr. William Conway (holds a B.S. in Communications) • Ms. Nancy Panepresso (holds an Associate's degree in Education)
<p>Topic: Title I, Parent Involvement/ Issue: Provide assistance to parents in understanding the State's academic content standards and student academic achievement standards, State and local academic assessments, the requirements of Title I, and how to monitor a child's progress and work with educators to improve student achievement.</p>	<p>In an effort to increase parent engagement, provide parents with vital information related to their children's education, and increase parental capacity to support student learning outside the classroom, FTCES has developed a calendar of parent involvement events for 2011-12 (forwarded to PDE). Included in this calendar are bi-monthly parent training topics (schedule forwarded to PDE).</p> <p>On September 27, 2011, the school held its first Parent Education Night, which focused on special education and statewide standards. We advertised this parent night in the school newsletter (forwarded to PDE), using our "all-call" phone system, and on the website. A copy of the sign-in sheet, two PowerPoint presentations, and a handout on state standards are attached. In addition to</p>

	<p>our bi-monthly Parent Education Nights, FTCES is scheduling a series of Technology Nights for parents, beginning in November 2011. These workshops will provide training to parents on the many technology systems FTCES uses to link parents to the school as well as on web-based curriculum resources.</p>
<p>Topic: Title I, Parent Involvement/ Issue: Educate instructional staff, with parental assistance, in the value and utility of contributions of parents, how to reach out to and communicate with and work with parents as equal partners, implement and coordinate parent programs and build ties between parents and school.</p>	<p>Both new and returning teachers were provided training on strategies for working with parents. This training was facilitated by principal Patrick Field during the summer professional development academy on August 30, 2011. A copy of the school's professional development schedule from the summer academy is attached as well as two PowerPoint presentations from this teacher training. Additionally, the school dismisses early each Friday for professional development and common planning. As part of our school-wide improvement efforts, best practices in parent involvement will be incorporated in this ongoing training as needed.</p>
<p>Topic: Title I, Parent Involvement/ Issue: Schools hold an annual meeting to inform participating parents about Title I programs.</p>	<p>FTCES hold the Title I Annual Meeting twice yearly. First, it is held in conjunction with Bring-Your-Parent-to-School-Day at the start of the school year. This year, these days took place on September 1-6. These days begin with a full-group parent assembly, at which Title I is discussed, and then parents go to their children's classrooms. Parents receive a copy of the School Handbook, which also includes the Annual Title I notice. Our AYP status is also discussed. A copy of the speaking agenda from the Bring-Your-Parent-to-School-Day/Annual Title I Meeting is attached along with a Title I handout and the Annual Title I Notice that were distributed to parents. Attendance at these sessions was approximately 95% and was recorded via the student attendance system rather than sign-in sheets. Secondly, Title I is also explained in detail during the new parent orientation each spring.</p>

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
Paraprofessional - Kristen Storbrauck	FTCES	0.75
Special Education Administrative Assistant - Ann Yost	FTCES	1
Special Education Teacher - Amanda Rudolph	FTCES	1
Special Education Teacher - Danielle Morris	FTCES	1
Special Education Teacher - Laura Capper	FTCES	1
Special Education Teacher - Letitia Strupczewski	FTCES	1
Special Education Teacher - Matthew Kocher	FTCES	1
Special Education Teacher - Megan Day	FTCES	1
Special Education Teacher - Theresa Kronbar	FTCES	1

Special Education Contracted Services

Title	Amt. of Time per Week	Operator	Number of Students
Director of Special Education - Juliet Rusak	20 Hours	Multiple LEA (School Districts or Charter Schools)	150
Medical Practitioner (IEP Review for MA ACCESS) - Margaret Swanson	1 Hours	Outside Contractor	33
School Psychologist - Marielle Martino	40 Hours	Multiple LEA (School Districts or Charter Schools)	65
Therapy Source (Audiological Services)	8 Hours	Outside Contractor	10 or fewer
Therapy Source (Occupational Therapy)	20 Hours	Outside Contractor	12
Therapy Source (Physical Therapy)	10 Hours	Outside Contractor	10 or fewer
Therapy Source (Speech Therapy)	30 Hours	Outside Contractor	46
Therapy Source (Vision Services)	4 Hours	Outside Contractor	10 or fewer

Special Education Cyclical Monitoring

Date of Last Special Education Cyclical Monitoring:

12/16/2010

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:

Equipment - \$141,172

Building Improvements - \$459,160

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

\$600,332.00

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:

With a new facility less than five years old, Franklin Towne Charter Elementary School does not have any immediate facility plans or capital needs.

Memorandums of Understanding

Organization	Purpose
Anthony Kubicek, CPA	Auditing/Accounting Services
ESS Electronics	Fire Alarm, Sprinklers, Fire Extinguishers, Hood Inspection
Franklin Towne Charter High School	Management Agreement/Shared Services
J.C. Erlich	Pest Control
MACCS Health Services	Standing Orders/Physician Services
Oak Leaf Lawn and Garden	Snow Removal
Omega	Security Monitoring
OmniVest Management, LLC	Business Management
Philadelphia Police Department	Establishes a relationship of cooperation and mutual support and to maintain a safe school environment.
Precision Mechanical Services	HVAC
Sammi's Cleaning Service	Cleaning Services

Schindler Elevator	Elevator Maintenance
The Nutrition Group	Food Service Management Company
Therapy Source	Occupational Therapy, Physical Therapy, SLP, Audiology Services
Waste Management	Trash Disposal

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 Cynthia Marelia on 7/28/2014

President, Board of Trustees

Affirmed by Joseph Venditti on 7/28/2014

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 Cynthia Marelia on 7/28/2014

President, Board of Trustees

Affirmed by Joseph Venditti on 7/28/2014

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 Cynthia Marelia on 7/28/2014

President, Board of Trustees

Affirmed by Joseph Venditti on 7/28/2014

Chief Executive Officer

FDN FORM	Franklin Towne Elementary Charter School	2013-14	Year End			
	(Name of School)	(School Year)				
Information for all professional staff members.						
First Name of employee (List all names in alphabetical order)	Areas of Certification Type of Certificate	Grades Teaching or Serving	All Areas of Assignment Subject Areas Teaching or Services Provided	Number of Hours Worked in Assignment	Percentage of Time in Certified Position	Percentage of Time in Areas Not Certified
Alina	English 7-12 -- Inst. II	7	7th Grade -- English	990	100%	0%
Alison	English 7-12 -- Inst. I	8	8th-Grade English	990	100%	0%
Alison	Elem. Ed. K-6 -- Inst. I; Special Ed. N-12 -- Inst I	2	Elementary -- all subjects	990	100%	0%
Allison	Spanish K-12 -- Inst. I; ESL K-12 -- Program Specialist	K-8	Spanish	990	100%	0%
Amanda	Elementary Ed K-6 -- Inst. I; Special Ed. N-12 -- Inst. I	3	Elementary -- all subjects	990	100%	0%
Amanda	Elementary Ed K-6 -- Inst. I; Special Ed. N-12 -- Inst. I	4	Elementary -- all subjects	990	100%	0%
Amber	Elem. Ed. K-6 -- Inst. I	1	Elementary -- all subjects	990	100%	0%
Andrew	Elem. Ed. K-6 -- Inst. I	4	Elementary -- all subjects	990	100%	0%
Ann-Marissa	Elem. Ed. K-6 -- Inst. I	3	Elementary -- all subjects	990	100%	0%
Brittany	Elementary Ed K-6 -- Inst I	6	Elementary -- all subjects	990	100%	0%
Candice	Elem. Ed. K-6 -- Inst I; Mid-Level English 7-9 -- Inst. I; Special Ed. N-12 -- Inst. I	4	Elementary -- all subjects	990	100%	0%
Carolyn	Elem Ed. K-6 -- Inst. I	3	Elementary -- all subjects	990	100%	0%

Christina	Elem. Ed K-6 -- Inst. II	2	Elementary -- all subjects	990	100%	0%
Christine	Elem. Ed. K-6 -- Inst. I	k	Elementary -- all subjects	990	100%	0%
Courtney	Music K-12 -- Inst. I	K-8	Music	990	100%	0%
Danielle	Special Ed. N-12 -- Inst. I	3	Special Education	990	100%	0%
Danielle	Elementary Ed K-6 -- Inst. I; Mid-Level Math 7-9 -- Inst. I	8	8th Grade -- Math	990	100%	0%
Elizabeth	Elementary Ed K-6 -- Inst. I; Special Ed. N-12 -- Inst. I	1	Elementary -- all subjects	990	100%	0%
Eoin	Bus-Computer Info K-12 -- Inst. I	K-8	Technology	990	100%	0%
Gina	Early Childhood N-3 -- Inst. I; Elementary Ed K-6 -- Inst. I	6	Elementary -- all subjects	990	100%	0%
Jacqueline	Elem. Ed. K-6 -- Inst. I	3	Elementary -- all subjects	990	100%	0%
James	Principal K-12 -- Admin. I (12/01/12), Bus-Computers Tech K-12 -- Inst. I; Special Ed N-12 -- Inst. I	K-8	Assistant Principal	990	70%	30%
Jennifer	Elementary Ed K-6 -- Inst. I; Reading Specialist -- Inst. I	3	Elementary -- all subjects	990	100%	0%
John	Bus-Computer Info K-12 -- Inst. II	K-8	Technology	990	100%	0%
John (Wes)	Health & Phys. Ed K-12 -- Inst. I	K-8	Health & Physical Education	990	100%	0%
Juliet	Special Ed N-12 -- Inst. II; Elementary Ed. K-6 -- Inst. II	K-8	Special Ed Coordinator	495	100%	0%

Kathleen	Elem. Ed. K-6 -- Inst. I	k	Elementary -- all subjects	990	100%	0%
Kevin	Elementary Ed K-6 -- Inst. I	5	Elementary -- all subjects	990	100%	0%
Kimberly	Elementary Ed K-6 -- Inst. I	4	Elementary -- all subjects	990	100%	0%
Laura	Elementary Ed K-6 -- Inst. I; Special Ed. N-12 -- Inst. I	4-8	Special Education	990	100%	0%
Letitia	Elementary Ed K-6 -- Inst. II; Special Ed. N-12 -- Inst. II	K-3	Special Education	990	100%	0%
Lisa	Mid Level Science 7-9 -- Inst. I; Social Studies 7-9 -- Inst. I	8	8th Grade Science	990	100%	0%
Lorraine	Elementary Ed K-6 -- Inst. II; Early Childhood K-3 -- Inst. II; Masters Equivalency; Ment and/or Phys. Handicapped -- Inst. II	1	Elementary -- all subjects	990	100%	0%
Marielle	School Psychologist -- Ed. Specialist I; Special Ed. N-12 -- Inst. II; Elementary Ed. K-6 -- Inst. II	K-8	School Psychologist	990	100%	0%
Mary	Mid Level Science 7-9 -- Inst. I	7	7th grade -- Science	990	100%	0%
Marybeth	Elem. Ed. K-6 -- Inst. I	4	Elementary -- all subjects	990	100%	0%
Matt	Elementary Ed K-6 -- Inst. I; Special Ed. N-12 -- Inst. I; Mid-level Math 7-9 -- Inst. I	6-8	Special Education (7th Grade RELA and Math)	990	100%	0%
Matthew	English 7-12 -- Inst. II; Social Studies -- Inst. II	8	8th Grade -- Social Studies	990	100%	0%
Megan	Special Ed. N-12 -- Inst. I	7-8	Special Education	990	100%	0%
Michelle	Elem. Ed K-6 -- Inst. II; Reading Specialist -- Inst. II	1	Elementary -- all subjects	990	100%	0%

Moira	Early Childhood N-3 -- Inst. I; Elementary Ed K-6 -- Inst. I; Special Ed N-12 -- Inst. I	5	Elementary -- all subjects	990	100%	0%
Patricia	Elementary Ed K-6 -- Inst. I; Special Ed. N-12 -- Inst. I (8/1/13)	K	Elementary -- all subjects	990	100%	0%
Patrick	Principal K-12 -- Admin I; Early Childhood N-3 -- Inst. II; Elementary Ed K-6 -- Inst. II	K-8	CAO/Principal	990	100%	0%
Robyn	Elementary Ed K-6 -- Inst. I	K	Elementary -- all subjects	990	100%	0%
Ryan	Elem. Ed. K-6 -- Inst. I	5	Elementary -- all subjects	990	100%	0%
Samantha	Mid Level Math 7-9 -- Inst. I; Elementary Ed K-6 -- Inst. I	7	7th Grade -- Math	990	100%	0%
Sean	Elementary Ed K-6 -- Inst. I; Special Ed. N-12 -- Inst. I	k-8	Elementary -- all subjects	990	100%	0%
Shawn	Health & Phys. Ed K-12 -- Inst. II	K-8	Health & Physical Education	990	100%	0%
Stefanie	Elementary Ed K-6 -- Inst. I; Special Ed. N-12 -- Inst. I	2	Elementary -- all subjects	990	100%	0%
Stephany	Early Childhood N-3 -- Inst. I; Elem. Ed. K-6 -- Inst. I; Special Ed. N-12 -- Inst. I (7/1/13); Reading Specialist -- Inst. I (8/1/13)	2	Elementary -- all subjects	990	100%	0%
Susan	Early Childhood N-3 -- Inst. I; Elementary Ed K-6 -- Inst. I	5	Elementary -- all subjects	990	100%	0%
Theresa	Special Ed N-12 -- Inst. I; Early Childhood N-3 -- Inst. I	4-8	Special Education	990	100%	0%
Tim	Elementary Ed K-6 -- Inst. I	6	Elementary -- all subjects	990	100%	0%
Tim	Elementary Ed K-6 -- Inst. I	6	Elementary -- all subjects	990	100%	0%

Zachary	Social Studies -- Inst. I	7	7th Grade -- Social Studies	990	100%	0%
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Preliminary Statement of Revenues, Expenditures & Fund Balances
 Include ALL Funds
 as of June 30, 2014

Name of School FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL

Address of School 4259 RICHMOND ST., PHILADELPHIA, PA 19137

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	2,398
6600		FOOD SERVICE REVENUE	163,107
	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	122,291
	6710	Admissions	
	6720	Bookstore Sales	
	6730	Student Organization Membership Dues and Fees	
	6740	Fees	
	6750	Student Activity - Special Events	
	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	
	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	8,935,078
	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	112,580
	6990	Refunds and Other Miscellaneous Revenue	12,135
	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)	15,887
	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	16,384
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	360,579
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	671,670
	8510	Individuals with Disabilities Education Act (IDEA) and No Child Left Behind (NCLB)	122,255
	8520	Vocational Education	
	8530	Child Nutrition Program	240,255
	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	8,165
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			10,782,784

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

Name of School FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL

Address of School 4259 RICHMOND ST., PHILADELPHIA, PA 19137

CEO Signature 

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

EXPENDITURES

1000	INSTRUCTION	
1100	REGULAR PROGRAMS - ELEMENTARY / SECONDARY	3,748,394
1200	SPECIAL PROGRAMS - ELEMENTARY / SECONDARY	277,198
1300	VOCATIONAL EDUCATION	
1400	OTHER INSTRUCTIONAL PROGRAMS - ELEMENTARY / SECONDARY	126,169
1600	ADULT EDUCATION PROGRAMS	
1700	HIGHER EDUCATION PROGRAMS	
1800	PRE-KINDERGARTEN	
2000	SUPPORT SERVICES	
2100	SUPPORT SERVICES - PUPIL PERSONNEL	179,071
	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	115,594
	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	27,887
	2360	Office of the Superintendent (Executive Director) Services	
	2370	Community Relations Services	
	2380	Office of the Principal Services	240,084
	2390	Other Administration Services	
2400		SUPPORT SERVICES - PUPIL HEALTH	147,445
2500		SUPPORT SERVICES - BUSINESS	1,039,384
	2510	Fiscal Services	20,000
	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	2,131,107
	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	50,416
	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	98,698
	2890	Other Support Services Central	
2900		OTHER SUPPORT SERVICES - CENTRAL	
	2990	Pass-Thru Funds	
3000		OPERATION OF NON-INSTRUCTIONAL SERVICES	
3100		FOOD SERVICES	390,157
3200		STUDENT ACTIVITIES	67,075
	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	

FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL

Board of Trustees

Internal Controls Policy

Internal controls are designed to safeguard assets and help to detect losses from employee dishonesty or error. A fundamental concept in a good system of internal control is the segregation of duties. Although the size of the Charter School's accounting staff prohibits complete adherence to this concept, implementing the following practices will improve existing internal control without impairing efficiency.

Internal controls are hereby adopted in the following areas:

- **CASH RECEIPTS**
- **PETTY CASH**
- **CASH DISBURSEMENTS**
- **ACCOUNTING SYSTEM**
- **INSURANCE COVERAGE**
- **EXPENSE REPORTS**
- **ADDITIONAL MISCELLANEOUS ITEMS**

CASH RECEIPTS

The CEO shall open all incoming mail. The Charter School's accounting staff shall be responsible for:

1. Recording the cash receipts
2. Preparing the daily bank deposit
3. Forwarding the cash receipts listing (along with remittance advice) to the "Accounting Staff (the Charter School' Business Manager/Bookkeeper)

Once the Charter School's accounting staff has received the cash receipts listing, he/she will be responsible for posting incoming cash receipts to the general ledger and detail customer accounts. The Charter School's accounting staff shall also be responsible for posting cash receipts for monies received for student lunches and all student activities such as summer camp, etc.

In addition, the accounting staff shall be responsible for depositing cash receipts intact on a daily basis. No cash receipts will be held for a weekly deposit as it exposes the Charter School to loss.

PETTY CASH

One petty cash fund shall be used instead of multiple miscellaneous cash accounts. Disbursements from the • petty cash fund shall be controlled in the same manner as disbursements from the checking account.

To provide for proper control and recording of petty cash, an "imprest system" shall be established. An imprest system is an account set up to make change or pay small obligations for which the issuance of a formal voucher and check would be too expensive and/or time consuming. Imprest accounts derive their name from the fact that the account balance is maintained at a fixed level by regular reimbursement for the exact amount of the checks written.

Under such a system, the amount of cash in the petty cash fund shall be adequate to handle all petty cash transactions for a short period of time, but the balance shall not exceed \$2500.

Formal petty cash vouchers are to be used for all working fund disbursements. Such vouchers shall be properly approved and supported, and shall be signed and dated by the payee. The maximum amount for individual fund disbursements shall be \$500.

The petty cash fund shall be reimbursed periodically with a check made payable to the petty cash custodian (the CEO or his/her designee). Proper expense accounts shall be charged as reimbursements are made. In addition, the CEO along with the Board shall set restrictions concerning the type and amount of transactions that can be handled through the petty cash fund. All disbursements are to be approved by an authorized person (one or more Board members and/or the CEO), and supported by petty cash vouchers indicating the proper account distribution. To prevent possible reuse, petty cash vouchers and supportive documents shall be cancelled by stamping "PAID".

CASH DISBURSEMENTS

When paying bills, the Charter School's accounting staff shall:

- Indicate on the invoice that the checking of prices, extension, footings and cash discounts are correct by initialing such.

- Cancel invoices by using a rubber stamp titled "PAID" which provides spaces to indicate the date paid, check number, etc. on the invoice.
- Have the persons signing the check (Board members, CEO) initial the invoice to indicate review of the invoice.
- Signed checks shall be handed over to the school secretary and/or administrative assistant to be mailed out. Such checks are to be mailed without allowing them to be returned to the employee(s) responsible for accounts payable.

ACCOUNTING SYSTEMS

No transaction shall be posted to a prior year or prior month by the Charter School's accounting staff; nor shall any transaction be changed or deleted by the Charter School's accounting staff. If deemed necessary, the Charter School's accounting firm with prior board approval shall make such adjustments. Controls within accounting systems shall be modified to prevent such changes.

FIDELITY INSURANCE COVERAGE

Any employee who handles cash (either its receipt or disbursement) or who holds a position of financial trust must have fidelity bond insurance coverage. The adequacy of such coverage shall be subject to board review with the Charter School's insurance agent on an annual basis at a minimum.

ADDITIONAL MISCELLANEOUS ITEMS

The CEO or his/her designee (the designee must be someone other than the employee maintaining cash records) is responsible for opening bank statements, canceled checks, and appropriate advices. The CEO, designee, or other responsible Board member(s) shall periodically review such items, before turning them over for reconciliation. Unusual items noted during the review shall be investigated promptly.

The CEO, other responsible Board member(s), or a representative from the Charter Schools accounting firm shall approve journal entries.

The CEO or designee is responsible for implementing additional procedures where necessary to ensure proper internal controls.

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

ADOPTED this 17 day of March, 2009

President *Cynthia Martin* Secretary _____

SECRETARY *Francis Jones*

FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

ANTHONY J. KUBICEK
CERTIFIED PUBLIC ACCOUNTANT

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
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ANTHONY J. KUBICEK
CERTIFIED PUBLIC ACCOUNTANT
1240 WEST CHESTER PIKE, SUITE 210
WEST CHESTER, PA 19382
TEL 610- 430-7826
FAX 610- 430-0552

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Franklin Towne Charter Elementary School
Philadelphia, Pennsylvania

I have audited the accompanying financial statements of the governmental activities and each major fund of Franklin Towne Charter Elementary School (a nonprofit organization) as of June 30, 2013, 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 audit 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of Franklin Towne Charter Elementary School as of June 30, 2013, and the respective changes in financial position for the general fund for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued my report dated November 15, 2013 on my consideration of the Franklin Towne Charter Elementary School's internal control over financial reporting and on my tests of its compliance with certain provisions of law, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my 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* and should be considered in assessing the results of my audit.

The management's discussion and analysis as listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by U.S. generally accepted accounting principles. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Franklin Towne Charter Elementary School's basic financial statements. The introductory section and combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by U.S. Office Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Franklin Towne Charter Elementary School. The combining and individual non-major fund financial statements and the schedule of expenditures of Federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



ANTHONY J. KUBICEK, CPA

West Chester, Pennsylvania
November 15, 2013

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

The Board of Trustees of the Franklin Towne Charter Elementary School (the School) offers readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2013. I encourage readers to consider the information presented here in conjunction with the School's financial statements.

Financial Highlights

- Total revenue for the fiscal year ended June 30, 2013 was \$10,159,061, representing an increase of \$3,809,376 from June 30, 2012.
- At the close of the current fiscal year, the School reports an ending fund balance of \$2,977,472. This fund balance increased from the previous year-end as the result of \$2,159,610 in excess of revenues over expenditures for the year ended June 30, 2013.
- The School's cash balance at June 30, 2013 was \$3,723,116 representing an increase of \$1,825,219 from June 30, 2012.

Overview of the 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 are comprised of three components: Management's Discussion and Analysis (this section), the basic financial statements and single audit requirements.

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 assets* presents information on all of the School's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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.

Richmond Street Community Development Corporation has been included in the government-wide financial statements as a component unit in accordance with the implementation of GASB No. 61.

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 ensure and demonstrate compliance with finance-related legal requirements. The School has general, capital projects, student activities, food service and store funds.

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.

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the School, assets exceeded liabilities by \$4,725,849 as of June 30, 2013.

	<u>2013</u>	<u>2012</u>
Total Assets	\$24,072,583	\$20,111,447
Total Liabilities	<u>19,346,734</u>	<u>17,575,275</u>
Total Net Assets	<u>\$ 4,725,849</u>	<u>\$ 2,536,172</u>

The School's revenues are predominately from the School District of Philadelphia based on the student enrollment.

	<u>2013</u>	<u>2012</u>
REVENUES		
Local Educational Agencies	\$ 8,400,366	\$ 5,502,891
Operating Grants and Contributions	1,378,245	616,799
Charges for Services	251,566	168,575
All Other Revenue	<u>128,884</u>	<u>61,420</u>
Total Revenue	<u>10,159,061</u>	<u>6,349,685</u>
EXPENDITURES		
Instruction	3,438,631	2,074,389
Support Services	3,139,257	3,731,575
Student Activities	49,823	41,649
Interest Expense	366,099	71,772
Depreciation and Amortization	<u>998,574</u>	<u>131,748</u>
Total Expenditures	<u>7,969,384</u>	<u>6,051,133</u>
Change in Net Assets	2,189,677	298,552
Net Assets, Beginning	<u>2,536,172</u>	<u>2,237,620</u>
Net Assets, Ending	<u>\$ 4,725,849</u>	<u>\$ 2,536,172</u>

FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

Government Fund

The focus of the School's *governmental funds* 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 \$2,977,472. For the year ended June 30, 2013, the School's revenues exceeded expenditures by \$2,159,610.

General Fund Budgetary Highlights

The School did not amend its adopted general fund budget during the year. Actual revenues exceeded budget revenues by \$175,797. Actual expenditures exceeded budgeted expenditures by \$517,243.

Capital Asset and Debt Administration

CAPITAL ASSETS

As of June 30, 2013, the School's investment in capital assets for its governmental activities totaled \$19,906,452 (net of accumulated depreciation). This investment in capital assets includes land, construction in-progress, classroom and office furniture and classroom materials.

Additional information on the School's capital assets can be found in Note 4 of this report.

Long-Term Debt

As of June 30, 2013, the Schools Long-Term Debt was \$18,404,453.

Economic Factors and Next Year's Budgets and Rates

The School does not foresee any substantial variations with next years' economic factors, budgets, rates or any future events that will financially impact the School.

Future Events that will Financially Impact the School

Enrollment will remain at 900 students next year, and the School will maintain the level of grades taught. The funds generated will offset the costs of instructional and support services. Based upon this projection, the School expects to be able to maintain their current surplus.

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013**

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 CEO, Franklin Towne Charter Elementary School, 4259 Richmond Street, Philadelphia, Philadelphia, Pennsylvania 19137 or call (215) 289-3389.

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
STATEMENT OF NET ASSETS
JUNE 30, 2013**

ASSETS

CURRENT ASSETS

Cash	\$ 3,723,116
State Subsidies Receivable	70,800
Federal Subsidies Receivable	10,904
Other Receivables	91,606
Prepaid Expenses	23,327
Total Current Assets	3,919,753

CAPITAL ASSETS

Property and Equipment	21,537,918
Less: Accumulated Depreciation	(1,631,466)
Total Capital Assets, Net of Accumulated Depreciation	19,906,452

OTHER ASSETS

Loan Origination Fees, Net of Accumulated Amortization	246,378
--	---------

TOTAL ASSETS

\$ 24,072,583

LIABILITIES

CURRENT LIABILITIES

Current Portion, Long-Term Debt	\$ 2,204,491
Accounts Payable	313,380
Salaries and Contracts Payable	539,003
Total Current Liabilities	3,056,874

UNEARNED REVENUE

89,898

LONG-TERM DEBT

16,199,962

Total Liabilities

19,346,734

NET ASSETS

INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT

1,748,377

UNRESTRICTED

2,977,472

TOTAL NET ASSETS

4,725,849

TOTAL LIABILITIES AND NET ASSETS

\$ 24,072,583

See the accompanying notes to the financial statements.

FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

PROGRAM REVENUES

	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS CONTRIBUTIONS	NET (EXPENSES) REVENUE AND CHANGES IN NET ASSETS TOTAL GOVT ACTIVITIES
FUNCTIONS				
Instruction	\$ 3,438,631	\$ -	\$ 1,096,281	\$ 2,342,350
Instructional Staff Support	364,327	-	-	364,327
Administration Support	1,004,167	-	-	1,004,167
Pupil Health	129,100	-	10,266	118,834
Business Services	263,201	-	-	263,201
Operations and Maintenance	799,059	-	-	799,059
Other Support Services	149,010	-	-	149,010
Student Activities	49,823	47,261	-	2,562
School Store	21,161	40,016	-	(18,855)
Food Service	386,232	164,289	271,698	(49,755)
Interest Expense	366,099	-	-	366,099
Amortization Expense	41,063	-	-	41,063
Depreciation Expense	957,511	-	-	957,511
Total	<u>\$ 7,969,384</u>	<u>\$ 251,566</u>	<u>\$ 1,378,245</u>	<u>\$ 6,339,573</u>

GENERAL REVENUES

State and Local Aid not restricted to specific purposes	\$	8,400,366
Earnings on Investments		3,360
Miscellaneous		125,524
Total General Revenue		<u>8,529,250</u>
Changes in Net Assets		2,189,677
Net Assets, Beginning of Year		<u>2,536,172</u>
Net Assets, End of Year	<u>\$</u>	<u>4,725,849</u>

See the accompanying notes to the financial statements.

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
BALANCE SHEET-GOVERNMENTAL FUNDS
JUNE 30, 2013**

ASSETS	MAJOR FUNDS					
	TOTAL	FOOD SERVICE FUND	STUDENT ACTIVITIES FUND	SCHOOL STORE	CAPITAL PROJECTS	GENERAL FUND
Cash	\$ 3,723,116	\$150,428	\$ 22,747	\$ 54,580	\$ 1,600,008	\$ 1,895,353
State Subsidies Receivable	70,800	-	-	-	-	70,800
Federal Subsidies Receivable	10,904	-	-	-	-	10,904
Other Receivables	91,606	-	-	-	-	91,606
Prepaid Expenses	23,327	-	-	-	-	23,327
Interfund Receivables	255,080	-	-	-	-	255,080
Total Assets	\$ 4,174,833	\$150,428	\$ 22,747	\$ 54,580	\$ 1,600,008	\$ 2,347,070
LIABILITIES AND FUND BALANCE						
Accounts Payable	\$ 313,380	\$ -	\$ -	-	\$ -	\$ 313,380
Salaries and Contracts Payable	539,003	-	-	-	-	539,003
Unearned Revenue	89,898	-	-	-	-	89,898
Interfund Payables	255,080	108,137	81,797	65,146	-	-
Total Liabilities	1,197,361	108,137	81,797	65,146	-	942,281
FUND BALANCE						
Reserved Fund Balance (Deficit)	1,572,683	42,291	(59,050)	(10,566)	1,600,008	-
Unrestricted Fund Balance	1,404,789	-	-	-	-	1,404,789
Total Liabilities and Fund Balance	\$ 4,174,833	\$150,428	\$ 22,747	\$ 54,580	\$ 1,600,008	\$ 2,347,070

See the accompanying notes to the financial statements.

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	TOTAL	FOOD SERVICE	STUDENT ACTIVITIES	SCHOOL STORE	CAPITAL PROJECTS	GENERAL
REVENUES						
Local Educational Agency Assistance	\$ 8,400,366	\$ -	\$ -	\$ -	\$ -	\$ 8,400,366
Other Local Sources	380,450	164,289	47,261	40,016	-	128,884
State Sources	263,366	17,213	-	-	-	246,153
Federal Sources	1,114,879	254,485	-	-	-	860,394
Total Revenues	10,159,061	435,987	47,261	40,016	-	9,635,797
EXPENDITURES						
Instruction	3,438,631	-	-	-	-	3,438,631
Support Services	1,617,504	-	-	-	-	1,617,504
Noninstructional Services	1,648,576	386,232	49,823	21,161	-	1,191,360
Capital Outlays	3,552,731	-	-	-	2,729,148	823,583
Debt Service	2,071,165	-	-	-	-	2,071,165
Total Expenditures	12,328,607	386,232	49,823	21,161	2,729,148	9,142,243
REVENUES IN EXCESS OF EXPENDITURES	(2,169,546)	49,755	(2,562)	18,855	(2,729,148)	493,554
OTHER FINANCING SOURCES						
Transfers	4,329,156	-	-	-	4,329,156	-
NET CHANGES IN FUND BALANCE	2,159,610	49,755	(2,562)	18,855	1,600,008	493,554
FUND BALANCE - BEGINNING OF YEAR	817,862	(7,464)	(56,488)	(29,421)	-	911,235
FUND BALANCE - END OF YEAR	\$ 2,977,472	\$ 42,291	\$ (59,050)	\$ (10,566)	\$ 1,600,008	\$ 1,404,789

See the accompanying notes to the financial statements.

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2013**

Total Fund Balances for Governmental Funds **\$ 2,977,472**

Total net assets reported for governmental activities in the
Statement of net assets is different because:

Capital assets used in governmental funds are not financial
resources and, therefore, are not reported in the funds.

Those assets consist of:

Property and Equipment	21,537,918
Accumulated Depreciation	(1,631,466)
Loan Origination Fees	287,441
Accumulated Amortization	(41,063)

Long-term liabilities that pertain to governmental funds,
including notes payable are not due and payable in the current period
and therefore are not reported as fund liabilities.

All liabilities – both current and long-term are reported in the
statements of net assets. Balances at year-end are:

(18,404,453)

Total Net Assets of Governmental Activities **\$ 4,725,849**

See the accompanying notes to the financial statements.

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013**

Net Change in Fund Balances – Total Governmental Funds **\$ 2,159,610**

Amounts Reported for Governmental Activities in the
Statement of Activities is Different Because:

Proceeds from financing sources (15,900,000)

Governmental Funds Report Capital Outlays as Expenditures. However,
in the Statement of Activities, Assets are Capitalized and the Cost is
allocated over their Estimated Useful Lives and Reported as
depreciation Expense. This is the Amount by Which Capital Outlays
exceeded Depreciation in the Current Period.

Capital Outlays	3,552,731
Depreciation & Amortization Expense	(998,574)

The Governmental Funds report note proceeds as financing sources,
while repayment of note principal is reported as an expenditure.
In the statement of net assets, however, issuing debt increases
long-term liabilities and does not affect the statement of activities
and repayment of principal reduces the liability. The net effect of these
differences in the treatment of notes payable is as follows:

Repayment of Long-Term Debt	<u>13,375,910</u>
-----------------------------	-------------------

Change in Net Assets of Governmental Activities **\$ 2,189,677**

See the accompanying notes to the financial statements.

FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2013

	BUDGET AMOUNTS ORIGINAL/FINAL	ACTUAL AMOUNTS	OVER (UNDER) FINAL BUDGET
REVENUES			
Local Educational Agency Assistance	\$ 8,360,000	\$ 8,400,366	\$ 40,366
Other Local Sources	75,000	128,884	53,884
State Sources	225,000	246,153	21,153
Federal Sources	800,000	860,394	60,394
Total Revenues	<u>9,460,000</u>	<u>9,635,797</u>	<u>175,797</u>
EXPENDITURES			
Instruction	3,400,000	3,438,631	38,631
Support Services	1,600,000	1,617,504	17,504
Non-instructional Services	1,125,000	1,191,360	66,360
Capital Outlays	500,000	823,583	323,583
Debt Service	2,000,000	2,071,165	71,165
Total Expenditures	<u>8,625,000</u>	<u>9,142,243</u>	<u>517,243</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 835,000</u>	493,554	<u>\$ (341,446)</u>
FUND BALANCE - BEGINNING OF YEAR		<u>911,235</u>	
FUND BALANCE - END OF YEAR		<u>\$ 1,404,789</u>	

See the accompanying notes to the financial statements.

FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Background

Franklin Towne Charter Elementary 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 three-year period. The mission of the School is to provide a high quality public education to students in grades 3 through 6. The School is located in Philadelphia and operations began during the 2011-2012 school year.

In May 2010, the School District of Philadelphia renewed the Schools Charter for five years effective July 1, 2012. Under the terms of the renewal, the School agrees to expand the grades from Kindergarten to eighth grade and increase enrollment to a maximum of 900 students.

Discretely Presented Component Unit-Richmond Street Community Development Corporation

Effective July 1, 2013, the School has implemented GASB statement No. 61, which amends GASB statement No. 14, accounting for component units. GASB statement No. 61 expands the criteria for blending a component unit with the government-wide financial statements. Accordingly, the expanded criteria has been applied to Richmond Street Community Development Corporation and the component unit meets the criteria to be blended with the School's government-wide financial statements.

Richmond Street Community Development Corporation was established by the School and incorporated on September 16, 2009 to acquire the land and construct the building for the Schools new facility. Franklin Towne Charter Elementary School is the sole member of the corporation because of this position with the primary government; management has concluded that the primary government effectively appoints a voting majority of the board and Richmond Street Community Development Corporation is economically dependent on Franklin Towne Charter Elementary School for financial support. Management believes that failure to include the Richmond Street Community Development Corporation could render the Franklin Towne Charter Elementary School's financial statements incomplete or misleading. Financial statements for the Richmond Street Community Development Corporation can be obtained from the Franklin Towne Charter Elementary School, 4259 Richmond Street, Philadelphia, PA 19137.

Basis of Presentation

The financial statements of the School have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing government 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 generally accepted accounting principles for state and local governments that have implemented GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, issued in June 1999.

FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

**NOTE 1 BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Government-Wide and Fund Financial Statements

The government-wide financial statements (the statement of net assets (deficit) 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.

The fund financial statements (governmental fund balance sheet and statement of governmental fund. Revenues, expenditures and changes in fund balance (deficit) report on the School's general, food services and student activities.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide financial statements:

The statement of net assets (deficit) 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 provider have been met.

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 government reports the following major governmental fund:

General Fund – The General Fund is the operating fund of the School and accounts for all revenues and expenditures of the School with the exception of activities reported in the Capital Projects, Food Services and Student Activities Funds.

The following funds were elected as major funds by the management of the School:

Capital Projects Fund – The Capital Projects Fund is the operating fund to account for the acquisition of the land and construction of the Schools new facility currently under construction.

Food Services Fund – The Food Services Fund is the operating fund of the school that accounts for the schools nutrition program.

Student Activities Fund – The Student Activities Fund is the operating fund of the School and accounts for all student activities revenues and expenditures.

FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

**NOTE 1 BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Method of Accounting

The School has adopted the provision of Statement No. 34 ("Statement 34") of the Governmental Accounting Standards Board "*Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.*" Statement 34 established standards for external financial reporting for all State and Local governmental entities, which includes a statement of net assets (deficit), a statement of activities and changes in net assets (deficit). It requires the classification of net assets (deficit) 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 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 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 assets component as the unspent proceeds.
- Restricted – This component of net assets consists of constraints placed on net assets 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.
- Unrestricted net assets – This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Fund Balance Classification Policies and Procedures

As of July 1, 2010, the School adopted the provisions of GASB Statement No. 54, *Fund Balances* ("Statement 54"). Statement 54 requires the classification of the School's fund balance in five components: non-spendable, restricted, committed, assigned and unassigned. These classifications are defined as follows:

- Non-spendable – This category is for amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to remain intact.
- Restricted – This category is the part of the fund balance that is restricted to be spent for a specific purpose. The constraints on these amounts must be externally imposed by creditors, grantors, contributors, or laws or regulations of other government, or by enabling legislation.
- Committed – This category is the portion of the fund balance that can only be used for specific purposes as a result of formal action by the School's highest level of authority.
- Assigned – This category reflects funds that the School intends to use for a specific purpose but are not considered restricted or committed.
- Unassigned – This category represents the part of the spendable fund balance that has not been categorized as non-spendable, restricted, committed or assigned.

FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

**NOTE 1 BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. An annual budget is adopted for the General Fund.

The Budgetary Comparison Schedule should present both the original and the final appropriated budgets for the reporting period. The School only has a general fund budget; therefore, the original budget filed and accepted by the Labor, Education and Community Services Comptroller's Office is the final budget as well.

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.

Concentration of Credit Risk

Periodically, the School may maintain deposits in excess of the Federal Deposit Insurance corporation's limit of \$250,000, with financial institutions.

Cash

The School's cash is considered to be cash on hand and demand deposits.

Prepaid Expenses

Prepaid expenses include payments to vendors for services applicable to future accounting periods such as rental payments and insurance premiums.

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. All capital assets are capitalized at cost and updated for additions and retirements during the year. 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 using the straight-line method over the useful lives of the assets. The estimated useful life of furniture and equipment ranges from three to seven years.

FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2013

**NOTE 1 BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (CONTINUED)**

Other Assets

Loan origination fees of \$287,441 are being amortized on the straight-line method over the 7 year term of the loans. Accumulated amortization at June 30, 2013 relating to the loan origination fees was \$41,063.

Amortization expenses charged to expenditures in 2013 was \$41,063. The estimated amortization expenses are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2014	\$ 41,063
2015	41,063
2016	41,063
2017	41,063
2018	41,063
2019	<u>41,063</u>
	<u>\$246,378</u>

Unearned Revenue

Unearned revenue represents receipts for food service, but has not been spent by the students as of June 30, 2013.

Fair Value Of Financial Instruments

The School's financial instruments are cash, grants received, accounts receivable, accounts payable and accrued liabilities. The recorded values of cash, investments, grants received, accounts receivable, accounts payable and accrued liabilities approximate their fair values based on their short-term nature.

Income Tax Status

The School is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code.

Advertising Costs

All costs associated with advertising and promotions are expensed in the year incurred.

Uncertain Tax Positions

Effective July 1, 2009, the School implemented the new standard regarding accounting for uncertainty in income taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely than not that the positions will be sustained upon examination by taxing authorities. It also provides guidance for de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

As of June 30, 2013, the School had no uncertain tax positions that qualified for either recognition or disclosure in the financial statements. Additionally, the School had no interest and penalties related to income taxes.

The School files an income tax return in the U.S. federal jurisdiction. With few exceptions, the School is no longer subject to U.S. federal and state tax examinations by taxing authorities for the years before fiscal year ended June 30, 2010.

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

**NOTE 1 BACKGROUND AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Subsequent Events

The School has evaluated subsequent events through November 15, 2013, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognitions or additional disclosure in these financial statements.

NOTE 2 CASH

Deposits

The School's deposits are categorized below to give an indication of the level of such risk assumed by the entity at year end.

Category 1 includes deposits that are insured or collateralized with securities with securities held by the School or by its agent in the School's name.

Category 2 includes deposits collateralized with securities held by the pledging financial institutions trust department or agent in the School's name.

Category 3 includes deposits uncollateralized, including any bank balance that is collateralized with securities held by the pledging institutions or by its trust department or agent, but not in the School's name.

In accordance with Pennsylvania Statutes, the School maintains deposits at institutions, which are authorized by its Board. Deposit balances at June 30, 2013 are as follows:

	Category			Carrying Amt.
	1	2	3	
Charter School Primary				
Government	\$ -	\$ -	\$3,723,116	\$3,723,116

NOTE 3 RECEIVABLES

Receivables at June 30, 2013 consist of subsidies from Federal, State and Local authorities and a sales tax refund. All receivables are considered collectible due to the stable condition of these programs.

NOTE 4 CAPITAL ASSETS

Capital asset activity Franklin Towne Charter Elementary School and Richmond Street Community Development Corporation for the year ended June 30, 2013 was as follows:

	Property & <u>Equipment</u>	Accumulated <u>Depreciation</u>	<u>Net</u>
Balance, July 1, 2012	\$18,272,628	\$ 673,955	\$17,598,673
Additions	3,265,290	957,511	2,307,779
Retirements	-	-	-
Balance, June 30, 2013	<u>\$21,537,918</u>	<u>\$ 1,631,466</u>	<u>\$19,906,452</u>

Depreciation expense for the year ended June 30, 2013 was \$957,511 and was charged to support services in the statement of activities.

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 4 CAPITAL ASSETS (CONTINUED)

Discretely presented component unit

Included in capital assets is activity for Richmond Street Community Development Corporation for the year ended June 30, 2013, where as follows:

	<u>Balance</u> <u>June 30, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2013</u>
Construction in-progress, not being depreciated	\$13,489,455	\$2,154,266	\$ -	\$15,643,721
Land	<u>1,548,925</u>	<u>-</u>	<u>-</u>	<u>1,548,925</u>
Richmond Street Community Development Corporation assets, net	<u>\$15,038,380</u>	<u>\$2,154,266</u>	<u>\$ -</u>	<u>\$17,192,646</u>

NOTE 5 LONG-TERM DEBT

At June 30, 2013, Long-Term consisted of the following:

Richmond Street Community Development Corporation:
Construction/permit mortgage note payable to Nonprofit Financial Fund, during the construction period, interest payable monthly at a floating rate equal to one percent over the Wall Street Journal prime rate, but not to be less than seven percent (7%) per annum. On the conversion date, the loan will convert to a \$1,700,000 mortgage note payable, principal and interest payable monthly, amortized over 20 years, interest fixed for the first five years at seven percent (7%).
The note is secured by a second mortgage on the real and personal property of Richard Street Community Development Corporation and Franklin Towne Charter Elementary School.
The note is guaranteed by Franklin Towne Charter High School and Franklin Towne Charter Elementary School (see Note 7). \$ 1,623,632

Richmond Street Community Development Corporation:
Mortgage note payable to Franklin Towne Charter High School, payable monthly at \$19,494, including interest at seven percent (7%), beginning July 1, 2010 through June 30, 2020. The note is secured by a third mortgage on the real and personal property of Richmond Street Community Development Corporation and Franklin Towne Charter Elementary School. 1,196,284

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 5 LONG-TERM DEBT (CONTINUED)

Richmond Street Community Development Corporation:
\$10,000,000 mortgage note payable to Fox Chase Bank, with a, seven (7) year term, payable monthly based on a twenty-five (25) year amortization at \$47,111 per month, including interest at 2.95%, thru August 2018. The balance of the note is due at the August 2018 maturity date. The note is secured by an Open-End Mortgage and Security Agreement against the assets of the Corporation and Franklin Towne Charter Elementary School. The note is guaranteed by Franklin Towne Charter Elementary School.

9,775,425

Richmond Street Community Development Corporation:
\$4,300,000 mortgage note payable to Fox Chase Bank, with a, seven (7) year term, payable monthly based on a twenty-five (25) year amortization at \$21,196 per month, including interest at 3.26%, thru August 2018. The balance of the note is due at the August 2018 Maturity date. The note is secured by an Open-End Mortgage and Security Agreement against the assets of the Corporation and Franklin Towne Charter Elementary School. The note is guaranteed by Franklin Towne Charter Elementary School.

4,209,112

Richmond Street Community Development Corporation:
\$1,600,000 construction note payable to Fox Chase Bank, interest only, payable monthly at 3.26%. In July 2013, the loan will convert to a term note. The note is secured by an Open-End Mortgage and Security Agreement against the assets of the Corporation and Franklin Towne Charter Elementary School. The note is guaranteed by Franklin Towne Charter Elementary School.

1,600,000

Total Long-Term Debt 18,404,453

LESS: Current Portion 2,204,491

Long-Term Debt \$16,199,962

Maturities of Long-Term Debt are as follows:

Year ending June 30, 2014	\$ 2,204,491
2015	628,450
2016	655,612
2017	683,094
2018	712,424
Thereafter	<u>13,520,382</u>
	<u>\$18,404,453</u>

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 6 REVENUE

The School receives the majority of its funding from the School District of Philadelphia on a monthly basis based on enrollment. The rate of funding per student is determined on an annual basis. For non-special education students the charter school receives, for each student enrolled, no less than the budgeted total expenditure per average membership of the prior school year as defined by the Act. For the year ended June 30, 2013, the rates per student for regular and special education were \$8,064.15 and \$19,831.32, respectively. The annual rate is paid monthly and is prorated if a student enters or leaves during the year. Total revenue from local sources was \$8,400,366 for the fiscal year ended June 30, 2013.

NOTE 7 COMMITMENTS, CONTINGENCIES AND UNCERTAINTIES

Management Agreement

In March 2013, the School amended the Business Service Agreement with their management company to change the payment terms and extend it thru June, 2016. Under the terms of the agreement, the management company is to provide certain administration services to the School.

Minimum future management fees under this agreement as of June 30, 2013 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2014	\$ 95,000
2015	<u>100,786</u>
	<u>\$195,786</u>

Management Fees

Management fees relating to the current Business Services Agreement for the year ended June 30, 2013 was \$90,000.

Equipment Leases

The School leases equipment under an operating lease agreement. The leases will expire in 2016. For the year ended June 30, 2013 equipment lease expenses were \$27,376.

Minimum future lease payments under operating lease as of June 30, 2013 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2014	\$ 23,904
2015	23,904
2016	<u>5,976</u>
	<u>\$ 53,784</u>

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 7 COMMITMENTS, CONTINGENCIES AND UNCERTAINCIES (CONTINUED)

Loan Guarantee Fees

Franklin Towne Charter High School signed as a guarantee for Richmond Street Community Development Corporations two mortgage notes payable (see Note 5). The School pays Franklin Towne Charter High School a yearly fee of \$25,000 for guaranteeing these loans.

Minimum future guarantee payments under this agreement as of June 30, 2013 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2014	\$ 25,000
2015	<u>25,000</u>
	<u>\$ 50,000</u>

Guaranteed payments for this agreement for the year ended June 30, 2013 was \$25,000.

Management Agreement-Education & Administrative Service

In April 2012, the School entered into a management agreement with Franklin Towne Charter High School. The agreement is effective July 1, 2012 and under the terms of the agreement, Franklin Towne Charter High School will provide education and administrative services to the School. Management fees relating to this agreement for the year ended June 30, 2013 was \$775,000.

NOTE 8 RETIREMENT PLAN

The School contributes to the Public School Employees' Retirement System (the System), a cost-sharing multiple-employer defined benefit pension plan administered by the Pennsylvania Public School Employees' Retirement System, which provides retirement and disability benefits, legislative mandated ad hoc cost-of-living adjustments, and health care insurance premium assistance to qualifying annuitants. The Public School Employees' Retirement Code (Act No. 96 of October 2, 1975, as amended) (24 PA.C.S. 8101-8535) assigns the authority to establish and amend benefit provisions to the System. The System issues a comprehensive annual financial report that includes financial statements and required supplementary information for the plan. A copy of the report may be obtained by writing to the Bureau of Fiscal Control, Public School Employees' Retirement System, P.O. Box 125, Harrisburg, Pennsylvania 17108-0125.

The rate of contribution for employees ranges from 6.04% - 12.36% depending upon classification and elections of employees. The School's contribution is 12.36%. In accordance with Act 29 of 1994, the Commonwealth of Pennsylvania will pay school entities for contributions made to the System based on the formula in Act 29 of 1994, but not less than one-half of the school entities contributions. The School's contributions to the Plan for the year ended June 30, 2013, 2012 and 2011, were \$372,246, \$197,186 and \$64,505, respectively, which equals 100% of the contractually required contribution for each year as set by the State.

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 9 GRANTS

The School participates in numerous State and Federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs 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, refunds of any money received may be required and the collectability of any related receivable at June 30, 2013 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 10 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 the previous year in any of the School's policies. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three years.

ANTHONY J. KUBICEK
CERTIFIED PUBLIC ACCOUNTANT
1240 WEST CHESTER PIKE, SUITE 210
WEST CHESTER, PA 19382
TEL 610- 430-7826
FAX 610- 430-0552

INDEPENDENT AUDITORS' 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*

Board of Directors
Franklin Towne Charter Elementary School
Philadelphia, Pennsylvania

I have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Franklin Towne Charter Elementary School as of June 30, 2013, which collectively comprise the Franklin Towne Charter Elementary School's basic financial statements and have issued my report thereon, dated November 15, 2013. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and 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 my audit, I considered Franklin Towne Charter Elementary School's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Franklin Towne Charter Elementary School's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of Franklin Towne Charter Elementary School's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Franklin Towne Charter Elementary School's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Franklin Towne Charter Elementary School's financial statements that is more than inconsequential will not be prevented or detected by the Franklin Towne Charter Elementary School's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Franklin Towne Charter Elementary School's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I would consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Franklin Towne Charter Elementary School's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, others within the entity, and Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

West Chester, Pennsylvania
November 15, 2013


ANTHONY J, KUBICEK, CPA

ANTHONY J. KUBICEK
CERTIFIED PUBLIC ACCOUNTANT
1240 WEST CHESTER PIKE, SUITE 210
WEST CHESTER, PA 19382
TEL 610- 430-7826
FAX 610- 430-0552

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM
AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Trustees
Franklin Towne Charter Elementary School
Philadelphia, Pennsylvania

Report on Compliance for Each Major Federal Program

I have audited Franklin Towne Charter Elementary School's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Franklin Towne Charter Elementary School's major federal programs for the year ended June 30, 2013. Franklin Towne Charter Elementary School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of Franklin Towne Charter Elementary School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Franklin Towne Charter Elementary School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Franklin Towne Charter Elementary School's compliance.

Opinion on Each Major Federal Program

In my opinion, Franklin Towne Charter Elementary School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of Franklin Towne Charter Elementary School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Franklin Towne Charter Elementary School's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Franklin Towne Charter Elementary School's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Anthony J. Kubicek, CPA
West Chester, Pennsylvania
November 15, 2013

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2013**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? yes no

Reportable conditions identified not considered to be material weaknesses? yes no

Non-compliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

Material weaknesses identified? yes no

Reportable conditions identified not considered to be material weakness? yes no

Any audit findings disclosed that are required to be reported in accordance with circular A-133, Section .510(a)? yes no

Identification of Major Programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>	<u>Federal Expenditures</u>
84.010	Title I, Improving Basic Programs	\$ 605,977
84.367	Title II, Improving Teacher Quality	22,847
84.027	Special Education Grant to States	69,748
10.555	National School Lunch Program	190,877
10.553	School Breakfast Program	52,311
		<u>\$ 941,760</u>

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? yes no

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013**

<u>Federal Grantor/Pass Through Grantor/Program</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Expenditures</u>
<u>Department of Education</u>			
Title I Grants to LEA's	84.010	013-110840	\$ 605,977
Improving Teacher Quality State Grants	84.367	020-110840	22,847
			<u>628,824</u>
U.S. Department of Agriculture, Passed-through the Department of Education			
National School Lunch Program	10.555	362	190,877
School Breakfast Program	10.553	365	52,311
			<u>243,188</u>
U. S. Department of Education Passed-through the Department of Education			
Special Education Grants to States	84.027	N/A	69,748
Total Federal Financial Assistance			<u>\$ 941,760</u>

See the accompanying notes to Schedule of Expenditures of Federal Awards.

**FRANKLIN TOWNE CHARTER ELEMENTARY SCHOOL
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2013**

BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal awards (the "Schedule"), includes the federal grant activity of Franklin Towne Charter Elementary School under programs of the Federal government for the year ended June 30, 2013. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Because the schedule presents only a selected portion of the operations of Franklin Towne Charter Elementary School, it is not intended to and does not represent the financial position, changes in net assets or cash flows of Franklin Towne Charter Elementary School.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, Cost Principles for Non-Profit Organizations, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.



pennsylvania
DEPARTMENT OF EDUCATION

333 MARKET STREET
HARRISBURG, PA 17126-0333
www.pde.state.pa.us

December 20, 2011

Mr. Joseph Klueg
CEO
Franklin Towne CES
5301 Tacony Street
Suite 108
Philadelphia, PA 19137

Dear Mr. Klueg:

I thank you and your staff for participating in the Federal Programs Consolidated Review. We have received your corrective action plan. You are now in complete compliance with current statute, regulations and guidance released by the United States Department of Education.

If you have any questions, please feel free to contact your Regional Coordinator at (717) 783-2193. Thank you for your cooperation.

Sincerely,

Renee Palakovic

Chief

Division of Federal Programs

cc: Project File



Pennsylvania Department of Education
Division of Federal Program
Corrective Action Plan
2010-2011 School Year

School District: Franklin Towne Charter Elementary School
Monitor Date: 5/6/2011
Monitor: Steven R. Marrone
Contact Person: Federal Programs Coordinator Melanie Reiser
Report Date:

TOPIC	ISSUE	Corrective Action	Suggested Evidence of Implementation	Dates								
Title I Parent Involvement	3. LEA and schools have carried out the six requirements to build parents capacity to be involved in school:			<table border="1"><tr><td>CA Due:</td><td>8/8/2011</td></tr><tr><td>Ext Date:</td><td></td></tr><tr><td>Closed:</td><td></td></tr><tr><td>CA Not Required:</td><td><input type="checkbox"/></td></tr></table>	CA Due:	8/8/2011	Ext Date:		Closed:		CA Not Required:	<input type="checkbox"/>
CA Due:	8/8/2011											
Ext Date:												
Closed:												
CA Not Required:	<input type="checkbox"/>											

TOPIC	ISSUE	Corrective Action	Suggested Evidence of Implementation	Dates
Title I Parent Involvement	6. Schools hold an annual meeting to inform participating parents about Title I programs.	Provide evidence (invitations, agenda, minutes, sign-in sheets) that the annual meeting was held within 30 days of notification.	<input type="checkbox"/> Back-to-School Nights/Title I meetings. <input type="checkbox"/> Agendas & attendance sheets of parent training.	CA Due: 8/8/2011 Ext Date: Closed: CA Not Required: <input type="checkbox"/>
Title I Parent Involvement	c. Educate instructional staff, with parental assistance, in the value and utility of contributions of parents, how to reach out to and communicate with and work with parents as equal partners, implement and coordinate parent programs and build ties between parents and school;	Provide documentations, such as professional development calendars, workshop agendas, etc. to show evidence that the LEA provided training to staff on how to work with parents during this school year.	<input type="checkbox"/> Staff/Parent meetings, agendas, and sign-in sheets.	CA Due: 8/8/2011 Ext Date: Closed: CA Not Required: <input type="checkbox"/>
Title I Parent Involvement	a. Provide assistance to parents in understanding the State's academic content standards and student academic achievement standards, State and local academic assessments, the requirements of Title I, and how to monitor a child's progress and work with educators to improve student achievement;	Provide copies of meeting/workshop invitations, sign in sheets. agendas and materials provided to parents showing these topics were part of a formal effort to provide the information to parents.	<input type="checkbox"/> Staff/Parent meetings, agendas, and sign-in sheets.	CA Due: 8/8/2011 Ext Date: Closed: CA Not Required: <input type="checkbox"/>
Title I Highly Qualified	2. All instructional paraprofessionals supported by Title I are highly qualified.		<input type="checkbox"/> List of paraprofessionals & their qualifications. <input type="checkbox"/> Verify number of paraprofessionals who have met highly qualified requirements.	CA Due: 8/8/2011 Ext Date: Closed: CA Not Required: <input type="checkbox"/>

TOPIC	ISSUE	Corrective Action	Suggested Evidence of Implementation	Dates				
		<p>The district will submit a listing of all non-highly qualified paraprofessionals paid with Title I (targeted assisted) or all instructional paraprofessionals (schoolwide) and the length of time each has been in the non-highly qualified position.</p>	<table border="1"> <tr> <td data-bbox="1358 167 1409 289"><input type="checkbox"/></td> <td data-bbox="1411 167 1654 289">AA Degree and/or local assessment</td> </tr> <tr> <td colspan="2" data-bbox="1358 290 1654 492"></td> </tr> </table>	<input type="checkbox"/>	AA Degree and/or local assessment			
<input type="checkbox"/>	AA Degree and/or local assessment							

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF EDUCATION
333 Market Street Harrisburg, PA 17126-0333**

**Division of Federal Program
Consolidated Program Review**

2010-2011 School Year

Franklin Towne Charter Elementary School

	<u>Name</u>	<u>Phone Number</u>	Check if Interviewed
Superintendent:	Joseph Klueg, Interim CEO	215-289-3389	<input checked="" type="checkbox"/>
Business Manager:	Vacant		<input type="checkbox"/>
Title I Coordinator:	Melanie Reiser	215-497-8301 ext. 5	<input checked="" type="checkbox"/>
Title II Part A Coordinator:	Melanie Reiser	215-497-8301 ext. 5	<input checked="" type="checkbox"/>
Title III Coordinator:			<input type="checkbox"/>
Fiscal Requirements Coordinator:	Ms. Melanie Reiser	215-497-8301 ext. 5	<input checked="" type="checkbox"/>
Ed-Flex Waiver Review Coordinator:			<input type="checkbox"/>
Title VI-B REAP Coordinator:			<input type="checkbox"/>

Program(s) Reviewed:

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Title I | <input checked="" type="checkbox"/> Fiscal Requirements | <input type="checkbox"/> Title VI-B REAP |
| <input checked="" type="checkbox"/> Title II Part A | <input type="checkbox"/> Ed-Flex Waiver Review | |
| <input type="checkbox"/> Title III | | |

Program Reviewer/s: Steven R. Marrone

Visit Date: 5/6/2011

Title I Program Review

- I. Highly Qualified
- II. Parent Involvement
- III. LEA Improvement
- IV. School Improvement
- V. School Choice
- VI. Supplemental Educational Services (SES)
- VII. Schoolwide Programs
- VIII. Targeted Assistance
- IX. Nonpublic Schools
- X. Comparability

I. Highly Qualified

Component I: Highly Qualified							
The Local School System (LEA) designs and implements procedures that ensure the hiring and retention of qualified teachers and paraprofessionals and ensure that parents are informed of educator credentials as required.							
Sec. 1111 (h)(6)(A) Sec. 1119 (a)(1-2) (c)(1)							
Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
1a. All core content area teachers employed by the LEA are highly qualified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> List of teachers and their qualifications. <input checked="" type="checkbox"/> Number of teachers who have met highly qualified. <input type="checkbox"/> Number of teachers working toward becoming highly qualified		In 2010-11, FTCES is employing 14 core content staff teachers. 100% of these staff members meet HQT requirements via appropriate PA certification and/or passing the appropriate Content Knowledge Praxis examination. A list of core content teachers and their qualifications will be provided during the review visit.	
1b. LEA has a system in place to ensure that all core content area teachers become highly qualified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> List of teachers not highly qualified. Plan, progress & projected date of completion. <input checked="" type="checkbox"/> LEA Plan		While the school is 100% HQT, the CEO, principal, and federal programs coordinator do meet regularly to track teacher certification and HQT status. We have templates for IPDPs for NHQTs and Parent Notification Letters ready should a situation arise where an NHQT is employed.	

<p>2. All instructional paraprofessionals supported by Title I are highly qualified.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> List of paraprofessionals & their qualifications. <input type="checkbox"/> Verify number of paraprofessionals who have met highly qualified requirements. <input type="checkbox"/> AA Degree and/or local assessment		<p>In 2010-11, FTCES is not employing any paraprofessionals. In 2011-12, as the school expands to K-7 and moves into its new facility, the school has budgeted for four instructional paraprofessionals. The CEO and principal are aware that paraprofessionals must have an associates degree and/or pass a local assessment (e.g. ETS exam). SRM: As listed in the 2010/2011 approved Consol. App. and Budget, 2 instructional assistants are indicated. They are 'classified' by FTCES as NTAs. However, they are currently budgeted under instructional services and, as such, should possess 'HQ' for paras.</p>	
<p>3. Parents are notified annually that they may request information regarding the professional qualifications of their child's teacher(s), and of paraprofessionals who provide instructional services to their children.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Copy of parent/guardian notification		<p>A copy of our Annual Title I Notice is distributed to parents and posted on the school's website. In 2011-12, it will also be incorporated into the Parent/Student Handbook. Included in this notice (pg. 2) is a statement that one of their rights as a parent is to know teacher and paraprofessional qualifications. A copy of this Annual Title I Notice will be available at the site review.</p>	
<p>4. Parents are notified if their child is assigned to or being taught for four or more consecutive weeks by a teacher who is not highly qualified in a core academic subject.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Copy of dated letter of notification to parent/guardian		<p>While FTCES is 100% HQT in 2010-11, we do notify parents of their right to know non-highly qualified teachers in our Annual Title I Notice (to be provided at site visit). The school also maintains a template of a parent notification letter, so that we can quickly notify parents should an occasion arise where students are taught for four or more consecutive weeks by a NHQT. The template will also be available at the site visit.</p>	

II. Parent Involvement

Component II: Parent Involvement

The LEA and schools meet parental involvement requirements.

Sec. 1118(a)-(h)

Sec. 1111(c)(14)

Sec. 1111(d)

Sec. 1116(a)(1)(D)

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
1. LEA has a written parental involvement policy and evidence that it is updated periodically.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Staff/Parent meeting agenda, memoranda, revisions. <input checked="" type="checkbox"/> Website posting.		FTCES parents are required to attend three parent events per year (e.g. New Parent Orientation, Bring-Your-Parent-to-School Day, quarterly trainings, etc.). However, FTCES has been working with the Home and School Association to formalize our parent involvement requirements into a written policy that contains the statutory Title I parent involvement requirements. Parents have opportunity to give verbal feedback at the Home and School Association Meeting (4/17/11) or in writing using one of our feedback forms. The comments are being incorporated into the policy, which the Board will review and adopt in May. Upon adoption of the policy, it will be distributed to all parents and posted on the school's website. Copies of the policy, the web posting, the feedback forms, and Home and School agenda will be provided at the site review.	
2. Schools receiving Title I funds have a written parent involvement policy/plan aligned with the LEA policy.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			FTCES is a one-school LEA. Answer is same as above.	

3. LEA and schools have carried out the six requirements to build parents capacity to be involved in school:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		*See 6 Parent Involvement Plan requirements below	SRM: See items 'a' and 'c' below.	
a. Provide assistance to parents in understanding the State's academic content standards and student academic achievement standards, State and local academic assessments, the requirements of Title I, and how to monitor a child's progress and work with educators to improve student achievement;	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Staff/Parent meetings, agendas, and sign-in sheets.		FTCES has annual Bring-Your-Parent-To-School-Days by grade level. We had 100% parent turnout for this in 2010-11. The days begin with a general assembly where school policies and procedures (including information on Title I) are discussed. Then parents break into their children's classrooms where they are introduced to the content that will be covered during the year, FTCES' curriculum and materials, and the wealth of technology systems available at FTCES to help parents monitor student progress. SRM: Suggest future training(s) devoted to these specific topics in a more institutionalized formal manner and setting.	
b. Provide materials and training to help parents work with their children to improve achievement, such as literacy and technology training;	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Training materials, evaluations, agendas, calendar of events, etc.		Technology training has been the major focus of FTCES' parent involvement activities in 2010-11, as the school uses many technology systems to link parents to the school as well as web-based curriculum resources. Agendas from our Technology Night will be provided at the site visit.	

<p>c. Educate instructional staff, with parental assistance, in the value and utility of contributions of parents, how to reach out to and communicate with and work with parents as equal partners, implement and coordinate parent programs and build ties between parents and school;</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Staff/Parent meetings, agendas, and sign-in sheets.		<p>Our approved three-year professional development plan includes parent involvement as an academic achievement strategy. A copy of our approved Professional Development Plan will be provided at the site visit. SRM: Suggest future training(s) devoted to these topics in a specific institutionalized manner and setting.</p>	
<p>d. Coordinate and integrate parent involvement programs and activities with other programs (Head Start, Parents as Teachers, Early Reading First, public preschool, and parent resource centers), that encourage and support parents in more fully participating in the education of their children;</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Training materials, evaluations, agendas, calendar of events, etc. <input type="checkbox"/> Staff/Parent meetings, agendas, and sign-in sheets <input type="checkbox"/> Memorandum of Understanding (MOU).		<p>Presently, FTCES serves grades 3-6, and, as such, does not coordinate with and pre-K programs. However, as we expand to K-8, our CEO, principal and Federal Programs Coordinator will develop a strategy for coordinating services public preschools in the area.</p>	

e. Sent information related to school and parent programs to parents in a format and language the parents could understand;	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Translated documents such as fliers, letters, web site postings, etc.	FTCES administers a home language survey to all incoming students. Presently, FTCES does not serve any students from homes where the primary language was other than English. So there has not been a need to translate documents. However, the school has an ELL policy in place in the event that we enroll a student from a home in which English is not the primary language. We are aware of translation resources (including those at the School District of Philadelphia).
f. Provide full opportunities for participation of parents of LEP students, students with disabilities, parents of migrant children.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Parent meetings, trainings, agendas, fliers, newsletters, and/or advertisements.	While FTCES does not presently serve any ELL or migrant students, approximately 16% of our students receive special education services. We encourage full participation of parents of students with disabilities and are also planning parent involvement activities specifically related to special education.
4. School parent involvement policies have been distributed to parents.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Parent meeting agendas <input checked="" type="checkbox"/> documentation shared or distributed	Upon adoption of the policy in May, it will be distributed to all parents and posted on the school's website. SRM: Currently in DRAFT form, awaiting additional/further review and input, and formal Board approval and adoption.
5. LEA has required schools to develop a written school-parent compact.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> school-home compact <input checked="" type="checkbox"/> Staff/Parent meeting agenda, memoranda.	FTCES has been working with the Home and School Association to formalize our Parent Compact. Parents have opportunity to give verbal feedback at the Home and School Association Meeting (4/17/11) or in writing using one of our feedback forms. The comments are being incorporated into the compact, which the Board will review and adopt in May. Upon adoption of the compact, it will be distributed to all parents and posted on the school's website. Copies of the compact, the web posting, the feedback forms, and Home and School agenda will be provided at the site review.

6. Schools hold an annual meeting to inform participating parents about Title I programs.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Back-to-School Nights/Title I meetings. <input type="checkbox"/> Agendas & attendance sheets of parent training.		As mentioned above, FTCES held Bring-Your-Parent-to-School days for each grade level, and we had 100% parent participation. Title I programming was discussed at the opening assembly. Additionally, and Annual Title I Notice was distributed to parents and posted on the school website. SRM: Title I Program components need more specific mention, prominence, and focus. Suggest a separate formalized meeting for this purpose.	
7. LEA and schools have reviewed the effectiveness of school parental involvement activities.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Documentation such as Annual surveys and results, parent meetings, evaluations, and parent teacher conference evaluations. <input type="checkbox"/> Agendas & attendance sheets of parent training.		As a charter school in Philadelphia, our parents participate in an annual Parent Survey administered by the School District of Philadelphia. For the 2009-10 school year, FTCES received a grade of A- overall, and the survey provided detailed results on parent engagement. The school is considering conducting a supplemental survey in spring 2011 to assess what types of parent involvement activities were deemed successful in the past and which weren't, as well as to assess which types of parent activities interest parents for the purpose of future planning.	
8. LEA and schools have informed parents about the existence of a parent resource center, if one exists.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Documentation such as copies of fliers, letters sent home, posted information on boards at schools, and translated documents.		FTCES is in its second year of operation, and is presently renting a floor within an existing charter school until our new facility opens in 2011-12. Space limitations have prevented us from having a physical parent resource center. As such, we have endeavored to create a website that is a portal to vital parent information, as well as communicate weekly to parents via a letter from the principal. Examples of letters and web postings will be provided at the site visit.	

III. LEA Improvement

Component III: LEA Improvement							
LEAs identified for improvement, corrective action, or restructuring have met the requirements of being so identified.							
Sec. 1116(b)(1)(B) Sec. 1116(b)(3) Sec. 1116(b)(4)-(6) Sec. 1116(b)(7)(C)(ii) Sec. 1116(b)(14)(B)							
<input checked="" type="checkbox"/> If the LEA is not identified for LEA Improvement, this section can be skipped.							
Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
1. The LEA notified parents if the LEA is identified for improvement or corrective action.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Copy of letter of notification to parents that states the LEA's status, the reasons for the identification, and how parents can participate in LEA improvement activities.	Reviewers should ask how notifications were distributed to parents (newsletter, mailed letter, website, etc.).		
2. The LEA has developed a district improvement plan using the core elements outlined in the state's district strategic planning framework, Leading for Learning!	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Copy of LEA Improvement plan <input type="checkbox"/> Evidence of school board approval of plan <input type="checkbox"/> Information on participation in the development of the plan (IU staff, outside expert, teachers, administrators, parents, etc.)			

<p>3. The LEA has set aside 10% of the district's Title I allocation for professional development activities necessary to ensure that the LEA makes AYP.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input type="checkbox"/> Reservation of Funds page of eGrants application.</p> <p><input type="checkbox"/> Professional development plan and/or calendar outlining the activities to be conducted with set aside funds.</p>	<p>If the LEA also has schools in improvement or corrective action, it is required to set aside 10% of the Title I building allocation for professional developments. This amount can be used toward the LEA required set aside.</p>		
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IV. School Improvement

Component IV: School Improvement							
Schools identified for improvement, corrective action, or restructuring have met the requirements of being so identified.							
Sec. 1116(b)(1)(B) Sec. 1116(b)(3) Sec. 1116(b)(4)-(6) Sec. 1116(b)(7)(C)(ii) Sec. 1116(b)(14)(B)							
<input checked="" type="checkbox"/> If the LEA has no Title I schools identified for any level of School Improvement, this section can be skipped.							
Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
1. The LEA notified all parents at least 14 days prior to the beginning of the school year if any schools are identified for improvement or corrective action. <i>(See School Choice section and SES section for additional notification requirements.)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Copy of letter of notification to parents must include the schools' status, comparison with other schools, action plan, the reasons for the identification, and how parents can participate in school improvement activities. <input type="checkbox"/> Verification of date of notification	<ul style="list-style-type: none"> Reviewers should ask how notifications were distributed to parents (newsletter, mailed letter, website, etc.). If applicable, the notification must be provided in different languages. 		

<p>2. The LEA posted on their website beginning with SY 2007 and all subsequent years identified:</p> <p>a. Number of students eligible and transferred due to Choice.</p> <p>b. Number of students who were eligible and participated in SES.</p> <p>c. List of available schools for transfer.</p> <p>d. List of available SES providers.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input type="checkbox"/> Webpage</p> <p><input type="checkbox"/> Student attendance for building offering choice.</p> <p><input type="checkbox"/> Low Income or FRL numbers for school in SI 2 or CA.</p>			
<p>3. The LEA has developed a 2-year school improvement plan using the core elements outlined in the state's strategic school improvement planning framework, Getting Results!</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input type="checkbox"/> Copy of school improvement plan</p> <p><input type="checkbox"/> Copy of Statement of Quality Assurance submitted to PDE with appropriate signatures.</p> <p><input type="checkbox"/> Information on participation in the development of the plan (IU staff, outside expert, teachers, administrators, parents, etc.)</p>			
<p>4. Each school identified for improvement must spend at least 10% of its Title I building allocation on professional development activities.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input type="checkbox"/> Professional development plan and/or calendar outlining the activities to be conducted with set aside funds.</p> <p><input type="checkbox"/> Sign-in sheets for professional development activities.</p> <p><input type="checkbox"/> Meeting minutes or agendas regarding scientifically based methods and strategies.</p> <p><input type="checkbox"/> Title I Budget</p>			
<p>5. Each school identified for Corrective Action 1 or 2 involves parents in corrective actions taken to improve academic achievement.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input type="checkbox"/> Meeting agendas</p> <p><input type="checkbox"/> Parent notifications</p> <p><input type="checkbox"/> Meeting minutes</p>			

V. School Choice

Component V: School Choice							
The LEA ensures that requirements for public school choice are met.							
Sec. 1116(b)(1)(D) and (E) Sec. 1112(g)(4)							
<input checked="" type="checkbox"/> If the LEA has no buildings in School Improvement I or choice can't be offered because there are no schools available for choice, this section can be skipped.							
Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
1. The LEA at least 14 days prior to the beginning of the school year notified parents of all students enrolled in the identified school of their option to transfer their children to another public school within the LEA that is NOT identified for improvement or corrective action.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Copy of letter of notification to parents that informs parents of school choice and the process to be used to exercise the option. <input type="checkbox"/> Verification of date of parent notification.	<ul style="list-style-type: none"> Reviewers should ask how notifications were distributed to parents (newsletter, mailed letter, website, etc.). This notice may be a part of the general school improvement notification or it may be a separate notice. If applicable, the notification must be provided in different languages. 		
2. The LEA posted on their website prior to the beginning of the school year: a. Number of students eligible for transfer. b. Number of students who transferred. c. List of available schools for Choice transfers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> LEA Webpage <input type="checkbox"/> Student attendance for building offering choice. <input type="checkbox"/> List of schools not in improvement available to accept Choice transferred students.			

3. The LEA implemented a priority system for satisfying school choice requests only when cost is above the 20% maximum of Title I.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Explanation or copy of policies regarding the prioritization that took place when granting school choice transfers.	Limits on school choice cannot be imposed arbitrarily by the LEA for any reasons other than those associated with health and safety issues surrounding building capacity.		
4. The LEA set aside, at a minimum, an amount equal to 5% of its Title I allocation to pay for costs associated with school choice.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Reservation of Funds page of eGrants application. <input type="checkbox"/> Other financial documents to document state and local funds used to support school choice costs.	<ul style="list-style-type: none"> • LEAs must set aside a minimum of 5%, but do not have to exceed 20%. 		
5. If the LEA requested rollover of unused funds set aside for Choice the LEA met all of the following requirements: a. Partner with community groups b. Ensure students/parents have a genuine opportunity to sign up for choice transfer. c. Parent notification mailed out at least 14 days prior to the start of the school year. d. Website posting lists number of students eligible and participating.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Appropriate records used to record school choice information. <input type="checkbox"/> Choice data is entered in eGrants	Reviewers will find previous year data under SES and School Choice Data on the egrant main menu.		
6. The LEA maintains records regarding transfer requests (approved and denied), numbers of students transferring and the buildings accepting transferred students.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Appropriate records used to record school choice information. <input type="checkbox"/> Choice data is entered in eGrants			

VI. Supplemental Educational Services (SES)

Component VI: Supplemental Educational Services (SES)							
The LEA ensures that requirements for the provision of Supplementary Educational Services (SES) are met.							
Sec. 1116(e)							
☑ If the LEA has no buildings in School Improvement II or any level of Corrective Action, this section can be skipped.							
Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
1. The LEA at the beginning of the school year notified parents of all low income (eligible) students of their option to obtain Supplemental Educational Services (SES) for their children and does not require additional requirements for participation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Copy of letter of notification to parents that informs parents of the availability of SES and the process to follow to obtain it. <input type="checkbox"/> Documentation to show that the state approved list of SES providers was also forwarded to parents and that parents had ample opportunity to choose a provider. <input type="checkbox"/> Verification of date of notification.	<ul style="list-style-type: none"> Reviewers should ask how notifications were distributed to parents (newsletter, mailed letter, website, etc.). This notice may be a part of the general school improvement notification or it may be a separate notice. If applicable, the notification must be provided in different languages. SES may not replace other school programs (Supplement vs. Supplant) 		

<p>2. The LEA posted on their website: a. Number of students eligible for SES. b. Number of students participating in SES c. List of available SES providers</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> LEA Website <input type="checkbox"/> List of SES Providers including distance providers <input type="checkbox"/> Selection of Schools Low Income data	See List of providers on PDE/SES webpage.		
<p>3. The LEA has correctly identified low income (eligible) students for SES and prioritized appropriately when determining participation only when cost is above the maximum amount of per pupil amount or 20% of Title I funding.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Low-income measure used to determine Title I building eligibility MUST be used to determine student eligibility for SES. <input type="checkbox"/> Criteria for priority of services.			
<p>4. The LEA must enter into agreements between the LEA, the provider and the parent of the participating child for carrying out SES.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Copies of contracts for each provider and student participating in SES.			
<p>5. The LEA provides at least two enrollment windows for SES during the school year.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Parent Notifications <input type="checkbox"/> Signed Agreements	Reviewers should ask parents of eligible students if they are aware of the two SES windows.		
<p>6. The LEA offered SES providers equal access to school facilities as other organizations using a fair, open and objective process.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> LEA Policy for access to school facilities. <input type="checkbox"/> SES Provider agreements			
<p>8. The LEA maintains records regarding the numbers of students participating in SES, the buildings they attend and the providers used.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> List of each school offering SES and the providers being used along with the number of students participating. <input type="checkbox"/> SES data entered in eGrants.			

<p>7. If the LEA requested rollover of unused funds set aside for Choice the LEA met all of the following requirements:</p> <p>a. Partner with community groups</p> <p>b. Ensure students/parents have a genuine opportunity to sign up for choice transfer.</p> <p>c. Parent notification mailed out at least 14 days prior to the start of the school year.</p> <p>d. Website posting lists number of students eligible and participating.</p>	☐	☐	☐	<p><input type="checkbox"/> Parent Notification</p> <p><input type="checkbox"/> LEA Website</p> <p><input type="checkbox"/> FBO/CBO correspondence, phone logs or posters</p> <p><input type="checkbox"/> DFP notification and Assurances for Rollover Form</p>	<p>Reviewers should ask parents if they were aware of the opportunity to request SES.</p>		
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VII. Schoolwide Programs

Component VII: Schoolwide Programs

The LEA and schools develop schoolwide programs taht use the flexibility provided to them by law to improve the academic achievement of all students in the school.

Sec. 1114

If the LEA does not operate a Schoolwide Program in any Title I schools, this section can be skipped.

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
1. LEA provides guidance, technical assistance and support to schools developing schoolwide programs in the areas of needs assessment, comprehensive planning, implementation, and evaluation of a schoolwide program and requirements.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Evidence of the Planning Process and Technical Assistance. <input checked="" type="checkbox"/> Initial Planning meeting agenda/list of participants. <input type="checkbox"/> Whole-school orientation-agenda/list of participants. <input checked="" type="checkbox"/> Planning Team roster and calendar of meetings. <input type="checkbox"/> Plan approval. <input type="checkbox"/> Budget Reports. Copy of schoolwide plans		As a charter school, FTCES is a one-school LEA. The LEA and the school are the same entity. Our 2009-10 Annual Report served as our initial SWP. However, in October 2010, FTCES notified PDE of our intent to plan a schoolwide program. This plan is being completed in April and will be available at the site visit.	

2. Schoolwide program plans include the ten required components, are reviewed and evaluated annually, and revised accordingly.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Schoolwide agenda/minutes. <input checked="" type="checkbox"/> School wide plan that includes goals. <input type="checkbox"/> Completion of approved Generation 5 "Getting Results" School Improvement plan. (All required components are embedded in this plan.) <input checked="" type="checkbox"/> Assessments <input checked="" type="checkbox"/> Comprehensive Needs Assessment and a system of documentation. <input checked="" type="checkbox"/> Identification of scientifically-based strategies to address needs.		See page 10-22 of Annual Report for goals and scientifically-based strategies.	
2a. Comprehensive Needs Assessment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			See pages 6-9 of Annual Report	
2b. Schoolwide reform strategies	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			See page 10-22 of Annual Report for goals and scientifically-based strategies.	
2c. Instruction by highly qualified staff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			See page 42 of Annual Report.	
2d. High quality and ongoing professional development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			See page 27 of Annual Report.	
2e. High-quality teachers to "high-need" schools	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			NA. FTCES is a one-school LEA.	
2f. Parent Involvement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			See pages 36-37 of Annual Report	
2g. Transitioning preschool children	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			NA. FTCES serves students in grades 3-6.	

2h. Teacher input in assessment decisions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			See pages 29 to 31 of Annual Report.	
2i. Effective, timely and additional assistance to students having difficulty mastering proficient or advanced levels of academic achievement standards	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			See page 31 of Annual Report.	
2j. Coordinated budget	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			See page 38 of Annual Report.	
3. Indication of which program funds have been consolidated in the schoolwide program and how the intent and purposes of the individual programs consolidated are addressed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Financial reports. <input type="checkbox"/> SWP		The SWP consolidates Title I (including ARRA) and Title II.	

VIII. Targeted Assistance

Component VIII: Targeted Assistance

The LEA targeted assistance programs meet all requirements.

Sec. 1115

If the LEA only operates Schoolwide Programs in Title I schools, this section can be skipped.

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
<p>1. The LEA has established targeted assistance programs that address statutory purposes and meet requirements, including the following:</p> <ul style="list-style-type: none"> • using effective instructional methods and strategies that strengthen the core academic program of the school • primary consideration to providing extended learning time for students served • an accelerated high quality curriculum • Minimizing the removal of children from regular classroom during regular school hours. 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Identification of scientifically-researched based instructional models. <input type="checkbox"/> School improvement plans. <input type="checkbox"/> Team meetings, professional development, agendas, sign-in sheets, minutes, etc. <input type="checkbox"/> School schedules and schedules for Title I staff and eligible students. <input type="checkbox"/> Benchmarks of Title I students receiving supplemental instruction.			
<p>2. LEA ensures that targeted assistance program planning coordinates with and supports the regular education program in schools.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> School Improvement Plan (identifies targeted assistance programs). <input type="checkbox"/> Documentation of scheduled team meetings.			
<p>3. LEA promotes the integration of staff supported with targeted assistance funds into the regular school program, including professional development.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Staff schedules <input type="checkbox"/> Documentation such as agenda for topics, sign-in sheets, etc.			

4. Selection for eligible students.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Selection criteria process/multiple selection criteria. <input type="checkbox"/> Student roster. <input type="checkbox"/> Teacher/parent recommendation <input type="checkbox"/> Assessment data of Title I student			
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IX. Nonpublic Schools

Component IX: Nonpublic Schools

The LEA provides Title I services to eligible children attending nonpublic schools.

Sec. 1120
Sec. 9503

34 CFR Part 200
§200.62 - 200.67, 200.77
§200.77(f)
§200.78(a)

If the LEA has no participating Nonpublic schools, this section can be skipped.

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
1. LEA has public school ranking charts with per-pupil allocations identified. (Equitable Services)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Financial reports, line items to private school children in budget. <input type="checkbox"/> List of participating private schools. <input type="checkbox"/> Consolidated application			
2. LEA has policies and procedures for provision of services to eligible children attending nonpublic schools.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Consolidated Application Procedures			
3. Consultation occurred between LEA and nonpublic school officials.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Copies of letters to private schools, agendas, meeting dates, participant lists/sign-in <input type="checkbox"/> Consolidated application <input type="checkbox"/> Record that services have been discussed			

4. LEA regularly supervises the provision of Title I services to nonpublic children.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Staff evaluations, visits/communication <input type="checkbox"/> Announcements/sign-in sheets for professional development and parent involvement opportunities			
5. LEA is evaluating the Title I program serving nonpublic school students.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Needs assessments/survey <input type="checkbox"/> Assessment data			
6. Nonpublic school children, families and teachers are receiving equitable services.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Hired teachers to work with participating Title I students <input type="checkbox"/> Announcements/sign-in sheets for professional development and parent involvement opportunities			
7. The LEA has budgets that document appropriate set-asides.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Consolidated application <input type="checkbox"/> Quarterly Reports/Final Expenditure Reports			
8. The LEA has third party contract(s).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Name of Third Party Contractor <input type="checkbox"/> Payroll sheets <input type="checkbox"/> Written contract. <input type="checkbox"/> Consolidated application			
9. The LEA has complaint procedures for private school officials.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Copy of complaint procedures			

X. Comparability

Component X: Comparability

The LEA complies with the comparability provisions of Title I.

Sec. 1120A(c)

If the LEA is exempt from Comparability requirements, this section can be skipped.
For example, if there is no overlap of grade spans, the LEA is exempt from this requirement.

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
1. Title I Comparability Report comparing Title I schools to non-Title I schools reported to SEA annually in Pennsylvania and submitted by November 15th.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Support Data housed at the LEA (individual school lists with staff names attached to the positions counted and excluded) <input type="checkbox"/> Documentation maintained supports the report submitted by November 15th of each year <input type="checkbox"/> HR action documentation for any corrective actions taken <input type="checkbox"/> Records are maintained for 3 years. <input type="checkbox"/> Written procedures to ensure that comparable services are provided. <input type="checkbox"/> Articulated (written) process on the movement of staff during school year to meet the November 15th deadline.			

Title II A Program Review

Highly Qualified

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
1. The LEA has a plan in place to ensure all teachers of core academic subjects will be highly qualified. <i>Section 1119 (a)(1)&(3) and Section 2141 (a)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Highly Qualified Plan <input checked="" type="checkbox"/> List of teacher qualifications <input checked="" type="checkbox"/> Principal Attestation (<i>PDE Form 425</i>) <input type="checkbox"/> HQT IPDPs prepared for each teacher who is not highly qualified		While FTCES does not have any NHQT, we do understand the requirements for IPDPs, parent notification, and school sponsored and supported PD for NHQTs. We have templates ready for parent notification and IPDPs, should the need arise. Our PDE Form 425 will be available for review at the site visit.	
2. The LEA is implementing an individualized professional development plan for non-highly qualified teachers as indicated in the annual principal attestation (<i>PDE Form 425</i>). *This applies to LEAs that have not maintained highly qualified teacher status for 2 consecutive years. <i>Section 2141(c)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Individual professional development plan for each nonHQ teacher <input type="checkbox"/> LEA-supported and/or sponsored PD exists to assist teachers		FTCES is 100% HQT. There are no IPDPs to implement.	
3. The LEA has entered into a written agreement with the SEA that outlines its use of Titles I & IIA funds to achieve highly qualified status. <i>Section (2141(c) *This applies to LEAs that have not made AYP and maintained 100% HQ for 3 consecutive years.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> LEA/SEA plan <input type="checkbox"/> Evidence exists that plan is being implemented (<i>this could vary from LEA to LEA</i>)		N/A. FTCES is in "Made AYP" status and has only been operational for one year.	

Professional Development

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
4. The LEA conducts an assessment of local needs for professional development and hiring, as identified by the LEA and school staff. <i>Section 2122 (c)(1)(2)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Copy of district needs assessment and findings		FTCES' professional development plan was approved by PDE in April 2010. This plan will be available for review at the site visit. Our needs assessment is included in this plan.	
5. The LEA involves parents in the planning of professional development activities. <i>Section 2122 (b)(7)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Meeting Notices		In addition to the statistical data included in the needs assessment, teachers, parents, and students are surveyed on a continual basis through a web-based software program. The results of these surveys helped FTCES' Professional Development Committee formulate and react to the school's professional development plan/approach. Our strategic planning committee also included two parents.	
6. The LEA professional development activities are based on a review of scientifically based research and designed to improve student academic achievement. <i>Section 2122 (b)(1)(B)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> List of professional development activities aligned to district plan.		Both our 3-year plan and our list of PD for the current year are aligned to best practices and are designed to raise student achievement. These documents will be available for review at the site visit.	
7. The LEA provides professional development activities to improve the knowledge of teachers, principals, paraprofessionals and other school staff. <i>Section 2123 (A)(3)(A&B)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> List of professional development activities. <input checked="" type="checkbox"/> List of In-Service activities <input type="checkbox"/> Attendance rosters		Evidence of our professional development activities will be provided.	

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
8. The LEA professional development activities are used as part of a broader strategy to eliminate the achievement gap that separates low-income and minority students from other students. <i>Section 2122 (b)(2)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> PD needs assessment <input type="checkbox"/> Teacher surveys <input type="checkbox"/> ACT 48 PD plan		We have two measurable subgroups at FTCS -- white students and low-income. There is no significant difference between students overall and these subgroups (Reading -- 52.9% proficient overall, 54.9% white, 51% low-income; Math -- 59.1% overall, 62.2% white, and 57% low-income). So while there is a slight achievement gap, with only one-year's data we are unable make any conclusions. As such, our professional development activities are largely aimed at improving achievement for all students.	

Class Size Reduction

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
9. The LEA targets funds to schools that have the lowest portion of highly qualified teachers; have the largest average class size; or are identified for school improvement. <i>Section 2122 (b)(3)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Class rosters <input type="checkbox"/> Highly Qualified Teachers <input type="checkbox"/> SI Schools		NA. FTCES is a one-school LEA. All funds go to its one school.	
10. The LEA utilizes highly qualified teachers to reduce class size. <i>Section 2123 (a)(2)(B)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Highly Qualified Teacher Credentials from PDE		NA. Class sizes are traditionally kept low and class size reduction is not an identified area of need.	
11. The LEA provides expenditures for educational services to eligible nonpublic school children equal to the proportion of funds allocated to participating public school attendance areas. <i>Section 9501(a)(b)(4)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Expenditures for non-public services <input type="checkbox"/> List on PDE web site <input type="checkbox"/> Title II-A Non-public share		This is not applicable to charter schools.	

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments	NPO Comments
12. LEA ensures equitable distribution of experienced and HQ teachers within the districts schools to ensure poor and minority students are not taught at higher rates than other students by inexperienced, unqualified, or out-of-field teachers. <i>Section 1112(c)(1)(L)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Equity Plan <input type="checkbox"/> Agendas of Equity Plan Meetings <input type="checkbox"/> Meeting minutes of Equity Plan writing & planning sessions. <input type="checkbox"/> Teachers are reassigned <input type="checkbox"/> Changes to union contract <input type="checkbox"/> Review of HQT/NHQT data and strategies revised in equity plan when there is no improvement		The school is 100% HQT. However, we do have an Equity Plan, which will be available for review at the site visit. FTCES has a detailed plan for ensuring equity across all grade levels, with the aim of having one senior teacher, one new teacher, and one teacher with special education expertise in each grade. Students with the most severe IEPs are placed in the classroom with special education training and then the remaining students are rostered to achieve balance of gender, race, and income status.	

Component XI: Fiscal Requirements

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
<p>A. Audits</p> <p>The SEA ensures that the State and the LEAs are audited annually, if required, and that all corrective actions required through this process are fully implemented.</p> <p>OMB Circular A-87</p>	<p>1. Copies of single audit reports (2 most recent), corrective action plans and approval documents for the LEA.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<ul style="list-style-type: none"> <input type="checkbox"/> LEA response to findings. <input type="checkbox"/> PDE follow-up reviews of findings. <input type="checkbox"/> Independent auditors report shows that the LEA has corrected all action required. 	<p>PDE Monitor review single audit from previous year (federal programs only) and reviews district comments (management letter).</p>	<p>2010-11 is only the school's second year of operation, so there has only been one audit to date (for the FY ending June 30, 2010). For the 2009-10 FY, FTCES did not have any audit findings. See pages 24, 26, and 28 of the audit for statements regarding FTCES' compliance with internal controls for federal programs and verification that no material weaknesses were identified.</p>

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
B. Carryover The LEA complies with the carryover provisions of Title I. Sec. 1127	1. LEAs with allocations greater than \$50,000 per year have not carried over more than 15% of their allocation from one year to the next unless the SEA has waived the limitation (allowable once every 3 year cycle if the SEA believes the request is reasonable and necessary).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Title I Budget section on eGrants.		As a rule, FTCES does not anticipate carrying over significant funding from year to year. However, due to our start-up timeline (including determination of our Title allocation) and the influx of ARRA funding, FTCES did carry over 14.82% of Title I. This was under 15%, so did not require a waiver.
	2. The LEA has requested (and received) a waiver from the SEA if the carryover from the prior year exceeds 15%.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Waiver request on eGrants. <input type="checkbox"/> Waiver request approval on file and at PDE.		We have never had carryover in excess of 15%.
C. Rank Order	1. The LEA is only serving eligible schools and all schools above 75% poverty are served.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Documentation detailing the poverty data used to determine eligibility		NA - FTCES is a one-school LEA. All funding is allocated to this one school.

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
<p>The LEA ensures that it complies with the requirements of Title I when allocating funds to eligible school attendance areas or schools in rank order of poverty based on the number of children from low-income families who reside in an eligible school attendance area.</p> <p>Sec. 1113 34 CFR Part 200 §200.77-§200.78</p>	2. The ranking procedures are applied without regard to grade spans or schools with a poverty rate of 75% and above.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Schools with poverty rates of 75% or greater are served. Funds are allocated at a per pupil rate.		NA - FTCES is a one-school LEA. All funding is allocated to this one school.
	3. Eligible schools are ranked and served from highest to lowest poverty.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Actual allocations match Consolidated Plan.		NA - FTCES is a one-school LEA. All funding is allocated to this one school.
	4. The allocation to each eligible school and the per pupil allocation match.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Per pupil expenditures at building level matches consolidated application		NA - FTCES is a one-school LEA. All funding is allocated to this one school.
	5. Allocations given to Title I schools match approved amounts on consolidated application.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Local budget sheets. <input type="checkbox"/> System tracking expenditure reports.		NA - FTCES is a one-school LEA. All funding is allocated to this one school.
	6. The prekindergarten (PreK) children are excluded from the poverty count of any school.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> The LEA's count of children from low income families does not include children under the age of 5.		FTCES serves grades 3-6. We do not have a preschool population.

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
D. Supplement / Supplant The LEA ensures that Title I funds are used only to supplement or increase non-Federal sources used for the education of participating children and not to supplant funds from non-Federal sources. Sec. 1114 Sec. 1115 Sec. 1116 Sec. 1120A	1. LEA approved budget and records of expenditures of Title I funds at the district level match.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Statement of Allocation & Expenditures	Pertains to: <ul style="list-style-type: none"> ■ Title IA & D ■ Title II A ■ Title III ■ Reading First *Documentation may minimal or non-existent in cases regarding supplanting. If you think there may be a problem, refer to DFP Regional Coordinator.	FTCES is only in our second year of operation, and, as such, we do not have two years of data to demonstrate maintenance of effort.
	2. Schoolwide program expenditures verify that funds have not supplanted non-federal resources.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Statement of Allocation & Expenditures. <input checked="" type="checkbox"/> Expenditures match SWP activities <input type="checkbox"/> State/local fund expenditures have not decreased		FTCES is only in our second year of operation, and, as such, we do not have two years of data to demonstrate maintenance of effort.
	3. Targeted assistance program expenditures meet the statutory requirements and are supplemental in nature & do not supplant non-federal resources.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Statement of Allocation & Expenditures are supplemental		NA. FTCES is a SWP.

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
E. Equipment and Related Property OMB Circular A-87 EDGAR 80.32	1. LEA maintains Inventory records, purchase orders and receipts for equipment purchased.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Inventory is on file and up to date (All equipment at \$1,500 or LEA capitalization threshold \$ _____ is maintained).	Pertains to: <ul style="list-style-type: none"> ▪ Title IA & D ▪ Title II A ▪ Title III ▪ Reading First 	FTCES maintains an asset list that is updated annually. This includes purchased made with Federal funding, and the inventory identifies the specific funding source. Copies of purchase orders and receipts for equipment purchased with Title I ARRA will be provided during the site visit.
	2. The LEA conducts a physical inventory of all equipment at least once every two years.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Equipment Inventory List	Pertains to: <ul style="list-style-type: none"> ▪ Title IA & D ▪ Title II A ▪ Title III ▪ Reading First 	FTCES maintains an asset list that is updated annually. This list includes purchases made with federal funding, and the inventory identifies the specific funding source.
F. Compliance to Reservations							

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
<p>The LEA complies with requirements regarding the reservation of funds. Sec. 1113 Sec. 1116 Sec. 1118</p>	<p>1. The LEA has reserved funds necessary to provide services comparable to those provided to children in Title I funded schools to serve homeless children, neglected children in local institutions, and if appropriate, N or D children in community day schools and delinquent children in local institutions.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<ul style="list-style-type: none"> <input type="checkbox"/> Reservations are in the budget. <input type="checkbox"/> Line items can be followed. <input type="checkbox"/> Expenditures are charged to the line items. 	<p>Pertains to:</p> <ul style="list-style-type: none"> ▪ Title IA & D ▪ Title II A ▪ Title III ▪ Reading First 	<p>The homeless set-aside does not apply to charter schools.</p>
	<p>2. LEA has reserved a minimum of 5% up to a maximum of 20% for transportation/supplemental services or both unless a lesser amount is needed. (for school improvement schools only; if no schools in school improvement, check NA)</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<ul style="list-style-type: none"> <input type="checkbox"/> Reservations are in the ROF screen on egrants. <input type="checkbox"/> Line items can be followed. <input type="checkbox"/> Expenditures are charged to the line items. <input type="checkbox"/> LEA documents expenditures for choice and supplemental services (agreements between LEA and providers). 		<p>FTCES is not in School Improvement.</p>

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
	3. LEAs receiving more than \$500,000 have reserved 1% of their allocation for parental involvement and that 95% of those funds have been distributed to served schools.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Procedure for allocation 95% to schools. <input type="checkbox"/> 95% allocated to schools. <input type="checkbox"/> Line item reflects 1%. <input type="checkbox"/> Budget Line Item for professional development. <input type="checkbox"/> Agendas, Sign-Ins, Calendar of training, contracts with trainers etc. <input type="checkbox"/> Expenditures supporting professional development.	**If the combined amount of ARRA & Title I Basic funds result in the LEA's total allocation being \$500,000 or more, a parent involvement set aside of 1% is required.	FTCES does not receive more than \$500,000 in Title I (including in 2009-10 when Title I ARRA funds were combined with Title I).

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
	4. LEAs with schools identified for improvement have set aside 10% of funds for professional development activities.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Activities scheduled for professional development, agendas, sign-in, contracted technical assistance, etc. <input type="checkbox"/> 10% of the Title I allocation is reported on the LEA actual budget reports under professional development. <input type="checkbox"/> Activities scheduled for professional development agendas, sign-in, contracted technical assistance, etc. <input type="checkbox"/> 10% of school's in improvement allocation is tracked by LEA for professional development.		FTCES is not in School Improvement

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
G. Obligating Funds	1. The LEA began obligating funds on or after the program approval date	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Rider or Grant Approval Letter <input checked="" type="checkbox"/> Expenditure records begin on or after approval date	Pertains to: <ul style="list-style-type: none"> ▪ Title IA & D ▪ Title II A ▪ Title III ▪ Reading First 	Our approval letter for 2010-11 indicates an obligation date of 2/4/11. Our internal budget and expenditure tracking for our federal program funds provide evidence that funds were not expended before 2/4/11.
H. Nonpublic School Services	1. The LEA reserved the same per pupil amount to each non-public low-income child as distributed to each public low-income child.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> eGrants SOS and Nonpublic Section and budget line item on eGrants <input type="checkbox"/> Interdistrict agreement and/or 3rd Party contract amounts match what is approved on consolidated application.	Pertains to: <ul style="list-style-type: none"> ▪ Title IA & D ▪ Title II A ▪ Title III ▪ Reading First 	Non-public school services do not apply to charter schools.

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
I. Time Documentation	1. The LEA maintains semi-annual certifications for all employees funded from a single cost objective.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Semi-annual time certifications	Pertains to: <ul style="list-style-type: none"> ▪ Title IA & D ▪ Title II A ▪ Title III ▪ Reading First 	FTCES has four employees that are funded solely through Title I. These employees sign semi-annual certifications after 12/31 and 6/30. Copies of the 12/31 certifications will be available at the site visit. SRM: In light of Approval not being received until 2/4/11 for 'obligation of funds,' Time and Effort for 1st semester (semi-annual) does not apply. (Principal, paraprofessionals, and computer tech.)
	2. The LEA maintains time documentation logs/schedules for prorated staff including the amount of time spent on each funding source activity; the logs are signed by a supervisor and reconciled to payroll documentation on a monthly basis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Logs <input type="checkbox"/> Staff Calendars <input type="checkbox"/> Staff Schedules	Pertains to: <ul style="list-style-type: none"> ▪ Title IA & D ▪ Title II A ▪ Title III ▪ Reading First 	FTCES has one staff member who is funded by multiple funding sources (both Title I & Title II). She files monthly logs indicating the time spent on each funding source activity. These logs will be available at the site visit.

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
J. Record Retention	1. Records are maintained for a period of 7 years	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Pertains to: <ul style="list-style-type: none"> ▪ Title IA & D ▪ Title II A ▪ Title III ▪ Reading First 	While, FTCES does not have seven years worth of records (we are in our second year of operation), we do have a record retention policy that confirms that federal programs records are to be retained for 7 years. A copy of this policy will be available for review at the site visit.
K. America Reinvestment & Recovery Act of 2009	1. Title I, Supplemental (ARRA) funds & expenditures are tracked separately from Title I, A Basic funds	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Invoices <input checked="" type="checkbox"/> Purchase orders <input checked="" type="checkbox"/> Equipment tracking logs	Information on the approved consolidated application should match actual expenditures	Our Title I ARRA Budget from our 09-10 Rider matches our invoices, purchase orders, and equipment tracking log. Our internal budget tracking, includes source codes that indicate that ARRA funds are tracked separately from Title I, A Basic funds.

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
	2. Data Collection/Submission - LEAs have source data to reflect reported information on Title I, Supplemental (ARRA) funds to PDE.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> ARRA 1512 survey <input checked="" type="checkbox"/> Payroll <input checked="" type="checkbox"/> Invoices <input type="checkbox"/> SWP <input checked="" type="checkbox"/> Purchase orders	Information submitted on the ARRA 1512 Survey should be verified on site by reviewing information in "suggested evidence."	Copies of all ARRA reports will be available on site. FTCES had not yet received its Title I ARRA allocation at the time that the 1512 One-Time Survey was due, as 09-10 was the school's first year of operation.
	3. LEA has submitted its School Level Expenditure Data 2008-2009 from state & local funds in eGrants	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> eGrant report	You will find this report on the main menu screen in eGrants. Its the 2nd link in middle of page reads: School Level Expenditure Data 2008-2009. (Top of the screen should say Program Year is currently 2010 - 2011). *Deadline for this report is February 26, 2010.	FTCES opened in 2009-10. We were not in operation in 2008-09.

Personnel Interviews

Building	Date	Staff Member Interviewed	Staff Member Position
Franklin Towne Charter Elementary School	5/6/2011	Alina Whittle	Teacher
Franklin Towne Charter Elementary School	5/6/2011	Eleanor Neitzel	Parent
Franklin Towne Charter Elementary School	5/6/2011	Janet Gillich	Parent
Franklin Towne Charter Elementary School	5/6/2011	Kathleen Enggasser	Dean of Students/Curriculum Specialist
Franklin Towne Charter Elementary School	5/6/2011	Meredith Bielecki	Teacher
Franklin Towne Charter Elementary School	5/6/2011	Mr. Patrick Field	Principal
Franklin Towne Charter Elementary School	5/6/2011	Stacy Waldron	Parent
Franklin Towne Charter Elementary School	5/6/2011	Susan Dodd	Teacher



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

BUREAU OF SPECIAL EDUCATION

Phone: (717) 783-6913
Fax: (717) 783-6139
TTY: (717) 783-8445

February 7, 2012

Mr. Joseph Venditti
CEO
Franklin Towne CES
5301 Tacony Street
Box 310 - Building 108
Philadelphia, Pa 19137

Dear Mr. Venditti:

I have been informed that the areas of noncompliance cited as a result of the special education compliance monitoring visit conducted on December 16, 2010 have been corrected as of January 17, 2012 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 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



Executive Summary BSE Compliance Monitoring Review of the Franklin Towne CES

PART I SUMMARY OF FINDINGS

A. Review Process

Prior to the Bureau's monitoring the week of December 16, 2010, the Franklin Towne CES 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. This 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 Bureau of Special Education (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

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

C. Overall Findings

1. FACILITATED SELF ASSESSMENT (FSA)

The team 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 file reviews.

FSA	In Compliance	Out of Compliance
Assistive Technology and Services; Hearing Aids	2	0
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	1	0
Public School Enrollment	0	1
Surrogate Parents (Students Requiring)	1	0
Personnel Training	1	0
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	0	1

IMPROVEMENT PLAN REQUIRED	Yes	No
Effective use of Dispute Resolution	0	1
Graduation Rates (SPP)	0	0
Dropout Rates (SPP)	0	0
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	1	0
Disproportionate Representation due to Identification, Educational Environment, Suspension or Expulsion	1	0

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 Franklin Towne CES is as follows:

Sections of the FILE REVIEW	In Compliance	Out of Compliance	NA
Essential Student Documents Are Present and Were Prepared Within Timelines	92	2	66
Evaluation/Reevaluation: Process and Content	204	112	464
Individualized Education Program: Process and Content	443	10	347
Procedural Safeguards: Process and Content	109	8	3
TOTALS	848	132	880

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	244	7	75
Program Implementation: Special Ed Teacher Interviews	314	2	124
Program Implementation: Parent Interviews	212	17	110
TOTALS	770	26	309

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	52	0	18

6. EDUCATIONAL BENEFIT REVIEW

	In Compliance	Out of Compliance
Educational Benefit Review	X	

**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. Consistent with IDEA's general supervision requirements for states, BSE must approve all proposed corrective action.

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 Advisor will select students at random and will review updated data, i.e. records that were developed subsequent to the monitoring. Consequently, the charter school should approach corrective action on a systemic basis. As indicated above, the charter school is also required to correct student specific noncompliance identified during monitoring under the ICAP process. If there has been a finding of noncompliance in the Educational Benefit Review component, 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 corrective action.

The BSE Advisor will schedule an onsite visit with the charter school within 60 days following issuance of the monitoring report. The BSE Advisor, 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.