

Infinity CS

**Charter Annual Report**

07/01/2013 - 06/30/2014

# School Profile

---

## Demographics

51 Banks Street

Suite 1

Penbrook, PA 17103

(717)238-1880

Phase:

CEO Name:

CEO E-mail address:

Phase 2

Suzanne Gausman

[sgausman@infinityschool.org](mailto:sgausman@infinityschool.org)

# Governance and Staff

---

## *Leadership Changes*

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

During the 2013-2014 school year, the school administration remained constant. One member of the Board of Trustees, Joseph Schell, submitted his resignation in May, 2014. He served as the Secretary/Treasurer of the Board of Trustees. During the months of May and June, 2014, Matthew Blaylock served as the acting secretary. The Board of Trustees plans to elect a new Secretary/Treasurer in July, 2014.

## *Board of Trustees Meeting Schedule*

<b>Location</b>	<b>Date and Time</b>
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	7/16/2013 2:00 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	8/13/2013 2:00 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	9/10/2013 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	10/8/2013 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	11/12/2013 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	12/10/2013 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	1/14/2014 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	2/11/2014 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	3/11/2014 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	4/8/2014 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	5/13/2014 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	6/10/2014 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	7/8/2014 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	8/12/2014 7:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	9/9/2014 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	10/14/2014 7:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	11/11/2014 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	12/9/2014 7:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	1/13/2015 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	2/10/2015 7:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	3/10/2015 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	4/14/2015 7:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	5/12/2015 3:30 PM
Infinity Charter School, 51 Banks Street, Penbrook, PA 17103	6/9/2015 7:30 PM

### *Professional Staff Member Roster*

<b>Erin Confer</b>	
PA Certified	Yes
Areas of Certification	Elementary K-6, Instructional I
Grades Teaching or Serving	K/1
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Elementary Teacher
Number of Hours Annually Worked in Assignment	1488
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Erin Doyle</b>	
PA Certified	Yes
Areas of Certification	Elementary K-6, Mid-Level Math 7-9, Mid-Level Citizenship Ed 7-9, Mid-Level Science 7-9 - All Instructional II
Grades Teaching or Serving	6/7
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Middle School Teacher - Language Arts, Social Studies, Science, Math
Number of Hours Annually Worked in Assignment	1488
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Barbara Eddy</b>	
PA Certified	Yes
Areas of Certification	German, Instructional II
Grades Teaching or Serving	K-8
All Areas of Assignment, Subject Areas Teaching, or Services Provided	German Teacher
Number of Hours Annually Worked in Assignment	330
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Mary Grissett-Havrilak</b>	
PA Certified	Yes
Areas of Certification	Art K-12, Instructional I
Grades Teaching or Serving	K-8
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Art Teacher

Number of Hours Annually Worked in Assignment	427
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Suzanne Gausman</b>	
PA Certified	Yes
Areas of Certification	Elementary K-6, Instructional II; Early Childhood N-3, Instructional II; Elementary Principal K-6, Administrative II
Grades Teaching or Serving	K-8
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Principal, CEO/Director
Number of Hours Annually Worked in Assignment	2080
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Olivia Hartlaub</b>	
PA Certified	Yes
Areas of Certification	Music K-12, Instructional II; Library Science K-12, Instructional II
Grades Teaching or Serving	K-8
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Music Teacher
Number of Hours Annually Worked in Assignment	401
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Julia Keefer</b>	
PA Certified	Yes
Areas of Certification	Elementary K-6, Instructional I; English as a Second Language K-12, Program Specialist
Grades Teaching or Serving	4/5
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Elementary Teacher
Number of Hours Annually Worked in Assignment	1488
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Melissa Kohr</b>	
PA Certified	Yes
Areas of Certification	Elementary K-6, Instructional II
Grades Teaching or Serving	2/3
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Elementary Teacher
Number of Hours Annually Worked in Assignment	1488
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Kyle Parrish</b>	
PA Certified	Yes
Areas of Certification	Health and Physical Education K-12, Instructional I
Grades Teaching or Serving	K-8
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Physical Education Teacher
Number of Hours Annually Worked in Assignment	400
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Keirsten Davidson</b>	
PA Certified	Yes
Areas of Certification	Elementary K-6 Instructional I; Middle Level English 7-9 - Both Instructional I
Grades Teaching or Serving	3/4
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Elementary Teacher
Number of Hours Annually Worked in Assignment	1488
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Amanda Nace</b>	
PA Certified	Yes
Areas of Certification	Elementary K-6, Mid-Level Math 7-9, Mid-Level Citizenship Ed 7-9, Mid-Level Science 7-9, German K-12, Library Science K-12 - All Instructional II
Grades Teaching or Serving	7/8

All Areas of Assignment, Subject Areas Teaching, or Services Provided	Middle School Teacher - Language Arts, Social Studies, Science, Math
Number of Hours Annually Worked in Assignment	1488
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Cynthia Walker</b>	
PA Certified	Yes
Areas of Certification	Elementary K-6 Instructional II; Mental and/or Physical Handicapped - Both Instructional II
Grades Teaching or Serving	K-8
All Areas of Assignment, Subject Areas Teaching, or Services Provided	Learning Specialist
Number of Hours Annually Worked in Assignment	1488
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Stefanie Moore</b>	
PA Certified	Yes
Areas of Certification	Elementary School Counselor K-6; Secondary School Counselor 7-12 - Both Educational Specialist I
Grades Teaching or Serving	K-8
All Areas of Assignment, Subject Areas Teaching, or Services Provided	School Counselor
Number of Hours Annually Worked in Assignment	281
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

<b>Katherine Burns</b>	
PA Certified	Yes
Areas of Certification	Elementary School Counselor K-6; Secondary School Counselor 7 - 12 - Both Educational Specialist I
Grades Teaching or Serving	K-8
All Areas of Assignment, Subject Areas Teaching, or Services Provided	School Counselor
Number of Hours Annually Worked in Assignment	270
Percentage of Time in Certified Position	100.0
Percentage of Time in Areas Not Certified	0.0

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

*No file has been uploaded.*

### ***Quality of Teaching and Other Staff***

<b>Position Categories</b>	<b>All Employed per Category</b>	<b>Appropriately Certified</b>	<b>Promoted</b>	<b>Transferred</b>	<b>Terminated</b>	<b>Contracted for Following Year</b>
Chief Academic Officer/Director	1.00	1.00	0.00	0.00	0.00	1.00
Principal	0.00	0.00	0.00	0.00	0.00	0.00
Assistant Principal	0.00	0.00	0.00	0.00	0.00	0.00
Classroom Teacher (including Master Teachers)	6.00	6.00	0.00	0.00	0.00	5.00
Specialty Teacher (including Master Teachers)	4.00	4.00	0.00	0.00	0.00	4.00
Special Education Teacher (including Master Teachers)	0.00	0.00	0.00	0.00	0.00	0.00
Special Education Coordinator	1.00	1.00	0.00	0.00	0.00	1.00
Counselor	1.00	1.00	0.00	0.00	0.00	1.00
Psychologist	0.00	0.00	0.00	0.00	0.00	0.00
School Nurse	1.00	0.00	0.00	0.00	0.00	1.00
<b>Totals</b>	<b>14.00</b>	<b>13.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>13.00</b>

Further explanation:

Our CEO/Director also serves as the school's principal.

We had one classroom teacher accept a teaching position for the upcoming school year in her home district. She chose to not renew her (annual) contract. As a result, she was not included in the "Contracted for Following Year" column.

Our counselor resigned after accepting a full-time position in another district and left, so another counselor was hired mid-year. The new counselor plans to return in the fall.

Our Special Education Coordinator is also the Special Education Teacher.

Our school nurse is a LPN, not a CSN. A CSN does provide oversight, and is on call throughout the year; however, she is not on-site on a daily basis.

# Fiscal Matters

---

## *Major Fundraising Activities*

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

During the 2013-2014 fiscal year, Infinity Charter School did not participate in any major fundraising activities. Infinity's Volunteer Organization (similar to a PTO) coordinated and held several minor fundraising activities to support school spirit and school social activities. IVO raised a total of \$5,835 through activities, which included: Box Tops for Education, Target RedCard Take Charge of Education, Giant A+ Rewards, R&K Sub sales, as well as Family/Community Events at Five Below, Color Me Mine, Isaac's, Friendly's, and other local restaurants. IVO plans to continue similar fundraising activities during the next school year. The school also received \$380 in private donations. \$180 was specifically donated to purchase memory for 6 school laptops. The remaining \$200 was a general donation to the school. Infinity's Board of Trustees is currently working with a consultant to create a fundraising strategic plan. We hope to eventually seek major private donations and/or grants to be used toward the construction of a new school building.

## *Fiscal Solvency Policies*

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

There were no changes to Infinity's policies and procedures regarding fiscal solvency during the 2013-14 school year.

The following procedures are utilized to maintain fiscal solvency:

### **Budget Preparation**

: Infinity's annual General Fund budget is prepared by the Business Manager, CEO and Board Treasurer, and is presented to the Board of Trustees for approval. The goal is to prepare a balanced budget, using lower revenue than expected, combined with higher than anticipated expenses to help provide a cushion to absorb enrollment changes or unexpected changes in ADM rates from sending districts. Budgetary reserves are also held to offset possible cash flow problems, due to such things as delays in ADM payments from sending districts, increased student service expenses, delays in funding due to state budget issues, or state budget cuts.

### **Budget Transfers:**

The Board of Trustees approves all transfers between budgeted line items to reallocate monies from one account to another.

### **Financial Reports:**

The Business Manager prepares a financial report for each Board meeting. This monthly report includes details of revenue received and expenses incurred by account. The budget figures are also provided to allow for regular monitoring of actual year-to-date income/expenses as compared to the annual budget. A list of checks and deposits is presented for Board review. The Board Treasurer reviews the reconciled bank statements each month. ICS uses an accrual basis of accounting, which conforms to generally accepted accounting principles. All financial reports are prepared on an accrual basis.

**Contracts:**

Contracts over \$2500 are reviewed and approved by the Board of Trustees before being entered into.

**Purchases:**

Efforts are made to purchase goods and services at the lowest possible prices. The school is a member of the COSTARS program and recently joined Innovatix, LLC, a group purchasing organization. Property, plant and equipment purchases are capitalized if they meet the requirements of the school's Capitalization and Depreciation policy. Infinity utilizes the EasyProcure education procurement card for all credit card purchases. Pre-defined limits on each of the cards restrict overspending by the cardholder, which improves purchasing control for the business office.

**Investments:**

The bulk of Infinity's reserve funds are invested with the Pennsylvania School District Liquid Asset Fund (PSDLAF). These funds are assigned to the development and construction of our future facility. The PSDLAF is a well-respected fiscal fund that is used by many Pennsylvania School Districts. The fund's investment focus is safety of principal, liquidity and yield. This focus matches the strategies recommended by the school's audit firm - to maximize the school's interest earnings and to protect the school's assets. Additional funds are held in a money market account at a local bank.

**Audit:**

An annual financial audit is conducted on the school's accounts and financial transactions. The audit is conducted in accordance with generally accepted auditing standards and is initiated as soon as all income and expenditures for the fiscal year are entered, typically within a month of the end of the fiscal year. At the completion of the audit, the Board receives a copy of the audit report and the audit firm's management letter, which may provide recommendations for additional internal control practices to improve the efficiency of the accounting and financial reporting functions of the school. The Board then reviews the audit and recommendations, and takes action, if necessary.

For the 2014-2015 fiscal year, the Board is establishing a new Finance committee. Member of the committee will review all existing financial policies and procedures, to determine if anything should be updated.

**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:**

- ICS.Policy608.Capitalization.doc
- ICS.Policy609.Investment Policy.doc

***Accounting System***

Changes to the accounting system the charter school uses:

No changes were made to Infinity's accounting system during the 2013-2014 fiscal year. The school continues to use QuickBooks 2013 Pro for all financial transactions.

***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: Brown, Schultz, Sheridan and Fritz  
 Date of Last Audit: 08/08/2013  
 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 2013-2014 financial audit will not be completed by the time this report is due and filed, so we are submitting the final audit report for the 2012-2013 school year.

**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
-------------	----------

***Federal Programs Consolidated Review***

**Basics**

Title I Status: No

Date of Last Federal  
Programs Consolidated Review: 03/19/2013  
School Year Reviewed: 2012-2013

### **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

<b>Description</b>	<b>Response</b>
--------------------	-----------------

# 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**

<b>Support Service</b>	<b>Location</b>	<b>Teacher FTE</b>
Learning Specialist	Infinity Charter School	1

## **Special Education Contracted Services**

<b>Title</b>	<b>Amt. of Time per Week</b>	<b>Operator</b>	<b>Number of Students</b>
Occupational Therapy (contracted for 3 total hours for the school year)	3 Hours	Intermediate Unit	10 or fewer
Positive Behavior Support (contracted for 38 total hours for the school year)	38 Hours	Intermediate Unit	10 or fewer
Psychological Counseling (contracted for 2 total hours for the school year)	2 Hours	Intermediate Unit	10 or fewer
Psychological Services (contracted for	84.5 Hours	Intermediate	10 or fewer

84.5 total hours for the school year)		Unit	
Speech/Language Support (contracted for 274.25 total hours for the school year)	274.25 Hours	Intermediate Unit	10 or fewer

### ***Special Education Cyclical Monitoring***

Date of Last Special Education Cyclical Monitoring:

11/14/2011

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:

**Facility:** There were no significant changes to our existing facility during the 2013-2014 school year. Infinity has occupied the same space at 51 Banks Street, Penbrook, since operations began in 2003. We are currently on a year-to-year lease with the building owners, Penbrook United Church of Christ. The lease covers the period from July 1 - June 30, with lease payments made semi-annually.

The school purchased property, located at 5405 Locust Lane, Harrisburg, during the 2013-2014 school year. Our plan is to renovate the existing 2,045 square foot building into office space, and construct a new educational facility on the 5.93 acre site.

**Furniture and Fixtures:** There were no significant furniture or fixture purchases made during the 2013-2014 school year. There were some minor general office furniture purchases, including a teacher chair and 2 movable shelving units.

**Equipment:** All of our equipment purchases during the 2013-2014 school year were, once again, related to improving our school's technology program. We purchased an HP Office Jet printer, laptop for the CEO/Director, (6) Microsoft Surface RT's for our 7/8 classroom, (13) Acer computers for our computer lab, (13) 19" flat panel monitors for the computer lab, an OKI 9800 color laser printer, and some Motorola walkie talkies.

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

*\$173,083.00*

## *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:

### **Facility (2013-2014):**

Infinity Charter School began its operations in a former Central Dauphin school building at 51 Banks Street in Penbrook. This space is within the Central Dauphin School District boundaries, and is the school's original facility. Infinity has remained in the Penbrook facility since its inception is August 2003. There were no significant changes to the spaces or areas leased during the 2013-2014 school year. Infinity currently maintains a year-to-year lease with the Penbrook United Church of Christ (building owners), and plans to continue to be located in this space until a new facility can be constructed on the Locust Lane property that was purchased in May 2014.

### **Future Facility Plans:**

At this time, Infinity plans to remain at the same Penbrook facility for the 2014-2015 school year. We do not anticipate any capital needs for the current facility during the school year; however, as we move ahead with the design/construction of a new facility on the Locust Lane

property, we do expect significant capital outlays during the process. Infinity has proven success in serving mentally gifted children in Central Pennsylvania. Our National Blue Ribbon School status has generated an increased interest from families hoping to enroll their children in our school. Unfortunately, our current facility limitations prevent us from accepting the majority of new applicants through our annual lottery process. We reached maximum capacity in our current building several years ago, and began searching for new facility options at that time. It was evident that we needed to expand, in order to continue to fulfill our mission of operating and maintaining a world-class charter school that addresses the intellectual, academic and social-emotional needs of mentally gifted children. It has always been our goal to be able to serve more students, but up until this point, we had not been successful in identifying a suitable site/building to allow for expansion. The objective is to construct a cost-effective, functional facility that will complement the school's mission, guiding principles, vision, goals, objectives and core values. The new facility will also incorporate the following key principles: a safe learning environment, flexible technology infrastructure and an environmentally efficient design.

The Infinity Board of Trustees is currently in the process of securing a qualified architectural and engineering firm to design and construct the new facility. Several firms responded to our request for qualifications (RFQ), and four firms were selected to make live presentations to the Board. Finalists were then asked to submit cost proposals. The Board hopes to make a final decision and contract with a firm before the start of the new school year. We are anticipating the design and construction phase to take a minimum of 18 months, so we would not be ready to relocate until the 2015-16 school year, at the earliest. We realize the actual timeframe may be longer, depending on how quickly decisions are made, and how long it takes to secure financing and grants.

It should be noted that Infinity has designated a substantial portion of its fund balance for building and site improvements.

### *Memorandums of Understanding*

<b>Organization</b>	<b>Purpose</b>
Penbrook Police Department	School Safety

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

Name of School     INFINITY CHARTER SCHOOL    

Address of School     51 Banks Street, Suite 1, Penbrook, PA 17103    

CEO Signature     *Suzanne McGowan*    

**REVENUES**

<b>6000</b>		<b>REVENUE FROM LOCAL SOURCES</b>	
<b>6500</b>		<b>EARNINGS ON INVESTMENTS</b>	
	6510	Interest on Investments and Interest-Bearing Checking Accounts	1,344
	6520	Dividends on Investments	
	6530	Gains or Losses on Sale of Investments	
	6540	Earnings on Investments in Real Property	
	6590	Other Earnings or Investments	
<b>6600</b>		<b>FOOD SERVICE REVENUE</b>	
	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	
<b>6700</b>		<b>REVENUES FROM STUDENT ACTIVITIES</b>	
	6710	Admissions	
	6720	Bookstore Sales	
	6730	Student Organization Membership Dues and Fees	
	6740	Fees	
	6750	Student Activity - Special Events	
	6790	Other Student Activity Income	
<b>6800</b>		<b>REVENUES FROM INTERMEDIARY SOURCES / PASS THROUGH</b>	
	6810	Revenue from Local Governmental Units	
	6820	Revenue from Intermediary Sources - Commonwealth Funds	
	6830	Revenues from Intermediary Sources - Federal Funds	5,539
	6890	Other Revenues from Intermediary Sources	

<b>6900</b>		<b>OTHER REVENUE FROM LOCAL SOURCES</b>	
	6910	Rentals	
	6920	Contributions & Donations from Private Sources / Capital Contributions	380
	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	1,158,511
	6945	Receipts from Out-of-State LEAs	
	6946	Receipts from Member Districts - AVTS / Special Program Jointure only	
	6947	Receipts from Members of Intermediate Units for Education by Withholding	
	6948	Receipts from Members of Intermediate Units for Direct Contributions	
	6949	Other Tuition from Patrons	
	6950	Unassigned	
	6960	Services Provide Other Local Governmental Units / LEAs	
	6961	Transportation Services Provided Other Pennsylvania LEAs	
	6969	All Other Services Provided Other Governments and LEAs Not Specified Above	
	6970	Services Provided Other Funds	
	6980	Revenue from Community Service Activities	
	6990	Refunds and Other Miscellaneous Revenue	325
	6991	Refunds of a Prior Year Expenditure	
	6999	Other Revenues Not Specified Above	
<b>7000</b>		<b>REVENUE FROM STATE SOURCES</b>	
7100		<b>BASIC INSTRUCTIONAL AND OPERATING SUBSIDIES</b>	
	7150	Unassigned	
	7160	Tuition for Orphans and Children Placed in Private Homes	
	7180	Staff and Program Development	
7200		<b>REVENUE FOR SPECIFIC EDUCATIONAL PROGRAMS</b>	
	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)	1,982
	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	
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	27,818
7900		REVENUE FOR TECHNOLOGY	
	7910	Educational Technology	
	7990	Other Technology Grants	
<b>8000</b>		<b>REVENUE FROM FEDERAL SOURCES</b>	
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	3,507
	8510	Individuals with Disabilities Education Act (IDEA) and No Child Left Behind (NCLB)	
	8520	Vocational Education	
	8530	Child Nutrition Program	
	8540	Nutrition Education and Training	
	8560	Federal Block Grants	
	8570	Unassigned	
	8580	Child Care and Development Block Grants	
	8590	Unassigned	
8600		RESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE COMMONWEALTH FOR DRIVER EDUCATION, ADULT EDUCATION, CETA, HEADSTART, ENERGY CONSERVATION, WORKFORCE INVESTMENT ACT AND OTHER PROGRAMS	
	8610	Homeless Assistance Act	
	8620	Adult Basic Education	
	8640	Headstart	
	8650	Unassigned	
	8660	Workforce Investment Act (WIA)	
	8670	Unassigned	
	8680	Unassigned	
	8690	Other Restricted Federal Grants-in-Aid through the Commonwealth	
8800		MEDICAL ASSISTANCE REIMBURSEMENTS	
<b>9000</b>		<b>OTHER FINANCING SOURCES</b>	
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	
<b>TOTAL REVENUES</b>			1,199,406

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

Name of School \_\_\_\_\_ INFINITY CHARTER SCHOOL \_\_\_\_\_

Address of School \_\_\_\_\_ 51 Banks Street, Suite 1, Penbrook, PA 17103 \_\_\_\_\_

CEO Signature Suzanne McLaughlin

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

EXPENDITURES

1000	INSTRUCTION	
1100	REGULAR PROGRAMS - ELEMENTARY / SECONDARY	626,824
1200	SPECIAL PROGRAMS - ELEMENTARY / SECONDARY	40,126
1300	VOCATIONAL EDUCATION	
1400	OTHER INSTRUCTIONAL PROGRAMS - ELEMENTARY / SECONDARY	4,148
1600	ADULT EDUCATION PROGRAMS	
1700	HIGHER EDUCATION PROGRAMS	
1800	PRE-KINDERGARTEN	
<b>2000</b>	<b>SUPPORT SERVICES</b>	
2100	SUPPORT SERVICES - PUPIL PERSONNEL	104,990
	2110 Supervision of Pupil Personnel Services	
	2120 Guidance Services	
	2130 Attendance Services	2,117
	2140 Psychological Services	
	2150 Speech Pathology and Audiology Services	
	2160 Social Work Services	
	2170 Student Accounting Services	
	2190 Other Pupil Personnel Services	
2200	SUPPORT SERVICES - INSTRUCTIONAL STAFF	
	2210 Supervision of Educational Media Services	

	2220	Technology Support Services	5,424
	2230	Educational Television Services	
	2240	Computer-Assisted Instruction Support Services	
	2250	School Library Services	12,175
	2260	Instruction and Curriculum Development Services	-1,202
	2270	Instructional Staff Professional Development Services	163
	2280	Nonpublic Support Services	
2300		SUPPORT SERVICES - ADMINISTRATION	
	2310	Board Services	379
	2320	Board Treasurer Services	
	2340	Staff Relations and Negotiations Services	
	2350	Legal Services	17,581
	2360	Office of the Superintendent (Executive Director) Services	187,707
	2370	Community Relations Services	
	2380	Office of the Principal Services	
	2390	Other Administration Services	
2400		SUPPORT SERVICES - PUPIL HEALTH	9,489
2500		SUPPORT SERVICES - BUSINESS	39,045
	2510	Fiscal Services	
	2520	Purchasing Services	
	2530	Warehousing and Distributing Services	
	2540	Printing, Publishing and Duplicating Services	
	2590	Other Support Services - Business	
2600		OPERATION AND MAINTENANCE OF PLANT SERVICES	119,045
	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		<b>SUPPORT SERVICES - CENTRAL</b>	
	2810	Planning, Research, Development and Evaluation Services	
	2820	Information Services	1,050
	2830	Staff Services	
	2840	Data Processing Services	
	2850	State and Federal Agency Liaison Services	
	2860	Management Services	
	2890	Other Support Services Central	
2900		<b>OTHER SUPPORT SERVICES - CENTRAL</b>	
	2990	Pass-Thru Funds	
<b>3000</b>		<b>OPERATION OF NON-INSTRUCTIONAL SERVICES</b>	
3100		FOOD SERVICES	
3200		STUDENT ACTIVITIES	
	3210	School Sponsored Student Activities	50
	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	20,500
3400		SCHOLARSHIPS AND AWARDS	
<b>4000</b>		<b>FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT SERVICES</b>	
4100		SITE ACQUISITION SERVICES - ORIGINAL AND ADDITIONAL	162,565
4200		EXISTING SITE IMPROVEMENT SERVICES	
4300		ARCHITECTURE AND ENGINEERING SERVICES / EDUCATIONAL SPECIFICATIONS DEVELOPMENT - ORIGINAL AND ADDITIONAL	
4400		ARCHITECTURE AND ENGINEERING SERVICES / EDUCATIONAL SPECIFICATIONS - IMPROVEMENTS	

4500	BUILDING ACQUISITION AND CONSTRUCTION SERVICES - ORIGINAL AND ADDITIONAL	
4600	EXISTING BUILDING IMPROVEMENT SERVICES	
<b>5000</b>	<b>OTHER EXPENDITURES AND FINANCING USES</b>	
5100	DEBT SERVICE / OTHER EXPENDITURES AND FINANCING USES	
5200	FUND TRANSFERS	
5300	TRANSFERS INVOLVING COMPONENT UNITS	
5400	INTRAFUND TRANSFERS OUT	
5800	SUSPENSE ACCOUNT	
5900	BUDGETARY RESERVE	
<b>TOTAL EXPENDITURES</b>		<b>1,352,177</b>

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

# Infinity Charter School

SECTION: FINANCES

TITLE: INVESTMENT OF  
DISTRICT FUNDS

APPROVED: December 17, 2006

REVISED:

---

## 609. INVESTMENT OF DISTRICT FUNDS

---

**PURPOSE:**

It shall be the policy of the Board to optimize its return through investment of cash balances in such a way as to minimize non-invested balances to maximize return on investments.

The primary objectives of investment activities, in priority order, shall be:

**Legality** – All investments shall be made in accordance with applicable laws of Pennsylvania.

**Safety** – Safety of principal shall be of highest priority. Preservation of capital in the portfolio of investments shall be ensured through the mitigation of credit risk and interest rate risk.

**Liquidity** – Investments shall remain sufficiently liquid to meet all operating requirements that are reasonable anticipated. A fiscal year operations anticipated cash flow shall be developed so that investments can be made as early as possible, with maturities concurrent with anticipated cash demands.

**Yield** – Investments shall be made with the objective of attaining a market-average rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

**AUTHORITY:**

All investments of the school district made by an officer and/or employee of the district shall be made in accordance with this policy and a Board-approved investment program.

**DEFINITIONS:**

**Short-term** – any period twelve (12) months or less.

**Long-term** – any period exceeding forty-eight (48) months' duration

**Mid-range** – any period between short-term and long-term

**Credit risk** – the risk of loss of principal due to the failure of the security issue or backer of the issue.

**Interest rate risk** – the risk that the market value of securities will fall due to changes in general interest rates.

**DELEGATION OF RESPONSIBILITY:**

School district funds may be invested and managed by the Treasurer, CEO/Director or Business Manager or other Board designated individual.

The designated individual responsible for investments shall report monthly to the Board the following:

1. Amount of funds invested.
2. Interest earned and received.
3. Types and amounts of each investment and the interest rate on each.
4. Names of the institutions where investments are placed.
5. Current market value of the funds invested.
6. Other information required by the Board.

**GUIDELINES:**

Investments permitted by this policy are those defined in Section 440.1 of the School Code, as amended. Authorized types of investments are specified in Section 5.11 of the school's bylaws.

All securities shall be purchased in the name of the school district.

All investment advisors or bidders shall verify in writing that they have received a copy of this policy. Such written statement shall indicate that they have read and understand this policy and all applicable statutes related to school district investments, along with their intent to comply fully with these requirements.

The district shall require all investment advisors/bidders to submit annually any or all of the following as appropriate:

1. Audited financial statements.
2. Proof of National Association of Securities Dealers (NASD) certification.
3. Proof of state registration.

Disclosure

Designated officers and employees involved in the district's investment process shall disclose any personal business activity that could conflict with the proper execution and management of the investment program or could impair their ability to make impartial decisions.

Audit

The Board directs that all investment records be subject to annual audit by the district's independent auditors.

The audit shall include but not be limited to independent verification of amounts and record of all transactions, as deemed necessary by the independent auditors.

It shall be the responsibility of the investment advisor and/or bidder to maintain necessary documents to permit independent audit of the district's investments.

# Infinity Charter School

**SECTION:** FINANCES  
**TITLE:** Property, Plant and  
 Equipment Capitalization  
 and Depreciation Policy  
**APPROVED:** March 18, 2007  
**REVISED:**

## 608. Property, Plant and Equipment Capitalization and Depreciation Policy

### **PURPOSE:**

The purpose of this policy is to set guidelines for the acquisition and depreciation of property, plant and equipment.

### **DEFINITIONS:**

**Property, Plant and Equipment** – Land, buildings, machinery, equipment and furniture and fixtures acquired or constructed for use in the operation of the business, the benefits of which extend to a future period of two or more years beyond the date placed in service.

### **Categories of Property, Plant and Equipment:**

Fixed assets – Furniture and fixtures: Includes all major moveable furnishings normally found in an office area such as desks, tables, chairs, bookcases, filing cabinets, safes, movable or reusable partitions.

Fixed assets – Building improvements: Includes expenditures for equipment and fixtures to improve property that are integral to the office and building and cannot be removed. This includes, but is not limited to, data and voice communications wiring and equipment, carpet, security systems.

Fixed assets – Equipment and Computer Equipment/Software: Includes science equipment, data projectors, postage machines, telephones, fax machines, copiers shredders, electronic office machines. Computer equipment includes business computers, network servers and related peripheral hardware (tape and disc drives, printers, plotters, etc.); telecommunications hardware related to computer processing. Computer software includes all programs and documentation to describe and maintain those programs. Also included are outside consultant costs for the modification, customization or systems integration of purchased software.

### **GUIDELINES:**

Expenditures for additions, replacements, reconstructions and betterments of property, plant and equipment will be capitalized provided the expenditure meets the minimum capitalization requirements in this policy. Other expenditures related to capital projects will be charged as an expense of the current period. The Business Manager has the responsibility for determining the proper accounting in accordance with this policy and U.S. generally accepted accounting principles.

**Minimum Capitalization Requirements:**

To qualify for capitalization, an expenditure must equal or exceed \$2,500 and benefit at least two future years. Assets acquired or invoiced as a group must individually meet the \$2,500 minimum to be capitalized. When doubt exists, a conservative approach should be used and the item(s) should be expensed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**Depreciation:**

The annual amounts of depreciation expense provides for the systematic distribution of the cost of property, plant and equipment to the accounting periods occurring over the estimated useful lives of the assets.

Depreciation is calculated using the straight line method over the useful lives of the assets as listed below.\* Depreciation recognition begins the first of the month in which the assets are placed in service until the asset is retired or the depreciation life expires.

Book depreciable lives are generally based on the expected useful life of the asset, with consideration for the expected life of the organization.

- \* Fixed assets – Furniture and fixtures – 5 years
- Fixed assets – Building improvements – 3-20 years
- Fixed assets – Equipment – 5 years

***INFINITY CHARTER SCHOOL***

***YEAR ENDED JUNE 30, 2013***

# **INFINITY CHARTER SCHOOL**

YEAR ENDED JUNE 30, 2013

## CONTENTS

	Page
Independent auditors' report	1-2
Management's discussion and analysis	3-9
Financial statements:	
Government-wide financial statements:	
Statement of net position	10
Statement of activities	11
Fund financial statements and reconciliations:	
Balance sheet, governmental fund	12
Reconciliation of the governmental fund balance sheet to the statement of net position	13
Statement of revenues, expenditures and change in fund balance, governmental fund	14-15
Reconciliation of the governmental fund statement of revenues, expenditures and change in fund balance to the statement of activities	16
Statement of fiduciary net position, fiduciary fund	17
Notes to financial statements	18-31
Required supplementary information:	
Statement of revenues, expenditures and changes in fund balances, budget and actual, governmental fund	32-33
Notes to statement of revenues, expenditures and changes in fund balances, budget and actual, governmental fund	34



## Independent Auditors' Report

Board of Directors  
Infinity Charter School  
Penbrook, Pennsylvania

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the major fund and the remaining fund information of Infinity Charter School (the School) as of and for the year ended June 30, 2013 and the related notes to the financial statements, which collectively comprise the School's basic financial statements, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditors' 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 auditors consider internal control relevant to the School'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 School's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund and the remaining fund information of Infinity Charter School as of June 30, 2013 and the respective changes in financial position, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matter

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 and the budgetary comparison information on pages 32 through 34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Brown Schultz Steidan & Fritz*

Camp Hill, Pennsylvania  
October 11, 2013

# **INFINITY CHARTER SCHOOL**

Penbrook, Pennsylvania

## **MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**

Required Supplementary Information (RSI)

June 30, 2013

(unaudited)

The management's discussion and analysis (MD&A) of Infinity Charter School's (Infinity or School) financial performance provides an overall review of the School's financial activities for the fiscal year ended June 30, 2013. The intent of this discussion and analysis is to look at the School's financial performance as a whole. Readers should also review the notes to the basic financial statements and the financial statements to enhance their understanding of the School's financial performance.

The MD&A is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, issued June 1999.

### **FINANCIAL HIGHLIGHTS**

The 2012-2013 school year is the tenth year of operation for Infinity. Infinity began operations for the 2012-2013 school year with net position of \$1,018,978 and ended the year with net position of \$1,046,991, an increase of \$28,013. This increase was the result of providing economically efficient school operations. A slight increase in total revenues over prior year revenues, along with a decrease in expenses from the prior year, resulted in an overall increase in fund balance for the year.

The primary source of revenue for the School came from sending school districts in the form of tuition, based on each district's 2012-2013 average daily membership (ADM). During at least some portion of the year, there were 11 sending districts, including Camp Hill, Central Dauphin, Cumberland Valley, East Pennsboro, Harrisburg, Mechanicsburg, Northern York, Steelton-Highspire, Susquehanna Township, Susquenita and West Shore.

Infinity adopts an annual appropriation budget for its general fund. As can be seen, the School operated within its budget and there were no budget revisions during the year.

### **DISCUSSION OF THE BASIC FINANCIAL STATEMENTS**

These statements are presented and organized to provide the reader with an understanding of Infinity Charter School as an entire operating entity in a manner similar to private sector business (government-wide statements) and provide information about the School's financial resources (fund financial statements). The only differences between the two statements for Infinity are that fixed assets, depreciation expense, accumulated depreciation, other-postemployment benefit obligations and capital lease obligations are included on the government-wide statements.

## **INFINITY CHARTER SCHOOL**

Penbrook, Pennsylvania

### MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)

Required Supplementary Information (RSI)

June 30, 2013

(unaudited)

#### Government-Wide Financial Statements

The statement of net position presents information on all of the Infinity Charter School's assets and liabilities, with the difference between assets and liabilities reported as net position. Tracking increases and decreases in the net position serves as a useful indicator of improvement or deterioration in the financial position of the School.

The statement of activities presents changes in the School's net position during the most recent fiscal year.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future periods (e.g., uncollected grant expenses and earned but unpaid salary and benefits).

The government-wide statement of activities categorizes the functions and programs of the Infinity Charter School and includes instruction and support services.

#### Fund Financial Statements

A fund is a group of related accounts used to maintain control over resources and uses of those resources. The Infinity Charter School, like most charter schools or other governmental units, uses fund accounting. The School maintains a governmental fund. All revenues and expenditures are reported in the general fund because there are no revenues or expenditures required to be reported in other funds.

The general fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, government fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Infinity Charter School.

In particular, the fund balance may serve as a useful measure of a school's net resources available for program purposes at the end of the fiscal year. For the fiscal year ended June 30, 2013, Infinity reported a net increase in fund balance of \$93,829 resulting in an ending fund balance of \$1,165,019. A significant amount of the ending fund balance is assigned. Assigned funds are amounts that are designated by the School Board for a specific purpose but are not spendable until a formal action by the School Board or ordinance is passed. The Infinity Board of Trustees has assigned the funds to be used toward post employment benefits and future expansion.

**INFINITY CHARTER SCHOOL**  
Penbrook, Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Required Supplementary Information (RSI)  
June 30, 2013  
(unaudited)

Because the focus of the governmental funds is narrower than that of the governmental-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Reconciliations between the governmental funds and the government-wide financial statements are included in the fund financial statements and reconciliations.

**CONDENSED FINANCIAL INFORMATION**

The analysis of financial position, results of operations and comparisons between the 2011-2012 and 2012-2013 school years of the Infinity Charter School are shown below:

	2011 - 2012	2012 - 2013
<b><u>Assets</u></b>		
Total current assets	\$ 1,168,832	\$ 1,264,202
Capital assets	\$ 93,023	\$ 91,825
Less: accumulated depreciation	(63,140)	(70,419)
	29,883	21,406
<b>Total assets</b>	<b>\$ 1,198,715</b>	<b>\$ 1,285,608</b>
<b><u>Liabilities</u></b>		
Total current liabilities	\$ 101,338	\$ 103,068
Long-term liabilities	78,399	135,549
<b>Total liabilities</b>	<b>\$ 179,737</b>	<b>\$ 238,617</b>
<b><u>Net position</u></b>		
Net investment in capital assets	17,654	13,437
Unrestricted	1,001,324	1,033,554
	1,018,978	1,046,991
<b>Total liabilities and net position</b>	<b>\$ 1,198,715</b>	<b>\$ 1,285,608</b>

**INFINITY CHARTER SCHOOL**  
Penbrook, Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Required Supplementary Information (RSI)  
June 30, 2013  
(unaudited)

	2011 - 2012	2012 - 2013
<b><u>Program revenues</u></b>		
Charges for services	\$ 1,124,917	\$ 1,146,878
Operating grants & contributions	49,366	51,952
Total program revenues	\$ 1,174,283	\$ 1,198,830
<b><u>General revenues</u></b>		
Donations	1,150	1,575
Interest	1,021	961
Miscellaneous	314	68
Total general revenues	2,485	2,604
<b>Total revenues</b>	1,176,768	1,201,434
<b><u>Expenses</u></b>		
Instruction	544,213	591,343
Noninstructional services	175	100
Support services	628,570	581,978
<b>Total expenses</b>	1,172,958	1,173,421
<b>Change in net position</b>	3,810	28,013
<b>Net position, beginning</b>	1,015,168	1,018,978
<b>Net position, ending</b>	\$ 1,018,978	\$ 1,046,991

**INFINITY CHARTER SCHOOL**  
Penbrook, Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Required Supplementary Information (RSI)  
June 30, 2013  
(unaudited)

**ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

Infinity Charter School is in a very good financial position for the coming school year. Reserves are being held to offset unexpected cash flow problems (e.g. possible delays in ADM payments from the sending districts or due to state budget cuts, increased special needs services, etc.), as well as for possible longer term facility expansion or relocation expenses.

**INDIVIDUAL FUND ANALYSIS**

Infinity experienced an increase of \$93,829 in fund balance during the 2012-2013 school year. In part, this was because Infinity's general fund budget was designed to work if significantly fewer children enrolled than were expected. The expenses were designed to serve the needs of 128 students, but on ADM revenue for only 122 students.

Infinity does have contract commitments, consisting of a copier lease that commenced in July 2010 with annual future minimum lease payments of \$4,195 expected to occur over the next two fiscal years, a lease agreement for the School's facilities for the 2013-2014 school year with monthly rent of \$6,783 for the first two months and \$7,687 for the following ten months and a special education contract for the upcoming school year with a contract cost of \$32,562. In August of 2013, Infinity entered into agreements with the intention of securing financing for a school building. This is further described in the notes to the financial statements.

**BUDGET VARIANCE ANALYSIS**

Significant variances between the adopted budget and actual expenditures in the general fund, in addition to those arising from the enrollment assumptions above, are as follows:

*Description*

- Total revenues came in slightly over budget. Although Infinity tuition income was just under budget, income from federal and state sources were underestimated and came in over budget, which helped offset the lower tuition income.

*Action*

Actual revenues in excess of budget were in addition to actual expenditures below budget. Any excess will be added to budgetary reserves for the coming year.

**INFINITY CHARTER SCHOOL**  
Penbrook, Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Required Supplementary Information (RSI)  
June 30, 2013  
(unaudited)

*Description*

*Action*

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• Total instructional services were less than budget for the following reasons: (1) healthcare benefits were budgeted for all qualifying personnel, but some employees waived coverage for the year, and others did not require the level of coverage that was budgeted; (2) employer taxes were overestimated; (3) expenditures for classroom supplies came in under budget.</li><br/><li>• Total support services were less than budget for the following reasons: (1) pupil personnel expenses came in under budget because healthcare benefits were budgeted but waived, the Language Arts Coach position was budgeted, but not filled and PSERS retirement contributions were overestimated; (2) the curriculum director position was budgeted for a full year, but the position was only occupied for 6 months; (3) although director's office professional fees were almost 50% over budget due to unexpected legal fees, the shortage was offset by other functions that came in under budget.</li></ul> | <p>Unspent amounts will be part of the budgetary reserves for the coming year.</p><br><p>Unspent amounts will be part of the budgetary reserves for the coming year.</p> |
|--|--|

**CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY**

Infinity has invested (net of depreciation) \$21,406 in capital assets primarily consisting of equipment. There were no major additions this year.

Infinity entered into a copier lease in July 2010 for a five-year period, which had an initial discounted present value of \$18,602. The present value of the minimum lease payments is \$7,969 at June 30, 2013. No new debt is anticipated for the coming year. Infinity also leases its school facilities, and has entered into a lease agreement to continue leasing the same school facilities the coming year.

Other long-term debt activity includes accrued postemployment benefit obligations. More detailed information about the other long-term debt activity is included in the notes to the financial statements. An additional long-term concern is the projected increase in the mandated retirement contribution to the Pennsylvania School Employees Retirement System. The estimated employer contribution rate increases over the next few years will significantly affect Infinity's annual budget. In addition, the future implementation of GASB No 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* (effective for fiscal years beginning after June 15, 2014), could decrease the government-wide net position of Infinity.

**INFINITY CHARTER SCHOOL**  
Penbrook, Pennsylvania

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (CONTINUED)  
Required Supplementary Information (RSI)  
June 30, 2013  
(unaudited)

All Infinity Programs for the Gifted activities were suspended in the 2010-2011 school year, and the Infinity Charter School board voted for the formal dissolution. The dissolution process was expected to be completed during the 2012-2013 fiscal year, but official notification of dissolution had not been received as of June 30, 2013. Notifications were received from the PA Department of Revenue and Department of Labor and Industry.

**EXPECTATIONS**

Infinity Charter School expects to maintain a positive cash-flow position for the 2013-2014 school year. There are no known facts, decisions or conditions that would have a negative impact on this expectation.

Infinity Charter School's goal is to move forward with its plan to move to a new, larger facility in the future. The board will continue to investigate potential sites, as they become aware of them. A significant portion of Infinity's reserve funds are expected to be used to pay for the lease, use and operation of the new facility.

**REQUESTS FOR ADDITIONAL INFORMATION**

This financial report is designed to provide a general overview of the Infinity Charter School's finances for all those who have an interest in the School. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to:

CEO/Director  
Infinity Charter School  
51 Banks Street, Suite 1  
Penbrook, PA 17103

**INFINITY CHARTER SCHOOL**

STATEMENT OF NET POSITION - JUNE 30, 2013

	<u>Governmental activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,126,799
Due from other governments	134,865
Prepaid expenses	<u>2,538</u>
Total current assets	<u>1,264,202</u>
Capital assets:	
Building improvements	12,250
Furniture and fixtures	17,550
Equipment	<u>62,025</u>
	91,825
Less accumulated depreciation	<u>70,419</u>
Total capital assets	<u>21,406</u>
Total assets	<u><u>\$ 1,285,608</u></u>
LIABILITIES AND NET POSITION	
Current liabilities:	
Accounts payable and accrued expenses	\$ 13,523
Accrued salaries and benefits	60,948
Payroll deduction and withholdings	24,712
Current portion of capital lease obligation	<u>3,885</u>
Total current liabilities	103,068
Long term portion of capital lease obligation	4,084
Accrued postemployment benefit obligation	<u>131,465</u>
Total liabilities	<u>238,617</u>
Net position:	
Net investment in capital assets	13,437
Unrestricted	<u>1,033,554</u>
Total net position	<u>1,046,991</u>
Total liabilities and net position	<u><u>\$ 1,285,608</u></u>

See notes to financial statements.

**INFINITY CHARTER SCHOOL**

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2013

	Expenses	Program revenues		Net (expense) revenue and changes in net position
		Charges for services	Operating grants and contributions	
Governmental activities:				
Instructional services:				
Regular	\$ 546,376	\$ 1,029,827	\$ 25,426	\$ 508,877
Special	39,116	117,051		77,935
Other	5,851			(5,851)
Total instructional services	591,343	1,146,878	25,426	580,961
Support services:				
Pupil personnel	96,413		9,994	(86,419)
Instructional staff	58,260		21	(58,239)
Administration	258,614		5,656	(252,958)
Pupil health	10,817		1,590	(9,227)
Business services	36,068		2,360	(33,708)
Operation of plant and maintenance	120,681		6,905	(113,776)
Central	1,125			(1,125)
Total support services	581,978		26,526	(555,452)
Operation of noninstructional services	100			(100)
Total governmental activities	<u>\$ 1,173,421</u>	<u>\$ 1,146,878</u>	<u>\$ 51,952</u>	25,409
General revenues:				
Donations				1,575
Interest				961
Miscellaneous				68
Total general revenues				2,604
Change in net position				28,013
Net position:				
July 1, 2012				<u>1,018,978</u>
June 30, 2013				<u>\$ 1,046,991</u>

See notes to financial statements.

**INFINITY CHARTER SCHOOL**

BALANCE SHEET – GOVERNMENTAL FUND – JUNE 30, 2013

General  
fund

ASSETS

Cash and cash equivalents	\$ 1,126,799
Due from other governments	134,865
Prepays	<u>2,538</u>
Total assets	<u>\$ 1,264,202</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable and accrued expenses	\$ 13,523
Accrued salaries and benefits	60,948
Payroll deductions and withholdings	<u>24,712</u>
Total liabilities	<u>99,183</u>
Fund balance:	
Nonspendable	2,538
Committed	131,388
Assigned	881,465
Unassigned	<u>149,628</u>
Total fund balance	<u>1,165,019</u>
Total liabilities and fund balance	<u>\$ 1,264,202</u>

See notes to financial statements.

**INFINITY CHARTER SCHOOL**

**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
TO THE STATEMENT OF NET POSITION**

YEAR ENDED JUNE 30, 2013

Total fund balance, governmental fund	\$ 1,165,019
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of assets is \$91,825, and the accumulated depreciation is \$70,419.	21,406
Government-wide liabilities not included in government funds as a result of the difference in the measurement focus of accounting:	
Capital lease obligation	(7,969)
Accrued postemployment benefit obligation	<u>(131,465)</u>
Total net position, governmental activities	<u>\$ 1,046,991</u>

See notes to financial statements.

**INFINITY CHARTER SCHOOL**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE –  
GOVERNMENTAL FUND

YEAR ENDED JUNE 30, 2013

	<u>General fund</u>
Revenues:	
Local sources:	
Tuition	\$ 1,146,878
Donations	1,575
Investment income	961
Other revenues	<u>68</u>
Total local sources	1,149,482
State sources	40,801
Federal sources	<u>11,151</u>
Total local, state and federal sources	<u>1,201,434</u>

(continued)

**INFINITY CHARTER SCHOOL**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE –  
GOVERNMENTAL FUND (CONTINUED)

YEAR ENDED JUNE 30, 2013

	<u>General fund</u>
Expenditures:	
Instructional services:	
Regular	\$ 541,618
Special	39,116
Other	<u>5,851</u>
Total instructional services	<u>586,585</u>
Support services:	
Pupil personnel	96,413
Instructional staff	58,260
Administration	197,556
Pupil health	10,817
Business services	36,068
Operation of plant and maintenance	120,681
Central	<u>1,125</u>
Total support services	<u>520,920</u>
Operation of noninstructional services	<u>100</u>
Total expenditures	<u>1,107,605</u>
Excess of revenues over expenditures	93,829
Fund balance:	
July 1, 2012	<u>1,071,190</u>
June 30, 2013	<u>\$ 1,165,019</u>

See notes to financial statements.

**INFINITY CHARTER SCHOOL**

**RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGE IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2013

Total net change in fund balance, governmental fund	\$ 93,829
Amounts reported for governmental activities in the statement of activities are different because:	
Repayment of the capital lease obligation is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	3,695
Expected future outlays for postemployment benefits are recognized when incurred in the statement of activities and when paid in the governmental funds.	(61,034)
Capital outlays are reported in the governmental fund as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays and disposals in the period. Capital outlays, \$0; depreciation expense, \$(8,477).	<u>(8,477)</u>
Change in net position, governmental activities	<u>\$ 28,013</u>

See notes to financial statements.

**INFINITY CHARTER SCHOOL**

STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUND

YEAR ENDED JUNE 30, 2013

	<u>Student activities</u>
Asset, cash	<u>\$ 6,746</u>
Liability, due to student groups	<u>\$ 6,746</u>

See notes to financial statements.

# **INFINITY CHARTER SCHOOL**

## **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

### **1. Nature of activities and summary of significant accounting policies:**

#### *Nature of activities:*

Infinity Charter School (the School) is a charter school created to meet the intellectual, academic and socio-emotional needs of students. The School is located in the Central Dauphin School District and educates students residing within the greater Harrisburg area. The School's charter was initially granted by the Commonwealth of Pennsylvania on January 17, 2003 and authorized the School to operate from February 1, 2003 to June 30, 2007. In June 2007 and in November 2011, the charter was renewed. The latest charter is effective for a five-year period until June 30, 2017. The current charter can be renewed for additional five-year periods contingent upon the operation of the School in conformity with state regulations and standards applicable to charter schools.

#### *Reporting entity:*

Generally accepted accounting principles require that the reporting entity include (1) the School, (2) organizations for which the School is financially accountable and (3) other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the School's financial statements to be misleading or incomplete. There are no agencies or entities which should be presented with the School.

#### *Basis of presentation:*

Government-wide statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the School.

The statement of activities demonstrates the degree to which the expenses of a given function are offset by program revenues. Program revenues include charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function. In addition, program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements are also provided in the report for the governmental fund. The governmental fund is used to account for the School's expendable financial resources and related liabilities. The School has one governmental fund type, the general fund. This fund accounts for all financial resources.

The School accounts for assets held as an agent for various student activities in an agency fund. The fiduciary fund is not included in the government-wide statements.

# **INFINITY CHARTER SCHOOL**

## **NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**YEAR ENDED JUNE 30, 2013**

### **1. Nature of activities and summary of significant accounting policies (continued):**

#### *Measurement focus and basis of accounting:*

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Tuition is recognized as revenue in the year it is earned. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (total assets plus deferred outflows less total liabilities less deferred inflows) is used as a practical measure of economic resources and the statement of activities includes all transactions and events that increased or decreased net position. Depreciation is charged as expense against current operations and capital assets and accumulated depreciation are reported on the statement of net position.

The 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 both 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. Revenue from federal and state grants designated for payment of specific expenditures is recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as unearned revenues until earned. Expenditures are recorded when a liability is incurred, as under accrual accounting.

#### *Cash and cash equivalents:*

The School considers all highly liquid investments with an initial maturity of three months or less when purchased as cash equivalents.

#### *Due from other governments:*

These amounts are stated at the amount management expects to collect for outstanding student tuition and state subsidies at year-end. Since the school receives tax dollars allocated for public education from local school districts, no losses are expected to be recorded.

**INFINITY CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2013

**1. Nature of activities and summary of significant accounting policies (continued):**

*Capital assets:*

Capital assets are reported in the government-wide financial statements. Capital assets are defined by the School as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Lesser amounts are expensed. Donated capital assets are recorded at estimated fair value at the date of donation.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

<u>Assets</u>	<u>Years</u>
Building improvements	3 - 5
Furniture and fixtures	5
Equipment	5

*Pension plan:*

Substantially all full-time and part-time employees of the School participate in a cost-sharing multiple-employer defined benefit pension plan. The School recognizes annual pension expenditures equal to its contractually required contributions. The School made all required contributions for the year ended June 30, 2013 and has recognized them as expenditures in the governmental fund.

*Capital lease obligations:*

Capital assets acquired by capital leases are shown as an expenditure and other financing source in the governmental funds. Governmental fund types recognize capital lease obligation payments as expenditures during the current period.

In the government-wide financial statements, capital lease obligations are reported as liabilities in the applicable governmental statements. Principal payments are applied to the lease liability; interest expense is recognized as it accrues.

# **INFINITY CHARTER SCHOOL**

## **NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**YEAR ENDED JUNE 30, 2013**

### **1. Nature of activities and summary of significant accounting policies (continued):**

#### *Fund balance classification:*

The School follows GASB Statement No. 54, which defines how fund balances of the governmental funds are presented in the financial statements.

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the School is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted: Amounts that can be spent only for specific purposes because of the School Charter, city code, state or federal laws, or externally imposed conditions by grantors or creditors. There are no restricted funds as of June 30, 2013.

Committed: Amounts that can be used only for specific purposes determined by a formal action by the School Board (highest level of decision making authority) resolution. These amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.

Assigned: Amounts that are designated by the School Board for a specific purpose but are not spendable until a formal action by the School Board or ordinance is passed. This classification includes amounts that are constrained by the School's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the School Board or through the School Board delegating this responsibility to the School's Director or Business Manager through the budgetary process.

Unassigned: All amounts not included in other spendable classifications. This represents the residual fund balance.

# **INFINITY CHARTER SCHOOL**

## **NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**YEAR ENDED JUNE 30, 2013**

### **1. Nature of activities and summary of significant accounting policies (continued):**

#### *Fund balance classification (continued):*

The details of the fund balances are included in the governmental funds balance sheet. Restricted funds are used first as appropriate. Assigned funds are reduced to the extent that expenditure authority has been budgeted by Board or the assignment has been changed by the Board, the Business Manager or the Director. Decreases to fund balance first reduce Unassigned fund balance; in the event that Unassigned fund balance becomes zero, then Assigned and Committed fund balances are used in that order.

The School would typically use Restricted fund balances first, followed by Committed resources and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

#### *Donations:*

All donations are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions of donated noncash assets are recorded at their fair values in the period received. The School also receives donated services from unpaid volunteers who assist in fund-raising activities and administrative services. No amounts for these services have been recognized in the statement of activities.

#### *Income taxes:*

Infinity Charter School has been recognized as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and, therefore, has made no provision for federal income taxes in the accompanying financial statements.

The School files required U.S. federal and Pennsylvania state information returns. The School is currently open to audit under the statute of limitations by the Internal Revenue Service for the years ended June 2010 through 2013.

#### *Use of estimates:*

The preparation of financial statements in conformity with 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 expenditures or expenses during the reporting period. Actual results could differ from those estimates.

**INFINITY CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2013

**2. Cash and cash equivalents:**

Custodial credit risk is the risk that, in the event of a bank failure, the School's deposits may not be returned to it. Section 440.1 of the Public School Code of 1949, as amended, limits the composition of the School's investments. The School does not have a policy for custodial credit risk. As of June 30, 2013, \$909,995 of the School's bank balance was exposed to custodial credit risk as detailed below:

PA School District Liquid Asset Fund, rated AAAm, uninsured	\$ 360,144
Uninsured - collateral held by the pledging bank's trust department not in the School's name according to Act 72	<u>549,851</u>
	<u><u>\$ 909,995</u></u>

Reconciliation to financial statements:

Uninsured amount above	\$ 909,995
Plus amount covered by FDIC insurance	250,000
Less outstanding checks, net of outstanding deposits	<u>(26,656)</u>

Carrying amount, bank balances 1,133,339

Plus petty cash 206

Total cash and cash equivalents per financial statements \$ 1,133,545

Deposits are shown in the financial statements as follows:

Statement of fiduciary net position, cash and cash equivalents	\$ 1,126,799
Statement of fiduciary net position, cash	<u>6,746</u>
	<u><u>\$ 1,133,545</u></u>

**INFINITY CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2013

**3. Due from other governments:**

Amounts due from other governments represent receivables for revenues earned by the School. At June 30, 2013, the following amounts are due from other governmental units:

State	\$ 18,318
Local	<u>116,547</u>
Total	<u><u>\$ 134,865</u></u>

**4. Capital assets:**

Capital asset activity for the year ended June 30, 2013 was as follows:

	<u>Beginning balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending balance</u>
Capital assets being depreciated:				
Building improvements	\$ 12,250			\$ 12,250
Furniture and fixtures	17,550			17,550
Equipment	<u>63,223</u>		<u>\$ (1,198)</u>	<u>62,025</u>
Total assets being depreciated	<u>93,023</u>	<u>\$ -</u>	<u>(1,198)</u>	<u>91,825</u>
Less accumulated depreciation for:				
Building improvements	12,250			12,250
Furniture and fixtures	17,550			17,550
Equipment	<u>33,340</u>	<u>8,477</u>	<u>(1,198)</u>	<u>40,619</u>
Total accumulated depreciation	<u>63,140</u>	<u>8,477</u>	<u>(1,198)</u>	<u>70,419</u>
Total capital assets being depreciated, net	<u><u>\$ 29,883</u></u>	<u><u>\$ (8,477)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 21,406</u></u>

**INFINITY CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2013

**4. Capital assets (continued):**

Depreciation expense was charged to the following functions:

Regular instruction	\$ 4,758
Administration	<u>3,719</u>
Total	<u><u>\$ 8,477</u></u>

**5. Leases:**

The School leases classrooms, a gymnasium, a playground and office space from a local church. Rent expense during the year ended June 30, 2013 was \$89,100. The Board has approved the lease agreement through June 2014. The monthly rent will be \$6,783 per month for the first two months of the 2013-2014 school year and \$7,687 per month for the following ten months.

The School is the lessee of equipment under a capital lease that expires in June 2015. Property held under capital leases included in equipment consisted of the following at June 30, 2013:

Leased equipment	\$ 18,602
Less accumulated depreciation	<u>(11,161)</u>
Net book value of leased equipment	<u><u>\$ 7,441</u></u>

Future minimum lease payments for the capital lease obligation for the fiscal years ending June 30, are as follows:

2014	\$ 4,195
2015	<u>4,195</u>
Total minimum lease payments	8,390
Less amount representing interest	<u>(421)</u>
Capital lease obligation	<u><u>\$ 7,969</u></u>

Interest of \$500 on the capital lease obligation is reported in administration as direct expenses in the statement of activities.

## **INFINITY CHARTER SCHOOL**

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2013

#### **6. Defined benefit pension plan:**

*Plan description:*

The School contributes to a governmental cost-sharing multiple-employer defined benefit pension plan administered by Pennsylvania Public School Employees' Retirement System (PSERS). Benefit provisions of the plan are established under the provisions of the Pennsylvania Public School Employees' Retirement Code (the Code) and may be amended by an act of the Pennsylvania State Legislature. The plan provides retirement, disability and death benefits, legislatively mandated ad hoc cost-of-living adjustments and healthcare insurance premium assistance to qualifying plan members and beneficiaries. It also provides for refunds of a member's accumulated contribution upon termination of a member's employment in the public school sector. PSERS issues a publicly available financial report that includes financial statements for the plan. That report may be obtained by writing to Beth Girman, Office of Financial Management, PSERS, 5 North 5<sup>th</sup> Street, Harrisburg, PA 17101-1905. The report is also available on the publication page of the PSERS website, [www.psers.state.pa.us](http://www.psers.state.pa.us).

*Funding policy:*

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

## **INFINITY CHARTER SCHOOL**

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2013

#### **6. Defined benefit pension plan (continued):**

*Funding policy (continued):*

The contributions required of participating employers are based on an actuarial valuation and are expressed as a percentage of annual covered payroll during the period for which the amount is determined. For the fiscal year ended June 30, 2013, the rate of employer contribution was 12.36% of covered payroll. The 12.36% rate is composed of a pension contribution rate of 11.5% for pension benefits and .86% for healthcare insurance premium assistance. The School is required to pay the entire employer contribution rate and is reimbursed by the Commonwealth in an amount equal to the Commonwealth's share as determined by the income aid ratio (as defined in Act 29 of 1994), which is at least one-half of the total employer rate. The School's contributions to PSERS for the years ended June 30, 2013, 2012 and 2011 were \$64,622, \$51,324 and \$21,764, respectively, which are equal to the required contributions for each year. Reimbursements by the Commonwealth to the School totaled \$32,306 for the fiscal year ended June 30, 2013. Such payments are recorded as other contributions and state source revenues in the government-wide and general fund financial statements, respectively.

#### **7. Risk management:**

The School is exposed to various risks of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees, life and health of employees and natural disasters. The School has purchased various insurance policies to safeguard its assets from risk of loss and limit its liabilities for potential claims. During the year ended June 30, 2013 and the previous three fiscal years, no settlements exceeded insurance coverage.

**INFINITY CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2013

**8. Other postemployment benefits:**

In January of 2012, the Board approved a formal single-employer postemployment benefit plan that provides postretirement dental, vision and health insurance benefits to employees upon their retirement with the same plan provisions provided to active employees. Infinity is evaluating the final written plan document. The plan is intended to be equivalent to the School District's plan in which Infinity resides. The following is a breakdown of eligibility requirements and coverage by group:

Group	Years of public school service	Employer portion of spouse coverage	Eligible age requirement	Consecutive years of Infinity service	Employer percentage of coverage
Teachers	30 years	N/A	53	5 (a)	(b)
Administrative employees	30 years	50%	56	5	(c)
Administrative employees	25 - 30 years	40%	56	5	(c)
Administrative employees	10 - 25 years	N/A	56	5	(c)
Administrative employees	< 10 years	N/A	N/A	N/A	No coverage

(a) Teacher retirement also requires at least 20 years of service in education.

(b) 94% less PSERS premium assistance.

(c) 100% less PSERS premium assistance.

Termination of postemployment benefits shall occur at the earlier of the attainment of age 65 or the availability of Medicare benefits or death.

Infinity has elected to calculate the annual required contribution (ARC) and related information using the alternative measurement method permitted by GASB Statement No. 45 for employers with plans that have fewer than 100 total members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded accrued liabilities (or funding excess) over a period not to exceed 30 years. Infinity's annual other postemployment benefits (OPEB) cost is equal to the increase in present value of total projected benefits of \$61,034, since Infinity has recognized the entire unfunded portion of the accrued liability for benefits at June 30, 2013.

**INFINITY CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2013

**8. Other postemployment benefits (continued):**

The annual covered payroll is approximately \$500,000 during the past three fiscal years, and the unfunded accrued liability is approximately 26% of the covered payroll at June 30, 2013. The School's unfunded liability at June 30, 2013, 2012 and 2011 was \$131,465, \$70,431 and \$45,985, respectively.

The projection of future benefits are based on the benefits provided by the School's plan and involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The projection of benefits considers the long term perspective and is designed to reduce short-term volatility in the accrued liability. Amounts determined regarding the funded status of a plan are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The following simplifying assumptions were made to calculate the projection of future benefits: (1) the expected annual rate of increase in health insurance premiums is 5 percent; (2) the termination of benefits is expected to occur before the members' death; (3) the probability of remaining employed until the assumed retirement age and members' expected future working lifetimes were developed with management's considerations of turnover data; (4) the inflation rate was assumed to be 1 percent; (5) payroll was assumed to have only inflationary growth and (6) there are no expected contributions from the employer to a plan, and accordingly, there are no expected returns.

**9. Long term obligations:**

Capital lease obligation and postemployment obligation activity for the year ended June 30, 2013 is as follows:

	July 1, 2012 Balance	Additions	Reductions	June 30, 2013 Balance	Due within one year
Capital lease obligation	\$ 11,664		\$ 3,695	\$ 7,969	\$ 3,885
Accrued postemployment benefit obligation	70,431	\$ 61,034		131,465	
	<u>\$ 82,095</u>	<u>\$ 61,034</u>	<u>\$ 3,695</u>	<u>\$ 139,434</u>	<u>\$ 3,885</u>

**INFINITY CHARTER SCHOOL**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2013

**10. Fund balances:**

As of June 30, 2013, fund balances are composed of the following:

Nonspendable, prepaids	<u>\$ 2,538</u>
Committed:	
Operating and capital lease commitments	98,826
Special education commitments	<u>32,562</u>
	<u>131,388</u>
Assigned:	
Postemployment benefits	131,465
Future expansion and other budgetary needs	<u>750,000</u>
	<u>881,465</u>
Unassigned	<u>149,628</u>
	<u><u>\$ 1,165,019</u></u>

**11. Commitments and contingencies:**

On April 16, 2013, the School entered into a special education contract with the Capital Area Intermediate Unit to provide special education services for the 2013-2014 school year. The contract cost is \$32,562.

In the ordinary course of business, the School may be party to legal proceedings and regulatory inquiries. The School has not had any lawsuits or administrative claims initiated against the School. Depending upon the nature of a claim, if one is presented, it may fall within the insurance coverage maintained by the School. Accordingly, no contingent liabilities have been recorded in the accompanying financial statements.

**12. Economic dependency:**

Two school districts generate 78% of tuition revenue (charges for services), and one school district represents 49% of the amounts due from local governments.

## **INFINITY CHARTER SCHOOL**

### NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED JUNE 30, 2013

#### **13. Adoption of new accounting principles:**

Effective July 1, 2012, the School adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement No. 65, *Items Previously Reported as Assets and Liabilities*, to be in conformity with generally accepted accounting principles. The statements implemented Concepts Statement 4 defining the five elements of the statement of financial position as: assets, deferred outflows of resources liabilities, deferred inflows of resources and net position. The School does not have any deferred outflows of resources or deferred inflows of resources.

#### **14. Subsequent events:**

In August of 2013, the School entered into an Agreement for the Sale of Commercial Real Estate. In September, the School provided a \$50,000 deposit for the agreement. The agreement is contingent upon a financing commitment for the School. The School also entered into an agreement with BVFR and Associates, LLC (BVFR) to serve as its advisor in obtaining project financing. The School agreed to pay BVFR a nonrefundable \$13,500 retainer and a fee equal to 3% of the principal of a financing and a 15% fee for any grants received related to the project.

The School has evaluated subsequent events through October 11, 2013, which is the date the financial statements were available to be issued.

#### **15. New pension accounting pronouncement:**

GASB Statement No. 68, *Accounting and Financial Reporting for Pension Plans*, revises and establishes new financial reporting requirements for the School concerning pension benefits provided for employees. The standard will improve the way the School reports its pension liabilities and expenses. This statement will be effective for years beginning after June 15, 2014. The School is still evaluating the potential effects of this pronouncement on its financial statements. For employers participating in PSERS, there is a significant liability that is expected to be recorded to the government-wide financial statements under this pronouncement that will be allocated to the participating employers of the governmental cost-sharing multiple-employer defined benefit pension plan.

**INFINITY CHARTER SCHOOL**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
 BUDGET AND ACTUAL – GOVERNMENTAL FUND  
 REQUIRED SUPPLEMENTARY INFORMATION (unaudited)

YEAR ENDED JUNE 30, 2013

	<u>Original budgeted amounts</u>	<u>Final budgeted amounts</u>	<u>Actual budgetary activities</u>	<u>Variance with final budget positive (negative)</u>
Revenues:				
Local sources:				
Tuition	\$ 1,161,875	\$ 1,161,875	\$ 1,146,878	\$ (14,997)
Donations	500	500	1,575	1,075
Investment income	700	700	961	261
Other revenues	<u>100</u>	<u>100</u>	<u>68</u>	<u>(32)</u>
Total local sources	1,163,175	1,163,175	1,149,482	(13,693)
State sources	18,500	18,500	40,801	22,301
Federal sources	<u>8,100</u>	<u>8,100</u>	<u>11,151</u>	<u>3,051</u>
Total revenues	<u>1,189,775</u>	<u>1,189,775</u>	<u>1,201,434</u>	<u>11,659</u>

(continued)

**INFINITY CHARTER SCHOOL**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET  
AND ACTUAL – GOVERNMENTAL FUND (CONTINUED)  
REQUIRED SUPPLEMENTARY INFORMATION (unaudited)

YEAR ENDED JUNE 30, 2013

	<u>Original budgeted amounts</u>	<u>Final budgeted amounts</u>	<u>Actual budgetary activities</u>	<u>Variance with final budget positive (negative)</u>
Expenditures:				
Instructional services:				
Regular	\$ 620,779	\$ 620,779	\$ 541,618	\$ 79,161
Special	36,750	36,750	39,116	(2,366)
Other			5,851	(5,851)
	<u>657,529</u>	<u>657,529</u>	<u>586,585</u>	<u>70,944</u>
Total instructional services				
Support services:				
Pupil personnel	145,566	145,566	96,413	49,153
Instructional staff	107,612	107,612	58,260	49,352
Administration	196,115	196,115	197,556	(1,441)
Pupil health	11,336	11,336	10,817	519
Business services	31,364	31,364	36,068	(4,704)
Operation of plant and maintenance	122,403	122,403	120,681	1,722
Central	3,000	3,000	1,125	1,875
	<u>617,396</u>	<u>617,396</u>	<u>520,920</u>	<u>96,476</u>
Total support services				
Operation of noninstructional services			<u>100</u>	<u>(100)</u>
Total expenditures	<u>1,274,925</u>	<u>1,274,925</u>	<u>1,107,605</u>	<u>167,320</u>
Excess of expenditures (over) under revenues	(85,150)	(85,150)	93,829	178,979
Fund balances:				
July 1, 2012	<u>1,071,190</u>	<u>1,071,190</u>	<u>1,071,190</u>	
June 30, 2013	<u>\$ 986,040</u>	<u>\$ 986,040</u>	<u>\$ 1,165,019</u>	<u>\$ 178,979</u>

## **INFINITY CHARTER SCHOOL**

### **NOTES TO THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GOVERNMENTAL FUND REQUIRED SUPPLEMENTARY INFORMATION**

**YEAR ENDED JUNE 30, 2013**

#### ***Budgetary data:***

Prior to May 31, management submits a proposed operating budget to the School Board for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. By June 30, the budget is legally approved and enacted. Unused appropriations lapse at the end of each fiscal year; however, the School can increase the subsequent year's appropriation by an amount equal to outstanding encumbrances and reserve a portion of the fund balance in a like amount. There were no outstanding encumbrances at June 30, 2013.

The budget is adopted on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles used in fund accounting.

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

**Division of Federal Program  
Consolidated Program Review**

2012-2013 School Year

**Infinity CS  
51 Banks Street, Ste. 1  
Penbrook, PA 17103**

	<u>Name</u>	<u>Phone Number</u>	Check if Interviewed
<b>Superintendent:</b>	Suzanne Gausman	717-238-1880	<input checked="" type="checkbox"/>
<b>Business Manager:</b>	Shelly Fredericks	717-238-1880	<input checked="" type="checkbox"/>
<b>Title I Coordinator:</b>			<input type="checkbox"/>
<b>Title II Part A Coordinator:</b>	Shelly Fredericks	717-238-1880	<input checked="" type="checkbox"/>
<b>Title III Coordinator:</b>			<input type="checkbox"/>
<b>Fiscal Requirements Coordinator:</b>			<input type="checkbox"/>
<b>Ed-Flex Waiver Review Coordinator:</b>			<input type="checkbox"/>
<b>Title VI-B REAP Coordinator:</b>			<input type="checkbox"/>

**Program(s) Reviewed:**

- |   |   |  |
|---|---|--|
| <input 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:** Ruth Troxell

**Visit Date:** 3/19/2013

# Title II A Program Review

## Highly Qualified

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	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)&amp;(3) and Section 2141 (a)</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Highly Qualified Plan <input checked="" type="checkbox"/> List of teacher qualifications <input type="checkbox"/> Principal Attestation (PDE Form 425) <input type="checkbox"/> HQT IPDPs prepared for each teacher who is not highly qualified		<p style="text-align: center;"><b>District Comments</b></p> <p>2/11/2013 9:55:23 PM            District Administrator Infinity CS Admin            We regularly monitor our teacher's certification and Act 48 status. We notify teachers who need to fulfill specific requirements.</p>
2. The LEA is implementing an individualized professional development plan for non-highly qualified teachers as indicated in the annual principal attestation (PDE Form 425). *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		<p style="text-align: center;"><b>District Comments</b></p> <p>2/11/2013 9:57:12 PM            District Administrator Infinity CS Admin            This requirement does not apply at this time. All of our teachers are highly qualified.</p> <p style="text-align: center;"><b>Monitor Comments</b></p> <p>3/27/2013 3:12:16 PM            Monitor Ruth Troxell            In addition, all staff have been highly qualified for over 2 years.</p>

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
<p>3. The LEA has entered into a written agreement with the SEA that outlines its use of Titles I &amp; 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></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> LEA/SEA plan</p> <p><input type="checkbox"/> Evidence exists that plan is being implemented (this could vary from LEA to LEA)</p>		<p style="text-align: center;"><b>District Comments</b></p> <p>2/11/2013 9:58:30 PM District Administrator Infinity CS Admin This requirement does not apply to us at this time. We have met AYP every year since the school was started.</p> <p style="text-align: center;"><b>Monitor Comments</b></p> <p>3/27/2013 3:13:14 PM Monitor Ruth Troxell No agreement is needed - all staff is highly qualified.</p>
<p>4. 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></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> Equity Plan</p> <p><input type="checkbox"/> Agendas of Equity Plan Meetings</p> <p><input type="checkbox"/> Meeting minutes of Equity Plan writing &amp; planning sessions.</p> <p><input type="checkbox"/> Teachers are reassigned</p> <p><input type="checkbox"/> Changes to union contract</p> <p><input type="checkbox"/> Review of HQT/NHQT data and strategies revised in equity plan when there is no improvement</p>		<p style="text-align: center;"><b>District Comments</b></p> <p>2/11/2013 9:59:26 PM District Administrator Infinity CS Admin We only have one school in our LEA, so this requirement does not apply.</p> <p style="text-align: center;"><b>Monitor Comments</b></p> <p>3/27/2013 3:14:17 PM Monitor Ruth Troxell There is only one building in this charter school</p>

## Professional Development

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
5. 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		<p style="text-align: center;"><b>District Comments</b></p> <p>2/11/2013 10:00:39 PM District Administrator Infinity CS Admin Our Professional Education Plan includes our Needs Assessment.</p>
6. 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, Agenda, Sign-in sheets		<p style="text-align: center;"><b>District Comments</b></p> <p>2/26/2013 11:53:38 AM District Administrator Infinity CS Admin Our Professional Education Planning Committee includes parent representatives.</p> <p style="text-align: center;"><b>Monitor Comments</b></p> <p>3/27/2013 3:15:27 PM Monitor Ruth Troxell An upcoming meeting is scheduled for this spring.</p>
7. 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.		<p style="text-align: center;"><b>District Comments</b></p> <p>2/26/2013 12:20:41 PM District Administrator Infinity CS Admin Staff members have received training in Twice Exceptional, Curriculum Maps, as well as training for common core aligned software - iReady and CompassLearning.</p>

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
8. The LEA provides professional development activities to improve the knowledge of teachers, principals, paraprofessionals and other school staff. <i>Section 2123 (A)(3)(A&amp;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 checked="" type="checkbox"/> Attendance rosters		<p align="center"><b>District Comments</b></p> <p>2/26/2013 12:08:38 PM            District Administrator Infinity CS Admin            Staff members participate in professional development activities that relate to the staff member's area of assignment. Staff members attend professional development workshops and conferences sponsored by other organizations. In-service days are also held at our school.</p>
9. 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 checked="" type="checkbox"/> Teacher surveys <input type="checkbox"/> ACT 48 PD plan		<p align="center"><b>District Comments</b></p> <p>2/11/2013 10:02:14 PM            District Administrator Infinity CS Admin            We do not have a gap between low-income, minority students and other students.</p> <p align="center"><b>Monitor Comments</b></p> <p>3/27/2013 3:17:00 PM            Monitor Ruth Troxell            There is no achievement gap and all students made AYP.</p>
10. The LEA provides professional development expenditures for educational services to eligible nonpublic school staff 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		<p align="center"><b>District Comments</b></p> <p>2/26/2013 12:19:35 PM            District Administrator Infinity CS Admin            This situation does not apply to our school.</p> <p align="center"><b>Monitor Comments</b></p> <p>3/27/2013 3:18:57 PM            Monitor Ruth Troxell            Since this is a charter school, there is no professional development for any non-public school staff.</p>

## Class Size Reduction

Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
11. 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		<p style="text-align: center;"><b>District Comments</b></p> 2/11/2013 10:04:54 PM District Administrator Infinity CS Admin We only have one school in our LEA, so this school would receive all funds.
						<p style="text-align: center;"><b>Monitor Comments</b></p> 3/27/2013 3:20:07 PM Monitor Ruth Troxell All staff is highly qualified and they are not in school improvement.
12. 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		<p style="text-align: center;"><b>District Comments</b></p> 2/26/2013 12:21:53 PM District Administrator Infinity CS Admin We have tried different class sizes and monitored the effect.
						<p style="text-align: center;"><b>Monitor Comments</b></p> 3/27/2013 3:20:53 PM Monitor Ruth Troxell Title 11 A funds are not used for class size reduction.

%>

## Comments

This Charter School uses their Title IIIA funds for professional development. They are well organized, focused on student achievement and make the best use of their limited funds. All components were found to be in compliance.

# Component XI: Fiscal Requirements

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
<b>A. Audits</b>  <b>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.</b>  <b>OMB Circular A-87</b>	1. Copies of single audit reports (2 most recent), corrective action plans and approval documents for the LEA.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<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.	PDE Monitor review single audit from previous year (federal programs only) and reviews district comments (management letter).	<b>District Comments</b>
							2/11/2013 10:07:31 PM District Administrator Infinity CS Admin Infinity is audited on an annual basis by a certified public accounting firm.
							<b>Monitor Comments</b>
							3/27/2013 3:23:31 PM Monitor Ruth Troxell There were no findings noted in the two previous audits.

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
<b>B. Carryover</b>  <b>The LEA complies with the carryover provisions of Title I, Sec. 1127</b>	1. LEAs with Title I 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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Carryover section of Title I project on eGrants		<b>District Comments</b> 2/11/2013 10:08:08 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.  <b>Monitor Comments</b> 3/27/2013 3:24:24 PM Monitor Ruth Troxell This school does not receive Title I funds.
	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 and "Carryover Waiver Approval Letter" from DFP on file at LEA/District.		<b>District Comments</b> 2/11/2013 10:08:33 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.  <b>Monitor Comments</b> 3/27/2013 3:25:04 PM Monitor Ruth Troxell This school does not receive Title I funds.
<b>C. Rank Order</b>							

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>	<p>1. The LEA is only serving eligible schools and all schools above 75% poverty are served.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> Documentation detailing the poverty data used to determine eligibility</p>		<p><b>District Comments</b></p> <p>2/11/2013 10:14:04 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.</p> <p><b>Monitor Comments</b></p> <p>3/27/2013 3:25:32 PM Monitor Ruth Troxell This school does not receive Title I funds.</p>
	<p>2. The ranking procedures are applied without regard to grade spans or schools when poverty rate of school is 75% and above.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> Schools with poverty rates of 75% or greater are served. Funds are allocated at a per pupil rate.</p>		<p><b>District Comments</b></p> <p>2/11/2013 10:14:15 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.</p> <p><b>Monitor Comments</b></p> <p>3/27/2013 3:25:44 PM Monitor Ruth Troxell This school does not receive Title I funds.</p>

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
	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"/> Allocations given to Title I schools match each school's allocation in the Selection of Schools/Ranking Page (in LEA's Title I project within their Consolidated Application in eGrants.)		<p><b>District Comments</b></p> <p>2/11/2013 10:15:46 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.</p> <p><b>Monitor Comments</b></p> <p>3/27/2013 3:25:54 PM Monitor Ruth Troxell This school does not receive Title I funds.</p>
	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 per pupil amounts in the Selection of Schools/Ranking Page (in LEA's Title I project within their Consolidated Application in eGrants.)		<p><b>District Comments</b></p> <p>2/11/2013 10:16:03 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.</p> <p><b>Monitor Comments</b></p> <p>3/27/2013 3:26:02 PM Monitor Ruth Troxell This school does not receive Title I funds.</p>

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments				
	5. Allocations given to Title I schools match each school's allocation in the Selection of Schools/Ranking Page (in LEA's Title I project within their Consolidated Application in eGrants.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Local budget sheets. <input type="checkbox"/> System tracking expenditure reports.		<table border="1"> <tr> <th data-bbox="1575 180 1894 228">District Comments</th> </tr> <tr> <td data-bbox="1575 228 1894 423">2/11/2013 10:16:20 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.</td> </tr> <tr> <th data-bbox="1575 423 1894 472">Monitor Comments</th> </tr> <tr> <td data-bbox="1575 472 1894 634">3/27/2013 3:26:12 PM Monitor Ruth Troxell This school does not receive Title I funds.</td> </tr> </table>	District Comments	2/11/2013 10:16:20 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.	Monitor Comments	3/27/2013 3:26:12 PM Monitor Ruth Troxell This school does not receive Title I funds.
District Comments											
2/11/2013 10:16:20 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.											
Monitor Comments											
3/27/2013 3:26:12 PM Monitor Ruth Troxell This school does not receive Title I funds.											
	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.		<table border="1"> <tr> <th data-bbox="1575 654 1894 703">District Comments</th> </tr> <tr> <td data-bbox="1575 703 1894 930">2/11/2013 10:16:48 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds, nor do we provide PreK education.</td> </tr> <tr> <th data-bbox="1575 930 1894 979">Monitor Comments</th> </tr> <tr> <td data-bbox="1575 979 1894 1141">3/27/2013 3:26:21 PM Monitor Ruth Troxell This school does not receive Title I funds.</td> </tr> </table>	District Comments	2/11/2013 10:16:48 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds, nor do we provide PreK education.	Monitor Comments	3/27/2013 3:26:21 PM Monitor Ruth Troxell This school does not receive Title I funds.
District Comments											
2/11/2013 10:16:48 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds, nor do we provide PreK education.											
Monitor Comments											
3/27/2013 3:26:21 PM Monitor Ruth Troxell This school does not receive Title I funds.											
<b>D. Supplement / Supplant</b>											

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
<p><b>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.</b></p> <p>Sec. 1114 Sec. 1115 Sec. 1116 Sec. 1120A</p>	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 type="checkbox"/> Statement of Allocation & Expenditures	<p><b>Pertains to:</b></p> <ul style="list-style-type: none"> <li>• Title IA &amp; D</li> <li>• Title II A</li> <li>• Title III</li> </ul> <p>*Documentation may be minimal or non-existent in cases regarding supplanting. If you think there may be a problem, refer to DFP Regional Coordinator.</p>	<p><b>District Comments</b></p> <p>2/11/2013 10:17:31 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.</p> <p><b>Monitor Comments</b></p> <p>3/27/2013 3:28:21 PM Monitor Ruth Troxell This school does not receive Title I funds. The budget and expenditures do match for Title IIA funds.</p>
	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 type="checkbox"/> Expenditures match SWP activities <input type="checkbox"/> State/local fund expenditures have not decreased		<p><b>District Comments</b></p> <p>2/11/2013 10:18:09 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.</p> <p><b>Monitor Comments</b></p> <p>3/27/2013 3:28:38 PM Monitor Ruth Troxell This school does not receive Title I funds.</p>

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments				
	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		<table border="1"> <thead> <tr> <th data-bbox="1572 175 1892 224">District Comments</th> </tr> </thead> <tbody> <tr> <td data-bbox="1572 224 1892 423">2/11/2013 10:18:23 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.</td> </tr> <tr> <th data-bbox="1572 423 1892 472">Monitor Comments</th> </tr> <tr> <td data-bbox="1572 472 1892 636">3/27/2013 3:28:46 PM Monitor Ruth Troxell This school does not receive Title I funds.</td> </tr> </tbody> </table>	District Comments	2/11/2013 10:18:23 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.	Monitor Comments	3/27/2013 3:28:46 PM Monitor Ruth Troxell This school does not receive Title I funds.
District Comments											
2/11/2013 10:18:23 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.											
Monitor Comments											
3/27/2013 3:28:46 PM Monitor Ruth Troxell This school does not receive Title I funds.											

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments				
<b>E. Equipment and Related Property</b>  <b>OMB Circular A-87</b> <b>EDGAR 80.32</b>	1. LEA maintains Inventory records, purchase orders and receipts for equipment purchased.	☑	☐	☐	<input type="checkbox"/> Inventory is on file and up to date (All equipment at \$1,500 or LEA capitalization threshold \$_____ is maintained).	<b>Pertains to:</b> <ul style="list-style-type: none"> <li>• Title IA &amp; D</li> <li>• Title II A</li> <li>• Title III</li> </ul>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center; background-color: #cccccc;">District Comments</th> </tr> <tr> <td>2/11/2013 10:19:02 PM District Administrator Infinity CS Admin Infinity does not use any federal funds to purchase equipment.</td> </tr> <tr> <th style="text-align: center; background-color: #cccccc;">Monitor Comments</th> </tr> <tr> <td>3/27/2013 3:30:26 PM Monitor Ruth Troxell Although no federal funds are used to purchase equipment, an inventory of all school equipment was available for review.</td> </tr> </table>	District Comments	2/11/2013 10:19:02 PM District Administrator Infinity CS Admin Infinity does not use any federal funds to purchase equipment.	Monitor Comments	3/27/2013 3:30:26 PM Monitor Ruth Troxell Although no federal funds are used to purchase equipment, an inventory of all school equipment was available for review.
	District Comments										
2/11/2013 10:19:02 PM District Administrator Infinity CS Admin Infinity does not use any federal funds to purchase equipment.											
Monitor Comments											
3/27/2013 3:30:26 PM Monitor Ruth Troxell Although no federal funds are used to purchase equipment, an inventory of all school equipment was available for review.											
2. The LEA conducts a physical inventory of all equipment at least once every two years.	☑	☐	☐	<input type="checkbox"/> Equipment Inventory List	<b>Pertains to:</b> <ul style="list-style-type: none"> <li>• Title IA &amp; D</li> <li>• Title II A</li> <li>• Title III</li> </ul>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center; background-color: #cccccc;">District Comments</th> </tr> <tr> <td>2/11/2013 10:19:31 PM District Administrator Infinity CS Admin Infinity does not use any federal funds to purchase equipment.</td> </tr> <tr> <th style="text-align: center; background-color: #cccccc;">Monitor Comments</th> </tr> <tr> <td>3/27/2013 3:31:38 PM Monitor Ruth Troxell The school inventory is current and up to date.</td> </tr> </table>	District Comments	2/11/2013 10:19:31 PM District Administrator Infinity CS Admin Infinity does not use any federal funds to purchase equipment.	Monitor Comments	3/27/2013 3:31:38 PM Monitor Ruth Troxell The school inventory is current and up to date.	
District Comments											
2/11/2013 10:19:31 PM District Administrator Infinity CS Admin Infinity does not use any federal funds to purchase equipment.											
Monitor Comments											
3/27/2013 3:31:38 PM Monitor Ruth Troxell The school inventory is current and up to date.											
<b>F. Compliance to Reservations</b>											

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
<b>The LEA complies with requirements regarding the reservation of funds. Sec. 1113 Sec. 1116 Sec. 1118</b>	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, Neglected or Delinquent children in community day schools and delinquent children in local institutions.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Amounts on Reservation of Funds section of Title I project match corresponding line items on budget <input type="checkbox"/> Line items can be followed. <input type="checkbox"/> Expenditures are charged to the line items.	<b>Pertains to:</b>  • Title IA & D	<b>District Comments</b> 2/11/2013 10:20:26 PM District Administrator Infinity CS Admin Infinity only receives Title II A funds, which are used for teacher professional development.
							<b>Monitor Comments</b> 3/27/2013 3:35:42 PM Monitor Ruth Troxell This school does not receive Title I funds.
	2. LEA has reserved an amount equal to 20% of its Title I allocation for transportation/supplemental services or both. (for school improvement schools only; if no schools in school improvement, check NA)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<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).		<b>District Comments</b> 2/11/2013 10:20:50 PM District Administrator Infinity CS Admin Infinity is not in school improvement.
							<b>Monitor Comments</b> 3/27/2013 3:34:14 PM Monitor Ruth Troxell No reservations are necessary - they are not in school improvement.

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"/> At least 1% of Title I allocation is reflected in line item "3300-Community Services" within Title I budget. <input type="checkbox"/> Agendas, Sign-Ins, Calendar of training, contracts with trainers etc. <input type="checkbox"/> Expenditures/invoices supporting Parent Involvement Set Aside amount.		<p style="text-align: center;"><b>District Comments</b></p> <p>2/11/2013 10:21:19 PM District Administrator Infinity CS Admin Infinity does not receive Title I funds.</p> <p style="text-align: center;"><b>Monitor Comments</b></p> <p>4/6/2013 11:05:18 AM Monitor Ruth Troxell This school does not receive more than \$500,000.</p>
	4. LEAs with Title I 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 sheets, 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"/> 10% of school's in improvement allocation is tracked by LEA for professional development.		<p style="text-align: center;"><b>District Comments</b></p> <p>2/11/2013 10:21:50 PM District Administrator Infinity CS Admin Infinity has not been identified for improvement.</p> <p style="text-align: center;"><b>Monitor Comments</b></p> <p>4/6/2013 11:06:21 AM Monitor Ruth Troxell This school does not receive Title I funds and they are not in School Improvement.</p>

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments				
<b>G. Obligating Funds</b>	1. The LEA began obligating funds on or after the <b>programs' approved date</b> ; (Program start date is found on first page of approved Consolidated Application).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Dates on program expenditure records/invoices, begin on or after approved start date on Consolidated Application.	<b>Pertains to:</b>  • Title IA & D • Title II A • Title III					
<b>H. Nonpublic School Services</b>	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"/> Nonpublic Per Pupil Amounts are correctly distributed. <input type="checkbox"/> Interdistrict agreement and/or 3rd Party contract amounts match what is approved on consolidated application. <input type="checkbox"/> Budget reflects Nonpublic total.	<b>Pertains to:</b>  • Title IA & D • Title II A • Title III	<table border="1"> <thead> <tr> <th>District Comments</th> </tr> </thead> <tbody> <tr> <td>2/11/2013 10:22:41 PM District Administrator Infinity CS Admin Infinity does not provide non-public school services.</td> </tr> <tr> <th>Monitor Comments</th> </tr> <tr> <td>3/27/2013 3:37:32 PM Monitor Ruth Troxell No reservation is needed for non-public schools from this charter school.</td> </tr> </tbody> </table>	District Comments	2/11/2013 10:22:41 PM District Administrator Infinity CS Admin Infinity does not provide non-public school services.	Monitor Comments	3/27/2013 3:37:32 PM Monitor Ruth Troxell No reservation is needed for non-public schools from this charter school.
District Comments											
2/11/2013 10:22:41 PM District Administrator Infinity CS Admin Infinity does not provide non-public school services.											
Monitor Comments											
3/27/2013 3:37:32 PM Monitor Ruth Troxell No reservation is needed for non-public schools from this charter school.											

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Additional Evidence	Comments
<b>I. Time Documentation</b>	1. The LEA maintains semi-annual certifications for all employees funded from a single cost objective.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Semi-annual time certifications	<b>Pertains to:</b>  <ul style="list-style-type: none"> <li>• Title IA &amp; D</li> <li>• Title II A</li> <li>• Title III</li> </ul>	<b>District Comments</b> 2/11/2013 10:23:21 PM District Administrator Infinity CS Admin No employees are funded from the Title II A funds that Infinity receives.
							<b>Monitor Comments</b> 3/27/2013 3:38:51 PM Monitor Ruth Troxell There are no salary costs from federal funds.
<b>I. Time Documentation</b>	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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Logs <input type="checkbox"/> Staff Calendars <input type="checkbox"/> Staff Schedules	<b>Pertains to:</b>  <ul style="list-style-type: none"> <li>• Title IA &amp; D</li> <li>• Title II A</li> <li>• Title III</li> </ul>	<b>District Comments</b> 2/11/2013 10:23:49 PM District Administrator Infinity CS Admin No employees are funded from the Title II A funds that Infinity receives.
							<b>Monitor Comments</b> 3/27/2013 3:39:15 PM Monitor Ruth Troxell There are no salary costs from federal funds.
<b>J. Record Retention</b>	1. Records are maintained for a period of 7 years	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<b>Pertains to:</b>  <ul style="list-style-type: none"> <li>• Title IA &amp; D</li> <li>• Title II A</li> <li>• Title III</li> </ul>	<b>District Comments</b> 2/11/2013 10:24:16 PM District Administrator Infinity CS Admin Infinity has maintained all records since the school opened in 2003.

%>

## Comments

The Infinity Charter School is in compliance will all fiscal requirements. Business Manager Shelly Fredericks maintains careful documentation of their Title IIA funds used for professional development.

## Personnel Interviews

Building	Date	Staff Member Interviewed	Staff Member Position
Infinity Charter School	3/19/2013	Erin Doyle	Classroom teacher



**pennsylvania**  
DEPARTMENT OF EDUCATION

November 16, 2012

Mrs. Suzanne Gausman  
CEO  
Infinity CS  
51 Banks Street Suite 1  
Penbrook, Pa 17103

Dear Mrs. Gausman:

I have been informed that the areas of noncompliance cited as a result of the special education compliance monitoring visit conducted on November 15, 2011 have been corrected as of November 13, 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,

John J. Tommasini  
Director