



## APPENDIX A: 2014-15 CHARTER SCHOOL ANNUAL REPORT

PART 1: SCHOOL INFORMATION AND EXECUTIVE SUMMARY	
Name of Charter School:	Year School Opened:
Integrated Day Charter School	1997
Street Address:	City/Zip Code:
68 Thermos Avenue	Norwich, CT 06360
School Director:	School Director Contact Information:
Anna B. James	<a href="mailto:Annaj@idcs.org">Annaj@idcs.org</a> /860-892-1900
Grades Authorized to Serve in 2014-15:	Charter Term:
PK-8	2011-2017 (renewed a year early)
1. <b>Executive Summary:</b> Provide a cover letter or executive summary highlighting school progress, performance, accomplishments, and major changes during the 2014-15 school year. Include a brief narrative the school's unique model and student population.	

The Integrated Day Charter School endeavors to create an educational environment that engages all members of the school community in the learning process. This engagement is a critical element of IDCS's organizational values. We strive to have best learning practice be ever present in all facets of school activities so that it may be modeled and reinforced. As evidenced by the information contained in the report, much was accomplished during the past year through the extraordinary efforts of a dedicated faculty, staff and a multitude of volunteers. Financial support remains one of the most significant challenges. Recent legislative changes have ameliorated five years of flat funding to charter schools. The per pupil increase helped us prevent drastic cuts to personnel and programs. Equity in funding will continue to be an area of concern.

Over the past two years, our Board Strategic Planning Committee has been working on a Five Year Strategic Plan for our school. It has been completed and approved. Highlights of this plan include continued curricular revision and development. Our Curriculum Coordinator will continue her work with grade levels to ensure that our curriculum is updated, meets the rigorous state standards and follows the unique pedagogical philosophy of the Integrated Day Charter School. This year we will focus on academic assessments. Another important aspect of our Five Year Strategic Plan is our focus on a critical curriculum. A foundational tenet of IDCS is the fact that we emphasize integration of the curriculum and critical thinking. Critical thinking is highly valued at IDCS. Teachers at IDCS have embraced critical pedagogy as a means to support critical thinking in all content areas. All content areas are integrated to the fullest degree possible to allow students to make connections from multiple perspectives.

As a **HOT School**, we promote teaching and learning in, about, and through the arts in a democratic setting. There is a consistent emphasis on strong arts, arts integration and democratic practice. Our school continues to flourish as a HOT School, as designated by the Connecticut Office of the Arts in 2012. This is a distinctive honor and recognizes our work with arts and content integration as well as the quality of our school environment and focus on artistic residencies. This designation provides our school with an increase in artistic residencies, exceptional opportunities for professional development and support for teacher/artist collaborations. An IDCS team of teachers had the distinct pleasure of attending the **Hot School Summer Institute on July 13th – 17th** in Hartford. The topic was *The Time Is NOW! Making Arts Learning Visible, Viable and Valued*. It was an invigorating and intellectually stimulating experience for all. Being a designated HOT School brings an increase in funding that will support the arts at IDCS. Our school is the only charter school in the state to be named a HOT School. A HOTS Orientation and Leadership was hosted by IDCS on February 4 with 33 teachers attending from around the state. Visitors had a chance to tour the school, participate in panel discussions, meet with teachers and visit classrooms. They were particularly impressed by student work and projects as well as the confidence and enthusiasm of our students in our unique community. The core components of a HOT school – strong arts education, arts integration and democratic practice – were evidenced throughout the school.

The Integrated Day Charter School continues to be the epitome of team work. It takes profound commitment and dedication to have this educational dream continue. This is a true professional learning community that genuinely strives to maintain high educational standards based on a philosophy of student engagement and empowerment. IDCS considers it an extreme privilege to be a public school of choice and recognizes the great responsibility entrusted to us for educating our students. We will continue our efforts to stay true to our mission and vision knowing that we are ultimately guided by student learning outcomes and success.



**PART 2: SCHOOL PERFORMANCE**

2. **School Goals:** State the school’s mission statement. Provide the school’s mission-specific, measurable goals. Analyze school progress toward these goals, providing data as appropriate. Add/Remove rows, as necessary.

Mission Statement:

The Integrated Day Charter School, in partnership with its children, families and community, provides a safe, flexible and academically challenging learning environment that meets the unique social, emotional, academic and physical needs of each child.

The Integrated Day program is an alternative program which adheres to a developmental approach. Curricular content adheres to the Common Core state standards, but the methods used will differ dramatically from the conventional classroom. The Integrated Day program appreciates and acknowledges that children pass through various stages on their journey to adulthood. The philosophy underlying the program recognizes that to be actively involved and truly engaged, a learner must have input into both the content of the learning as well as the process by which the knowledge is acquired. Education is viewed as a whole, a dynamic activity which extends beyond the classroom and the school and penetrates the world of the learner. To understand a subject fully, several subject areas must be incorporated, synthesized and investigated prior to the acquisition of true knowledge. The students are expected to identify areas of personal interest, investigate these areas, incorporate various subject areas into their investigation and then present what they have learned to the class. Study and life skills, such as planning, problem solving, creative thinking and budgeting of time, are directly taught in relationship to a topic which is of personal interest to the student. The culminating exercise is an oral presentation which is viewed by his or her peers and videotaped for portfolio assessment. Personal research projects allow for greater creativity and instill a sense of autonomy, personal pride and intellectual curiosity.

Goal Statement:

Students at IDCS will be able to achieve grade level expectations in reading, writing and mathematics

Evidence of Progress toward Goal:

June 2015 DRA Data – 71% of students demonstrated one year of growth or more. 85% of all students are at or above grade level.

DRA by grade	% making 1 year growth	% at/above goal
K	39	42
1	52	61
2	67	72
3	79	76
4	85	78
5	82	88
6	85	91
CMT Science		
Grade 5		79
Grade 8		77
Moby Math	99% of the students showed growth.	

Baseline Average scaled scores for SBAC



	<p>54% are at or above grade level in ELA 36% are at or above grade level in Mathematics</p> <table border="1"> <thead> <tr> <th>Grade</th> <th>ELA</th> <th>Math</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>2437</td> <td>2416</td> </tr> <tr> <td>4</td> <td>2448</td> <td>2393</td> </tr> <tr> <td>5</td> <td>2517</td> <td>2470</td> </tr> <tr> <td>6</td> <td>2559</td> <td>2517</td> </tr> <tr> <td>7</td> <td>2553</td> <td>2532</td> </tr> <tr> <td>8</td> <td>2593</td> <td>2546</td> </tr> </tbody> </table>	Grade	ELA	Math	3	2437	2416	4	2448	2393	5	2517	2470	6	2559	2517	7	2553	2532	8	2593	2546
Grade	ELA	Math																				
3	2437	2416																				
4	2448	2393																				
5	2517	2470																				
6	2559	2517																				
7	2553	2532																				
8	2593	2546																				
<p>The students will be able to locate information and utilize technology to communicate and solve problems.</p>	<p>Individual student research is a very important tenet of IDCS so technology is a vital component of instruction. 100% of the students used at least one of the following technology tools on a regular basis; Lexia, Moby Math, internet, video camera, ELMO, ipads, chrome books, lap tops. 100% of our students attend weekly media classes. Last year in Moby Math the students passed 11,193 standards, completed 9,374 lessons in 6 different curriculum subjects. 50% of the students created and presented a Power Point or Prezi research presentation.</p>																					
<p>Students will be articulate, self-confident individuals, comfortable with public speaking and addressing adults as well as their peers.</p>	<p>100% of the students in Pre K- grade 8 gave at least one oral presentation to their classmates based on personal research. Most students complete three research presentations a year. 27 students did presentations outside of the school. 100% of the students indicate they feel comfortable addressing their teacher. 84% are comfortable addressing visitors. 93% are willing to ask for help outside of school.</p>																					
<p>The families will be valued as an integral component in the educational process.</p>	<p>At the Integrated Day Charter School parents and caregivers participate in leadership roles and play an integral part in the educational process. Parents currently serve on the Governing Board, IDEA, the School Council and the IDCS Foundation. 20% of the parents are involved in this way. Parents are involved in a multitude of projects including arranging after school activities for students, volunteering in the classrooms and on trips, providing tours during Open House, mentoring new parents, planning special events, participating in the hiring of new teachers and executing fund raising activities to pay for field trips and other needs at the school. Volunteers, including parents, family members and friends of the IDCS, continue to make a valuable contribution to the success of the school. Last year 824 parent volunteer log ins were recorded.</p>																					



Students will be responsible members of the community, whether that community is the class, the school, Norwich, CT or the global community	100% of the students participated in class or individual Service Learning projects. These included building Little Free Libraries for the school and community, Empty Bowls dinner for the Soup Kitchen, Intergenerational project with Sheltering Arms examining myths and stereo types of the elderly, school wide composting program for use in the school garden, and Food collection.
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3. **Student Achievement:** Provide data summarizing school performance and academic achievement. Using the blank space provided, include data evidencing student growth and progress toward closing achievement gaps, including an analysis of normed benchmark assessment data.

Performance Metric:	*2011-12:	*2012-13:	*2013-14:	2014-15:
Average daily attendance rate:	95.9	95.5	96.1	96.0
Chronic absenteeism rate: See June 2015 PSIS Report for data	6.8	7.6	6.1	5.4
Number of in-school suspensions: See June 2015 PPSIS Report for data	9	9	16	0
Number of out-of-school suspensions:	16	7	16	2
Number of expulsions:	0	0	0	0
Percent of students with 1+ suspension/expulsion:	4.8	2.1	6.1	0.1
Cohort graduation rate (if applicable):				N/A
Holding power rate (if applicable):				N/A
Overall School Performance Index CMT (SPI):	72.1	72.4		N/A
Overall host District Performance Index CMT (DPI):	63.6	61.2		N/A

\*Source: CSDE analysis based on district submitted and certified data.

4. **Best Practice:** In 250 words or less, summarize an emerging best practice at your school in the areas of academics, instruction, or school climate (e.g. extended instructional time, supports for English learners, positive behavior management, college access). Describe the concrete strategy and its impact on student learning and/or the school climate referencing quantitative data. Provide evidence of collaboration with local school districts in this area, as appropriate.



As a HOTS school our staff attends numerous workshops and trainings on how to connect the Common Core standards to integrated units within the classroom. This year we had a day long in service for teachers from a variety of schools on how to do this. Teachers visited classrooms where they observed this methodology, then had the opportunity to participate in breakout sessions to discuss this practice in detail. Also one of our staff presented his “IMath” process to the HOTS summer institute. In addition, we have been asked to participate in panel discussions that are presented to other districts.

Another practice that continues to grow and develop is that of the use of Critical Pedagogy in the classroom. Through a connection and partnership with Connecticut College, the staff has had training and discussions on this practice. In working with our Curriculum Coordinator, teachers have worked on developing units that are being included with the Integrated Curriculum. This is a curriculum development project that continues to grow and develop. Once completed this curriculum and these lessons will then go online for access.

### PART 3: STEWARDSHIP, GOVERNANCE, AND MANAGEMENT

5. **Financial Documents:** (1) As required by C.G.S. § 10-66cc(b)(2), submit FY 2014 certified audit statements, including the statement of activities (showing all revenues from public and private sources, expenditures, and net operating gain/loss), balance sheet, and statement of cash flows. (2) Provide the FY 2015 budget comparing submitted budget versus actual figures, with summary explanations of all major variances. (3) Provide a FY 2016 board-approved budget, summarizing all assumptions and major variances from FY 2015.

6. **Financial Condition:** Provide the following financial data for FY 2015.

Total margin (net income / total revenue):	<b>.35%</b>
Debt to asset ratio (total liabilities / total assets):	<b>15.41%</b>
Debt service coverage ratio (net income + depreciation + interest expense) / (principal + interest payments):	<b>33.29%</b>
Current asset ratio (current assets / current liabilities):	<b>555.70%</b>
Days of unrestricted cash ((total expenditures - depreciation) / 365):	<b>11,578</b>
Cash flow (change in cash balance):	<b>83,091</b>

7. **Governing Board:** Consistent with C.G.S. § 10-66bb(d)(3)(A), provide the following information for all governing board members.

Name:	Occupation:	Board Role/Term:	Mailing/Email:	Background Check:
<b>Gerald Carty</b>	<b>Engineer</b>	<b>Parent Member/4yrs</b>	<b>165 Canterbury Tpke. Norwich, CT 06360/ <a href="mailto:geraldc@idcs.org">geraldc@idcs.org</a></b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Cori Beckwith</b>	<b>Psychologist</b>	<b>Parent Member/4yrs</b>	<b>42 Knollcrest Rd. Norwich, CT 06360/ <a href="mailto:corib@idcs.org">corib@idcs.org</a></b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Melissa Dearborn</b>	<b>Teacher</b>	<b>Teacher Member/4yrs</b>	<b>7 E. Town St. Norwich, CT 06360/ <a href="mailto:melissad@idcs.org">melissad@idcs.org</a></b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Sarah Edmond</b>	<b>Teacher</b>	<b>Parent Member/4yrs</b>	<b>98 Case St. Norwich, CT 06360/ <a href="mailto:sarahe@idcs.org">sarahe@idcs.org</a></b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No



Andrew Harvey	Vice President, Dime Bank	Community Member/4yrs	71 Williams St. 2 <sup>nd</sup> Floor Norwich, CT 06360/ <a href="mailto:andrewh@idcs.org">andrewh@idcs.org</a>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Corinne McOmber	Teacher	Teacher Member/4yrs	24 Williams Rd. Oakdale, CT 06370/ <a href="mailto:corinnem@idcs.org">corinnem@idcs.org</a>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Claude R. Pellegrino	Finance, Retired	Community Member/4yrs	74 Fullertown Rd. PO Box 187 Hanover, CT 06350/ <a href="mailto:claudep@idcs.org">claudep@idcs.org</a>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Candice Flewharty	Artist	Parent Member/4yrs	51 E. Town St. Norwich, CT 06360/ <a href="mailto:candicef@idcs.org">candicef@idcs.org</a>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Jen Spangle	Teacher	Teacher Member/4yrs	84 Pheasant Lane Brooklyn, CT 06234 <a href="mailto:jens@idcs.org">jens@idcs.org</a>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Ann Theriault	Teacher	Teacher Member/4yrs	663 Wolcott Hill Rd. Wethersfield, CT 06109/ <a href="mailto:annt@idcs.org">annt@idcs.org</a>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Joyce Werden	Norwich Board of Education Member	Liaison, Norwich Public Schools	13 Lost Acres Rd. Norwich, CT 06360/ <a href="mailto:joycew@idcs.org">joycew@idcs.org</a>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

8. **Renewal Terms and Corrective Items:** Provide an update on terms and conditions established in the charter school's most recent renewal; summarize actions taken and progress data to substantiate efforts to address such terms and conditions of renewal. Please note the chart below is pre-populated to include terms and conditions identified in the school's last renewal resolution.

Standard/Indicator:	Term or Condition:	Progress Update:
NA		

9. **Best Practice:** In 250 words or less, summarize an emerging best practice at your school in the areas of



stewardship, governance, and management (e.g., financial management, technology, school operations). Describe the concrete strategy and its impact on the school referencing quantitative data. Provide evidence of collaboration with local school districts in this area, as appropriate.

The IDCS Governing Board is highly egalitarian. Members represent four parents, four teachers and four community members. Each constituency is highly involved and participates to the fullest degree. Unique to IDCS is the opportunity for parents to assume leadership roles in multiple significant organizations. Everyone's contributions are valued and important. Currently we have a solid relationship with our local school district with a member of their Board of Education serving as a Liaison to our Governing Board. She consistently attends our monthly meetings. All Board members attended a day-long Governing Board Retreat on December 6, 2014 to discuss the long term Strategic Plan, the Board Handbook, school finances and methods and Board self-evaluation. It was a very productive meeting which facilitated and contributed to the completion of our Strategic Plan. The IDCS Governing Board is very reflective and consistently striving to support the mission and vision of the school, improve instruction and safeguard the future of our unique school community.

A very involved group of parents have revitalized the IDCS Foundation. The goal of the Foundation is to create an endowment that will help fund school initiatives. Parent involvement is consistently evident through leadership roles, committee participation, classroom volunteerism.

#### PART 4: STUDENT POPULATION

**10. Enrollment and Demographic Data:** Provide 2014-15 student demographic and enrollment information.

Grades Served:	PK-8	Student Enrollment:	331
% Free/Reduced-Price Lunch:	34%	% Black:	8%
% Special Education:	9%	% Hispanic:	14%
% Limited English Proficiency:	8%	% Caucasian:	58%

##### 2014-15 Enrollment by Grade Level:

PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
33	33	33	33	33	33	34	35	33	31	0	0	0	0	<b>331</b>

**11. Enrollment Efforts:** Summarize the school's efforts to attract, enroll, and retain a diverse and representative student population, including minority students, low-income students, English learners, and students with disabilities.

The IDCS has attracted students from diverse socio-economic backgrounds, ability levels and ethnic groups since the doors opened in 1997 following a lottery for the 175 initial seats. The current enrollment reflects growth over time in all of these areas. The number of students who receive free and reduced lunch has increased each year. We have also seen an increase in the number of special education students. Parents of children with special needs frequently tell us they were referred to the charter school by the Norwich Public Schools. This has also occurred among children with behavioral or social challenges and students who are failing in traditional public schools. Our school social worker, paraprofessionals, math tutor, literacy teachers and classroom teachers provide support and work with students with significant needs on an individual and small group basis. A Homework Club is offered three days a week for extra academic help. Children struggling academically have been offered a summer school program or in-home tutoring over the summer. Information about our school is shared with organizations serving high needs populations, such as Madonna Place, NAACP, Connecticut College Special





Needs program and Bully Busters. The Otis Library also receives brochures each year. Word of mouth via current parents who are happy with their IDCS experience continues to bring in new families thus increasing our student of color population.

**12. Waitlist Data:** Provide waitlist totals below, illustrating demand and community support for the school.

2011-12 Waitlist:	2012-13 Waitlist:	2013-14 Waitlist:	2014-15 Waitlist:
816	907	806	726

**13. Best Practice:** In 250 words or less, summarize an emerging best practice at your school in the areas of student populations (e.g., family and community engagement, recruitment processes, retention strategies). Describe the concrete strategy and its impact on the school referencing quantitative data. Provide evidence of collaboration with local school districts in this area, as appropriate.

Every effort is made to recruit and retain a diverse student population. Diversity at IDCS has grown over the last eight years from 30% in 2008 to a current 42% of the student population. Through strong Home/School Communication, IDCS parents and teachers work together to provide the best possible education for all children. Unique to IDCS are home visits. Teachers make yearly **home visits** prior to the opening of school at which point hopes and dreams for the new academic year are established. Last year 86% of the families had a home visit. In addition, caregivers work with teachers to set objectives at **student led conferences**, which take place in November and February. 93% of the families attended student led conferences. Students not working up to potential or experiencing behavioral issues take part in a Home/School Contact support program. There are bi-weekly meetings with the student, caregiver, teacher and director, in an effort to improve progress and/or behavior. All information is disseminated via classroom newsletters and weekly home emails. **Parent Workshops** designed to raise awareness and support skills of caregivers are provided throughout the year.



## APPENDIX B: STATEMENT OF ASSURANCES

It is imperative that charter schools – as with all other public schools – adopt and uphold the highest ethical and legal standards while delivering excellent academic opportunities for students and their families.

As the authorized representative of Integrated Day Charter School, to the best of my knowledge, I affirm that:

1. All ~~board members and~~\* staff have satisfactorily completed background checks, including a state and national criminal records check and a record check of the Department of Children and Families Child Abuse and Neglect Registry.
2. If applicable, all charter school management organization (CMO) staff members have satisfactorily completed background checks, as described in (1).
3. All contractors, if the nature of the contractor's work entails close proximity to students in the judgment of the Governing Board, have satisfactorily completed background checks, as described in (1).
4. Records of any and all background checks are on file at Integrated Day Charter School and available for random audit by the Connecticut State Department of Education (CSDE).
5. Integrated Day Charter School has adopted written anti-nepotism and conflict of interest policies, and that no member or employee of the Governing Board has a personal or financial interest in any asset, real or personal, of the charter school.
6. No board member of Integrated Day Charter School serves on the board of another charter school or CMO.
7. All public funds received by Integrated Day Charter School have been, or are being, expended prudently and in a manner required by law.
8. All Governing Board meetings are open and accessible to the public, and that Integrated Day Charter School has posted, and continues to post, on any Internet website that the Governing Board operates, the schedule, agenda, and minutes of each Governing Board meeting, including any meeting of a subcommittee of the Governing Board.
9. Integrated Day Charter School does not discriminate in any employment practice, education program, or educational activity on the basis of race, color, religious creed, sex, age, national origin, ancestry, marital status, sexual orientation, gender identity or expression, disability, or any other basis prohibited by Connecticut state and/or federal nondiscrimination laws.

By signing this Statement of Assurances on behalf of the Governing Board of Integrated Day Charter School, I acknowledge that I understand the terms contained herein and affirm the validity of each statement to the best of my knowledge. I further understand that Integrated Day Charter School may be subject to random audit by the CSDE to verify these statements.

Signature:

Name of Board Chairperson:

Andrew H. Harvey

Date:

09/30/2015

\* As a new state requirement, board background checks have not yet been completed. This is being planned.



## APPENDIX C: 2016-17 PRELIMINARY ENROLLMENT REQUEST

**Directions:** On an annual basis, charter schools must submit an enrollment request for the following school year. Consistent with C.G.S. § 10-66bb(c), the State Board of Education considers enrollment requests in the context of each school’s charter and record of student achievement.

C.G.S. § 10-66bb(c)(2) places an enrollment cap on the number of students that a state charter school may enroll. However, charter schools with a demonstrated record of achievement may seek a waiver. If the submitted 2016-17 enrollment request requires an enrollment waiver, please specify that below.

1. Complete the table below providing the school’s enrollment and growth history. Submit an enrollment request and growth projections for the upcoming school year.															
School Year:	Actual Enrollment:														
	PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2012-13	34	33	32	34	33	33	33	33	34	32	0	0	0	0	331
2013-14	34	32	34	33	33	33	33	33	32	33	0	0	0	0	330
2014-15	33	33	33	33	33	33	34	33	35	31	0	0	0	0	331
2015-16	33	33	33	33	33	33	33	33	32	35	0	0	0	0	331
School Year:	2016-17 Enrollment Request:														
	PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2016-17	33	33	33	33	33	33	33	33	33	33	0	0	0	0	330
2. Based on the request entered above, is the school seeking a waiver to the enrollment cap described in C.G.S. § 10-66bb(c)(2)?													<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
3. Provide a rationale for the enrollment request, including a synopsis of all relevant assumptions.															
NA															
4. Summarize the school’s plans to successfully expand and accommodate the needs of the students served (e.g., programming, staffing, facilities, and class size).															
NA															



## APPENDIX D: CHARTER SCHOOL PERFORMANCE FRAMEWORK

The Connecticut State Department of Education’s (CSDE) charter school performance framework promotes clear and transparent expectations for all charter schools. The four performance standards are central to measuring schools’ efficacy and viability, and align to state law and national best practices among charter school authorizers, as accumulated by the National Association of Charter School Authorizers. Within each standard area, the framework identifies a series of indicators used to evaluate charter schools. The framework drives the CSDE’s charter school accountability systems and processes, including initial approval decisions, annual monitoring, and renewal determinations.

### Performance Standards:

- 1. School Performance:** Is the school a successful model resulting in strong student outcomes and a positive school climate?
- 2. Stewardship, Governance, and Management:** Is the school financially and organizationally healthy and viable?
- 3. Student Population:** Is the school promoting equity by effectively attracting, enrolling, and retaining students, particularly among targeted populations?
- 4. Legal Compliance:** Is the school acting in compliance with applicable laws and regulations?

### Performance Standards:

### Performance Indicators:

1. School Performance	1.1. Student Achievement, Growth, and Gap Closure 1.2. Mission-Specific Goals 1.3. School Culture and Climate 1.4. Instruction 1.5. Academic Program 1.6. Supports for Special Populations
2. Stewardship, Governance, and Management	2.1. Fiscal Viability 2.2. Financial Management 2.3. Governance and Management 2.4. Organizational Capacity 2.5. Accountability Measures 2.6. School Facility
3. Student Population	3.1. Recruitment and Enrollment Process 3.2. Waitlist and Enrollment Data 3.3. Demographic Representation 3.4. Transfer/Retention Rates 3.5. Parental and Community Support
4. Legal Compliance	4.1. Signed Statement of Assurances 4.2. Open Public Meetings

IDCS, INC.  
**Profit & Loss Budget vs. Actual**  
 July 2014 through June 2015

11:32 AM  
 09/29/2015  
 Accrual Basis

	Jul '14 - Jun 15	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4200000 · Federal grants (Federal grant funds)	121,151.00	108,566.00	12,585.00	111.59%
4210000 · State Grant (CT grant funds)	3,630,000.00	3,630,000.00		100.0%
4220000 · Other Grants (Foundation, Corporate)	3,600.00		3,600.00	100.0%
4900110 · LEA Reimbursals (SpEd Personnel Expenses)	201,308.79	235,000.71	-33,691.92	85.66%
<b>Total Income</b>	<b>3,956,059.79</b>	<b>3,973,566.71</b>	<b>-17,506.92</b>	<b>99.56%</b>
Gross Profit	3,956,059.79	3,973,566.71	-17,506.92	99.56%
Expense				
5100000 · Instructional (Regular instructional program)				
5100100 · Teachers Salaries	1,054,213.48	1,040,094.58	14,118.90	101.36%
5100110 · A&E Instructor Salaries	246,361.27	239,381.88	6,979.39	102.92%
5100115 · Remedial Salaries	75,283.83	97,596.53	-22,312.70	77.14%
5100120 · Teachers' Aides Salaries	155,409.89	199,379.80	-43,969.91	77.95%
5100121 · Substitutes Salaries	43,551.38	20,060.00	23,491.38	217.11%
5100200 · Employee Benefits - Intruction				
5100210 · Insurance	242,013.96	340,341.38	-98,327.42	71.11%
5100220 · Employer FICA	34,694.28	45,771.70	-11,077.42	75.8%
5100250 · Tuition Reimbursement (Reimbursement for graduate school coursework)		2,800.00	-2,800.00	
5100200 · Employee Benefits - Intruction - Other	488.08			
<b>Total 5100200 · Employee Benefits - Intruction</b>	<b>277,196.32</b>	<b>388,913.08</b>	<b>-111,716.76</b>	<b>71.28%</b>
5100330 · Purchased Services	830.00	2,500.00	-1,670.00	33.2%
5100580 · Travel	381.03	650.00	-268.97	58.62%
5100610 · Supplies	43,692.35	38,826.29	4,866.06	112.53%
5100640 · Textbooks	8,492.69	20,000.06	-11,507.37	42.46%
5100700 · Furniture/Equipment	24,101.68	11,750.26	12,351.42	205.12%
5100734 · Instr Tech Hardware	52,824.26	51,596.09	1,228.17	102.38%
5100735 · Instr Tech Software	6,669.60	2,507.00	4,162.60	266.04%
5100000 · Instructional (Regular instructional program) - Other				
<b>Total 5100000 · Instructional (Regular instructional program)</b>	<b>1,989,007.78</b>	<b>2,113,255.57</b>	<b>-124,247.79</b>	<b>94.12%</b>
5140000 · Other Instr. Activities (After school/Summer school)				
5140100 · Teacher Salaries (certified staff)		2,500.00	-2,500.00	
5140120 · Assistant Salaries (non-certified staff)				
5140200 · Benefits Other Instruc				
5140220 · FICA				
<b>Total 5140200 · Benefits Other Instruc</b>				
5140300 · Purchased Prof/Tech Services				
5140610 · Supplies	86.70		86.70	100.0%
<b>Total 5140000 · Other Instr. Activities (After school/Summer school)</b>	<b>86.70</b>	<b>2,500.00</b>	<b>-2,413.30</b>	<b>3.47%</b>
5210000 · Special Services (special education prog costs)				
5210100 · SpecEd Teachers	112,123.81	142,252.91	-30,129.10	78.82%
5210120 · Special Ed Teach. Asst	19,379.50	16,376.01	3,003.49	118.34%
5210200 · Benefits Special Services				
5210210 · Insurance	44,260.55	52,840.38	-8,579.83	83.76%
5210220 · Employer FICA	2,002.46	3,315.00	-1,312.54	60.41%
<b>Total 5210200 · Benefits Special Services</b>	<b>46,263.01</b>	<b>56,155.38</b>	<b>-9,892.37</b>	<b>82.38%</b>
5210330 · SPED Support Services (IEP required services)		8,200.00	-8,200.00	
5210610 · Supplies	1,186.03	2,100.00	-913.97	56.48%
5210000 · Special Services (special education prog costs) - Other				
<b>Total 5210000 · Special Services (special education prog costs)</b>	<b>178,952.35</b>	<b>225,084.30</b>	<b>-46,131.95</b>	<b>79.51%</b>
5213000 · Health Services				
5213110 · Nurse's Salary	44,674.20	47,094.71	-2,420.51	94.86%
5213200 · Benefits Health Services				
5213210 · Insurance	165.10	182.80	-17.70	90.32%
5213220 · Employer FICA	3,286.46	3,602.75	-316.29	91.22%
<b>Total 5213200 · Benefits Health Services</b>	<b>3,451.56</b>	<b>3,785.55</b>	<b>-333.99</b>	<b>91.18%</b>
5213320 · Professional Development		750.00	-750.00	

5213590 · Other Purch Services (med waste contract)	1,448.00	275.00	1,173.00	526.55%
5213610 · Supplies	1,127.51	1,479.00	-351.49	76.24%
<b>Total 5213000 · Health Services</b>	<b>50,701.27</b>	<b>53,384.26</b>	<b>-2,682.99</b>	<b>94.97%</b>
5219000 · Other Support Svcs-Student (social worker, non-sped svcs)				
5219110 · Salaries (social worker salary)	116,130.31	117,897.70	-1,767.39	98.5%
5219200 · Benefits Other Support Svc (insurance, FICA, etc.)				
5219210 · Insurance (Health, Life insurance)	13,844.84	14,069.00	-224.16	98.41%
5219220 · Employer FICA	1,718.63	1,999.01	-280.38	85.97%
<b>Total 5219200 · Benefits Other Support Svc (insurance, FICA, etc.)</b>	<b>15,563.47</b>	<b>16,068.01</b>	<b>-504.54</b>	<b>96.86%</b>
5219341 · Occ Therapy (Non-Spec Educ)	1,352.88	2,800.00	-1,447.12	48.32%
5219610 · Supplies	1,466.02	1,500.00	-33.98	97.74%
<b>Total 5219000 · Other Support Svcs-Student (social worker, non-sped svcs)</b>	<b>134,512.68</b>	<b>138,265.71</b>	<b>-3,753.03</b>	<b>97.29%</b>
5221000 · Instruct. Svcs Support				
5221320 · Professional development (Instructional staff PD)	17,166.46	11,950.62	5,215.84	143.65%
5221325 · Parent Services (Enhance parent involvement)				
5221330 · Prof Tech Services (Standard Testing, school eval)		9,375.84	-9,375.84	
5221580 · Travel (Travel cost for PD)	1,011.22	1,500.04	-488.82	67.41%
5221590 · Other Purch Services	9,159.70	17,206.00	-8,046.30	53.24%
5221610 · Supplies (Supplies for PD, workshops)	3,829.78	760.00	3,069.78	503.92%
5221810 · Dues and Fees (Professional membership)	410.00	3,500.00	-3,090.00	11.71%
5221000 · Instruct. Svcs Support - Other				
<b>Total 5221000 · Instruct. Svcs Support</b>	<b>31,577.16</b>	<b>44,292.50</b>	<b>-12,715.34</b>	<b>71.29%</b>
5222000 · Library/Media				
5222110 · Library/Media Salaries (Non-certified library/media positions)	71,737.66	69,185.96	2,551.70	103.69%
5222200 · Benefits Media				
5222210 · Insurance	20,367.47	21,840.00	-1,472.53	93.26%
5222220 · Employer FICA Match	5,563.03	5,292.95	270.08	105.1%
<b>Total 5222200 · Benefits Media</b>	<b>25,930.50</b>	<b>27,132.95</b>	<b>-1,202.45</b>	<b>95.57%</b>
5222320 · Professional development (PD for Lib/Media staff)	3,020.00	250.00	2,770.00	1,208.0%
5222330 · Tech Services	9,416.00	18,324.87	-8,908.87	51.38%
5222611 · Supplies (library & early lit cntr)	1,102.64	1,000.87	101.77	110.17%
5222615 · Tech supplies	4,382.80	7,900.39	-3,517.59	55.48%
5222640 · Books/Periodicals	2,078.09	2,500.09	-422.00	83.12%
5222700 · Furniture/Equipment		1,500.00	-1,500.00	
5222734 · Media Tech Hardware	4,805.85	1,500.00	3,305.85	320.39%
5222735 · Media Tech Software	3,009.15	12,926.00	-9,916.85	23.28%
<b>Total 5222000 · Library/Media</b>	<b>125,482.69</b>	<b>142,221.13</b>	<b>-16,738.44</b>	<b>88.23%</b>
5231000 · General Administration				
5231210 · Retiree Health Insurance	44,816.04	51,012.00	-6,195.96	87.85%
5231260 · Unemployment compensation	13,264.86	21,696.00	-8,431.14	61.14%
5231270 · Workers' Comp Insurance	45,151.00	50,004.00	-4,853.00	90.3%
5231300 · Prof/Tech Services (legisl spt, grant writing)	1,509.05	1,000.00	509.05	150.91%
5231440 · Equip Lease/Rental (copier, fax lease)	15,889.16	15,624.00	265.16	101.7%
5231520 · Other Purch Svcs (PR, employ ads, background chks)	2,474.47	2,950.45	-475.98	83.87%
5231525 · Insurance (Liability, property, etc)	23,229.49	29,004.00	-5,774.51	80.09%
5231610 · Supplies (Board/"District" level)	105.00	250.00	-145.00	42.0%
5231810 · Dues and Fees	5,524.00	7,250.00	-1,726.00	76.19%
5231820 · Legal Services	2,318.00	10,000.00	-7,682.00	23.18%
<b>Total 5231000 · General Administration</b>	<b>154,281.07</b>	<b>188,790.45</b>	<b>-34,509.38</b>	<b>81.72%</b>
5240000 · Administration				
5240100 · Certified Admin Salaries (Certified administrators)	221,421.53	225,075.86	-3,654.33	98.38%
5240110 · Non-cert Admin Salaries (Administrative salaries for non-certified admin staff)	80,027.05	89,467.20	-9,440.15	89.45%
5240200 · Benefits Administration				
5240210 · Insurance	66,733.79	88,599.96	-21,866.17	75.32%
5240220 · Employer FICA	14,813.73	10,497.96	4,315.77	141.11%
5240250 · Tuition reimbursement				
<b>Total 5240200 · Benefits Administration</b>	<b>81,547.52</b>	<b>99,097.92</b>	<b>-17,550.40</b>	<b>82.29%</b>
5240320 · Professional Development (PD for Admin staff)	719.52	2,500.00	-1,780.48	28.78%
5240530 · Telephone/Communications (phone, postage)	13,421.82	15,249.88	-1,828.06	88.01%
5240580 · Travel	96.60	849.96	-753.36	11.37%
5240610 · Supplies	7,138.55	10,000.00	-2,861.45	71.39%
5240700 · Furniture/Equipment	41,864.48	3,000.00	38,864.48	1,395.48%
5240810 · Dues and Fees (Professional membership)	195.00	550.00	-355.00	35.46%

Total 5240000 · Administration	446,432.07	445,790.82	641.25	100.14%
5250000 · Business Office				
5250100 · Certified Business Salaries (Certified Business Officials' salaries)	84,346.25	84,996.00	-649.75	99.24%
5250110 · Non-cert Salaries	36,951.09	42,840.00	-5,888.91	86.25%
5250200 · Benefits Business Office				
5250210 · Insurance	34,381.71	42,514.08	-8,132.37	80.87%
5250220 · Employer FICA	9,279.23	9,780.00	-500.77	94.88%
Total 5250200 · Benefits Business Office	43,660.94	52,294.08	-8,633.14	83.49%
5250320 · Professional Development		250.00	-250.00	
5250330 · Audit Services (audit)	15,128.22	15,832.00	-703.78	95.56%
5250340 · Payroll Service	7,889.88	5,859.00	2,030.88	134.66%
5250420 · Outside service (taxes, accounting assistance)	3,021.78	4,800.00	-1,778.22	62.95%
5250580 · Employee Travel	54.88	250.00	-195.12	21.95%
5250610 · Supplies	1,325.25	1,250.00	75.25	106.02%
5250650 · Admin Tech Supplies		500.00	-500.00	
5250734 · Admin Tech Hardware	2,771.48	1,000.00	1,771.48	277.15%
5250735 · Admin Tech Software	310.69	2,607.00	-2,296.31	11.92%
5250810 · Dues and Fees	1,985.00	1,250.00	735.00	158.8%
5250820 · Bank Charge	190.00	200.00	-10.00	95.0%
Total 5250000 · Business Office	197,635.46	213,928.08	-16,292.62	92.38%
5260000 · Plant Services				
5260110 · Salaries (Salaries of regular Plant Services staff)	146,240.15	124,658.43	21,581.72	117.31%
5260120 · Temp Plant Salaries (Temp summer help and subs)		10,316.94	-10,316.94	
5260130 · Overtime	3,221.10	1,069.00	2,152.10	301.32%
5260200 · Benefits Plant Services				
5260210 · Insurance	11,830.33	13,167.96	-1,337.63	89.84%
5260220 · Employer FICA	11,433.72	10,407.00	1,026.72	109.87%
Total 5260200 · Benefits Plant Services	23,264.05	23,574.96	-310.91	98.68%
5260320 · Professional Development (PD for maintenance/custodial)	395.00	500.00	-105.00	79.0%
5260410 · Water/Sewer	4,791.48	7,630.08	-2,838.60	62.8%
5260420 · Cleaning Services		3,000.00	-3,000.00	
5260430 · Maint/Repair Services	125,966.76	174,548.90	-48,582.14	72.17%
5260440 · Rent & Taxes		500.00	-500.00	
5260610 · Supplies (Custodial/Housekeeping))	6,223.71	15,000.00	-8,776.29	41.49%
5260615 · Maintenance Supplies (general repair/upkeep)	10,667.92	7,999.95	2,667.97	133.35%
5260617 · Grounds (garden and playscape)	2,227.49	3,850.00	-1,622.51	57.86%
5260621 · Natural gas & Oil	25,565.66	27,500.00	-1,934.34	92.97%
5260622 · Electricity	46,146.39	41,799.96	4,346.43	110.4%
5260626 · Gasoline	118.48	300.00	-181.52	39.49%
5260700 · Furniture/Equipment	35,333.52	3,750.00	31,583.52	942.23%
5260810 · Dues and Fees (Registration fees)	426.40	450.00	-23.60	94.76%
5260000 · Plant Services - Other	3,516.09			
Total 5260000 · Plant Services	434,104.20	446,448.22	-12,344.02	97.24%
527000 · Student Transportation				
5270442 · Vehicle Rental (Rented but operated by staff)				
5270510 · Purchased Services (contracted transportation)	8,160.00	6,599.62	1,560.38	123.64%
5270600 · Supplies				
Total 527000 · Student Transportation	8,160.00	6,599.62	1,560.38	123.64%
5310000 · Food Service				
5310110 · Food Service Salaries	43,000.00	43,000.00		100.0%
Total 5310000 · Food Service	43,000.00	43,000.00		100.0%
5330000 · Community Services Prog (Day Care, etc.)				
5330100 · Salaries				
5330200 · Benefits Community Service				
5330210 · Insurance	98.66		98.66	100.0%
5330220 · Employer FICA				
5330290 · Accrued Sick/Severence (PTO payable on termination)				
Total 5330200 · Benefits Community Service	98.66		98.66	100.0%
5330610 · Supplies				
Total 5330000 · Community Services Prog (Day Care, etc.)	98.66		98.66	100.0%
5450000 · Bldg Acq&Construction Serv				
5450300 · Professional Services (architects, etc.)				
5450450 · Construction Services (construction services)	12,815.00		12,815.00	100.0%

5450490 · Other Purch Property Services (contracted services)		10,000.00	-10,000.00	
Total 5450000 · Bldg Acq&Construction Serv	12,815.00	10,000.00	2,815.00	128.15%
5510000 · Debt Service Facility Acq (Long term loan servicing)				
5510830 · Interest	36,884.80	45,930.54	-9,045.74	80.31%
5510910 · Principal	118,585.35	123,673.26	-5,087.91	95.89%
Total 5510000 · Debt Service Facility Acq (Long term loan servicing)	155,470.15	169,603.80	-14,133.65	91.67%
5999100 · BAD DEBT EXPENSE				
5999999 · Temp				
Total Expense	3,962,317.24	4,243,164.46	-280,847.22	93.38%
Net Ordinary Income	-6,257.45	-269,597.75	263,340.30	2.32%
Other Income/Expense				
Other Income				
4600000 · Misc Interest Income (Interest Income)	32.01	3,021.49	-2,989.48	1.06%
Total Other Income	32.01	3,021.49	-2,989.48	1.06%
Other Expense				
5999998 · Minor A/R and A/P Charge-off	592.09			
Total Other Expense	592.09			
Net Other Income	-560.08	3,021.49	-3,581.57	-18.54%
Net Income	-6,817.53	-266,576.26	259,758.73	2.56%



IDCS, INC.  
**Profit & Loss Budget Overview**  
 July 2015 through June 2016

11:44 AM  
 09/29/2015  
 Accrual Basis

		Jul '15 - Jun 16
Ordinary Income/Expense		
Income		
4200000 · Federal grants (Federal grant funds)		
4200000 · Federal grants (Federal grant funds) - Other		77,480.00
Total 4200000 · Federal grants (Federal grant funds)		77,480.00
4210000 · State Grant (CT grant funds)		
4210000 · State Grant (CT grant funds) - Other		3,630,000.00
Total 4210000 · State Grant (CT grant funds)		3,630,000.00
4220000 · Other Grants (Foundation, Corporate)		0.00
4900110 · LEA Reimbursals (SpEd Personnel Expenses)		
4900110 · LEA Reimbursals (SpEd Personnel Expenses) - Other		235,000.00
Total 4900110 · LEA Reimbursals (SpEd Personnel Expenses)		235,000.00
Total Income		3,942,480.00
Gross Profit		
		3,942,480.00
Expense		
5100000 · Instructional (Regular instructional program)		
5100100 · Teachers Salaries		1,108,467.00
5100110 · A&E Instructor Salaries		249,566.00
5100115 · Remedial Salaries		87,410.00
5100120 · Teachers' Aides Salaries		190,659.00
5100121 · Substitutes Salaries		20,060.00
5100200 · Employee Benefits - Intruction		
5100210 · Insurance		247,363.00
5100220 · Employer FICA		44,028.00
5100250 · Tuition Reimbursement (Reimbursement for graduate school coursework)		2,800.00
5100200 · Employee Benefits - Intruction - Other		0.00
Total 5100200 · Employee Benefits - Intruction		294,191.00
5100330 · Purchased Services		2,000.00
5100580 · Travel		650.00
5100610 · Supplies		36,989.00
5100640 · Textbooks		11,150.00
5100700 · Furniture/Equipment		7,500.00
5100734 · Instr Tech Hardware		10,000.00
5100735 · Instr Tech Software		2,500.00
5100000 · Instructional (Regular instructional program) - Other		0.00
Total 5100000 · Instructional (Regular instructional program)		2,021,142.00
5140000 · Other Instr. Activities (After school/Summer school)		
5140100 · Teacher Salaries (certified staff)		1,000.00

5140120 · Assistant Salaries (non-certified staff)	0.00
5140200 · Benefits Other Instruc	
5140220 · FICA	0.00
Total 5140200 · Benefits Other Instruc	0.00
5140300 · Purchased Prof/Tech Services	0.00
5140610 · Supplies	0.00
Total 5140000 · Other Instr. Activities (After school/Summer school)	1,000.00
5210000 · Special Services (special education prog costs)	
5210100 · SpecEd Teachers	137,425.00
5210120 · Special Ed Teach. Asst	20,913.00
5210200 · Benefits Special Services	
5210210 · Insurance	45,847.00
5210220 · Employer FICA	3,216.00
Total 5210200 · Benefits Special Services	49,063.00
5210330 · SPED Support Services (IEP required services)	5,000.00
5210610 · Supplies	2,100.00
5210000 · Special Services (special education prog costs) - Other	0.00
Total 5210000 · Special Services (special education prog costs)	214,501.00
5213000 · Health Services	
5213110 · Nurse's Salary	43,480.00
5213200 · Benefits Health Services	
5213210 · Insurance	182.00
5213220 · Employer FICA	3,326.00
Total 5213200 · Benefits Health Services	3,508.00
5213320 · Professional Development	750.00
5213590 · Other Purch Services (med waste contract)	275.00
5213610 · Supplies	1,479.00
Total 5213000 · Health Services	49,492.00
5219000 · Other Support Svcs-Student (social worker, non-sped svcs)	
5219110 · Salaries (social worker salary)	118,875.00
5219200 · Benefits Other Support Svc (insurance, FICA, etc.)	
5219210 · Insurance (Health, Life insurance)	15,509.00
5219220 · Employer FICA	1,724.00
Total 5219200 · Benefits Other Support Svc (insurance, FICA, etc.)	17,233.00
5219341 · Occ Therapy (Non-Spec Educ)	2,000.00
5219610 · Supplies	1,500.00
Total 5219000 · Other Support Svcs-Student (social worker, non-sped svcs)	139,608.00
5221000 · Instruct. Svcs Support	
5221320 · Professional development (Instructional staff PD)	11,450.00
5221325 · Parent Services (Enhance parent involvement)	0.00
5221330 · Prof Tech Services (Standard Testing,school eval)	7,175.00
5221580 · Travel (Travel cost for PD)	1,500.00
5221590 · Other Purch Services	10,000.00

5221610 · Supplies (Supplies for PD, workshops)	780.00
5221810 · Dues and Fees (Professional membership)	3,500.00
5221000 · Instruct. Svcs Support - Other	0.00
Total 5221000 · Instruct. Svcs Support	<u>34,405.00</u>
5222000 · Library/Media	
5222110 · Library/Media Salaries (Non-certified library/media positions)	74,423.00
5222200 · Benefits Media	
5222210 · Insurance	30,464.00
5222220 · Employer FICA Match	5,693.00
Total 5222200 · Benefits Media	<u>36,157.00</u>
5222320 · Professional development (PD for Lib/Media staff)	250.00
5222330 · Tech Services	18,324.00
5222611 · Supplies (library & early lit cntr)	1,000.00
5222615 · Tech supplies	5,000.00
5222640 · Books/Periodicals	2,500.00
5222700 · Furniture/Equipment	1,500.00
5222734 · Media Tech Hardware	1,500.00
5222735 · Media Tech Software	10,000.00
Total 5222000 · Library/Media	<u>150,654.00</u>
5231000 · General Administration	
5231210 · Retiree Health Insurance	93,786.00
5231260 · Unemployment compensation	10,000.00
5231270 · Workers' Comp Insurance	32,625.00
5231300 · Prof/Tech Services (legisl spt, grant writing)	1,000.00
5231440 · Equip Lease/Rental (copier, fax lease)	15,620.00
5231520 · Other Purch Svcs (PR,employ ads,background chks)	2,700.00
5231525 · Insurance (Liability, property, etc)	33,461.00
5231610 · Supplies (Board/"District" level)	250.00
5231810 · Dues and Fees	2,250.00
5231820 · Legal Services	7,500.00
Total 5231000 · General Administration	<u>199,192.00</u>
5240000 · Administration	
5240100 · Certified Admin Salaries (Certified administrators)	227,846.00
5240110 · Non-cert Admin Salaries (Administrative salaries for non-certified admin staff)	67,412.00
5240200 · Benefits Administration	
5240210 · Insurance	31,119.00
5240220 · Employer FICA	8,460.00
5240250 · Tuition reimbursement	0.00
Total 5240200 · Benefits Administration	<u>39,579.00</u>
5240320 · Professional Development (PD for Admin staff)	2,500.00
5240530 · Telephone/Communications (phone, postage)	15,250.00
5240580 · Travel	850.00
5240610 · Supplies	7,500.00
5240700 · Furniture/Equipment	3,000.00

5240810 · Dues and Fees (Professional membership)	550.00
Total 5240000 · Administration	<u>364,487.00</u>
5250000 · Business Office	
5250100 · Certified Business Salaries (Certified Business Officials' salaries)	90,000.00
5250110 · Non-cert Salaries	37,906.00
5250200 · Benefits Business Office	
5250210 · Insurance	30,615.00
5250220 · Employer FICA	9,785.00
Total 5250200 · Benefits Business Office	<u>40,400.00</u>
5250320 · Professional Development	250.00
5250330 · Audit Services (audit)	15,832.00
5250340 · Payroll Service	5,859.00
5250420 · Outside service (taxes, accounting assistance)	4,500.00
5250580 · Employee Travel	250.00
5250610 · Supplies	1,250.00
5250650 · Admin Tech Supplies	500.00
5250734 · Admin Tech Hardware	1,000.00
5250735 · Admin Tech Software	2,000.00
5250810 · Dues and Fees	1,450.00
5250820 · Bank Charge	0.00
Total 5250000 · Business Office	<u>201,197.00</u>
5260000 · Plant Services	
5260110 · Salaries (Salaries of regular Plant Services staff)	157,246.00
5260120 · Temp Plant Salaries (Temp summer help and subs)	0.00
5260130 · Overtime	1,226.00
5260200 · Benefits Plant Services	
5260210 · Insurance	15,396.00
5260220 · Employer FICA	12,123.00
Total 5260200 · Benefits Plant Services	<u>27,519.00</u>
5260320 · Professional Development (PD for maintenance/custodial)	500.00
5260410 · Water/Sewer	7,630.00
5260420 · Cleaning Services	5,000.00
5260430 · Maint/Repair Services	129,842.00
5260440 · Rent & Taxes	500.00
5260610 · Supplies (Custodial/Housekeeping))	15,000.00
5260615 · Maintenance Supplies (general repair/upkeep)	8,000.00
5260617 · Grounds (garden and playscape)	3,850.00
5260621 · Natural gas & Oil	27,500.00
5260622 · Electricity	41,800.00
5260626 · Gasoline	300.00
5260700 · Furniture/Equipment	3,750.00
5260810 · Dues and Fees (Registration fees)	450.00
5260000 · Plant Services - Other	0.00
Total 5260000 · Plant Services	<u>430,113.00</u>

527000 · Student Transportation	
5270442 · Vehicle Rental (Rented but operated by staff)	0.00
5270510 · Purchased Services (contracted transportation)	11,600.00
5270600 · Supplies	0.00
Total 527000 · Student Transportation	<u>11,600.00</u>
5310000 · Food Service	
5310110 · Food Service Salaries	43,860.00
Total 5310000 · Food Service	<u>43,860.00</u>
5450000 · Bldg Acq&Construction Serv	
5450300 · Professional Services (architects, etc.)	0.00
5450450 · Construction Services (construction services)	0.00
5450490 · Other Purch Property Services (contracted services)	0.00
Total 5450000 · Bldg Acq&Construction Serv	<u>0.00</u>
5510000 · Debt Service Facility Acq (Long term loan servicing)	
5510830 · Interest	39,985.65
5510910 · Principal	129,618.15
Total 5510000 · Debt Service Facility Acq (Long term loan servicing)	<u>169,603.80</u>
5999100 · BAD DEBT EXPENSE	0.00
5999999 · Temp	
5999999 · Temp - Other	0.00
Total 5999999 · Temp	<u>0.00</u>
Total Expense	<u>4,030,854.80</u>
Net Ordinary Income	-88,374.80
Other Income/Expense	
Other Income	
4600000 · Misc Interest Income (Interest Income)	3,000.00
Total Other Income	<u>3,000.00</u>
Other Expense	
5999998 · Minor A/R and A/P Charge-off	0.00
Total Other Expense	<u>0.00</u>
Net Other Income	<u>3,000.00</u>
Net Income	<u><u>-85,374.80</u></u>

**IDCS, Inc.**

Financial Statements  
and  
Independent Auditor's Report

June 30, 2014 and 2013

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
IDCS, Inc.:

We have audited the accompanying financial statements of IDCS, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of IDCS, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.





### **Report on Summarized Comparative Information**

We have previously audited IDCS, Inc.'s 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 27, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013 is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Other Matters**

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 6 and the accompanying schedule of expenditures of state financial assistance, as required by Connecticut State Single Audit Act, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2014, on our consideration of IDCS, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering IDCS, Inc.'s internal control over financial reporting and compliance.

*James A. George, P.C.*

JAMES A. GEORGE, P.C.  
Wakefield, Massachusetts  
December 18, 2014

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**IDCS, Inc.**  
**Statements of Financial Position**  
**June 30, 2014 and 2013**

**Assets**

	2014	2013
Current Assets		
Cash	\$ 1,458,023	\$ 1,383,811
Trade Receivables	59,924	52,373
Prepaid Expenses	44,861	-
Total Current Assets	1,562,808	1,436,184
Fixed Assets		
Land and Buildings	7,742,287	7,742,287
Furnishings and Equipment	252,838	267,101
Leasehold Improvements	79,889	-
Accumulated Depreciation	(2,702,967)	(2,486,165)
Net Fixed Assets	5,372,047	5,523,223
Total Assets	\$ 6,934,855	\$ 6,959,407

**Liabilities and Net Assets**

Current Liabilities		
Accounts Payable	\$ 25,928	\$ 7,091
Accrued Expenses	165,184	185,289
Current Portion of Mortgages Payable	129,115	123,190
Total Current Liabilities	320,227	315,570
Non-Current Portion of Mortgages Payable	783,714	913,312
Total Liabilities	1,103,941	1,228,882
Net Assets		
Unrestricted Net Assets	5,827,091	5,726,202
Temporarily Restricted Net Assets	3,823	4,323
Total Net Assets	5,830,914	5,730,525
Total Liabilities and Net Assets	\$ 6,934,855	\$ 6,959,407

See accompanying notes to the financial statements.

**IDCS, Inc.**  
**Statements of Activities**  
**For the Year Ended June 30, 2014**  
**With Comparative Totals for the Year Ended June 30, 2013**

	2014			2013
	Unrestricted	Temporarily Restricted	Total	Total
Revenue, Gains and Other Support				
Contributions and Grants				
State of Connecticut	\$ 3,465,000	\$ -	\$ 3,465,000	\$ 3,366,000
Federal	110,808	-	110,808	54,120
Local School Systems	228,652	-	228,652	230,998
Other	-	-	-	8
Total Contributions and Grants	<u>3,804,460</u>	<u>-</u>	<u>3,804,460</u>	<u>3,651,126</u>
Program Service Fees and Other Income				
School Lunch Program	125,091	-	125,091	95,151
IDEA Fundraising	17,449	-	17,449	11,004
Day Care Fees	67,326	-	67,326	54,541
After School Fees	29,917	-	29,917	15,015
Interest Income	3,021	-	3,021	2,992
Miscellaneous Income	12,577	-	12,577	26,294
Total Program Service Fees and Other Income	<u>255,381</u>	<u>-</u>	<u>255,381</u>	<u>204,997</u>
Net Assets Released From Restrictions	<u>500</u>	<u>(500)</u>	<u>-</u>	<u>-</u>
Total Public Support, Revenues, and Reclassifications	<u>4,060,341</u>	<u>(500)</u>	<u>4,059,841</u>	<u>3,856,123</u>
Expenses and Losses				
Instructional	1,837,581	-	1,837,581	1,688,340
Support Services	435,846	-	435,846	422,909
Operation and Maintenance of Plant	343,433	-	343,433	373,737
Administration and Fiscal Management	705,144	-	705,144	654,210
Improvements of Instructional Services	115,129	-	115,129	132,159
Depreciation Expense	286,043	-	286,043	275,546
Debt Service	45,931	-	45,931	51,602
Food Services	147,268	-	147,268	113,581
Facilities Acquisition/Construction	1,011	-	1,011	1,120
Community Services Program	35,129	-	35,129	35,700
Student Transportation Services	6,937	-	6,937	9,720
Total Expenses and Losses	<u>3,959,452</u>	<u>-</u>	<u>3,959,452</u>	<u>3,758,624</u>
Change in Net Assets	100,889	(500)	100,389	97,499
Net Assets as of the Beginning of the Year	<u>5,726,202</u>	<u>4,323</u>	<u>5,730,525</u>	<u>5,633,026</u>
Net Assets as of the End of the Year	<u>\$ 5,827,091</u>	<u>\$ 3,823</u>	<u>\$ 5,830,914</u>	<u>\$ 5,730,525</u>

See accompanying notes to the financial statements.

**IDCS, Inc.**  
**Statements of Cash Flows**  
**June 30, 2014 and 2013**

	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 100,389	\$ 97,499
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities		
Depreciation	286,043	275,546
(Increase) Decrease in Operating Assets		
Accounts Receivable	(7,551)	(6,870)
Prepaid Expenses	(44,861)	2,485
Increase (Decrease) in Operating Liabilities		
Accounts Payable	18,837	6,883
Accrued Expenses	(20,104)	28,565
	<u>332,753</u>	<u>404,108</u>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property and Equipment	(134,868)	(16,289)
	<u>(134,868)</u>	<u>(16,289)</u>
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on Mortgage Payable	(123,673)	(118,002)
	<u>(123,673)</u>	<u>(118,002)</u>
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>		
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	74,212	269,817
<b>BEGINNING CASH AND CASH EQUIVALENTS</b>	<u>1,383,811</u>	<u>1,113,994</u>
<b>ENDING CASH AND CASH EQUIVALENTS</b>	<u>\$ 1,458,023</u>	<u>\$ 1,383,811</u>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash Paid for Interest	<u>\$ 45,931</u>	<u>\$ 51,602</u>

See accompanying notes to the financial statements.

**IDCS, Inc.**  
**Statements of Functional Expenses**  
**For the Year Ended June 30, 2014**  
**With Comparative Totals for Year Ended June 30, 2013**

	2014					2013	
	Salaries	Employee Benefits	Purchased Services	Supplies	Property	Other	Total
Instructional	\$ 1,415,961	\$ 351,336	\$ 16,921	\$ 52,272	\$ 1,091	-	\$ 1,837,581
Support Services	307,820	78,320	40,143	6,678	-	2,885	422,909
Operation and Maintenance of Plant	121,892	21,820	117,093	82,249	379	-	343,433
Administration and Fiscal Management	394,592	197,982	93,653	11,788	-	7,129	705,144
Improvements of Instructional Services	63,461	29,539	15,191	6,938	-	-	115,129
Depreciation Expense	-	-	-	-	-	286,043	286,043
Debt Service	-	-	-	-	-	45,931	45,931
Food Services	51,362	12,001	-	83,049	-	856	147,268
Facilities Acquisition/Construction	-	-	1,011	-	-	-	1,011
Community Services Program	32,292	2,576	-	261	-	-	35,129
Student Transportation Services	-	-	6,937	-	-	-	6,937
<b>Total</b>	<b>\$ 2,387,380</b>	<b>\$ 693,574</b>	<b>\$ 290,949</b>	<b>\$ 243,235</b>	<b>\$ 1,470</b>	<b>\$ 342,844</b>	<b>\$ 3,959,452</b>
							<b>\$ 3,758,624</b>

See accompanying notes to the financial statements.

**IDCS, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2014 and 2013**

Note A – Nature of Activities and Significant Accounting Policies

Nature of Activities

IDCS, Inc. (the Organization) was established on March 12, 1997 as a charter school whose purpose is to provide a flexible atmosphere, which allows for individual differences of the students. Parents, students and instructors work together to establish a program appropriate for each student. The School includes grades pre-k to 8 and is unique through individualized instruction, community building, and service learning. The charter requires at least 85% of the students to be from Norwich, CT.

IDCS, Inc. was approved by the State Board of Education as a State Charter School pursuant to Connecticut General Statutes Section 10-66. The Charter has been renewed until June 30, 2017. The State of Connecticut provided \$3,465,000 or 85% of the Organization's funding. The State of Connecticut limits the maximum number of students enrolled. The Organization is allowed to keep a maximum of 10% of state funds received which are unexpended at the end of the fiscal year, which must be spent in the next fiscal year. In addition, if there are unexpended state funds at the end of the fiscal year, the Organization may create a reserve fund to finance a specific capital or equipment project using no more than 5 percent of state funding which is unexpended. This is calculated on a different basis of accounting which does not capitalize expenditures and allows for encumbrances payable to be expensed.

Financial Statement Presentation

The net assets of the Organization have been broken down into three different classifications as follows:

Unrestricted net assets – consist of unrestricted amounts that are available for use in carrying out the mission of the Organization. The Board of Directors may designate a portion of the net assets for a specific future use. This is shown as unrestricted, designated net assets on the Statements of Financial Position.

Temporarily restricted net assets – consist of those amounts that are donor restricted for a specific purpose. When a donor restriction expires, either by the passage of a stipulated time restriction or by the accomplishment of a specific purpose restriction, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities as net assets released from restrictions. The Organization has elected, however, to show those restricted contributions whose restrictions are met in the same reporting period as they are received as unrestricted support. Temporarily restricted net assets were \$3,823 and \$4,323 at June 30, 2014 and 2013, respectively.

Permanently restricted net assets – result from contributions from donors who place restrictions on the use of donated funds mandating that the original principal remain invested in perpetuity. At year-end, the Organization had no permanently restricted net assets.

**IDCS, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2014 and 2013**

Note A – Nature of Activities and Significant Accounting Policies (Continued)

Cash and Cash Equivalents

For the purposes of the Statements of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation. The cost of furniture and equipment is depreciated on the straight-line basis of 3 – 35 years. Total depreciation expense was \$286,043 and \$275,546 for the years ended June 30, 2014 and 2013, respectively.

It is the Organization's policy to capitalize all tangible property over \$1,000. Purchased property, plant and equipment is recorded at cost. The costs associated with normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized over the remaining useful lives of the related fixed assets. Donations of property and equipment with a fair value in excess of \$1,000 are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Prior Year Information

The Statements of Activities and Statements of Functional Expenses include certain prior year summarized comparative information in total, but not by function. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2013 from which the summarized information was derived.

**IDCS, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2014 and 2013**

Note A – Nature of Activities and Significant Accounting Policies (Continued)

Functional Expenses

The expenses incurred to provide the various programs and activities of the Organization have been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management's estimates.

Donated and Reimbursed Services

The Organization records donated services when they increase the basis of a fixed asset or when the services are performed by an individual, acting in his or her professional capacity, and these services would normally need to be contracted and paid for.

The local communities are required by the State Board of Education to provide certain services to the students from their district attending IDCS, Inc. During the years ended June 30, 2014 and 2013 these services amounted to \$228,652 and \$230,998, respectively, and are shown as revenue in the Statements of Activities.

In addition, many individuals volunteer significant time and talents to perform a variety of tasks that assist the Organization, but these do not meet the criteria for recognition as donated services.

Income Taxes

The Organization is exempt from income taxes as a charitable organization under Section 501(c)(3) of the Internal Revenue Code and is not classified as a private foundation.

During 2010, the Organization was required to adopt certain provisions of FASB ASC 740, "Income Taxes" which provide a new framework for how companies should recognize, measure, present and disclose uncertain tax positions in their financial statements. With these changes, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement.

The Organization does not have any uncertain tax positions as of June 30, 2014. As of June 30, 2014, the Organization did not record any penalties or interest associated with uncertain tax positions. Therefore, the certain provisions of FASB ASC 740, which were adopted during 2010, had no impact on the Organization's financial statements. The Organization files IRS Form 990 annually with the Federal Government and is still open to examination by taxing authorities for the past three years.



**IDCS, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2014 and 2013**

Note A – Nature of Activities and Significant Accounting Policies (Continued)

Fair Value Measurement

The Organization has adopted the fair value provisions of FASB ASC 820. Under these provisions, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. These provisions establish a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs to be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable, that is, inputs that reflect the Organization's own assumptions.

Note B – Property and Equipment

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. Property and Equipment consisted of the following at June 30:

	<u>2014</u>	<u>2013</u>
Land	\$ 192,966	\$ 192,966
Buildings & Improvements	7,549,321	7,549,321
Equipment and Fixtures	252,838	267,101
Leasehold Improvements	<u>79,889</u>	<u>-</u>
Total Cost	8,075,014	8,009,388
Accumulated Depreciation	<u>(2,702,967)</u>	<u>(2,486,165)</u>
Net Property and Equipment	<u>\$ 5,372,047</u>	<u>\$ 5,523,223</u>

**IDCS, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2014 and 2013**

Note C – Concentration of Credit Risk

In the normal course of business, the Organization has funds on deposit with a bank in excess of the \$250,000 covered by FDIC insurance for the years ended June 30, 2014 and 2013, respectively. The excess amount as of June 30, 2014 and 2013 is \$1,284,733 and \$1,179,828, respectively.

Note D – Accrued Expenses

Accrued Expenses consist of the following as of June 30:

	<u>2014</u>	<u>2013</u>
Accrued Payroll Taxes and Withholdings	\$ 1,477	\$ 1,297
Accrued Vacation Pay	50,817	50,817
Accrued Payroll	112,890	133,175
Total	<u>\$ 165,184</u>	<u>\$ 185,289</u>

Note E – Contingencies

The Organization receives a significant portion of its support from various funding sources. Expenditure of these funds requires compliance with terms and conditions specified in the related contracts and agreements. These expenditures are subject to audit by the contracting agencies. Any disallowed expenditures would become a liability of the agency requiring repayment to the funding sources. Liabilities resulting from these audits, if any, will be recorded in the period in which the liability is ascertained.

Note F – Mortgages Payable

Aggregate annual maturities under mortgages payable as of June 30, 2014 are as follows:

2015	\$ 129,115
2016	135,328
2017	141,844
2018	149,128
2019	155,846
Thereafter	201,568
Total	<u>\$ 912,829</u>

**IDCS, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2014 and 2013**

Note F – Mortgages Payable (Continued)

Mortgages payable consisted of the following at June 30:

	2014	2013
Mortgage Loans		
Mortgage payable was financed with an original amount of \$1,746,731. Monthly principal and interest payments of \$12,024 are based on a fixed annual percentage rate of 4.49% and a term of 210 months. It has a first mortgage lien on the building that houses the School. It may be prepaid in whole, but not in part and is subject to prepayment penalties.	\$ 794,486	\$ 900,134
The School purchased a building, land and parking lot at 331 Laurel Hill Avenue and 385 Laurel Hill Avenue with a mortgage financed with an original amount of \$250,000. Monthly payments of \$2,109.65 are based on a fixed annual percentage rate of 6.00%, and a term of 180 months. It may be prepaid in whole or in part without prepayment penalties after January 15, 2015.	118,343	136,368
Total	912,829	1,036,502
Less Current Portion	(129,115)	(123,190)
Long Term Portion of Mortgages Payable	\$ 783,714	\$ 913,312

Note G – Operating Leases

The Organization has an operating lease for office equipment. The office equipment lease is a long-term lease, whose term ends in 2016. Lease expense for the years June 30, 2014 and 2013 were \$15,404 and \$14,976, respectively.

**IDCS, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2014 and 2013**

Note G – Operating Leases (Continued)

The future minimum rental payments as of June 30 on non-cancellable long-term operating leases are expected to be as follows:

2015	\$ 14,517
2016	14,517
2017	<u>7,258</u>
Total	<u>\$ 36,292</u>

Note H – Restrictions on Net Assets

Restrictions on Temporarily Restricted Net Assets are summarized as follows:

IDCS Foundation	\$ 15
Fahringer Foundation	3,558
Arts in Residence	<u>250</u>
Total Temporarily Restricted Net Assets	<u>\$ 3,823</u>

There are no permanent restrictions on net assets. The Board of Directors has designated certain unrestricted net assets as follows:

Capital Projects	\$ 52,129
IDEA Designated Funds	18,208
Science & Technology	10,439
Arts	3,297
Lillian Iamele Memorial Designated Funds	438
Other Designated Funds	<u>1,725</u>
Designated Unrestricted Net Assets by Board of Directors	<u>\$ 86,236</u>

**IDCS, Inc.**  
**Notes to the Financial Statements**  
**June 30, 2014 and 2013**

Note I – Teachers’ Retirement System

Teachers and certain other personnel are eligible to participate in the State of Connecticut Teachers’ Retirement System, a cost sharing multiple employer public employees retirement system described in the Connecticut General Statutes, Chapter 167a. The system has been established to provide retirement and other benefits for teachers, their survivors and beneficiaries. These certified personnel are covered under a union contract.

A member, who has reached the age of sixty and has accumulated ten years of credited service in the public schools of Connecticut, is eligible to receive a normal retirement benefit. The normal retirement benefit is 2% times the number of years of credited service multiplied by their average annual salary. In no event will such benefit exceed 75% of the average annual salary, or be less than \$3,600. Benefits are fully vested after ten years of service.

The funding of the system is provided by required member contributions (7.25% of their annual salary) and by amounts appropriated by the State of Connecticut General Assembly. For the year ended, June 30, 2014 the State contributed \$116,393 into the pension plan which has not been recorded as a contribution in these financial statements. The organization’s total payroll including all employees for the fiscal year ending June 30, 2014 was \$2,387,382 of which \$1,605,759 was covered under this pension plan.

Note J – Subsequent Events

The organization has evaluated subsequent events through December 18, 2014 and the financial statements were available to be issued on December 18, 2014.

**IDCS, Inc.**  
**Schedule of Expenditures of State Financial Assistance**  
**For the Year Ended June 30, 2014**

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<u>State Grantor Pass-Through</u> <u>Grantor Program Title</u>	<u>State Grant Program</u> <u>Core - CT Number</u>	<u>Expenditures</u>
Department of Education:		
Charter Schools	11000-SDE64000-17041-84179	\$ 3,465,000
State School Breakfast	11000-SDE64000-17046	3,022
Child Nutrition State Matching Grant	11000-SDE64000-16211	1,101
Total State Financial Assistance		<u>\$ 3,469,123</u>

See accompanying notes to schedule of expenditures of state financial assistance.

**IDCS, Inc.**  
**Notes to Schedule of Expenditures of State Financial Assistance**  
**For the Year Ended June 30, 2014**

The accompanying schedule of expenditures of state financial assistance includes state grant activity of IDCS, Inc. under programs of the State of Connecticut for the fiscal year ended June 30, 2014. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of IDCS, Inc. conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations.

The information in the Schedule of Expenditures of State Financial Assistance is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

**Basis of Accounting**

The expenditures reported on the Schedule of Expenditures of State Financial Assistance are reported on the basis of accounting principles generally accepted in the United States of America. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule of Expenditures of State Financial Assistance.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of  
IDCS, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of IDCS, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 18, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered IDCS, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of IDCS, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of IDCS, Inc.'s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

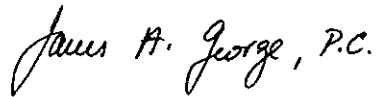
**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether IDCS, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "James A. George, P.C.".

JAMES A. GEORGE, P.C.  
Wakefield, Massachusetts  
December 18, 2014

**REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM; REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE  
OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE  
STATE SINGLE AUDIT ACT**

To the Board of Directors of  
IDCS, Inc.:

**Report on Compliance for Each Major State Program**

We have audited IDCS, Inc.'s compliance with the types of compliance requirements described in the Office of Policy and Management's Compliance Supplement that could have a direct and material effect on each of IDCS, Inc.'s major state programs for the year ended June 30, 2014. IDCS, Inc.'s major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of IDCS, Inc.'s major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about IDCS, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of IDCS, Inc.'s compliance.

**Opinion on Each Major State Program**

In our opinion, IDCS, Inc., complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2014.

## **Report on Internal Control Over Compliance**

Management of IDCS, Inc., is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered IDCS, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of IDCS, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act**

We have audited the financial statements of IDCS, Inc., as of and for the year ended June 30, 2014 and have issued our report thereon dated December 18, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the financial statements as a whole.

*James A. George, P.C.*

JAMES A. GEORGE, P.C.  
Wakefield, Massachusetts  
December 18, 2014

**IDCS, Inc.**  
**Schedule of Findings and Questioned Costs - State Financial Assistance**  
**For the Year Ended**  
**June 30, 2014**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

State Financial Assistance

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act?	No

Identification of Major program:

<u>State Grantor and Program</u>	<u>State Core - CT Number</u>	<u>Expenditures</u>
State Department of Education - Charter Schools	11000-SDE64000-17041-84179	\$3,465,000
Dollar threshold used to distinguish between type A and type B programs		\$200,000

Section II - Financial Statement Findings

None noted.

Section III - State Financial Assistance Findings and Questioned Costs

None noted.