

APPENDIX A: 2014-15 CHARTER SCHOOL ANNUAL REPORT

PART 1: SCHOOL INFORMATION AND EXECUTIVE SUMMARY	
Name of Charter School:	Year School Opened:
Park City Prep Charter School	2006
Street Address:	City/Zip Code:
1550 State Street	Bridgeport, CT 06605
School Director:	School Director Contact Information:
Bruce Ravage	bravage@parkcityprep.org /203-953-3766
Grades Authorized to Serve in 2014-15:	Charter Term:
5-8	2014-2019
<p>1. Executive Summary: 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 on the school’s unique model and student population.</p>	
<p>2014-2015 was a successful, but challenging year for Park City Prep Charter School. It marked the first year in our nine-year history that we had a 5th grade in addition to grades 6-8. Construction and fit-out of the 5th grade floor of our school building was not completed until one day before classes began! With the addition of another grade, we had to hire four new classroom teachers, a third specials teacher, another part-time special education teacher and school social worker. We experienced turnover among our grade 6 teachers so new teachers were needed there, as well. Because we had to replenish grade 6, which moved up to grade 7, and added a new 5th grade, both in the same year, when we opened doors the end of August, more than 50% of our educational staff and 55% of our student body were new!</p> <p>Well established, and communicated, expectations, routines and a culture of academic and behavioral accountability surely accounted for the fact that, in spite of the large number of inexperienced teachers and new students, this past year went so smoothly.</p> <p>This past school year was also challenging for Park City Prep, as well as for all of the charter schools in Connecticut, as we had to defend ourselves from the many charter school critics, who attempted to curtail our growth and impose constraints on the way in which we operate. Park City Prep was among a group of charter schools in the forefront to confront our adversaries and publicize the excellent work that charters schools have done in Connecticut. Though challenging and time-consuming, our efforts were rewarded. A moratorium to halt the opening of new charters was defeated. Two new charter schools were permitted to open this fall and many new charter school seats were added. Hosting legislative forums, lobbying in Hartford and publicizing our good work in the press not only yielded positive results for the charter schools as a whole, but also brought very favorable publicity for Park City Prep itself.</p> <p>In addition to the success of our on-going academic and extra-curricular programs, we added two new features in 2014-2015 to further our mission as a STEM school. We introduced a new computer science class for all students and established a partnership with Wheelabrator industries, which converts solid waste into energy in an environmentally safe manner. Our students will be working with Wheelabrator to develop their own environmental project, which they will then present at a national symposium in the spring.</p>	

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 mission of Park City Prep is to maximize the academic achievement of each student in preparation for admission to, and success at, selective college preparatory high schools.

As part of a rigorous curriculum that emphasizes mathematics, scientific inquiry and technology, the faculty and staff work to instill in each student the “PREP” values of responsibility, excellence and perseverance, and to imbue students with a vision of a future filled with opportunity and promise.

Goal Statement:	Evidence of Progress toward Goal:
Students will gain admission to, and attend, selective public choice or private high schools.	90% of the graduates in the 2014-2015 school year gained admission to, and will be attending, one of eighteen (18) public choice or private high schools.
Students will model behavior that exemplifies the “PREP” values of responsibility, excellence and perseverance.	Our rate of attendance has been consistently high, with 2014-2015 being the highest in the past three years, at 96.4%. Though slightly higher than the previous year, the rate of suspensions is significantly lower than they had been two years earlier. The percentage of students earning academic honors has steadily increased to a high this past year of 47% of the student body.
Students will be exposed to, and educated about, the opportunities to further their education and prepare for successful futures.	Students applications to a variety of selective high schools demonstrates their understanding that their future depends upon attending schools which will enable them to build upon the foundation laid here at Park City Prep. Through our advisory program students provide feedback that demonstrates an understanding of, and an interest in, careers that will enable them to have successful, productive and rewarding lives in the future.

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: See June 2015 PSIS Report for data	95.6	95.8	96.4	
Chronic absenteeism rate: See June 2015 PSIS Report for data	9.1	4.9	6.3	
Number of in-school suspensions:	71	25	12	
Number of out-of-school suspensions:	52	23	50	
Number of expulsions:	0	0	0	
Percent of students with 1+ suspension/expulsion:	22.6	13.9	14.6	
Cohort graduation rate (if applicable):				N/A
Holding power rate (if applicable):				N/A

Overall School Performance Index CMT (SPI):	74.4	72.9		N/A
Overall host District Performance Index CMT (DPI):	55.5	53.7		N/A

Standardized assessments in reading and math are administered three times per year – September, January and May. The STAR assessments (Renaissance Learning) generate grade equivalents by which we measure the students’ progress.

The following data is a summary of the progress our students made from the beginning of the year (September) to the end of the year (May):

STAR MATH ASSESSMENT DATA

	September 2014		May 2015	
	% At/Above Grade Level	Average Grade Level Equivalent	% At/Above Grade Level	Average Grade Level Equivalent
Grade 5	16.4	3.4	48.1	5.0
Grade 6	36.8	5.0	54.9	6.0
Grade 7	30.4	6.4	60.9	8.7
Grade 8	43.0	6.9	56.0	8.3

School-wide, from September to May...

- the growth in the percent of students attaining grade level performance ranged by grade from 130% (in grade 8) to 293% (in grade 5).
- the improvement in grade level performance of students ranged by grade from one (1.0) year’s growth (in grade 6) to 2.3 year’s growth (in Grade 5).

STAR READING ASSESSMENT DATA

	September 2014		May 2015	
	% At/Above Grade Level	Average Grade Level Equivalent	% At/Above Grade Level	Average Grade Level Equivalent
Grade 5	13.3	3.4	41.6	4.8
Grade 6	37.5	5.4	45.0	5.9
Grade 7	34.0	6.8	56.0	7.7
Grade 8	34.0	6.7	52.0	8.1

School-wide, from September to May...

- the growth in the percent of students attaining grade level performance ranged by grade from 120% (in grade 6) to 313% (in grade 5).
- the improvement in grade level performance of students ranged by grade from 0.5 year’s growth (in grade 6) to 1.4 year’s growth (grade 8).

*Source: CSDE analysis based on district submitted

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.

Our over-arching goal has been, and must remain, to give our students a vision of a successful future and provide them with the wherewithal to access that future. By focusing on the middle school grades, we work with young people at the most vulnerable time in their lives, as they transition from children to young adults. At this formative age, with so many forces potentially influencing them in a negative way, steering them in the right direction and keeping them on college and career path, will increase the likelihood that their futures will be successful.

We begin by consistently communicating high academic and behavioral expectations, holding our students accountable for failure to meet our expectations and by celebrating their successes and rewarding them for their achievements. This groundwork establishes a mindset that primes the students for “going for” every high school opportunity that will further their education and prepare them for colleges and careers that will provide them with successful futures.

The fact that 90% or more of our graduates attend public choice or private high schools, and, based upon feedback from many of the high schools, excel in them, is clear evidence that our “best practices” work.

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. **(See Attachments 5.1a & 5.1b.)**
- (2) Provide the FY 2015 budget comparing submitted budget versus actual figures, with summary explanations of all major variances. **(See Attachments 5.2a & 5.2b.)**
- (3) Provide a FY 2016 board-approved budget, summarizing all assumptions and major variances from FY 2015. **(See Attachment 5.3.)**

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

Total margin (net income / total revenue):	.23
Debt to asset ratio (total liabilities / total assets):	.10
Debt service coverage ratio (net income + depreciation + interest expense) / (principal + interest payments):	N/A
Current asset ratio (current assets / current liabilities):	4.72
Days of unrestricted cash ((total expenditures - depreciation) / 365):	110
Cash flow (change in cash balance):	146,170

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:
John Bryk	Attorney	Chair, 1997-Present	jbryk@ZNCLAW.COM 1000 Lafayette Boulevard, Bridgeport, CT 06601	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Kenneth Flatto	CPA, Former First Selectman, Fairfield, CT	Treasurer, 2013-2015	Kenneth.flatto@gmail.com 3200 Park Avenue Bridgeport, CT 06604	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No*
Christopher Van Etten	Teacher	Member, 2013-Present	cvanetten@parkcityprep.org 1550 Sate St., Bridgeport, CT 06605	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Vasiliki Boudreau	Teacher	Member, 2013-Present	vboudreau@parkcityprep.org 1550 Sate St., Bridgeport, CT 06605	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Rose Richardson	Parent	Member, 2014-Present	Naoall2002@yahoo.com 59 Louisiana Ave., Bridgeport, CT 06610	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Cassandra Edmonds	Parent	Member, 2014-2015	cassedmonds@gmail.com 1059 Pembroke St. Bridgeport, CT 06608	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No*
Warren Blunt	Director, Bridgeport Environmental Health Department	Member, 1997-Present	Warren.blunt@bridgeport.gov 752 East Main St. Bridgeport, CT 06608	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Vincent Galasso	Educator, Former Principal, The Bronx High School of Science	Member, 1997-Present	vgalasso@comcast.net 561 A Oneida Lane Stratford, CT 06614	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

NOTE:

*Cassandra Edmonds has left our school as of June and Ken Flatto resigned this summer. Their places have not yet been filled for the new school year. We currently are planning to fill vacancies that will occur by Warren Blunt and Vincent Galasso, who will be leaving, as well, both of whom have served for nine years.

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:
2.4 Organizational Capacity	Bureau of Educator Standards and Certification sent a letter to the district on June 19, 2015 regarding Teacher Certification Compliance Report issues.	All teachers, counselors and administrators hired for the 2015-2016 school year are fully certified in the areas in which they are to serve.

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.

Our 2014 annual audit revealed no deficiencies and that our finances were in full compliance with standard financial practices.

Park City Prep Charter School has maintained a healthy financial status since the school's inception in 2006. A generally recognized indicator of financial health is the school's net assets. As of June 30, 2014, the net assets were \$1,217,265.

Of this amount, \$909,822 was restricted. In addition another \$250,000 was restricted by the Board of Directors for future expansion of the school and associated costs. Restricted assets are reserved for general fixed assets.

\$57,443 was unrestricted and available to be used to meet the school's ongoing expenses, programs, and activities.

As of June 30, 2013, net assets were \$1,221,477, of which \$700,000 was restricted by the Board of Directors and \$29,419 was unrestricted.

The net assets have remained comparable each year even as significant expenditures were made for the relocation of the school, computer purchases, furniture and fixtures for the new school, textbooks, and teacher professional development.

The school's financial statements reflect a strong financial history because of well-managed finances and sound business practices.

The compliance reports issued under the State of Connecticut Single Audit Act noted no material weaknesses or significant deficiencies in Park City Prep's internal control over financial reporting. There were no reportable instances of noncompliance with regard to the financial statements or major programs.

PART 4: STUDENT POPULATION

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

Grades Served:	5-8	Student Enrollment:	360											
% Free/Reduced-Price Lunch:	69%	% Black:	52%											
% Special Education:	7%	% Hispanic:	42%											
% Limited English Proficiency:	1%	% Caucasian:	6%											
2014-15 Enrollment by Grade Level:														
PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
0	0	0	0	0	0	93	91	96	82	0	0	0	0	362

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.

We make every effort “to attract, enroll, and retain a diverse and representative student population, including minority students, low-income students, English learners, and students with disabilities.”

- We do direct mailings to all families of grade eligible students who attend Bridgeport public schools, in both English and Spanish.
- We publicize and host at least six (6) recruitment, informational meetings for the public.
- We send mailings to the principal, school counselor and parent organization president of every public school in Bridgeport.
- We distribute flyers/brochures to local businesses willing to permit customers to pick them up.
- 93% of our student body is minority.
- 69% of our families qualify for free- or reduced-price meals.
- Our special education student population ranges from 7% to 10% from year to year.
- Very few ELL students attend our school. The vast majority of our students have attended local or regional schools since Kindergarten or 1st grade; therefore, by the time they are in grade 5 or grade 6, if they had been ELL in earlier grades, they should have been exited long before coming to our school.

We are not able to attract many applicants from other communities for a number of reasons, not the least of which is that our students are only entitled to bus transportation if they reside in Bridgeport. That alone is a game changer.

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:
40	10	25	149

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.

In terms of recruitment processes, we do the following:

- We do direct mailings to all families of grade eligible students who attend Bridgeport public schools, in both English and Spanish.
- We publicize and host at least six (6) recruitment, informational meetings for the public.
- We send mailings to the principal, school counselor and parent organization president of every public school in Bridgeport.
- We distribute flyers/brochures to local businesses willing to permit customers to pick them up.

We receive far more applications than we have seats to fill. In 2014-2015, we received 223 applications to fill approximately 90 seats in next year's grade 5 class. It is clear that the public is both aware of the opportunity and interested, as well.

We are not certain why there was such a surge of applicants for the next year's class. Perhaps, with so much controversy surrounding the opening of the two new charters in Bridgeport in the past two years, all the charter schools may have benefitted from the publicity. Also, it is possible that continued dissatisfaction with the traditional public schools has fueled the public's interest in alternative educational settings, such as charters. Additionally, as we have more than doubled in size since we started in 1997, "word of mouth" has played a larger role, as well as the fact that more and more siblings are enrolling.

As we accept applications from all who are interested, have no admission criteria, and our students come from every neighborhood in Bridgeport, we always have an academically and economically diverse student population.



APPENDIX B: STATEMENT OF ASSURANCES

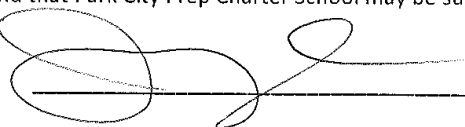
It is imperative that charter schools – as with all other public schools – adopt and uphold the highest ethical and legal standards while delivering excellent academic opportunities for students and their families.

As the authorized representative of Park City Prep 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 Park City Prep Charter School and available for random audit by the Connecticut State Department of Education (CSDE).
5. Park City Prep 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 Park City Prep Charter School serves on the board of another charter school or CMO.
7. All public funds received by Park City Prep 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 Park City Prep 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. Park City Prep 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 Park City Prep 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 Park City Prep Charter School may be subject to random audit by the CSDE to verify these statements.

Signature:



Name of Board Chairperson:

John Bryk

Date:

9/30/15

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							N/A	93	78	81					252
2013-14							N/A	98	88	75					261
2014-15							93	91	96	82					362
2015-16							99	95	82	84					360
School Year:	2016-17 Enrollment Request:														
	PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2016-17							92	96	92	80					360
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.															
N/A															
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).															
There are no plans at this time to alter or expand the configuration or academic program we have planned for the 2015-2016 school year for the 2016-2017 school year.															

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

State Reporting Requirements

PARK CITY PREP CHARTER SCHOOL, INC.

Year Ended June 30, 2014

PARK CITY PREP CHARTER SCHOOL, INC.

Year Ended June 30, 2014

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**Independent Auditors' 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**

Board of Directors
Park City Prep Charter School, Inc.
Bridgeport, Connecticut

Report on Compliance for Each Major State Program

We have audited Park City Prep Charter School, Inc.'s (the School) 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 the School's major state programs for the year ended June 30, 2014. The School'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 the School'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 the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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



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Opinion on Each Major State Program

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

Report on Internal Control over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School'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 the School's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 the School, as of and for the year ended June 30, 2014 and have issued our report thereon dated December 11, 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.

Dwight, Hillman, LaMonte & Lidtkezyala, P.C.

December 11, 2014
Shelton, Connecticut

PARK CITY PREP CHARTER SCHOOL, INC.

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

Year Ended June 30, 2014

<u>State Grantor/Pass-Through Grantor/Program Title</u>	<u>State Grant Program Core-CT Number</u>	<u>Expenditures</u>
Department of Education		
Charter Schools	11000-SDE64000-17041-84179	\$2,730,000
High Quality Schools and Common Core Implementation	12052-43538-82166	98,756
Children Nutrition State Match	11000-SDE64000-16211	<u>1,427</u>
		<u>\$2,830,183</u>

See note to schedule.

PARK CITY PREP CHARTER SCHOOL, INC.

NOTE TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

Year Ended June 30, 2014

The accompanying schedule of expenditures of state financial assistance includes state grant activity of the Park City Prep Charter School, Inc. (the School) 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. These financial assistance programs fund several programs including Education and Training Services, Health Services, Child Nutrition Services, and other school related services.

1. Summary of significant accounting policies:

The accounting policies of the School conform to accounting principles generally accepted in the United States of America as applicable to government agencies.

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 financial statements contained in the School's annual report are prepared in accordance with the principles of fund accounting. The following is a summary of such basis:

- Revenues are recognized when they become measurable and available
- Expenditures are recognized when they are incurred

The expenditures reported on the Schedule of Expenditures of State Financial Assistance are reported on the accounting principles generally accepted in the United States of America as applicable to government agencies. 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.

PARK CITY PREP CHARTER SCHOOL, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2014

I. Summary of auditors' results:

Financial Statements

Type of auditors' opinion issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes no
- Significant deficiency(ies) identified? Yes none reported
- Noncompliance material to financial statements noted? Yes no

State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? Yes no
- Significant deficiency(ies) identified? Yes none reported

Type of auditors' opinion issued on compliance for major programs: Unmodified

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?

Yes no

The following schedule reflects the major programs included in the audit:

<u>State Grantor and Program</u>	<u>State Core – CT Number</u>	<u>Expenditures</u>
Department of Education		
Charter Schools	11000-SDE64000-16119	\$2,730,000

- Dollar threshold used to distinguish between type A and type B programs: \$200,000

II. Financial statement findings:

- We issued reports, dated December 11, 2014, 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*.
- Our report on compliance indicated no reportable instances of noncompliance.
- Our report on internal control over financial reporting indicated no significant deficiencies.

PARK CITY PREP CHARTER SCHOOL, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued):

Year Ended June 30, 2014

III. State financial assistance findings and questioned costs:

- No findings or questioned costs are reported relating to State financial assistance programs.



DWORKEN, HILLMAN, LAMORTE & STERCZALA, P.C.
Certified Public Accountants / Business Consultants

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**Independent Auditors' Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance
with *Government Auditing Standards***

Board of Directors
Park City Prep Charter School, Inc.
Bridgeport, Connecticut

We have audited, 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 the financial statements of the Park City Prep Charter School, Inc. (the School), which comprise the combined balance sheet as of June 30, 2014 and the related combined statements of revenues, expenditures and change in fund balances, and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated December 11, 2014.

Internal Control over Financial Reporting

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



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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School'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 result of that testing, and not to provide an opinion on the effectiveness of the School'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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

December 11, 2014
Shelton, Connecticut

Dunlap, Hillman, LaMonte & Wisczala, P.C.

Financial Statements

PARK CITY PREP CHARTER SCHOOL, INC.

Years Ended June 30, 2014 and 2013

PARK CITY PREP CHARTER SCHOOL, INC.

Years Ended June 30, 2014 and 2013

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Independent Auditors' Report

Board of Directors
Park City Prep Charter School, Inc.
Bridgeport, Connecticut

Report on the Financial Statements

We have audited the accompanying combined financial statements of Park City Prep Charter School, Inc. (the School), which comprise the combined balance sheet as of June 30, 2014, and the related combined statements of revenues, expenditures and change in fund balances, 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 combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with auditing standards general 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 combined financial statements are free from material misstatements.

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

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



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Opinion

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

Other Matters

We have previously audited the School's 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 19, 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2014 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 the School's internal control over financial reporting and compliance.

December 11, 2014
Shelton, Connecticut

Dwanlan, Hillman, LaMonte & Witzgala, P.C.

PARK CITY PREP CHARTER SCHOOL, INC.

COMBINED BALANCE SHEETS

	June 30,			2013
	2014		Total (Memorandum only)	
	Governmental fund type	Account Group		
	General	General fixed assets		
Assets				
Current assets:				
Cash and cash equivalents	\$ 983,915		\$ 983,915	\$1,100,292
Accounts receivable	32,892		32,892	26,885
Total current assets	<u>1,016,807</u>		<u>1,016,807</u>	<u>1,127,177</u>
Fixed assets:				
Furniture and fixtures		\$294,362	294,362	119,251
Computers		531,902	531,902	408,954
Leasehold improvements		596,891	596,891	344,305
		<u>1,423,155</u>	<u>1,423,155</u>	872,510
Accumulated depreciation		(513,333)	(513,333)	(380,452)
Total fixed assets		<u>909,822</u>	<u>909,822</u>	<u>492,058</u>
Other assets	132,209		132,209	149,209
Total Assets	<u>\$1,149,016</u>	<u>\$ 909,822</u>	<u>\$2,058,838</u>	<u>\$1,768,444</u>
Liabilities and Fund Balance				
Current liabilities:				
Accounts payable and accrued expenses	\$ 173,982		\$ 173,982	\$ 186,780
Total current liabilities	<u>173,982</u>		<u>173,982</u>	<u>186,780</u>
Note payable, bank	667,591		667,591	360,187
Total Liabilities	<u>841,573</u>		<u>841,573</u>	<u>546,967</u>
Commitments				
Fund balance:				
Investment in general fixed assets		\$ 909,822	909,822	492,058
Fund balance:				
Board designated	250,000		250,000	700,000
Unrestricted	57,443		57,443	29,419
Total fund balance	<u>307,443</u>	<u>909,822</u>	<u>1,217,265</u>	<u>1,221,477</u>
Total Liabilities and Fund Balance	<u>\$1,149,016</u>	<u>\$ 909,822</u>	<u>\$2,058,838</u>	<u>\$1,768,444</u>

See notes to financial statements.

PARK CITY PREP CHARTER SCHOOL, INC.

COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCES

	Year Ended June 30,		
	2014		2013
	Governmental fund type	Total (Memorandum only)	Summarized Total (Memorandum only)
	General		
Revenues:			
Local sources:			
Private donations and other funding	\$ 65,287	\$ 65,287	\$ 66,433
Program fees and other	8,188	8,188	9,718
Investment income	7,566	7,566	5,113
	81,041	81,041	81,264
State sources, unrestricted	2,899,076	2,899,076	2,630,631
Federal sources, unrestricted	82,908	82,908	82,585
Total revenues	3,063,025	3,063,025	2,794,480
Expenditures:			
Instruction services:			
Classroom	911,593	911,593	862,668
Other instructional programs	101,222	101,222	91,489
	1,012,815	1,012,815	954,157
Support services:			
Student	235,844	235,844	246,033
Instructional staff	55,691	55,691	82,277
Business	206,074	206,074	192,351
School administration	486,099	486,099	431,660
Central	273,627	273,627	251,411
Operation and maintenance of plant	708,012	708,012	517,030
Other	71,202	71,202	61,535
Interest expense	17,873	17,873	915
Loss on fixed asset disposal			108,012
	2,054,422	2,054,422	1,891,224
Total expenditures	3,067,237	3,067,237	2,845,381
Deficiency of revenues over expenditures	(4,212)	(4,212)	(50,901)
Other financing sources (uses):			
Operating transfers in	132,881	132,881	197,236
Operating transfers out	(550,645)	(550,645)	(392,137)
Deficiency of revenues and other sources over expenditures and other uses	(421,976)	(421,976)	(245,802)
Fund balance, beginning	729,419	729,419	975,221
Fund balance, ending	\$ 307,443	\$ 307,443	\$ 729,419

See notes to financial statements.

PARK CITY PREP CHARTER SCHOOL INC.
COMBINED STATEMENTS OF CASH FLOWS

	Year Ended June 30,	
	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Deficiency of revenues and other sources over expenditures and other uses	(\$ 421,976)	(\$ 245,802)
Adjustments to reconcile deficiency of revenues and other sources over expenditures and other uses to net cash provided by operating activities:		
Depreciation	132,881	89,224
Loss on fixed asset disposal		108,012
Operating transfers in	(132,881)	(197,236)
Operating transfers out	550,645	392,137
Changes in operating assets and liabilities:		
Accounts receivable	(6,007)	18,832
Other assets	17,000	(90,692)
Accounts payable and accrued expenses	(12,798)	(70,574)
Net cash provided by operating activities	<u>126,864</u>	<u>3,901</u>
Cash flows from investing activities:		
Purchase of fixed assets	(550,645)	(392,137)
Net cash used in investing activities	<u>(550,645)</u>	<u>(392,137)</u>
Cash flows from financing activities:		
Proceeds from note payable, bank	<u>307,404</u>	360,187
Net cash provided by financing activities	<u>307,404</u>	<u>360,187</u>
Net change in cash and cash equivalents	(116,377)	(28,049)
Cash and cash equivalents, beginning	<u>1,100,292</u>	<u>1,128,341</u>
Cash and cash equivalents, ending	<u>\$ 983,915</u>	<u>\$1,100,292</u>

See notes to financial statements.

PARK CITY PREP CHARTER SCHOOL, INC.

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2014 and 2013

1. **Description of the School and summary of significant accounting policies:**

Description of the School:

Park City Prep Charter School, Inc. (the School) commenced operations in 2006 and is recognized by the State of Connecticut as a charter school under Public Act No. 96-214, as amended by Sections 56 and 57 of Public Act 96-244. The School was created to promote academic excellence, foster interest and competence in math, science and technology and improve the level of achievement of middle school students from communities historically under-represented in these areas.

The Board of Education of the State of Connecticut has granted the School's charter through June 2019.

Fund accounting:

To ensure observance of limitations and restrictions placed on the use of resources available to the School, the accounts of the School are presented in accordance with the principles of fund accounting. Under this method, revenues are recognized when they become both measurable and available and expenditures are recognized at the point at which they are incurred.

The assets, liabilities and fund balances of the School are reported as follows:

- General fund, which is used to account for the programs and activities of the School.
- General fixed asset account group, which provide records of the general fixed assets of the School.

Cash and cash equivalents:

All short-term securities and investments with an original maturity of three months or less are considered to be cash equivalents.

From time to time, the School has cash in the bank in excess of federal deposit insurance limits. The School has not experienced any losses to date and believes it is not exposed to any significant credit risk related to cash and cash equivalents.

PARK CITY PREP CHARTER SCHOOL, INC.

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2014 and 2013

1. **Description of the School and summary of significant accounting policies (continued):**

Accounts receivable:

The School continuously monitors the creditworthiness of grantors and establishes an allowance for amounts that may be uncollectible in the future based on current economic trends, historical payment and bad debt write-off experience and any specific grantor related collection issues.

Fixed assets:

Fixed assets are stated at cost. Depreciation is being provided by use of the straight-line method over the estimated useful lives of the related assets

Donated materials and services:

Donated materials are recognized as contributions at their estimated fair market value at the date of receipt.

Income taxes:

The School is a nonprofit, non-stock Connecticut corporation exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code.

The School's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based on ongoing analysis of tax laws, regulations and interpretations, as well as, other factors. Generally, federal and state authorities may examine the School's tax returns for three years from the date of filing. Consequently, income tax returns for years prior to 2011 are no longer subject to examination by taxing authorities.

Estimates and assumptions:

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from those estimates used.

PARK CITY PREP CHARTER SCHOOL, INC.

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2014 and 2013

1. **Description of the School and summary of significant accounting policies** (continued):

Prior year results:

The financial statements include certain prior year summarized comparative information in total but not by fund type. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the School's financial statements for the year ended June 30, 2013, from which the summarized information was derived.

Reclassification:

Certain amounts in the prior periods presented have been reclassified to conform to the current period financial statement presentation. These reclassifications have no effect on previously reported deficiency of revenues over expenditures.

2. **Operating transfers:**

Operating transfers represent the allocation of activities between the general fund and the account groups. Operating transfers for the years ended June 30, 2014 and 2013 are summarized as follows:

	<u>General Fund</u>	
	<u>2014</u>	<u>2013</u>
<u>Operating transfers in:</u>		
Depreciation expense	\$132,881	\$ 89,224
Loss on fixed asset disposal		108,012
	<u>\$132,881</u>	<u>\$197,236</u>
<u>Operating transfers out:</u>		
Purchase of fixed assets	<u>(\$550,645)</u>	<u>(\$392,137)</u>

3. **Note payable, bank:**

The School has a \$700,000 revolving line of credit (LOC) with a bank which expires in July 2015. The LOC requires monthly payments of interest only on outstanding advances equal to the bank's prime rate (3.25% at June 30, 2014) with a minimum of 3.00% per annum. The LOC requires compensating cash balance of \$700,000 and grants the bank security interest in substantially all assets of the School.

PARK CITY PREP CHARTER SCHOOL, INC.

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2014 and 2013

4. **Commitments:**

The School leases its facility and various office equipment under noncancellable operating leases expiring through August 2019.

The leases require monthly rent of approximately \$44,400, of which \$42,600 represents the School's facility rent. In addition to the monthly rental charges, the School is obligated to pay insurance and maintenance charges during the term of the facility lease. The School also has noncancellable equipment leases expiring in October 2018.

Future minimum payments follow:

Year ending June 30:

2015	\$ 506,718
2016	528,584
2017	525,989
2018	521,402
2019	551,216
Thereafter	<u>92,799</u>
	<u>\$2,726,708</u>

Rent expense was \$374,236 and \$280,391 in 2014 and 2013, respectively.

In June 2014, the School entered into an agreement to lease the fourth floor of its current facility. As part of the lease agreement, the School is obligated to pay the landlord \$340,000 towards the fit up of the fourth floor. As of June 30, 2014, the School incurred and capitalized leasehold improvements of \$100,000.

5. **Fund equity:**

The School's Board of Directors has designated \$250,000 of unrestricted fund equity for the future expansion of the School facilities and related costs.

6. **Major contributors:**

The School received approximately 95% and 94% of its support from one granting agency in 2014 and 2013, respectively.

PARK CITY PREP CHARTER SCHOOL, INC.

NOTES TO FINANCIAL STATEMENTS

Years Ended June 30, 2014 and 2013

7. Subsequent events:

Management has evaluated subsequent events through December 11, 2014, the date which the financial statements were available for issue.

	Actual	Budget
	Jul '14 - Jun '15	July '14 - Jun '15
Ordinary Income/Expense		
Income		
4010 · CT Per Pupil Allocation	3,916,000	3,916,000
4021 · Title I	93,594	93,594
4022 · Title II - A	2,162	2,162
4028 · Debt Repayment/Expansion Grant	850,000	850,000
4040 · Special Services Educator	108,195	80,836
4050 · Lunch Program		
4050-1 · Lunch program - State Reimburse	96,582	58,355
4050-2 · Lunch program - Students	3,614	2,574
4050-3 · Lunch program - State Match	3,595	955
Total 4050 · Lunch Program	103,791	61,884
4070 · Fundraisers		
4070 - 4 Fundraisers	11,421	10,000
Total 4070 · Fundraisers	11,421	10,000
4080 · Other School Revenue		
4080-1 School Photos	-	-
4080-2 Yearbook Sales	-	-
4080-3 School Store	-	-
4080-4 Uniform Sales	-	-
4080-5 School Dances & Functions		
4080-6 Student Planners	6	
Total 4080 · Other School Revenue	6	-
4100 · Donations	5,000	6,000
Total Income	5,090,170	5,020,476
Expense		
4000 · Reconciliation Discrepancies	-	
6000 · Salaries		
6001 · Directors	286,162	283,800
6002 · Teachers	1,114,253	1,082,561
6003 · Student Services	101,256	130,307
6004 · Nurse	32,994	29,345
6005 · Administration	213,099	213,622
6006 · Instructional Assistants	98,978	100,000
6007 · Custodian	41,426	42,848
Total 6000 · Salaries	1,888,168	1,882,483
6060 · Substitute Teacher	200	-
6063 · Special Services Education	96,604	76,771
6065 · Bonuses/Stipends Teachers	54,826	58,000
6067 · Summer Hours - Curr Development	-	-
6068 · Complementary Evaluator Service	21,600	8,000

	Actual	Budget
	Jul '14 - Jun '15	July '14 - Jun '15
6200 · Fringe Benefits		
6201 · Health Insurance	163,834	166,667
6202 · Health Insurance buy-out	25,416	15,000
6203 · Dental Plan	6,148	14,583
6204 · Life Insurance	3,516	3,333
6210 · Fica & Medicare Tax	88,417	55,000
6211 · SUI Tax	33,182	36,365
6213 · 403B	-	2,600
Total 6200 · Fringe Benefits	320,513	293,548
6301 · Classroom Consumable Supplies		
6301-A · Classroom Supplies	816	2,000
6301-B · Science Supplies	28,922	6,000
6301-C · Physical Education Supplies	289	1,000
6301-D · Health/Guidance/Social Supplies	-	2,000
6301-E · Math Classroom Supplies	1,708	1,926
6301-F · Social Studies Supplies	53	-
6301-G · Art Supplies	8,037	6,500
6301-H · Testing Materials / Programs	-	6,000
Total 6301 · Classroom Consumable Supplies	39,825	25,426
6302 · Books - Text & Library	53,426	25,000
6303 · Classroom Equipment	2,505	2,500
6322 - Sports	-	682
6340 - SSAT & CMT	279	-
6341 · Yearbooks	3,832	-
6342 - Graduation	7,585	4,500
School Functions		
6343-A · Science Fair	350	
6343-B · Food / Refreshments	7,384	
6343-C School Dance's	1,091	
6343-D Field Day Event	3,355	
6343-E Drama Club Production	1,750	
6343-G · Student Council	81	
6343-I · Other School Functions	1,105	
Total 6343 · School Functions	15,115	12,000
6345 · Field Trips-Transportation	6,380	10,000
6346 · Field Trips - Locations		
6346-1 · 6 - 6th Grade Trips	9,077	
6346-2 · 7 - 7th Grade Trips	(762)	
6346-3 · 8 - 8th Grade Trips	9,732	
6346 - Field Trips Locations Other	(1,073)	
6346-4 · Reward Trips / Functions	621	
Total 6346 · Field Trips - Locations	17,595	12,000
6347 · Presentations	-	
6350 · Food Service	115,497	73,000

	Actual	Budget
	Jul '14 - Jun '15	July '14 - Jun '15
6401 · Internet Service	1,154	1,620
6402 · Telephone	4,386	3,500
6403 · Personal Property Tax	25	25
6404 · Real Estate Taxes per Lease	-	-
6405 · Cellular	1,534	1,878
6406 Website Design / Maintenance	9,277	3,960
6500 · Miscellaneous	914	1,200
6501 · Bank Service Charge	1,585	1
6502 · Dues & Memberships	5,989	5,000
6503 · Professional Development		
6503-01 · Consultants	47,850	
6503-02 · TEAM - Teacher Training	8,400	
6503-03 · Conferences / Seminars	1,909	
6503 · Professional Development - Other	139	
Total 6503 · Professional Development	58,298	50,000
6504 · Payroll Service	3,454	3,008
6505 · Finance and Late Charges	-	-
6506 · License and Fees	1,185	600
6508 · Travel	1,528	2,000
6550 · Postage	10,048	5,000
6551 · Copier	17,029	15,000
6570 · Business Insurance	43,561	35,000
6590 · Uniforms	18,670	7,570
6601 · Trash Service	4,576	5,000
6602 · Security	7,768	550
6650 · Janitorial Supplies	32,927	21,000
6651 · Office Supplies & Equipment	30,110	20,000
6652 · Nursing Supplies and Equipment	2,224	5,000
6653 · Computer & Peripheral Supplies	27,321	15,000
6660 · Printed Forms and Stationery	3,924	3,000
6670 - Recruiting	12,985	1,000
6680 . Advertising/Signs/Banners	220	3,000
6700 · Rent	485,933	528,200
6701 · Repairs & Maintenance-Building	24,999	39,500
6702 · Repairs & Maintenance-Equipment	2,412	-
6703 · Exterminating Service	1,449	1,200
6705 · Janitorial Service	99,289	60,000
6710 · Electricity	82,199	35,000
6711 - Water Usage / Sewer Charges	3,161	2,000
6801 · Accounting Fees	400	2,300
6802 · Audit & Tax Prep Fees	15,200	18,500
6803 · IT Service Fees	58,491	80,000
6804 · Legal Fees	8,198	6,200
6806 - Policy Audit Services		-
6807 - Architect Fees	7,500	6,800
6808 - Moving Company Expenses	1,495	-

	Actual	Budget
	Jul '14 - Jun '15	July '14 - Jun '15
6840-2 · Fundraisers - 7th grade	-	
6840-3 · Fundraising - 8th grade	-	
6840 · Fundraising - Other	6,905	
Total 6840 · Fundraising	-	-
Total Expense	3,742,270	3,472,522
Net Ordinary Income	1,347,900	1,547,954
Other Income/Expense		
Other Income		
9010 · Interest Income	6,577	7,500
9100 · Other Income	-	-
Total Other Income	6,577	
	6,577	7,500
9012.Other Expense		
9012 Interest Expense	14,186	20,400
Net Other Income	(7,610)	-12,900
Net Income	1,340,290	1,535,054

Park City Prep Charter School, Inc.
Financial Narrative – YTD August 31, 2015

Revenue

Grant Revenue is recognized over a 10 month period because the grant period coincides with the school year which begins in September.

The Per Pupil Allocation payment #1 of 4 was received and deposited on July 17, 2015. Please note at that time we were not officially approved for the 4 additional seats, we have since been officially approved and the Per Pupil was billed accordingly (retroactively to July) for the 4 added seats.

No drawdowns of Federal Entitlements per the ED111 were made as of the date of this report.

Lunch Program Revenue has been invoiced through August 31st. **Special Education Service Revenue** will be invoiced September 30th. It is typical that both are paid two to three months behind.

Fundraising and Other School Revenue will be started in the upcoming months. We are working to increase fundraising this fiscal year and will be closely monitoring opportunities and progress.

Expenses

Salary Expense, Payroll Taxes and Employee Benefits

To date, salary expenses overall are on budget. Timing of payroll as of this report shows a positive variance but overall we will be close to budget.

Temporary summer help was hired to offset workload that was needed over the summer months. This is the final added expense.

Special Services Education costs are offset by the Bridgeport Board of Education reimbursement, Bruce has confirmed salary and benefit amounts to be billed and reimbursed, the expense will tie out over time when payments are received from the BBOE.

Complementary Evaluator Service costs are greater than budgeted due to new Ct State Law requirements and added staff.

Fringe Benefits

Health Insurance costs slightly vary due to continued additions and terminations of coverage based on staff life events. Dental Plan benefits have not been fully utilized by staff at the time of this report. Due to the early nature of this report, SUI tax and the like are in between fiscal year reporting. This amount will vary as the imposed tax is realized over the course of the fiscal year.

Other Expenses

Please note that at the time of this report we are very early into the new fiscal year, many expense have not begun to incur. Any variances will be reported in the future.

Classroom Equipment requests have been minimal.

Park City Prep Charter School, Inc.
Financial Narrative – YTD August 31, 2015

School Functions primarily take place in the last 3 months of the school calendar year, the majority of expense reflected is final payments on 14/15 school end events.

Some expenses are budgeted over 12 months-ex. rent and electricity and some expenses are budgeted over 10 months because of the correspondence with the school year.

Business Insurances are higher because of down payments.

Maintenance & Janitorial Service fees are higher due to increased school space and extra services associated with thorough floor cleaning and maintenance.

IT Fees are higher due to the complex nature of our IT infrastructure and our expansion. The monthly retainer hours have been increased in an effort to offset higher rate billable hours after the retainer is depleted monthly.

IT Fees currently show an unrealistically large expense, this is because CMIT bills on a delayed schedule. Avi has been contacted about invoice timing, he is working on getting invoices to us sooner.

Fundraising expense is offset by the fundraising income.

Balance Sheet

Funding/Grant Receivable is the money received but not allocated this year.

Park City Prep 2015-2016 Budget
with 3 Yr Budget Projection

	YE	Budget	Budget	Projected	
	14/15	14/15	15/16	16/17	Assumptions/Comments/Variance Explanation
Income					
4010 - CT Per Pupil Allocation	3,916,000	3,916,000	3,960,000	3,960,000	360 Students X \$11,000
4021 - Title I	93,594	93,594	93,594	93,594	
4022 - Title II - A	2,162	2,162	2,162	2,162	
4028 - Debt Repmnt/Expansion Grant	850,000				
4040 Special Services Educator	108,195	57,000	101,045	101,045	Required two teacher's; one in prior year's
4050-1 - Lunch program - State Reimburse	96,582	90,000	112,500	112,500	
4050-2 - Lunch program - students	3,614	2,500	3,500	3,500	
4050-3 Lunch Program State Match	3,595	1,700	3,500	3,500	
Total 4050 - Lunch Program	103,791	94,200	119,500	119,500	
4070 School Fundraisers	11,421	10,000	10,000	10,000	
4080-1 - School Photos		-	-	-	Not budgeting
4080-2 Yearbook Sales		-	-	-	Not budgeting
4080-3 - School Store		-	-	-	Not budgeting
4080-4 - Uniform sales		-	-	-	Not budgeting
4080- Other School Revenue	6	-	-	-	Not budgeting
4100 - Donations	5,000	6,000	5,000	5,000	
Total Income	5,090,170	4,178,956	4,291,301	4,291,301	
Expense					
6001 - Directors	286,162	279,645	288,034	296,675	Increase 3% per year
6002 - Teachers	1,114,253	1,091,678	1,124,428	1,158,161	Increase 3% per year
6003 - Student Services	101,256	88,580	91,237	93,975	Increase 3% per year
6004 - Nurse	32,994	26,265	27,053	27,865	Increase 3% per year
6005 - Administration	213,099	213,622	220,031	226,632	Increase 3% per year
6006 Instructional Assistants	98,978	79,825	82,220	84,686	Increase 3% per year - added fourth position
6007 - Janitor/Custodian	41,427	36,050	36,500	37,595	Increase 3% per year
Intervention		-	30,000	30,900	Increase 3% per year
Total Salaries	1,888,169	1,815,665	1,899,503	1,956,489	
6061 - Substitute Teacher	200	-	-	-	Not budgeting
6063 Special Service Educators	96,604	63,860	99,502	102,487	Increase 3% per year - required two teachers
6065 - Bonuses/Stipends Teachers	54,826	48,000	56,470	58,164	Increase 3% per year
6068 - Complimentary Evaluator Svcs	21,600	22,500	23,175	24,334	Increase 3% per year
6201 - Health Insurance	163,834	265,000	291,500	320,650	Increase 10% per year - lower cost but anticipate higher
6202 - Health insurance buy-out	25,416	14,000	26,179	26,964	Increase 3% per year - staff waivers of coverage
6203 - Dental Plan	6,148	10,000	10,300	10,609	Increase 3% per year - underutilized by staff
6204 - Life Insurance	3,516	4,000	4,120	4,244	Increase 3% per year
6210 - Fica & Medicare Tax	88,417	70,000	91,069	93,801	Increase 3% per year
6211 - SUI Tax	33,182	35,000	36,050	37,132	Increase 3% per year
6212 - Worker Comp	-	-	-	-	
6213 403B	-	1,800	1,854	1,910	Increase 3% per year
Total Fringe Benefits	320,513	399,800	461,072	495,309	

	YE	Budget	Budget	Projected	Assumptions/Comments/Variance Explanation
	14/15	14/15	15/16	16/17	
6301-A - Classroom Supplies	816	3,000	3,090	3,183	Increase 3% per year
6301-B - Science supplies	28,922	8,500	15,000	15,450	Increase 3% per year - expansion costs
6301-C - Physical Education Supplies	289	1,250	1,250	1,288	Increase 3% per year
6301-D - Health/Guidance/Social Supplies	-	2,500	2,575	2,652	Increase 3% per year
6301-E - Math Classroom Supplies	1,708	2,500	2,575	2,652	Increase 3% per year
6301-F - Social Studies supplies	53	-	-	-	Increase 3% per year
6301-G - Art Supplies	8,037	7,000	8,278	8,526	Increase 3% per year
6301-H - Testing Materials/Programs	-	1,000	1,030	1,061	Increase 3% per year
Total Classroom Consumable Supplies	39,825	25,750	33,798	34,812	Grade 5 expansion costs
6302 - Books - Text & Library	53,426	67,000	20,000	20,600	Increase 3% per year - non recurring related to expansion
6303 - Classroom Equipment	2,505	62,300	2,580	2,657	Increase 3% per year - fixed asset additions
6322 - Sports	-	-	-	-	Not budgeting
6340 - CMT	279	-	-	-	Increase 3% per year
6341 - Yearbook	3,832	-	-	-	Increase 3% per year
6342 - Graduation	7,585	4,500	4,635	4,774	Increase 3% per year
6343 - Total School Functions	15,065	15,000	15,450	15,914	Increase 3% per year
6345 - Field Trip Transportation	6,380	12,500	10,000	10,300	Increase 3% per year
6346 - Total Field Trip Locations	17,595	50,000	20,000	20,600	Increase 3% per year
6350 - Food Service	115,497	91,250	118,962	122,531	Increase 3% per year - expansion costs offset by reimbursement
6401 - Internet Service	1,154	1,620	1,669	1,719	Increase 3% per year
6402 - Telephone	4,386	7,500	7,725	7,957	Increase 3% per year
6403 - Personal Property Tax	25	25	26	27	Increase 3% per year
6405 - Cellular	1,534	1,800	1,854	1,910	Increase 3% per year
6406 - Website Design/Maintenance	9,277	-	4,500	4,635	Increase 3% per year - added new website
6500 - Miscellaneous	914	-	-	-	Increase 3% per year
6501 - Bank Service Charge	1,585	-	-	-	Increase 3% per year
6502 - Dues & Memberships	5,989	7,120	7,334	7,554	Increase 3% per year
6503 Prof Development/Consultants	58,298	55,000	56,650	58,350	Increase 3% per year
6504 - Payroll Service	3,454	3,008	3,098	3,191	Increase 3% per year
6506 - License and Fees	1,185	-	-	-	Increase 3% per year
6508 - Travel	1,528	2,500	2,575	2,652	Increase 3% per year
6550 - Postage	10,048	5,000	5,150	5,305	Increase 3% per year - expansion costs
6551 - Copier	17,029	18,000	18,540	19,096	Increase 3% per year
6565 - Depreciation	-	-	-	-	
6570 - Business Insurance	43,561	37,000	44,868	46,214	Increase 3% per year - renewal increases
6590 - Uniforms	18,670	15,470	19,230	19,807	Increase 3% per year
6601 - Trash Service	4,576	5,000	5,150	5,305	Increase 3% per year
6602 - Security	7,768	15,500	8,001	8,241	Increase 3% per year - system completed
6650 - Janitorial Supplies	32,927	25,000	33,915	34,932	Increase 3% per year - expansion 4th floor
6651 - Office Supplies & Equipment	30,110	20,000	30,000	30,900	Increase 3% per year - expansion 4th floor
6652 - Nursing Supplies	2,224	600	2,500	2,575	Increase 3% per year
6653 - Computer & Peripheral Supplies	27,321	122,000	60,000	61,800	Increase 3% per year - fixed asset additions
6660 - Printed Forms & Stationery	3,924	3,000	3,090	3,183	Increase 3% per year
6670 - Recruiting	12,985	13,000	13,390	13,792	Increase 3% per year. TFA placement fee
6680 - Advertising/Signs/Banners	220	3,000	3,090	3,183	Increase 3% per year
6700 - Rent	485,933	526,000	541,780	558,033	Increase 3% per year
6701 - Repairs & Maintenance - Bldg	24,999	10,000	25,748	26,521	Increase 3% per year

Park City Prep 2015-2016 Budget
with 3 Yr Budget Projection

	YE	Budget	Budget	Projected	
	14/15	14/15	15/16	16/17	Assumptions/Comments/Variance Explanation
6702 - Repairs & Maintenance - Equip	2,412	34,000	5,000	5,150	Increase 3% per year - fixed asset additions
6703 - Exterminating Service	1,449	1,200	1,236	1,273	Increase 3% per year
6705 - Janitorial Service	99,289	70,000	102,268	105,336	Increase 3% per year - expansion 4th floor
6710 - Electricity/Gas	82,199	48,000	84,665	87,204	Increase 3% per year - realization of costs; prior unknown due to new building
6711 - Water Usage / Sewer Charges	3,161	2,600	2,678	2,758	Increase 3% per year
6801 - Accounting Fees	400	2,300	2,369	2,440	Increase 3% per year
6802 - Audit & Tax Prep Fees	15,200	17,000	17,510	18,035	Increase 3% per year
6803 - IT Service Fees	58,491	104,000	63,600	65,508	Increase 3% per year
6804 - Legal Fees	8,198	6,200	6,386	6,578	Increase 3% per year
6806 - Policy Audit Services	-	-	-	-	
6807 - Architect Fees	7,500	11,000	-	-	Construction / fit out finalized
6808 - Moving Co Expense	1,495	-	-	-	
6840 - Total Fundraising	6,905	6,000	7,112	7,325	Increase 3% per year
		-	-		
Total Expense	3,742,221	3,877,568	3,957,853	4,097,457	
Net Ordinary Income	1,347,949	301,388	333,448	193,844	Debt repayment / expansion grant received
Other Income					
9010 - Interest Income	6,577	7,000	6,500	6,500	
9100 - Other Income					
Total Other Income	6,577	7,000	6,500	6,500	
Other Expense					
9012 - Interest Expense (LOC)	14,186	20,400			LOC paid off w/ grant received
Total Other Expense	14,186	20,400	-	-	
Net Other Income	(7,610)	(13,400)	6,500	6,500	
Net Income	1,340,339	287,988	339,948	200,344	