

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

<b>PART 1: SCHOOL INFORMATION AND EXECUTIVE SUMMARY</b>	
Name of Charter School:	Year School Opened:
Stamford Academy	2004
Street Address:	City/Zip Code:
229 North Street	Stamford, CT 06901
School Director:	School Director Contact Information:
David Williams	<a href="mailto:dwilliams@stamfordacademy.org">dwilliams@stamfordacademy.org</a> /203-324-6300
Grades Authorized to Serve in 2014-15:	Charter Term:
9-12	2015-2018
<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>	

The 2014-15 school year presented interesting challenges for our students, staff and families. From an academic perspective, the switch to SBAC testing, the full conversion to Common Core, and our State mandated renewal process provided the platform for an exciting and challenging school year.

The conversion from CMT to SBAC proved to be a difficult navigation for our students. The challenges of an assessment at grade level for students 5-7 grades behind in literacy and computation resulted in an expected outcome.

Our school has been embarking on the daunting undertaking of matching instruction to students needs, and understanding the need to standard the objectives and the instruction. This evolution is on-going and as such, we have contracted with the ReDesign folks to re-work our delivery. We expect this process to further evolve in 2015-16 and improve the quality and rigor of our instruction.

The State renewed our Charter for an additional 3 years. We are happy to report our renewal indicates the State’s understanding of what we do and the enormity of the task. We promise to continue our work with fidelity and will increase our efforts regarding data reporting and benchmark assessments.

We graduated 35 seniors this past year and 100% of these students were accepted to a post-secondary school. Efforts are on-going to assure these students have made a successful transition.

Our basketball team won the WAC championship for the third consecutive year and our girls’ volleyball and basketball teams had competitive and successful years as well.

Our school participated in the Civic Life Project for the 4<sup>th</sup> consecutive year and our film, entitled “Mistrust” was awarded first prize in the All-American film festival for high school students. The film premiered in April and has been shown throughout the State of Connecticut and is scheduled for a public viewing and discussion on Wednesday, October 5<sup>th</sup>, at the Palace Theatre. The provocative theme highlighting the mistrust between community youth and the police force and has helped improve the relationship between the two groups in our community.

Our staff fervently worked on student engagement and the reduction of behavior incidents this past year. As the metrics will show (detailed later in this report), we showed a significant improvement in attendance and a reduction in the behavior incident on a year to year comparative basis.

In all, we appreciate the confidence the State board has in our school and program and are determined to reduce the numbers of at-risk students.

## 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 Stamford Academy is to re-engage and guide students in acknowledging and developing their educational strengths while acquiring the skills to contribute positively to themselves and their community.

### Goal Statement:

### Evidence of Progress toward Goal:

Increase the percentage of students demonstrating at least one grade level's growth on the STAR reading assessment	20%
Increase the percentage of students demonstrating at least one grade level's growth on the STAR Math assessment	27%
Stamford Academy will reduce the number of chronically absent students	SY15 – 114/130 (used June '15 PSIS collection #) SY14 – 86/108 (used June '14 PSIS collection #) SY13 – 119/123 (used June '13 PSIS collection #)

**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	94.0	83.5	92.8	70
Chronic absenteeism rate: See June 2015 PSIS Report for data	4.0	97.3	80	88
Number of in-school suspensions:	0	8	58	162
Number of out-of-school suspensions:	4	54	41	30
Number of expulsions:	0	0	0	0
Percent of students with 1+ suspension/expulsion:	2.9	26.1	36.1	17
Cohort graduation rate (if applicable):	44.4	27	24.6	N/A
Holding power rate (if applicable):	77.8	83.8	80.7	N/A
Overall School Performance Index CAPT (SPI):	21	34.2		N/A
Overall host District Performance Index CAPT(DPI):	66.7	68.8		N/A

Our school was started to provide an avenue for at-risk students to work towards high school graduation and post-secondary admission. Prior to attending our school students are chronically absent, read on average at the 5<sup>th</sup> grade level and are, for all intent and purposes, disengaged from the educational process. We attempt to reinvigorate that enthusiasm and channel their behavior and experiences towards the positive. That said, we continue to operate as an alternative program and are subject to the vagaries that our program produces.

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



We have recently contracted with the consulting firm ReDesign to overhaul our pedagogical practices. With our partnership with reDesign we aim to improve the quality of instruction across our school and create a superior academic management program to measure and react to student progress, our educational leaders will, in partnership with reDesign, focus on four major efforts:

- designing a performance management system;
- developing instructional leadership capacity;
- strengthening teacher capacity
- Implementing a personalized student success system that supports students in social-emotional development, academic achievement, and college-career readiness.

### 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):	.28%
Debt to asset ratio (total liabilities / total assets):	61%
Debt service coverage ratio (net income + depreciation + interest expense) / (principal + interest payments):	N/A
Current asset ratio (current assets / current liabilities):	2.1
Days of unrestricted cash ((total expenditures - depreciation) / 365):	8,109
Cash flow (change in cash balance):	(81,820)

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:
Noah LaPine	Businessman	Chairman	'NLapine@LapineInc.com'	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Wendy Block	Businesswoman	Member	'wendyblock@me.com'	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Tina Mathias	Businesswoman	Treasurer	mathiast@optonline.net	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Meredith Kennedy	Teacher	Secretary	mkennedy@stamfordacademy.org	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input 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:
2.1 Fiscal Viability	Memorandum of understanding revision and Domus commitment letter.	Presented to Board at September 25, 2015 board meeting. Vote to take place at October Board meeting.
2.3 Government and Management	Bylaw revisions clarifying board member compensation and posting public meetings, agendas and minutes on the school's Web site.	Presented to Board at September 25, 2015 board meeting. Vote to take place at October Board meeting
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.	Presented to Board at September 25, 2015 board meeting. Vote to take place at October Board meeting

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 Board recently completed a comprehensive training program (from an outside provider) with emphasis on governance, nepotism and conflict of interest. Additionally, we have re-written our by-laws, made changes with regard to contractual procedures, obligations and oversight and have strengthened the board by adding additional members. All board members were vetted and a comprehensive background check done on all board members.

## PART 4: STUDENT POPULATION

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

Grades Served:	9-12	Student Enrollment:	142
% Free/Reduced-Price Lunch:	98%	% Black:	58%
% Special Education:	22%	% Hispanic:	36%
% Limited English Proficiency:	0%	% Caucasian:	5%

**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	0	0	0	0	29	46	45	22	<b>142</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.

Stamford Academy has a high population of Special Education students (29/136 or 22%), 98% of our constituents are children of color and most (over 90%) are below the poverty line.

**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:
11	10	0	0

**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.

The leadership team continues to establish our community affiliations, most especially with Stamford public schools, Bridgeport Public Schools, the justice system and other alternative schools. As we get the majority of our students from these places we have maintained great relationships and an open door policy with these constituents.

With regard to enrollment, specifically the school has been traditionally at capacity each year. Given the nature of our constituents and the fact that there is a high degree of transience, we keep a close watch on enrollment and are in constant contact with the district schools.



## 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 Stamford Academy, 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 Stamford Academy and available for random audit by the Connecticut State Department of Education (CSDE).
5. Stamford Academy 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 Stamford Academy serves on the board of another charter school or CMO.
7. All public funds received by Stamford Academy 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 Stamford Academy 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. Stamford Academy 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 Stamford Academy, 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 Stamford Academy may be subject to random audit by the CSDE to verify these statements.

Signature:

Name of Board Chairperson:

Date:



Noah LaPine

September 30, 2015

## 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											43	37	39	23	142
2013-14											29	40	37	38	144
2014-15											32	48	45	25	150
2015-16											29	42	46	33	150
School Year:	2016-17 Enrollment Request:														
	PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2016-17											40	40	40	40	160
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)?														x <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
3. Provide a rationale for the enrollment request, including a synopsis of all relevant assumptions.															
<p>Our student enrollment has increase each year, since the inception of the school in 2004 (we started with 100). The district, the surrounding towns, and the strategic partners (DCF, Juvenile justice, etc.) have continued to refer students to our schools at an increased rate. The addition of our APEX program for credit recovery has resulted in an increase in that population. We see that trend continuing as we further develop our capabilities opposite over-aged and under credited youth.</p>															
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).															
<p>Our building has the capacity to hold approximately 175 students. To date we have successfully handled the increase in student population and believe we will be able to increase our enrollment through divers and remote programs. First, we intend to extend the hours of the school to include possible night classes and programming. In addition, we have received a significant technology grant from a private donor that gives our students the opportunity to learn remotely and communicate with our staff after hours.</p>															



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

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**O'CONNOR  
DAVIES**

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**Stamford Academy, Inc.**

Financial Statements

June 30, 2014 and 2013

**PKF**

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Stamford Academy, Inc.

We have audited the accompanying financial statements of Stamford Academy, Inc., which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, functional expenses 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.

***Auditors' 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 Stamford Academy, 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.

***Prior Period Financial Statements***

The financial statements of Stamford Academy, Inc. as of and for the year ended June 30, 2013 were audited by other auditors whose report dated December 3, 2013 expressed an unmodified opinion on those financial statements.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2014, on our consideration of Stamford Academy, 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 Stamford Academy, Inc.'s internal control over financial reporting and compliance.

*O'Connor Davies, LLP*

Stamford, Connecticut  
November 21, 2014

**Stamford Academy, Inc.**

Statements of Financial Position

	June 30,	
	2014	2013
<b>ASSETS</b>		
Cash	\$ 324,918	\$ 406,738
Accounts and grants receivable	22,293	11,453
Due from affiliate, net	52,022	3,390
Prepaid expenses	15,069	16,986
Property and equipment, net	<u>13,556</u>	<u>18,996</u>
	<u>\$ 427,858</u>	<u>\$ 457,563</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 14,637	\$ 34,504
Accrued payroll and related expenses	150,933	192,149
Due to affiliate	<u>95,554</u>	<u>72,551</u>
	<u>261,124</u>	<u>299,204</u>
Net Assets		
Unrestricted	142,234	131,949
Temporarily restricted	<u>24,500</u>	<u>26,410</u>
	<u>166,734</u>	<u>158,359</u>
	<u>\$ 427,858</u>	<u>\$ 457,563</u>

See notes to financial statements

**Stamford Academy, Inc.**

Statements of Activities

	For the Year Ended June 30, 2014			For the Year Ended June 30, 2013		
	Unrestricted	Temporarily Restricted		Unrestricted	Temporarily Restricted	
		Total	Total		Total	Total
<b>REVENUE AND SUPPORT</b>						
Government grants	\$ 2,244,407	\$ -	\$ 2,244,407	\$ 2,467,949	\$ -	\$ 2,467,949
Contributions	406,381	9,000	415,381	422,200	9,500	431,700
Donations, in-kind	200,468	-	200,468	200,645	-	200,645
Foundation grants	96,272	15,500	111,772	83,351	16,910	100,261
Other income	1,219	-	1,219	3,452	-	3,452
Interest income	178	-	178	1,265	-	1,265
Net assets released from restrictions	26,410	(26,410)	-	24,874	(24,874)	-
Total Revenue and Support	<u>2,975,335</u>	<u>(1,910)</u>	<u>2,973,425</u>	<u>3,203,736</u>	<u>1,536</u>	<u>3,205,272</u>
<b>EXPENSES</b>						
Program services	2,598,586	-	2,598,586	2,853,095	-	2,853,095
Management and general	331,253	-	331,253	291,731	-	291,731
Fundraising	35,211	-	35,211	33,418	-	33,418
Total Expenses	<u>2,965,050</u>	<u>-</u>	<u>2,965,050</u>	<u>3,178,244</u>	<u>-</u>	<u>3,178,244</u>
Change in Net Assets	10,285	(1,910)	8,375	25,492	1,536	27,028
<b>NET ASSETS</b>						
Beginning of year	131,949	26,410	158,359	106,457	24,874	131,331
End of year	<u>\$ 142,234</u>	<u>\$ 24,500</u>	<u>\$ 166,734</u>	<u>\$ 131,949</u>	<u>\$ 26,410</u>	<u>\$ 158,359</u>

See notes to financial statements

**Stamford Academy, Inc.**

Statements of Functional Expenses

	For the Year Ended June 30, 2014			For the Year Ended June 30, 2013				
	Program Services	Management and General	Fundraising	Total Expenses	Program Services	Management and General	Fundraising	Total Expenses
Personnel costs	\$ 1,719,173	\$ 241,353	\$ 35,211	\$ 1,995,737	\$ 1,940,460	\$ 220,496	\$ 33,418	\$ 2,194,374
Professional fees	337,699	46,458	-	384,157	299,409	33,446	-	332,855
Facilities costs	210,342	28,937	-	239,279	209,010	23,348	-	232,358
Student support services	158,995	-	-	158,995	197,799	-	-	197,799
Insurance expense	60,563	8,332	-	68,895	71,396	7,975	-	79,371
Transportation expense	64,724	-	-	64,724	72,285	-	-	72,285
Office expenses	40,090	5,515	-	45,605	44,897	5,015	-	49,912
Depreciation expense	4,782	658	-	5,440	12,991	1,451	-	14,442
Other program expenses	2,218	-	-	2,218	4,848	-	-	4,848
<b>Total Expenses</b>	<b>\$ 2,598,586</b>	<b>\$ 331,253</b>	<b>\$ 35,211</b>	<b>\$ 2,965,050</b>	<b>\$ 2,853,095</b>	<b>\$ 291,731</b>	<b>\$ 33,418</b>	<b>\$ 3,178,244</b>

Stamford Academy, Inc.

Statements of Cash Flows

	Year Ended June 30,	
	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 8,375	\$ 27,028
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	5,440	14,442
Changes in operating assets and liabilities		
Accounts and grants receivable	(10,840)	166,654
Due to/from affiliates	(25,629)	(12,459)
Prepaid expenses	1,917	4,283
Accounts payable and accrued expenses	(19,867)	9,388
Accrued payroll and related expenses	(41,216)	34,532
Net Cash from Operating Activities	(81,820)	243,868
<b>CASH</b>		
Beginning of year	406,738	162,870
End of year	\$ 324,918	\$ 406,738

See notes to financial statements



## Stamford Academy, Inc.

### Notes to Financial Statements June 30, 2014 and 2013

#### 1. Organization

Stamford Academy, Inc. ("Stamford Academy"), a not-for-profit organization, is recognized by the State of Connecticut as a charter school in accordance with the provisions of Section 10-66bb of the Connecticut General Statutes. Stamford Academy was granted a charter to operate a public high school located in the City of Stamford through June 30, 2015. The mission of Stamford Academy is to create a positive learning environment for students who have been unsuccessful in the traditional public school setting. Stamford Academy pursues this mission by, among other things, lowering class size, lengthening the school day, providing more structure and developing strong relationships with each student and family.

Stamford Academy shares corporate office space and other general and administrative costs and services with Domus Kids, Inc. ("Domus Kids") and Trailblazers Academy, Inc. ("Trailblazers Academy"), which are affiliated through common management but are each governed by a separate Board of Directors.

#### 2. Summary of Significant Accounting Policies

##### *Basis of Presentation and Use of Estimates*

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which 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 revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Some of the more significant estimates required to be made by management include the allowance for uncollectible receivables and allocation of certain functional expenses.

Net assets are classified as unrestricted, temporarily restricted or permanently restricted based upon the existence or absence of donor-imposed restrictions limiting the use of the contributed assets as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed restrictions that either expire by the passage of time or can be fulfilled or otherwise removed by actions of Stamford Academy.

Permanently Restricted Net Assets - Net assets subject to donor-imposed restrictions that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of Stamford Academy.

Stamford Academy did not have any permanently restricted net assets at June 30, 2014 and 2013.

**Stamford Academy, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

**2. Summary of Significant Accounting Policies (continued)**

***Reclassifications***

Certain reclassifications were made to the June 30, 2013 financial statements to conform with the June 30, 2014 presentation. Such reclassifications had no effect on the June 30, 2013 net assets of Stamford Academy.

***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date the financial statements were available to be issued, which date is November 21, 2014.

***Allowance for Uncollectible Receivables***

An allowance for uncollectible receivables is estimated based on a combination of write-off history, aging analysis and any specifically known troubled accounts. Management has concluded that an allowance is not required at June 30, 2014 and 2013.

***Property and Equipment***

Property and equipment is stated at cost, or, if donated, at fair value at the date of donation. Depreciation of property and equipment is provided using the straight-line method over the estimated useful lives, which are generally between three and seven years. Purchases or donations of property and equipment of less than \$5,000 are generally expensed.

***Contributions***

Contributions are recognized when the donor makes a promise to give to Stamford Academy that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are received. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires or is otherwise satisfied, temporarily restricted net assets are reclassified to unrestricted net assets.

***Revenue Recognition***

Stamford Academy recognizes revenue from government grants, which are treated as exchange transactions, in the period in which the services are provided.

***Contributed Goods and Services***

Donated goods and services are recognized as contributions if the services either: a) create or enhance non-financial assets, or b) require specialized skills, are performed by people with those skills and would otherwise be purchased by Stamford Academy if not donated. Numerous volunteers have donated time to Stamford Academy's programs. However, the general volunteer services did not meet the criteria for recognition in the financial statements for the years ended June 30, 2014 and 2013.

**Stamford Academy, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

**2. Summary of Significant Accounting Policies (continued)**

***Impairment or Disposal of Long-lived Assets***

U.S. GAAP requires that long-lived assets and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived assets is measured by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the assets. No impairment losses have been recorded to date.

***Functional Expenses***

Stamford Academy allocates its expenses on a functional basis among its program, management and general and fundraising activities. Expenses that can be specifically identified with a program or support service are allocated directly according to their natural classifications. Other expenses that are common to several functions are allocated based on estimates made by management. Stamford Academy has adopted and follows a cost allocation plan in accordance with Connecticut state regulations.

***Accounting for Uncertainty in Income Taxes***

Stamford Academy is generally exempt from income tax under section 501(c)(3) of the U.S. Internal Revenue Code. Stamford Academy recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that Stamford Academy had no uncertain tax positions that would require financial statement recognition or disclosure. Stamford Academy is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to July 1, 2011.

**3. Concentration of Risk**

Financial instruments that potentially subject Stamford Academy to significant concentrations of credit risk consist principally of cash. At times, cash balances held at financial institutions may be in excess of federally insured limits. Stamford Academy has not experienced any losses in its cash deposits.

A significant portion of Stamford Academy's support and revenue is from government agencies. As with all government funding, these grants may be subject to reduction or termination in future years. Any significant reduction in these grants could have a negative impact on Stamford Academy's program services.

Stamford Academy received approximately 81% and 82% of its revenue and support from government agencies in 2014 and 2013.

**Stamford Academy, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

**4. Due To/From Affiliates**

Due to/from affiliates consisted of the following at June 30:

	<u>2014</u>	<u>2013</u>
Due From Affiliate, net		
Grant due from Domus Kids	\$ 310,000	\$ 40,000
Due to Domus Kids for shared services	<u>(257,978)</u>	<u>(36,610)</u>
Total Due from Affiliate, net	<u>\$ 52,022</u>	<u>\$ 3,390</u>
 Due To Affiliate		
Due to Trailblazers Academy for shared services	<u>\$ 95,554</u>	<u>\$ 72,551</u>

During each of the years ended June 30, 2014 and 2013 Domus Kids granted Stamford Academy \$310,000, which is included in contribution revenue in the accompanying statements of activities. The grants due from Domus Kids were received subsequent to June 30, 2014 and 2013.

The amounts due to Domus Kids and Trailblazers Academy for shared services were paid subsequent to June 30, 2014 and 2013.

**5. Property and Equipment**

Property and equipment consisted of the following at June 30:

	<u>2014</u>	<u>2013</u>
Leasehold improvements	\$ 29,200	\$ 29,200
Furniture and fixtures	1,028	1,028
Computer equipment	70,262	70,262
School bus	41,862	41,862
Software	<u>34,705</u>	<u>34,705</u>
	177,057	177,057
Less accumulated depreciation	<u>(163,501)</u>	<u>(158,061)</u>
Property and Equipment, net	<u>\$ 13,556</u>	<u>\$ 18,996</u>

**Stamford Academy, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

**6. Lease Commitments**

Stamford Academy maintains its teaching facility within a facility owned by the City of Stamford and is currently operating on a month-to-month agreement, pending a new lease. The agreement allows Stamford Academy to lease the facility for \$2 per year in addition to paying for its share of the facility's internet access fees. The estimated fair value of this lease has been recorded as an in-kind donation of \$200,368 for the years ended June 30, 2014 and 2013.

Stamford Academy has various non cancellable operating leases for office equipment, which expire in January 2017. Monthly lease payments range from \$531 to \$778.

Future minimum lease payments under these operating leases are as follows for the years ending June 30:

2015	\$	15,707
2016		15,707
2017		<u>9,162</u>
Total	\$	<u>40,576</u>

**7. Donated Property and Program Supplies**

Donated property and program supplies was as follows for the years ended June 30:

	2014	2013
Included in Revenue and Support		
Donated school space	\$ 200,368	\$ 200,368
Donated supplies	<u>100</u>	<u>277</u>
Total Donated In-kind Support	<u>\$ 200,468</u>	<u>\$ 200,645</u>
Included in Functional Expenses		
Facilities costs	\$ 200,368	\$ 200,368
Other program expenses	<u>100</u>	<u>277</u>
Total expenses	<u>\$ 200,468</u>	<u>\$ 200,645</u>

**Stamford Academy, Inc.**

Notes to Financial Statements  
June 30, 2014 and 2013

**8. Temporarily Restricted Net Assets**

Temporarily restricted net assets consisted of the following at June 30:

	<u>2014</u>	<u>2013</u>
School programs	<u>\$ 24,500</u>	<u>\$ 26,410</u>

Net assets were released from restrictions by incurring expenses satisfying the following purpose restrictions for the years ended June 30:

	<u>2014</u>	<u>2013</u>
School programs	<u>\$ 26,410</u>	<u>\$ 16,500</u>
Property and equipment	<u>-</u>	<u>8,374</u>
	<u>\$ 26,410</u>	<u>\$ 24,874</u>

**9. Retirement Plan**

The teachers who work for Stamford Academy participate in the State of Connecticut sponsored major employee retirement system, which is administered by the Teachers' Retirement Board. Teachers are required to contribute 7.25% of their annual salary, while the State of Connecticut is required to contribute at an actuarially determined rate, which may be reduced by an act of State Legislature. Administrative costs of the plan are funded by the State of Connecticut. Stamford Academy has no obligation under this plan.

Stamford Academy maintains a defined contribution retirement plan as defined under Section 403(b) of the Internal Revenue Code. All employees over twenty-one years of age who work a minimum of 1,000 hours per year become eligible to participate immediately upon hire. Employees may make optional contributions to the plan on a tax-deferred basis up to the maximum amount allowed by the Internal Revenue Service. Stamford Academy matches up to 4% of each eligible employee's compensation following one year of service for employees who contributed to the plan. Stamford Academy's contributions to the plan were \$24,107 and \$22,610 for the years ended June 30, 2014 and 2013.

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Stamford Academy, Inc.  
Income and Expenses  
For the year ended June 30, 2015

	FY15 Budget	FY15 Actual	Variance
<b>Revenues</b>			
<b>Operating Revenue</b>			
Individual Donations	80,000	353,090	273,090 Variance due mainly to grant received from Dom
Foundation	129,225	151,095	21,870 Increase is due to a one time technology grant.
Corporate Donations	52,750	50,288	(2,462)
Federal Grants	97,844	104,282	6,438
State Grants	1,566,641	1,556,041	(10,600)
City Grants	578,605	584,537	5,932
Interest Income	0	0	0
Miscellaneous Income	2,500	7,174	4,674
In-kind Income	0	200,368	200,368 In kind Income not budgeted
<b>Total Operating Revenue</b>	<u>2,507,565</u>	<u>3,006,875</u>	<u>499,310</u>
<b>Total Revenues</b>	<u>2,507,565</u>	<u>3,006,875</u>	<u>499,310</u>
<b>Personnel Services</b>			
<b>Salaries and Wages</b>			
Total Salaries and Wages	1,323,695	1,300,718	22,977
Fringe & Indirect	691,180	673,236	17,944
<b>Total Personnel Services</b>	<u>2,014,875</u>	<u>1,973,954</u>	<u>40,921</u>
<b>Other Than Personnel Services</b>			
<b>Discretionary OTPS</b>			
Training/Conferences	1,500	756	744
Student Activities/Field	17,500	26,620	(9,120) Additional student activities.
Prof.Serv./Consulting	30,000	35,960	(5,960) Assistance needed for charter renewal.
Equipment-Office	4,000	3,853	147
Gas	5,000	4,501	499
Travel Expense	55,000	47,266	7,734
Food	13,000	15,472	(2,472)
Office Supplies	12,000	14,766	(2,766)
Instructional Supplies	29,000	28,319	681
Postage	500	911	(411)
Advertising	1,000	300	700
Dues & Subscriptions	1,500	75	1,425
Computers - H/S	40,000	47,931	(7,931) Due to Technology grant received from a donor.
Clothing	5,500	6,022	(522)
Athletics	10,000	9,805	195
Participant Incentives	2,500	2,975	(475)
Youth-Family Relief	200	0	200
Other Program Expenses	2,000	1,189	811
<b>Total Discretionary OTPS</b>	<u>230,200</u>	<u>246,722</u>	<u>(16,522)</u>
<b>Non-Discretionary OTPS</b>			
Auditing	16,000	14,650	1,350
Bookkeeping/Accounting	7,000	6,014	986
Professional	24,700	24,255	445
Family Advocacy Services	330,986	296,354	34,632
Depreciation Expense	2,500	1,107	1,393
Vehicle Maintenance	8,000	7,339	661
School Supplied Food	75,000	77,015	(2,015)
Maintenance/Cleaning	17,000	18,086	(1,086)
Rent	0	200,368	(200,368) In Kind not budgeted.
Utilities	1,200	1,412	(212)
Maintenance & Repair	25,000	14,994	10,006
Telephone	10,000	10,738	(738)
Insurance	89,000	77,548	11,452
Copy Expenses	13,500	17,259	(3,759)
Financial Expense	0	0	0
Gift in-kind Expense	0	0	0
<b>Total Non-Discretionary</b>	<u>619,886</u>	<u>767,138</u>	<u>(147,252)</u>
<b>Total Other Than Personnel</b>	<u>850,086</u>	<u>1,013,860</u>	<u>(163,774)</u>
<b>Total Expenses</b>	<u>2,864,961</u>	<u>2,987,814</u>	<u>(122,853)</u>
<b>Net Income</b>	<u>(357,396)</u>	<u>19,061</u>	<u>376,457</u>

Stamford Academy  
Fiscal Year 2015-2016 Proposed Budget

REVENUES	FY16 Budget	FY15 Actual	
Individual Contributions	121,725	353,090	Includes grant from Domus
Foundation Grants	106,127	151,095	Due to a one time technology grant
Corporate Contributions	67,750	50,288	
Federal Grants	104,353	104,282	
State Grants (4qts)	1,562,000	1,556,041	
City Grants**	565,810	584,537	
Interest	-	-	
Miscellaneous Income	5,000	7,174	
<b>Total Revenues</b>	<b>2,532,765</b>	<b>2,806,507</b>	
<b>EXPENSES</b>			
<b>Personnel Services</b>			
Direct Salaries	1,466,943	1,300,718	Due to additional APEX teacher and 2 student assistants
Direct Fringe Benefits	692,791	673,236	
<i>Sub-total: Personnel Services</i>	<i>2,159,734</i>	<i>1,973,954</i>	
<b>Other Than Personnel Services</b>			
Training	2,000	756	
Field Trips\Special Events	20,000	26,620	
Professional Service/Consulting	15,000	35,960	No public ally for FY16.
Program Equipment	1,000	3,853	
Gas	5,000	4,501	
Travel (10 mons)	48,000	47,266	
Food	15,000	15,472	
Office supplies	15,000	14,766	
Instructional supplies (10 mons)	15,000	28,319	Decrease to one time grant for instructional supplies.
Telephone	11,000	10,738	
Postage	1,000	911	
Advertising	500	300	
Dues and subscriptions	3,000	75	
Computers - Hardware/software	12,500	47,931	No technology grant for FY16.
Clothing (10 mons)	6,500	6,022	
Athletics ( 10 mons)	10,000	9,805	
Participant incentives ( 10 mons)	3,000	2,975	
Youth-family relief	200	-	
Other program expenses	2,500	1,189	
<i>Sub-total: Discretionary OTPS</i>	<i>186,200</i>	<i>257,459</i>	
Audit	16,000	14,650	
Bookkeeping/Accounting	7,000	6,014	
IT Services	20,700	24,255	
Family Advocate Services	405,136	296,354	FA staff turnover in FY15 were not replaced.
Depreciation	3,500	1,107	
Vehicle maintenance	4,500	7,339	
School Supplied Food ( 10 mons)	75,000	77,015	
Maintenance/cleaning supplies	15,000	18,086	
Rent	-	-	
Utilities	1,500	1,412	
Maintenance and repairs	20,000	14,994	
Insurance	70,000	77,548	
Copy Expenses	18,000	17,259	
Finance charges	-	-	
In-Kind expenses	-	-	
<i>Sub-total: Non-discretionary OTPS</i>	<i>656,336</i>	<i>556,033</i>	
<i>Sub-total: OTPS</i>	<i>842,536</i>	<i>813,492</i>	
<b>Total Expenses</b>	<b>3,002,270</b>	<b>2,787,446</b>	
<b>Surplus/Deficit</b>	<b>(469,505)</b>	<b>19,061</b>	