

CERTIFICATION VERIFICATION FORM

PDE-414: 5/1/20

Complete the following information for all professional staff members.

Staff No.	Name of employee (List all names in alphabetical order)	PA Certified Yes/No	Areas of Certification Type of Certificate	Grades Teaching or Serving	All Areas of Assignment Subject Areas Teaching or Services Provided	Number of Hours Worked in Assignment	Percentage of Time in Certified Position	Percentage of Time in Areas Not Certified
1	Alderfer, Angela	Yes	Mid-Level Science, Level II	7-8	MS, Advanced MS Science Science	1440	100%	0%
2	Barbour, Kathy	Yes	Biology 7-12, Level II	9-12	Environmetal Studies, Foundations of Science, Honors Biology, Forensics	1440	100%	0%
3	Benda, Jeff	Yes	Mathematics 7-12, Level I	7-12	Algebra, Introduction to Algebra, Applications of Algebra, Patterns & Puzzles	1440	100%	0%
4	Berzins, Anna	Yes	Special Ed PK-12 Level II	7-12	Special Ed - Supplemental	1440	100%	0%
5	Botes, Kris	No	Licensed Professional Counselor / Certified Addictions Counselor	7-8	Student & Family Support/Guidance Counselor, Grades 7-8, MS Career Readiness	1440	0%	100%
6	Brown, Kim	Yes	Special Ed PK-12 Level II	7-12	Special Ed - Supplemental	1440	100%	0%
7	Bryson, Jocelyn	Yes	Special Ed PK-12 Level II, Elementary K-6	7-12	Special Education - Itinerant	1400	100%	0%
8	Burkhart, Jessica	Yes	Social Studies 7-12, Level I	7-12	CP & Honors Civics, Women in History	1400	100%	0%
9	Carr, Jocelyn	Yes	Special Ed PK-12 Level II, Elementary K-6	7-12	Special Ed - Supplemental	1400	100%	0%
10	Curatola, Carmela	Yes	Bus-Computer-Info Tech K-12, Ed Specialist II, Inst Technology PK-12, Level II	7-12	Microsoft Office programs, Web Development	1440	100%	0%
11	Flick, Jim	Yes	Mathematics 7-12, Level II	10-12	CP & Honors Algebra 2, Probability, Personal Finance	1440	100%	0%
12	Folk, Adam	Yes	Social Studies 7-12, Level I		American History, Geography & Culture	1440	100%	0%
13	Forwood, Arthur	Yes	Health & PE, Level I	7-12	Fitness and Wellness, Independent Physical Education, PE 1, PE 2, PE 3, PE 4, First Aid, Child Devel	1440	100%	0%
14	Franks, Laura	Yes	Special Ed PK-12 Level II, Elementary K-6	7-12	Special Education - Itinerant	1440	100%	0%
15	Fraumeni, Patricia	Yes	Special Ed PK-12 Level II, Elementary K-6	7-12	Special Ed - Supplemental	1240	100%	0%
16	French, Declan	Yes	English 7-12, Level I	9-12	English in the Workplace, Career, CP & Honors Literature and Composition 1	1440	100%	0%
17	Galie, Angela	Yes	Elementary & Secondary School Counselor PK-12	11-12	School Counselor	1440	100%	0%
18	Grandy, Gina	Yes	English 7-12, Level II	9-12	English Survey 9 & 10, Literature Survey 11, Reading & Writing Fundamentals, Digital Authorship	1440	100%	0%
19	Guy, Andrew	Yes	Social Studies 7-12, Level I	9-12	CP & Honor Civics, Modern World Hisory, Economics, US History	1440	100%	0%
20	Heme, Jason	Yes	Biology 7-12, Level I	9-12	Career & CP Biology, Life Science	1440	100%	0%
21	Hitt, Crystal	Yes	Reading Specialist, Level I	9-12	Reading Specialist, Language Live A, B & MS	1440	100%	0%
22	Hulik, John	Yes	General Science 7-12, Earth & Space Science 7-12, Level I	7-12	Foundations of Science, Life Science, Events & Disasters	1440	100%	0%
23	Kass, Mike	Yes	Special Ed 7-12/Social Studies 7-12/English 7-12, Level II	7-12	Special Education - Itinerant	1440	100%	0%
24	Knuaff, Trina	Yes	Special Ed PK-12 Level II, Elementary K-6	7-12	Special Education - Itinerant	1440	100%	0%
25	Longenecker, Nicole	Yes	English 7-12, Level II	11-12	CP & Honors American Lit, CP & Honors Global Lit, Creative Writing, Graphic Novels	1440	100%	0%
26	MacDonald, Chase	Yes	Mathematics 4-8, Social Studies 7-12, Level I	7-8	MS Mathematics	1440	100%	0%
27	Maraz, Amanda	Yes	ESL PK-12, Level I	7-12	Beginning, Intermediate, & Advanced EL	1440	100%	0%
28	Martin, Amanda	Yes	Special Ed N-12, Level I	7-12	Special Ed - Supplemental	1440	100%	0%
29	Mastauskas, Katie	Yes	Technology Ed, General Science, Earth & Space, Physics, Level I	7-12	STEM Teacher, School Yard Ventures, Drone courses	1440	100%	0%
30	McCarthy-Wesley, Susan	Yes	Mathematics 7-12, Level I	7-12	General Math, Algebraic Concepts, Patterns & Puzzles	1080	100%	0%
31	Mendenhall, Joanne	No*	Registered Nurse, Commonwealth of PA	7-12	Part-time Nurse	1080	0%	100%
32	Miller, Melissa	Yes	Mathematics 7-12, Level I	9-12	Geogebra, CP & Honors Geometry, CP & Honors Pre-Calculus	1440	100%	0%
33	Moritz, Lisa	Yes	Mathematics 7-12, Level I	7-12	Mathematics Specialsist	1440	100%	0%

34	Reighard, Amanda	Yes	English 7-12, Level II	10-12	Career, CP & Honors Lit and Comp 2, 21st Century Writing, Reading Hollywood	1080	100%	0%
35	Renninger, Nicole	Yes	Art, Level I	7-12	Art 1,2 & Independent, Career Readiness 9, 10, 11, Graphic Design, Digital Photography	1440	100%	0%
36	Sabatelli, Marie	Yes	English 7-12, Level II	7-8	Advanced ELA 7, English Language Arts, Advanced ELA 8	1440	100%	0%
37	Schmick, Paige	Yes	Ment/Phys Handicapped K-12, Mid-Level English, Level II	7-12	Special Ed - Itinerant	1440	100%	0%
38	Simpson, Alicia	Yes	Music PK-12, Level II	7-12	Music Appreciation, Independent Music	72	100%	0%
39	Squeri, Nick	Yes	Special Ed PK-12, Level I; English 7-12, Level I; ESL PK-12, Level I	7-12	Special Ed - Itinerant	276	100%	0%
40	Staley, Brian	Yes	Spanish PK-12 & English 7-12, Level II	7-12	Foreign Language Support	360	100%	0%
41	Sweder, Steve	Yes	Social Studies 7-12/Citizenship 7-12, Level I	9-12	CP & Honors Modern World History, CP & Honors US History, Psychology, African American History	1440	100%	0%
42	Thomas, Neal	Yes	Administrative Principal I PK-12, Health & PE Level II, Mid-Level Science 6-9 Level II, Technology Ed PK-12 Level II	7-12	Principal	1440	100%	0%
43	Throckmorton, Leah	Yes	Special Ed PK-12/MS Science 6-9/English 7-12/MS English 6-9/Biology 7-12, Level II	7-12	Special Ed - Itinerant	1440	100%	0%
44	Tweed, Melissa	Yes	Mathematics 7-12, Level II	7-12	CP & Honors Pre-Calculus, Calculus	1240	100%	0%
45	Vollmer, Shirl	Yes	Special Ed PK-12, English 7-12, Level II	7-12	Special Ed - Itinerant	1440	100%	0%
46	Wetzel, Lauren	Yes	Special Ed PK-12, Family-Consumer Sci PK-12, Mid-level English 6-9, Level I	7-12	Special Ed - Itinerant; Family and Consumer Science	1440	100%	0%
47	Williamson, Bruce	Yes	Chemistry 7-12/Physics & Mathematics 7-12, Level II	10-12	Career, CP & Honors Chemistry, CP and Honors Physics	1440	100%	0%
48	Ziegler, Kayla	Yes	School Counselor PK-12	9-10	School Counselor	1440	100%	0%
49	Zimmerman, Melissa	Yes	Special Ed PK-12, Mathematics 7-12, Level I	7-12	Special Ed - Supplemental; ELA Concepts, Math Concepts	1440	100%	0%

Total Number of Administrators (do not include CE

1

Total Number of Teachers

45

Total Number of Counselors

3

Total Number of School Nurses

1

Total Number of Professional Staff

49

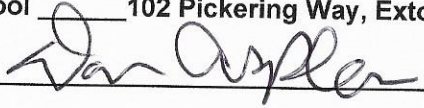
Others: \* Sandra Kreiss-Schmidt contracted Certified School Nurse on staff.

PA Department of Education, 333 Market Street, Harrisburg, PA 17126-0333

**Preliminary Statement of Revenues, Expenditures & Fund Balances**  
**Include ALL Funds**  
**as of June 30, 2020**

Name of School Achievement House Cyber Charter School

Address of School 102 Pickering Way, Exton PA 19380

CEO Signature 

**REVENUES**

<b>6000</b>		<b>REVENUE FROM LOCAL SOURCES</b>	
<b>6500</b>		<b>EARNINGS ON INVESTMENTS</b>	
	6510	Interest on Investments and Interest-Bearing Checking Accounts	8304.64
	6520	Dividends on Investments	
	6530	Gains or Losses on Sale of Investments	
	6540	Earnings on Investments in Real Property	
	6590	Other Earnings or Investments	
<b>6600</b>		<b>FOOD SERVICE REVENUE</b>	
	6610	Daily Sales - Reimbursable Programs	
	6620	Daily Sales - Non-Reimbursable Programs	
	6630	Special Functions	
	6640	Non-Cash Contributions	
	6650	Price Reduction for Reduced Price and Free Meals (Debit)	
	6690	Other Food Service Revenues	
<b>6700</b>		<b>REVENUES FROM STUDENT ACTIVITIES</b>	
	6710	Admissions	
	6720	Bookstore Sales	
	6730	Student Organization Membership Dues and Fees	
	6740	Fees	
	6750	Student Activity - Special Events	
	6790	Other Student Activity Income	3177.2
<b>6800</b>		<b>REVENUES FROM INTERMEDIARY SOURCES / PASS THROUGH</b>	
	6810	Revenue from Local Governmental Units	
	6820	Revenue from Intermediary Sources - Commonwealth Funds	
	6830	Revenues from Intermediary Sources - Federal Funds	
	6890	Other Revenues from Intermediary Sources	

<b>6900</b>		<b>OTHER REVENUE FROM LOCAL SOURCES</b>	
	6910	Rentals	
	6920	Contributions & Donations from Private Sources / Capital Contributions	
	6930	Gains or Losses on Sale of Fixed Assets (Economic Resource Measurement Focus Only)	
	6940	Tuition from Patrons	
	6941	Regular Day School Tuition	
	6942	Summer School Tuition	
	6943	Adult Education Tuition	
	6944	Receipts From Other LEAs in Pennsylvania - Education	12389779.7
	6945	Receipts from Out-of-State LEAs	
	6946	Receipts from Member Districts - AVTS / Special Program Jointure only	
	6947	Receipts from Members of Intermediate Units for Education by Withholding	
	6948	Receipts from Members of Intermediate Units for Direct Contributions	
	6949	Other Tuition from Patrons	
	6950	Unassigned	
	6960	Services Provide Other Local Governmental Units / LEAs	
	6961	Transportation Services Provided Other Pennsylvania LEAs	
	6969	All Other Services Provided Other Governments and LEAs Not Specified Above	
	6970	Services Provided Other Funds	
	6980	Revenue from Community Service Activities	
	6990	Refunds and Other Miscellaneous Revenue	
	6991	Refunds of a Prior Year Expenditure	
	6999	Other Revenues Not Specified Above	4102.58
<b>7000</b>		<b>REVENUE FROM STATE SOURCES</b>	
7100		<b>BASIC INSTRUCTIONAL AND OPERATING SUBSIDIES</b>	
	7150	Unassigned	
	7160	Tuition for Orphans and Children Placed in Private Homes	
	7180	Staff and Program Development	
7200		<b>REVENUE FOR SPECIFIC EDUCATIONAL PROGRAMS</b>	
	7210	Homebound Instruction	
	7220	Vocational Education	
	7230	Alternative Education	
	7240	Driver Education - Student	
	7250	Migratory Children	
	7260	Workforce Investment Act (WIA)	
	7270	Specialized Education of Exceptional Pupils	
	7280	Adult Literacy	

	7290	Additional Educational Program Revenues	
7300		REVENUES FOR NON-EDUCATIONAL PROGRAMS	
	7310	Transportation (Regular and Additional)	
	7320	Rental and Sinking Fund Payments / Building Reimbursement Subsidy	
	7330	Health Services (Medical, Dental, Nurse, Act 25)	7302.78
	7340	Unassigned	
	7350	Sewage Treatment Operations / Environmental Subsidies	
	7360	Safe Schools	
7400		VOCATIONAL TRAINING OF THE UNEMPLOYED	
7500		STATE REVENUE NOT LISTED ELSEWHERE IN THE 7000 SERIES OF ACCOUNTS	
	7502	Dual Enrollment Grants	
	7503	Project 720/High School Reform	
	7599	Other State Revenue Not Listed Elsewhere in the 7000 Series	23147.7
7600		REVENUE FOR MILK, LUNCH AND BREAKFAST PROGRAMS	
7800		REVENUE FOR THE COMMONWEALTH'S SHARE OF PAID BENEFITS	
	7810	State Share of Social Security and Medicare Taxes	
	7820	State Share of Retirement Contributions	
7900		REVENUE FOR TECHNOLOGY	
	7910	Educational Technology	
	7990	Other Technology Grants	
<b>8000</b>		<b>REVENUE FROM FEDERAL SOURCES</b>	
8100		UNRESTRICTED GRANTS-IN-AID DIRECT FROM THE FEDERAL GOVERNMENT	
	8110	Payments for Federally Impacted Areas - P.L. 81-874	
	8190	Other Unrestricted Federal Grants-in-Aid Direct from the Federal Government	
8200		UNRESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE COMMONWEALTH	
8300		RESTRICTED GRANTS-IN-AID DIRECTLY FROM THE FEDERAL GOVERNMENT	
	8310	Payments for Federally Impacted Areas - P.L. 81-815	
	8320	Energy Conservation Grants - TA and ECM	

	8390	Other Restricted Federal Grants-in-Aid Directly from the Federal Government	
8500		RESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE COMMONWEALTH FOR THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT (IDEA), NO CHILD LEFT BEHIND (NCLB), VOCATIONAL EDUCATION, CHILD NUTRITION AND CAREER EDUCATION PROGRAMS	
	8510	Individuals with Disabilities Education Act (IDEA) and No Child Left Behind (NCLB)	432316.31
	8520	Vocational Education	
	8530	Child Nutrition Program	
	8540	Nutrition Education and Training	
	8560	Federal Block Grants	
	8570	Unassigned	
	8580	Child Care and Development Block Grants	
	8590	Unassigned	
8600		RESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE COMMONWEALTH FOR DRIVER EDUCATION, ADULT EDUCATION, CETA, HEADSTART, ENERGY CONSERVATION, WORKFORCE INVESTMENT ACT AND OTHER PROGRAMS	
	8610	Homeless Assistance Act	
	8620	Adult Basic Education	
	8640	Headstart	
	8650	Unassigned	
	8660	Workforce Investment Act (WIA)	
	8670	Unassigned	
	8680	Unassigned	
	8690	Other Restricted Federal Grants-in-Aid through the Commonwealth	
8800		MEDICAL ASSISTANCE REIMBURSEMENTS	
<b>9000</b>		<b>OTHER FINANCING SOURCES</b>	
9100		SALE OF BONDS	
	9110	Bond Issue Proceeds (Gross)	
	9120	Proceeds from Refunding of Bonds	
9200		PROCEEDS FROM EXTENDED TERM FINANCING	
9300		INTERFUND TRANSFERS	
	9310	General Fund Transfers	
	9320	Special Revenue Fund Transfers	

	9330	Capital Projects Funds Transfers	
	9340	Debt Service Fund Transfers	
	9350	Enterprise Fund Transfers	
	9360	Internal Service Fund Transfers	
	9370	Trust and Agency Fund	
	9380	Activity Fund Transfers	
	9390	Permanent Fund Transfers	
9400		SALE OF OR COMPENSATION FOR LOSS OF FIXED ASSETS	
9500		Unassigned	
9600		Unassigned	
9700		TRANSFERS INVOLVING COMPONENT UNITS AND PRIMARY GOVERNMENTS	
	9710	Transfers from Component Units	
	9720	Transfers from Primary Governments	
9800		INTRAFUND TRANSFERS IN	
	9810	General Fund Intrafund Transfers	
	9820	Special Revenue Intrafund Transfers	
	9840	Debt Service Intrafund Transfers	
	9850	Enterprise Intrafund Transfers	
	9860	Internal Service Intrafund Transfers	
	9870	Trust and Agency Intrafund Transfers	
	9880	Activity Interfund Transfers	
<b>TOTAL REVENUES</b>			12868130.9

**Preliminary Statement of Revenues, Expenditures & Fund Balances**  
**Include ALL Funds**  
**as of June 30, 2020**

Name of School: Achievement House Cyber Charter School

Address of School: 102 Pickering Way, Exton PA 19341

CEO Signature 

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

**EXPENDITURES**

<b>1000</b>		<b>INSTRUCTION</b>	
1100		REGULAR PROGRAMS - ELEMENTARY / SECONDARY	3796564.33
1200		SPECIAL PROGRAMS - ELEMENTARY / SECONDARY	1485124.49
1300		VOCATIONAL EDUCATION	
1400		OTHER INSTRUCTIONAL PROGRAMS - ELEMENTARY / SECONDARY	
1600		ADULT EDUCATION PROGRAMS	
1700		HIGHER EDUCATION PROGRAMS	
1800		PRE-KINDERGARTEN	
<b>2000</b>		<b>SUPPORT SERVICES</b>	
2100		SUPPORT SERVICES - PUPIL PERSONNEL	
	2110	Supervision of Pupil Personnel Services	
	2120	Guidance Services	396067.4
	2130	Attendance Services	
	2140	Psychological Services	
	2150	Speech Pathology and Audiology Services	
	2160	Social Work Services	
	2170	Student Accounting Services	
	2190	Other Pupil Personnel Services	505866.21
2200		SUPPORT SERVICES - INSTRUCTIONAL STAFF	
	2210	Supervision of Educational Media Services	



	2220	Technology Support Services	
	2230	Educational Television Services	
	2240	Computer-Assisted Instruction Support Services	
	2250	School Library Services	
	2260	Instruction and Curriculum Development Services	
	2270	Instructional Staff Professional Development Services	
	2280	Nonpublic Support Services	
2300		SUPPORT SERVICES - ADMINISTRATION	
	2310	Board Services	
	2320	Board Treasurer Services	
	2340	Staff Relations and Negotiations Services	
	2350	Legal Services	16578.75
	2360	Office of the Superintendent (Executive Director) Services	225000
	2370	Community Relations Services	
	2380	Office of the Principal Services	175000
	2390	Other Administration Services	1493759.35
2400		SUPPORT SERVICES - PUPIL HEALTH	43956.18
2500		SUPPORT SERVICES - BUSINESS	
	2510	Fiscal Services	475000
	2520	Purchasing Services	
	2530	Warehousing and Distributing Services	
	2540	Printing, Publishing and Duplicating Services	
	2590	Other Support Services - Business	131248.77
2600		OPERATION AND MAINTENANCE OF PLANT SERVICES	
	2610	Supervision of Operation and Maintenance of Plant Services	
	2620	Operation of Buildings Services	
	2630	Care and Upkeep of Grounds Services	
	2640	Care and Upkeep of Equipment Services	
	2650	Vehicle Operations and Maintenance Services (Other than Student Transportation Vehicles)	
	2660	Security Services	
	2690	Other Operation and Maintenance of Plant Services	267693.02
2700		STUDENT TRANSPORTATION SERVICES	
	2710	Supervision of Student Transportation Services	
	2720	Vehicle Operation Services	
	2730	Monitoring Services	
	2740	Vehicle Servicing and Maintenance Services	
	2750	Nonpublic Transportation	

	2790	Other Student Transportation Services	
2800		SUPPORT SERVICES - CENTRAL	
	2810	Planning, Research, Development and Evaluation Services	
	2820	Information Services	
	2830	Staff Services	
	2840	Data Processing Services	
	2850	State and Federal Agency Liaison Services	
	2860	Management Services	
	2890	Other Support Services Central	
2900		OTHER SUPPORT SERVICES - CENTRAL	
	2990	Pass-Thru Funds	
<b>3000</b>		<b>OPERATION OF NON-INSTRUCTIONAL SERVICES</b>	
3100		FOOD SERVICES	
3200		STUDENT ACTIVITIES	
	3210	School Sponsored Student Activities	3145.63
	3250	School Sponsored Athletics	
3300		COMMUNITY SERVICES	
	3310	Community Recreation	
	3320	Civic Services	
	3330	Public Library Services	
	3340	Custody and Child Care	
	3350	Welfare Activities	
	3390	Other Community Services	
3400		SCHOLARSHIPS AND AWARDS	
<b>4000</b>		<b>FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT SERVICES</b>	
4100		SITE ACQUISITION SERVICES - ORIGINAL AND ADDITIONAL	
4200		EXISTING SITE IMPROVEMENT SERVICES	
4300		ARCHITECTURE AND ENGINEERING SERVICES / EDUCATIONAL SPECIFICATIONS DEVELOPMENT - ORIGINAL AND ADDITIONAL	
4400		ARCHITECTURE AND ENGINEERING SERVICES / EDUCATIONAL SPECIFICATIONS - IMPROVEMENTS	

4500	BUILDING ACQUISITION AND CONSTRUCTION SERVICES - ORIGINAL AND ADDITIONAL	
4600	EXISTING BUILDING IMPROVEMENT SERVICES	
<b>5000</b>	<b>OTHER EXPENDITURES AND FINANCING USES</b>	
5100	DEBT SERVICE / OTHER EXPENDITURES AND FINANCING USES	
5200	FUND TRANSFERS	
5300	TRANSFERS INVOLVING COMPONENT UNITS	
5400	INTRAFUND TRANSFERS OUT	
5800	SUSPENSE ACCOUNT	
5900	BUDGETARY RESERVE	
<b>TOTAL EXPENDITURES</b>		9015004.13

**TOTAL REVENUES MINUS TOTAL EXPENDITURES = CURRENT FUND  
BALANCE AS OF JUNE 30, 2020**

3853126.77

**Achievement House Charter School**

**Financial Statements  
And  
Independent Auditor's Report**

**Year Ended June 30, 2018**

**Achievement House Charter School  
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Year Ended June 30, 2018**

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## **Independent Auditor's Report**

To the Board of Trustees  
Achievement House Charter School  
Exton, Pennsylvania

We have audited the accompanying financial statements of the governmental activities and the major fund of Achievement House Charter School (the School), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Achievement House Charter School as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

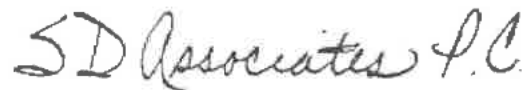
#### **Other Matters**

##### *Required Supplementary Information*

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

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

In accordance with Government Auditing Standards, we have also issued our report dated June 17, 2019, on our consideration of Achievement House Charter 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Achievement House Charter School's internal control over financial reporting and compliance.



Certified Public Accountants  
Elkins Park, Pennsylvania

June 17, 2019

# Achievement House Charter School Management's Discussion and Analysis June 30, 2018

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The Board of Trustees of Achievement House Charter School (the School) offers readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with the School's financial statements.

## **Financial Highlights**

- The School adopted GASB 68 for the year ended June 30, 2015 and is accordingly reporting its share of the June 30, 2018 total PSERS pension liability calculated to be \$9,532,000 (see Note 7).  
  
The School adopted GASB 75 for the year ended June 30, 2017 and is accordingly reporting its share of the June 30, 2018 total OPEB liability calculated to be \$393,000 (see Note 9 and 16).
- Total revenues decreased by approximately \$1,112,000 due mainly to decreases in local education agency assistance of \$1,100,000.
- At the close of the current fiscal year, the School reports an ending general fund balance of \$1,897,472. This balance was the result of a \$1,175,207 surplus for the year ended June 30, 2018.
- The School's unrestricted cash balance at June 30, 2018 was \$2,322,247, representing an increase of \$693,068 from June 30, 2017.

## **Overview of the Financial Statements**

The discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements as presented comprise three components: Management's Discussion and Analysis (this section), the basic financial statements, and supplementary information.

### ***Government-Wide Financial Statements***

The government-wide financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the School's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the components (assets and deferred outflows of resources, less liabilities and deferred inflows of resources) reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The *statement of activities* presents information showing how the School's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.



**Achievement House Charter School  
Management's Discussion and Analysis  
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**Overview of the Financial Statements (Continued)**

*Government-Wide Financial Statements (Continued)*

The government-wide financial statements report on the function of the School that is principally supported by subsidies from school districts whose constituents attend the School.

*Fund Financial Statements*

A *fund* is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes. The School, like governmental type entities, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The School's two kinds of funds, governmental and proprietary, use different accounting approaches.

Most of the School's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. Such information is useful in assessing the School's financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending for program purposes at the end of the fiscal year.

*Notes to the Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

*Supplementary Information*

The governmental fund budgetary comparison schedule is presented for purposes of additional analysis.

**Government-Wide Financial Analysis**

Management has adopted Governmental Accounting Standards Board (GASB) Statement 34 which requires a comparative analysis of current and prior periods.

	<u>2018</u>	<u>2017</u>
<b>Assets</b>		
Current assets	\$ 3,261,454	\$ 2,151,533
Capital assets, net	<u>126,810</u>	<u>206,730</u>
	<u>3,388,264</u>	<u>2,358,263</u>
<b>Deferred Outflows of Resources</b>	<u>2,061,368</u>	<u>3,458,453</u>

**Achievement House Charter School  
Management's Discussion and Analysis  
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**Government-Wide Financial Analysis (Continued)**

<b>Liabilities</b>		
Current liabilities	1,756,982	1,429,268
Long-term liabilities	<u>9,532,000</u>	<u>13,033,000</u>
	<u>11,288,982</u>	<u>14,462,268</u>
<b>Deferred Inflows of Resources</b>	<u>7,324,000</u>	<u>6,810,664</u>
<b>Net Position</b>	<u>\$(13,163,350)</u>	<u>\$ (15,456,216)</u> See Note 16

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the School, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$13,163,350 as of June 30, 2018, an increase of \$2,292,866 from June 30, 2017.

The School's revenues are predominately local school district's funds based on the student enrollment. For the year ended June 30, 2018, the School's total revenue of \$8,855,937 exceeded expenditures of \$6,563,071 by \$2,292,866, an increase of \$2,697,707 as compared to the preceding year.

	<u>2018</u>	<u>2017</u>
<b>Revenues</b>		
Program revenues		
Local educational agency assistance	\$ 8,238,778	\$ 7,147,190
State sources	104,133	65,310
Federal sources	499,643	500,202
General revenues		
Other sources	<u>13,383</u>	<u>30,825</u>
Total revenues	<u>8,855,937</u>	<u>7,743,527</u>
<b>Expenditures</b>		
Instruction	3,295,632	4,087,276
Support services	3,118,540	3,822,499
Noninstructional services	12,697	7,952
Depreciation and amortization	136,202	230,364
Interest expense	<u>-</u>	<u>277</u>
Total expenditures	<u>6,563,071</u>	<u>8,148,368</u>
Change in net position	2,292,866	(404,841)
Net position, beginning	(15,456,216)	(14,506,711)
Prior period adjustment (Note 16)	<u>-</u>	<u>(544,664)</u>
Net position, ending	<u>\$(13,163,350)</u>	<u>\$ (15,456,216)</u>

**Achievement House Charter School  
Management's Discussion and Analysis  
June 30, 2018**

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**Governmental Fund**

The focus of the School's *governmental fund* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School's financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending for program purposes at the end of the fiscal year.

The School's governmental fund (the General Fund) reported an ending fund balance of \$722,265.

**Budget Variations**

The actual revenues represent an increase from budgeted revenues of \$1,179,735 due mainly to increases in school district revenue of approximately \$1,160,000 and State source increases of approximately \$40,000.

Actual expenditures decreased \$68,489 from the budget due to increases (decreases) as follows:

Instructional services	\$ (174,358)
Support services	88,349
Noninstructional services	2,303
Capital outlay	<u>15,217</u>
	<u>\$ (68,489)</u>

**Capital Asset and Debt Administration**

***Capital Assets***

As of June 30, 2018, the School's investment in capital assets for its governmental activities totaled \$126,810 (net of accumulated depreciation and amortization). This investment in capital assets includes computer equipment, furniture and fixtures, vehicle, building and leasehold improvements.

Major capital assets purchases during the year included computer equipment of \$56,283.

**Economic Factors and Next Year's Budgets and Rates**

The School's primary source of revenue, the per student subsidy provided by local school districts, will increase by approximately \$1,500,000 for fiscal year 2018-2019 due to increased enrollment and an increase in the average regular and special education tuition. The school had an average daily membership (ADM) of 512 in 2017-2018 and anticipates an ADM of 570 in 2018-2019. The school's lease is up at the end of the 2019 school year and a relocation will occur over the summer.

**Achievement House Charter School  
Management's Discussion and Analysis  
June 30, 2018**

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**Economic Factors and Next Year's Budgets and Rates (Continued)**

The fiscal and operational stability of our Commonwealth's charter schools is directly linked to the State of Pennsylvania's charter school law and shifting political realities. This issue manifests itself most clearly in the funding formula for charter schools that is contained within the charter school law. Though the charter school concept is widely recognized as a viable and necessary educational model, the issue concerning how charter schools and cyber charter schools are funded will likely remain controversial in the foreseeable future.

**Future Events that will Financially Impact the School**

In addition to those listed in the above economic factors, the school is realizing lower retirement expense as a higher percentage of employees are participating in the alternative 403(b) plan instead of PSERS. This plan is a defined contribution plan with mandatory contribution of 5% for the school, compared to the 33.43% employer rate for PSERS in 2018-2019 and the 34.29% rate for 2019-2020.

**Contacting the School's Financial Management**

The financial report is designed to provide interested parties a general overview of the School's finances. Questions regarding any of the information provided in this report should be addressed to the Business Office, Achievement House Charter School, 102 Pickering Way 600, Exton PA 19341.

**Achievement House Charter School**  
**Statement of Net Position**  
**June 30, 2018**

	Governmental Activities
<b>Assets</b>	
Cash and cash equivalents	\$ 2,322,247
Local educational agencies receivable, net of allowance for doubtful accounts	551,979
Subsidies receivable	239,494
Prepaid expenses	85,256
Property and equipment, net	126,810
Deposits	62,478
Total assets	3,388,264
<b>Deferred Outflows of Resources</b>	
Deferred outflows of resources	2,061,368
<b>Liabilities</b>	
Accounts payable	254,050
Local educational agencies payable	228,787
Accrued expenses	865,700
Deferred rent	15,445
Long-term liability:	
Net OPEB liability	393,000
Net pension liability	9,532,000
Total liabilities	11,288,982
<b>Deferred Inflows of Resources</b>	
Deferred inflows resources	7,324,000
<b>Net Position</b>	
Invested in capital assets	126,810
Unrestricted	(13,290,160)
Total net position	\$ (13,163,350)

See accompanying notes to financial statements.

**Achievement House Charter School**  
**Statement of Activities**  
**Year Ended June 30, 2018**

<b>Functions</b>	<b>Expenses</b>	<b>Program Revenues</b>		<b>Net (Expense)</b>
		<b>Charges for</b>	<b>Operating</b>	<b>Revenue and</b>
		<b>Services</b>	<b>Grants and</b>	<b>Changes in</b>
			<b>Contributions</b>	<b>Net Position</b>
			<b>Governmental</b>	
			<b>Activities</b>	
<b>Governmental Activities</b>				
Instruction	\$ 3,295,632	\$ 4,305,316	\$ 603,776	\$ 1,613,460
Support services	3,118,540	3,933,462	-	814,922
Noninstructional services	12,697	-	-	(12,697)
Depreciation and amortization	136,202	-	-	(136,202)
Total governmental activities	<u>\$ 6,563,071</u>	<u>\$ 8,238,778</u>	<u>\$ 603,776</u>	<u>\$ 2,279,483</u>
<b>General Revenues</b>				
Other revenues				<u>13,383</u>
<b>Change in net position</b>				2,292,866
<b>Net Position - Beginning of Year</b>				<u>(15,456,216)</u>
<b>Net Position - End of Year</b>				<u>\$ (13,163,350)</u>

See accompanying notes to financial statements.

**Achievement House Charter School  
Balance Sheet-Governmental Funds  
June 30, 2018**

	General Fund
<b>Assets</b>	
Cash and cash equivalents	\$ 2,322,247
Local educational agencies receivable, net of allowance for doubtful accounts	551,979
Subsidies receivable	239,494
Prepaid expenses	85,256
Deposits	62,478
Total assets	\$ 3,261,454
<b>Liabilities</b>	
Accounts payable	\$ 254,050
Local educational agencies payable	228,787
Accrued expenses	865,700
Deferred rent	15,445
Total liabilities	1,363,982
<b>Fund Balances</b>	
Nonspendable	147,734
Assigned	1,000,000
Unassigned	749,738
Total fund balances	1,897,472
	\$ 3,261,454

See accompanying notes to financial statements.

**Achievement House Charter School  
Reconciliation of the Balance Sheet of Governmental Funds  
To the Statement of Net Position  
June 30, 2018**

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**Total Fund Balance for Governmental Funds** \$ 1,897,472

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Computer equipment	3,351,197	
Furniture and fixtures	171,397	
Vehicles	13,136	
Leasehold improvements	83,518	
Accumulated depreciation and amortization	(3,492,438)	
		126,810

Long-term liabilities that pertain to governmental funds are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year end consist of:

Net pension liability		(9,532,000)
Net OPEB liability		(393,000)

Deferred outflows and inflows or resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds:

Deferred outflows of resources		2,061,368
Deferred inflows of resources		(7,324,000)

**Total Net Position of Governmental Activities** **\$ (13,163,350)**



**Achievement House Charter School  
Statement of Revenues, Expenditures, and Changes in Fund Balance-  
Governmental Funds  
Year Ended June 30, 2018**

	General Fund
<b>Revenues</b>	
Local education agency assistance	\$ 8,238,778
Federal sources	499,643
State sources	104,133
Other sources	13,383
Total revenues	8,855,937
<b>Expenditures</b>	
Instruction	3,977,652
Support services	3,634,098
Noninstructional services	12,697
Capital outlay	56,283
Total expenditures	7,680,730
<b>Net Change in Fund Balance</b>	1,175,207
<b>Fund Balance - Beginning of Year</b>	722,265
<b>Fund Balance - End of Year</b>	\$ 1,897,472

See accompanying notes to financial statements.

**Achievement House Charter School  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
Year Ended June 30, 2018**

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**Net Change in Fund Balances - Total Governmental Funds** \$ 1,175,207

Capital outlays and deferred charges are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays and deferred charges exceeds depreciation in the current period:

Capital outlays	56,283	
Depreciation and amortization expense	<u>(136,202)</u>	(79,919)

Governmental funds report School pension and OPEB contributions as expenditures. However in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:

School pension and OPEB contributions	629,754	
Cost of benefits earned net of employee contributions	<u>567,824</u>	

**Change in Net Position of Governmental Activities** \$ 2,292,866

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

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**Note 1 Background and Summary of Significant Accounting Policies**

Achievement House Charter School (the School) is organized as a nonprofit corporation in Pennsylvania to operate a charter school in accordance with Pennsylvania Act 22 of 1997. The mission of the School is to leverage technology on behalf of students who need a more personalized approach to education to maximize their potential and meet the highest performance standards. This mission is accomplished through a uniquely individualized learning program that combines the best in virtual education with very real connections among students, family, teachers, and the community. The School's charter expired June 30, 2017 and the School has timely filed their renewal application. The School continues to operate under its former charter until the Pennsylvania Department of Revenue completes the renewal process. The School and its Board of Trustees believe the charter will be renewed.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (the statement of net position and the statement of activities) report on the School as a whole. The statement of activities demonstrates the degree to which the direct expenses of the School's function are offset by program revenues.

The fund financial statements (governmental fund balance sheet and statement of governmental fund revenues, expenditures and changes in fund balance) report on the School's general fund.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

**Government-Wide Financial Statements:**

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

**Fund Financial Statements**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The funds utilized by the School and brief descriptions of their accounting purposes are as follows:

*Governmental Fund* - The fund listed below is the fund through which most governmental functions are furnished.

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

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**Note 1 Background and Summary of Significant Accounting Policies (Continued)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

General Fund – The General Fund is the operating fund of the School and accounts for all revenues and expenditures of the School.

Amounts reported as program revenues include a per-student subsidy from local school districts as well as federal and state grants. Internally dedicated resources are reported as general revenues rather than as program revenues.

**Method of Accounting**

The School has adopted the provision of Statement No. 34 (“Statement 34”) of the Governmental Accounting Standards Board “*Basic Financial Statements – and Managements’ Discussion and Analysis – for State and Local Governments.*” Statement 34 established standards for external financial reporting for all state and local governmental entities, which includes a statement of net position and a statement of activities. It requires the classification of net position into three components – invested in capital assets, net of related debt; restricted; and unrestricted. These calculations are defined as follows:

- Invested in capital assets, net of related debt – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.
- Restricted – This component of net position consists of constraints placed on asset use through external constraints imposed by creditors such as through debt covenants, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net position – This component of net position typically includes unrestricted liquid assets.

When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, then unrestricted resources as they are needed for the included program.

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

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**Note 1 Background and Summary of Significant Accounting Policies (Continued)**

**Fund Balances - Governmental Funds**

The School elected to implement GASB No. 54, *Fund Balance Reporting and Governmental Type Definition* during the year ended June 30, 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

- Nonspendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. The School classified prepaid expenses and security deposits as being nonspendable as these items are not expected to be converted to cash.
- Restricted - included amounts restricted by external sources, such as creditors or grantors, or by constitutional provision or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees.
- Assigned - includes amounts that the School intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. The School assigned \$750,000 for future expenditures associated with rising state pension costs, \$150,000 for curriculum development and \$100,000 for technology hardware needs.
- Unassigned - includes all amounts that are not included in other spendable classifications.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the School considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Trustees has provided otherwise in its commitment or assignment actions.

**Budgets and Budgetary Accounting**

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

The Budgetary Comparison Schedule should present both the original and the final appropriated budgets for the reporting period.

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

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**Note 1 Background and Summary of Significant Accounting Policies (Continued)**

**Use of Estimates**

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

**Concentration of Credit Risk**

Periodically, the School may maintain deposits in excess of the Federal Deposit Insurance Corporation's limit of \$250,000 with financial institutions. Under Pennsylvania Act 72, financial institutions pledge collateral on a pooled basis to secure public deposits in excess of FDIC insurance limits. The School's accounts are covered by this Act.

**Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the School's cash and cash equivalents is considered to be cash on hand and demand deposits.

**Deferred Outflows/Inflows of Resources**

The statement of net position includes four components: assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

Deferred outflows of resources represent a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Deferred inflows of resources represent an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

**Capital Assets**

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. All capital assets are capitalized at cost and updated for additions and retirements during the year. The School does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. The School established a threshold of \$1,500 for capitalization of depreciable assets. Similar items purchased in the same timeframe and items related to the same project or purchase can be pooled together for capitalization and depreciation.

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

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**Note 1 Background and Summary of Significant Accounting Policies (Continued)**

**Capital Assets (Continued)**

Capital assets of the School are depreciated using the straight-line method over the useful lives of the assets; computer equipment (3 years), furniture and equipment (7 years) and a vehicles (5 years). Leasehold improvements and the capital leases are amortized over the term of their respective lease terms.

**Advertising Costs**

All costs associated with advertising and promotions are recorded as expenditures in the year incurred.

**Deferred Rent**

Rent expense is being recognized on a straight-line basis over the life of the lease. The difference between rent expense recognized and rental payments, as stipulated in the lease, is reflected as deferred rent on the statement of net position.

**Income Tax Status**

The School is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The School adopted the provisions of ASC 740-10, *Accounting for Uncertainty in Income Taxes*. Management evaluated the School's tax positions and concluded that the School had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. The School files a Return of Organizations Exempt from Income Tax annually. The School's returns for 2015, 2017, and 2017 are subject to examination by the IRS, generally for three years after they were filed.

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms investments are reported at fair value.

*General Information About the Pension Plan*

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

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**Note 1 Background and Summary of Significant Accounting Policies (Continued)**

**Pensions (Continued)**

Plan Description

PSERS is a governmental cost-sharing multi-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at [www.psers.state.pa.us](http://www.psers.state.pa.us).

Benefits Provided

PSERS provides retirement, disability, and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least 1 year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (Act 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes, Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of 3 years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service. For members whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after ten years of service.

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or who has at least five years of credited service (ten years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.



**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

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**Note 1 Background and Summary of Significant Accounting Policies (Continued)**

**Pensions (Continued)**

Contributions

Member Contributions:

Active members who joined the System prior to July 22, 1983, contribute at 5.25% (Membership Class T-C) or at 6.50% (Membership Class T-D) of the member's qualifying compensation.

Members who joined the System on or after July 22, 1983, and who were active or inactive as of July 1, 2001, contribute at 6.25% (Membership Class T-C) or at 7.50% (Membership Class T-D) of the member's qualifying compensation.

Members who joined the System after June 30, 2001 and before July 1, 2011, contribute at 7.50% (automatic Membership Class T-D). For all new hires and for members who elected Class T-D membership, the higher contribution rates began with service rendered on or after January 1, 2002.

Members who joined the System after June 30, 2011, automatically contribute at the Membership Class T-E rate of 7.5% (base rate) of the member's qualifying compensation. All new hires after June 30, 2011, who elect Class T-F membership, contribute at 10.3% (base rate) of the member's qualifying compensation. Membership Class T-E and Class T-F are affected by a "shared risk" provision in Act 120 of 2010 that in future fiscal years could cause the Membership Class T-E contribution rate to fluctuate between 7.5% and 9.5% and Membership Class T-F contribution rate to fluctuate between 10.3% and 12.3%.

Employer Contributions:

The School's contractually required contribution rate for fiscal year ended June 30, 2018 was 31.74% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the School were \$608,898 for the year ended June 30, 2018.

**Other Postemployment Benefits**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Public School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

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**Note 1 Background and Summary of Significant Accounting Policies (Continued)**

**Other Postemployment Benefits (Continued)**

*General Information about the Health Insurance Premium Assistance Program*

Health Insurance Premium Assistance Program

The System provides Premium Assistance which, is a governmental cost sharing, multiple-employer other postemployment benefit plan (OPEB) for all eligible retirees who qualify and elect to participate. Employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Effective January 1, 2002 under the provisions of Act 9 of 2001, participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2017 there were no assumed future benefit increases to participating eligible retirees.

Premium Assistance Eligibility Criteria

Retirees of the System can participate in the Premium Assistance program if they satisfy the following criteria:

- Have 24.5 or more years of service, or
- Are a disability retiree, or
- Have 15 or more years of service and retired after reaching superannuation age, and
- Participate of the HOP or employer-sponsored health insurance program.

Pension Plan Description

PSERS is a governmental cost-sharing multiple-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at [www.psers.pa.gov](http://www.psers.pa.gov).

Benefits Provided

Participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2017 there were no assumed future benefit increases to participating eligible retirees.

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

**Note 1 Background and Summary of Significant Accounting Policies (Continued)**

**Other Postemployment Benefits (Continued)**

Employer Contributions

The School's contractually required contribution rate for the fiscal year ended June 30, 2018 was 0.83% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the OPEB plan from the School were \$20,856 for the year ended June 30, 2018.

**Note 2 Cash and Cash Equivalents**

The School's cash and cash equivalents balance at June 30, 2018, was \$2,322,247. The actual amount of cash on deposit in the School's bank accounts at June 30, 2018 was \$2,357,302. As of June 30, 2018, the School's bank balance was exposed to custodial credit risk as follows:

Uninsured and collateralized with securities held by the pledging bank's trust department, not in the School's name	\$ 2,051,297
Insured amount	\$ 270,950

**Note 3 Receivables**

Receivables as of June 30, 2018 consist primarily of subsidies from local, federal and state authorities. All federal and state subsidies receivables are considered collectible due to the stable condition of these programs. The School recorded a reserve of \$65,000 to provide for possible uncollectible receivables from certain school districts. The \$65,000 was applied against Local educational agency assistance revenue on the Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Funds and Program Revenues on the Statement of Activities for the year ended June 30, 2018.

**Note 4 Capital Assets**

	July 1, 2017	Additions	Deletions	June 30, 2018
Computer equipment	\$ 3,294,914	\$ 56,283	\$ -	\$ 3,351,197
Furniture and fixtures	171,397	-	-	171,397
Vehicle	13,136	-	-	13,136
Leaschold improvements	83,518	-	-	83,518
	3,562,965	56,283	-	3,619,248
Accumulated depreciation & amortization	3,356,236	136,202	-	3,492,438
	\$ 206,729	\$ (79,919)	\$ -	\$ 126,810

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

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**Note 4 Capital Assets (Continued)**

Depreciation and amortization expense was \$136,202 for the year ended June 30, 2018.

**Note 5 Line of Credit**

The School has a \$1,000,000 revolving line of credit (the Line) with Centric Bank through August 30, 2019. Interest is payable at the Wall Street Journal prime rate plus .75%. The Line is secured by all assets, tangible and intangible, of the School and was unused at June 30, 2018.

**Note 6 Commitments**

**Operating Lease Obligations**

The School leases its headquarters, located in Exton Pennsylvania, for a term expiring June, 2019. Effective, July 1, 2019 the School will relocate to a new facility in Exton, PA (see Note 15). The School leased multiple facilities throughout Pennsylvania under various operating leases which have either been cancelled or expired throughout the year. In addition to the basic rent, the School is/was required to pay its proportionate share of occupancy costs, utilities, and maintenance. Rent expense was \$350,017 for the year ended June 30, 2018.

Rent expense on the long-term operating lease, which is being recognized on the straight-line basis, was \$297,505 for the year ended June 30, 2018. Rent paid was \$298,725 for the year ended June 30, 2018. The cumulative difference between rent paid and rent calculated on the straight-line basis is \$15,445 and is reflected on the statement of net position as deferred rent.

**Note 7 Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2018, the School reported a liability of \$9,532,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by rolling forward the System's total pension liability as of June 30, 2016 to June 30, 2017. The School's proportion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2018, the School's proportion was .0193% percent, which was a decrease of .029% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the School recognized pension expense of \$567,824. At June 30, 2018, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

**Note 7 Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	\$ 221,000	\$ 7,119,000
Difference between projected and actual experience	99,000	58,000
Changes in proportions	823,000	-
Changes in assumptions	259,000	-
Difference between employer contributions and proportionate share of total contributions	34,277	-
Contributions subsequent to the measurement date	608,898	-
	\$ 2,045,175	\$ 7,177,000

The \$608,898 reported as deferred outflows of resources related to pensions resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Year Ending June 30:	
	2019	(1,364,686)
	2020	(1,840,245)
	2021	(1,872,029)
	2022	(664,131)
	2023	368

**Note 8 Actuarial Assumptions**

The total pension liability as of June 30, 2017 was determined by rolling forward the System's total pension liability as of the June 30, 2016 actuarial valuation to June 30, 2017 using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method - Entry Age Normal - level % of pay.
- Investment Return - 7.25%, includes inflation at 2.75%.
- Salary growth - effective average of 5.00%, comprised of inflation of 2.75% and 2.25% for real wage growth and for merit or seniority increases.

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

**Note 8 Actuarial Assumptions (Continued)**

Mortality rates were based on the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The pension plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global public equity	20.0%	5.1%
Fixed income	36.0%	2.6%
Commodities	8.0%	3.0%
Absolute return	10.0%	3.4%
Risk parity	10.0%	3.8%
Infrastructure/MLPs	8.0%	4.8%
Real estate	10.0%	3.6%
Alternative investments	15.0%	6.2%
Cash	3.0%	0.6%
Financing (LIBOR)	-20.0%	1.1%
	<b>100%</b>	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2017.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

**Note 8 Actuarial Assumptions (Continued)**

Sensitivity of the School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using the discount rate of 7.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
School's proportionate share of the net	\$ 11,733,000	\$ 9,532,000	\$ 7,374,000

Pension Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at [www.psers.state.pa.us](http://www.psers.state.pa.us).

Payables to the Pension Plan

As of June 30, 2018, \$354,671 was due to the pension plan for contractually required contributions, consisting of \$339,220 and \$15,451 of employer and employee contributions, respectively.

**Note 9 OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2018, the School reported a liability of \$393,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the System's total OPEB liability as of June 30, 2016 to June 30, 2017. The School's proportion of the net OPEB liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2018, the School's proportion was .0193% , which was a decrease of .007% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2018, the School recognized OPEB expense of \$936. At June 30, 2018, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources
Changes in proportion	\$ -		\$ 129,000
Changes of assumptions	-		18,000

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

**Note 9 OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

Difference between employer contributions and proportionate share of total contributions	270	-
Contributions subsequent to the measurement date	15,923	-
	\$ 16,193	\$ 147,000

The \$15,923 reported as deferred outflows of resources related to OPEB resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Year Ending June 30:	
	2019	\$ (24,000)
	2020	(23,933)
	2021	(23,933)
	2022	(23,932)
	2023	(24,932)
	Thereafter	(26,000)

**Note 10 Actuarial Assumptions**

The Total OPEB Liability as of June 30, 2017, was determined by rolling forward the System's Total OPEB Liability as of June 30, 2016 to June 30, 2017 using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method - Entry Age Normal - level % of pay.
- Investment return - 3.13% - S&P 20 Year Municipal Bond Rate.
- Salary growth - Effective average of 5.00%, comprised of inflation of 2.75% and 2.25% for real wage growth and for merit or seniority increases.
- Premium Assistance reimbursement is capped at \$1,200 per year.
- Assumed Healthcare cost trends were applied to retirees with less than \$1,200 in premium assistance per year.
- Mortality rates were based on the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.
- Participation rate:
  - Eligible retirees will elect to participate Pre age 65 at 50%
  - Eligible retirees will elect to participate Post age 65 at 70%



**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

**Note 10 Actuarial Assumptions (Continued)**

The following assumptions were used to determine the contribution rate:

- The results of the actuarial valuation as of June 30, 2015 determined the employer contribution rate for fiscal year 2017.
- Cost Method: Amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date.
- Asset valuation method: Market Value.
- Participation rate: 63% of eligible retirees are assumed to elect premium assistance.
- Mortality rates and retirement ages were based on the RP-2000 Combined Healthy Annuitant Tables with age set back 3 for both males and females for healthy annuitants and for dependent beneficiaries. For disabled annuitants, the RP-2000 Combined Disabled Tables with age set back 7 years for males and 3 years for females for disabled annuitants. (A unisex table based on the RP-2000 Combined Healthy Annuitant Tables with age set back 3 years for both genders assuming the population consists of 25% males and 75% females is used to determine actuarial equivalent benefits.)

Investments consist primarily of short term assets designed to protect the principal of the plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Under the program, as defined in the retirement code employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

OPEB - Asset Class	Target Allocation	
Cash	76.4%	0.6%
Fixed income	23.6%	1.5%
	100%	

The above was the Board's adopted asset allocation policy and best estimates of geometrical real rates of return for each major asset class as of June 30, 2017.

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

**Note 10 Actuarial Assumptions (Continued)**

Discount rate

The discount rate used to measure the Total OPEB Liability was 3.13%. Under the plan's funding policy, contributions are structured for short term funding of Premium Assistance. The funding policy sets contribution rates necessary to assure solvency of Premium Assistance through the third fiscal year after the actuarial valuation date. The Premium Assistance account is funded to establish reserves that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Due to the short term funding policy, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments, therefore the plan is considered a "pay-as-you-go" plan. A discount rate of 3.13% which represents the S&P 20 year Municipal Bond Rate at June 30, 2017, was applied to all projected benefit payments to measure the total OPEB liability.

Sensitivity of the System Net OPEB Liability to Change in Healthcare Cost Trend Rates

Healthcare cost trends were applied to retirees receiving less than \$1,200 in annual Premium Assistance. As of June 30, 2017, retirees Premium Assistance benefits are not subject to future healthcare cost increases. The annual Premium Assistance reimbursement for qualifying retirees is capped at a maximum of \$1,200. As of June 30, 2016, 91,797 retirees were receiving the maximum amount allowed of \$1,200 per year. As of June 30, 2016, 1,354 members were receiving less than the maximum amount allowed of \$1,200 per year. The actual number of retirees receiving less than the \$1,200 per year cap is a small percentage of the total population and has a minimal impact on Healthcare Cost Trends as depicted below.

The following presents the System net OPEB liability for June 30, 2017, calculated using current Healthcare cost trends as well as what the System net OPEB liability would be if health care cost trends were 1 percentage point lower or 1 percentage point higher than the current rate:

	Dollar Amounts in Thousands		
	1% Decrease	Current Trend Rate	1% Increase
System net OPEB liability	\$ 86,000	\$ 86,000	\$ 86,000

Sensitivity of the School's proportionate share of the net OPEB liability to changes in the discount rate

	1% Decrease	Current Discount	1% Increase
	2.13%	3.13%	4.13%
School's proportionate share of the net OPEB liability	\$ 447,000	\$ 393,000	\$ 349,000

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

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**Note 10 Actuarial Assumptions (Continued)**

OPEB plan fiduciary net position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at [www.psers.pa.gov](http://www.psers.pa.gov).

**Note 11 Grants**

The School participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2018 may be impaired. In the opinion of the School, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

**Note 12 Risk Management**

The School is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School carries commercial insurance for such risks. There has been no significant reduction in insurance coverage of the School's policies.

**Note 13 Litigation**

The School is, from time to time, involved in claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, at this time, the ultimate resolution of these matters will not have an adverse effect of the financial position of the School.

**Note 14 Retirement Plan**

In addition to the PSERS plan, the School provides an alternative plan for employees that do not participate in PSERS through the Achievement House Cyber Charter School 403(b) Plan. Non-PSERS employees participate from the date of employment, with a mandatory minimum contribution of 5%. The School will match the employees' contributions dollar for dollar up to 5% of their compensation. The School's contributions to the plan for the year ended June 30, 2018 approximated \$49,000.

**Note 15 Subsequent Event**

Effective July 1, 2019, the School will relocate its operations to a new location in Exton PA. The School executed a lease for the period July 2019 to July 2027. Future minimum lease payments are as follows:

**Achievement House Charter School**  
**Notes to Financial Statements**  
**June 30, 2018**

**Note 15 Subsequent Event (Continued)**

Year Ending June 30,	
2019	\$ 284,617
2020	629,107
2021	345,612
2022	353,940
2023	362,268
2024	370,596
2025	378,924
2026	387,252
2027	395,580

During the first two years of the lease, the School will be entitled to rent abatements. The School is required to pay its proportionate share of occupancy costs, utilities, and maintenance. In connection with the relocation, the Board expects to incur moving and other facility costs approximating \$100,000, which the School expects to fund through its own working capital.

**Note 16 Change in Accounting Principle**

During the current year the School implemented GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement changes the accounting for OPEB by recording the School's portion of net OPEB liability and deferred inflows and outflows related to OPEB. As a result of implementing this statement, a prior period adjustment is required for the beginning net OPEB liability and deferred outflows for the School's contributions made during fiscal year 2017.

As of July 1, 2017, net position has been restated as follows:

Net position, beginning of year, as previously stated	\$ (14,911,552)
Net OPEB liability	(566,000)
Deferred outflows - School's contributions made during fiscal year 2017	21,336
Net position as restated, July 1, 2017	\$ (15,456,216)

**Required Supplementary Information**

**Achievement House Charter School  
Governmental Fund Budgetary Comparison Schedule  
Year Ended June 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Revenues/ Expenditures</u>	
<b>Revenues</b>				
Local educational agency assistance	\$ 7,080,000	\$ 7,080,000	\$ 8,238,778	\$ 1,158,778
Federal sources	500,202	500,202	499,643	(559)
State sources	64,000	64,000	104,133	40,133
Other sources	<u>32,000</u>	<u>32,000</u>	<u>13,383</u>	<u>(18,617)</u>
Total revenues	<u>7,676,202</u>	<u>7,676,202</u>	<u>8,855,937</u>	<u>1,179,735</u>
<b>Expenditures</b>				
Instruction	3,803,294	3,803,294	3,977,652	(174,358)
Support service	3,722,447	3,722,447	3,634,098	88,349
Noninstructional services	15,000	15,000	12,697	2,303
Capital outlay	<u>71,500</u>	<u>71,500</u>	<u>56,283</u>	<u>15,217</u>
Total expenditures	<u>7,612,241</u>	<u>7,612,241</u>	<u>7,680,730</u>	<u>(68,489)</u>
<b>Net Change in Fund Balance</b>	63,961	63,961	1,175,207	1,248,224
<b>Fund Balance, Beginning</b>	<u>722,265</u>	<u>722,265</u>	<u>722,265</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 786,226</u>	<u>\$ 786,226</u>	<u>\$ 1,897,472</u>	<u>\$ 1,248,224</u>

See accompanying notes to financial statements.

**Achievement House Charter School  
Schedule of the School's Proportionate Share of the Net  
Pension Liability and Contributions**

Last 10 Fiscal Years\*

Schedule of the School's Proportionate Share of the Net Pension Liability

<u>Fiscal Year</u>	<u>PSERS Net Pension Liability</u>		<u>School's Covered Employee Payroll</u>	<u>School's Proportionate Share of NPL as a % of Covered- Employee Payroll</u>	<u>Plan Fiduciary Net Position as a % of Total Pension Liability</u>
	<u>School's Proportion</u>	<u>School's Proportionate Share</u>			
6/30/2013	0.0355%	\$ 14,532,000	\$ 4,561,478	318.58%	54.49%
6/30/2014	0.0445%	\$ 17,614,000	\$ 5,672,312	310.53%	57.24%
6/30/2015	0.0425%	\$ 18,409,000	\$ 5,474,017	336.30%	54.36%
6/30/2016	0.0263%	\$ 13,033,000	\$ 3,405,398	382.72%	50.14%
6/30/2017	0.0193%	\$ 9,532,000	\$ 2,570,633	370.80%	51.84%

Schedule of School Contributions

<u>Fiscal Year</u>	<u>Contractually Required Contributions</u>	<u>Contributions Recognized by PSERS</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a % of Total Covered- Employee Payroll</u>
6/30/2015	\$ 1,060,757	\$ 1,060,757	\$ -	\$ 5,474,017	19.38%
6/30/2016	\$ 849,396	\$ 849,396	\$ -	\$ 3,405,398	24.94%
6/30/2017	\$ 688,487	\$ 688,487	\$ -	\$ 2,570,633	26.78%
6/30/2018	\$ 608,898	\$ 608,898	\$ -	\$ 1,918,394	31.74%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complete, available information is presented.

**Achievement House Charter School  
Schedule of the School's Proportionate Share of the Net  
OPEB Liability and Contributions**

Last 10 Fiscal Years\*

Schedule of the School's Proportionate Share of the Net OPEB Liability

Fiscal Year	PSERS Net OPEB Liability		School's Covered Employee Payroll	School's Proportionate Share of OPEB as a % of Covered- Employee Payroll	Plan Fiduciary Net Position as a % of Total OPEB Liability
	School's Proportion	School's Proportionate Share			
6/30/2016	0.0263%	\$ 566,000	\$ 3,405,398	16.62%	5.47%
6/30/2017	0.0193%	\$ 393,000	\$ 2,570,633	15.29%	5.73%

Schedule of School Contributions

Fiscal Year	Contractually Required Contributions	Contributions Recognized by PSERS	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as a % of Total Covered- Employee Payroll
6/30/2018	\$ 15,923	\$ 15,923	\$ -	\$ 1,918,394	0.83%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is complete, available information is presented.



**Achievement House Charter School  
Notes to Required Supplementary Information  
Year Ended June 30, 2018**

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**Note 1 Changes in Benefit Terms**

None.

**Note 2 Changes in Assumptions**

None.

**Other Reports Required By Government Auditing Standards**

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

To the Board of Trustees  
Achievement House Charter School  
Exton, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Achievement House Charter School (the School) as of and for the year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon, dated June 17, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit, 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 opinions 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

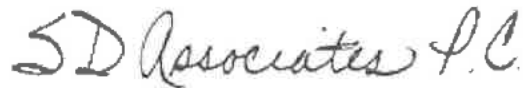
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion of 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.

A handwritten signature in black ink that reads "SD Associates P.C." in a cursive, slightly stylized font.

Certified Public Accountants  
Elkins Park, Pennsylvania

June 17, 2019

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

Division of Federal Programs  
Consolidated Program Review

2018-2019 School Year

Achievement House CS  
600 Eagleview Blvd  
Exton, PA 19340

LEA Level Monitoring

	<u>Name</u>	<u>Phone Number</u>	Check if Interviewed
<b>Superintendent:</b>	Donald Asplen	484-615-6227	<input checked="" type="checkbox"/>
<b>Business Manager:</b>	Ryan Schumm	215-481-9777 x126	<input checked="" type="checkbox"/>
<b>Federal Program Coordinator:</b>	Bob Worn	484-615-6224	<input checked="" type="checkbox"/>
<b>Parent/Family Member:</b>	Kris Botes	484-615-6244	<input checked="" type="checkbox"/>

**Program(s) Reviewed:**

- Title IA: Fiscal
- Title IIA: Fiscal
- Title IIIA: Fiscal
- Title IVA: Fiscal

**Program Reviewer(s):** Adem Oksuz

**Program Review Date:** 05/10/2019

# Title IA: Fiscal

## Component I: General Fiscal Requirements/Uniform Grants Guidance

Fiscal monitoring is different than program monitoring: Fiscal monitoring will include a review of a subgrantees financial operations, which may include a review of internal controls for program funds in accordance with state and federal requirements, an examination of principles, laws and regulations, and a determination of whether costs are reasonable and necessary to achieve program objectives. This activity involves an assessment of financial statements, records, and procedures. It is similar to an audit but has a lesser degree of detail and depth and, usually, a higher degree of frequency.

Fiscal monitoring includes, but is not limited to:

- Reviewing a random sample (usually 3-5 per program) of invoices or bills for expenditures charged to the program to determine if appropriate units of measure are reported and that costs (units x rate) are correct and that costs align with grant objectives and were approved in the application for funds.
- Comparing budgets or budget limits to actual costs to determine if the LEAs expenditures are likely to be more or less than budgeted
- Obtaining documentation that services billed or items purchased were actually delivered according to the contract
- Comparing invoices with supporting documentation to determine that costs were allowable, necessary, and allocable.

An expenditure is allowable if it is an approved use of funds under the statute or regulations governing a program and meet the intent of the program.

An expenditure is necessary if it is part of an approved application for funding.

An expenditure is allocable to the extent that the expenditure is used to meet the intent of the grant program (costs are pro-rated across grants if used to meet several grant program objectives).

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments
<p>1. Audits</p> <p>The SEA ensures that the State and the LEAs are audited annually, if required, and that all corrective actions identified through this process are fully implemented</p> <p>Uniform Grants Guidance Section 200.501</p>	<p>1. Copies of single audit reports (2 most recent), corrective action plans and approval documents for the LEA</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input checked="" type="checkbox"/> Two most recent audit reports (federal programs only)</p> <p><input type="checkbox"/> LEA response to findings</p> <p><input type="checkbox"/> PDE follow-up review of findings</p> <p><input type="checkbox"/> Independent auditor report shows that LEA has completed all corrective actions</p>	

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments
2. Equipment and Related Property UGG Sec. 200.313	1. LEA maintains Inventory records, purchase orders and receipts for equipment (over \$5,000) purchased and Computing Devices and Special Purpose Equipment (\$300 - \$4,999)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Inventory list of items purchased with Title I A and D, Title II, Title III, and Title IV	<p><b>District Comments</b></p> <p>4/10/2019 9:57:44 PM CEO Donald Asplen AHCCS does not use federal funds to purchase equipment.</p> <p><b>Monitor Comments</b></p> <p>5/10/2019 9:59:21 AM Monitor Adem Oksuz AHCCS does not use federal funds to purchase equipment.</p>
	2. LEA conducts a physical inventory of all items every two years	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Documentation that physical inventory was conducted within the last two years	<p><b>District Comments</b></p> <p>4/10/2019 9:57:48 PM CEO Donald Asplen AHCCS does not use federal funds to purchase equipment.</p> <p><b>Monitor Comments</b></p> <p>5/10/2019 9:59:35 AM Monitor Adem Oksuz AHCCS does not use federal funds to purchase equipment.</p>
3. Obligating Funds UGG Sec. 200.309	1. LEA began obligating funds on or after the programs' approved date	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Documentation that program funds were not spent prior to program approval date	
4. Record Retention UGG Sec. 200.333	1. Federal program records are maintained for a period of 7 years (current year plus 6 prior)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Documentation that records are maintained for a period of seven years	

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments
5. Performance Goal Reporting Verification UGG 200.328	1. LEA has submitted the Performance Goal Output Report for Title I and/or Title ID, where applicable.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Consolidated Application, Performance Goal Output Report in Title I and/or Title ID, where applicable.	
	2. Backup documentation exists for the performance goal report that aligns with the data indicated in the goals that would be used to determine success.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Data reports/summaries	



Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments
<p>6. Conflict of Interest Policy</p> <p>UGG Sec 200.112</p>	<p>1. Conflict of Interest Requirement the non-federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with the applicable Federal awarding agency policy, which includes:</p> <ul style="list-style-type: none"> <li>• Standards of Conduct (covering conflicts of interest when governing the actions of its employees engaged in the selection award and administration of contracts)</li> <li>• Organizational Conflicts- (relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization)</li> <li>• Disciplinary Actions- (actions taken against an individual who violates the standards of conduct)</li> <li>• Mandatory Disclosure- (potential conflict disclosed in writing)</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input checked="" type="checkbox"/> Board Approved policy,</p> <p><input type="checkbox"/> Self-disclosure form,</p> <p><input type="checkbox"/> Resolution form or other evidence of how it was resolved (waived, or disciplinary actions taken)</p>	

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments		
<p>7. Allowability of Costs UGG Sec 200.43</p>	<p>1. Allowability of Costs Requirement Expenditures must be aligned with approved budgeted items and when determining how the District expends its funds the procedures must include the following cost principles:</p> <ul style="list-style-type: none"> <li>• Necessary, reasonable and allocable</li> <li>• Conform with federal law and grant terms</li> <li>• Consistent with state and local policies</li> <li>• Adequately documented</li> </ul>	☑	☐	☐	<p>☐ Review program expenditures</p> <p>☑ Review Allowability of Costs Procedures to check for internal controls relating to bulleted items.</p>	<table border="1"> <thead> <tr> <th data-bbox="1661 131 2005 180">District Comments</th> </tr> </thead> <tbody> <tr> <td data-bbox="1661 180 2005 354"> <p>4/8/2019 2:25:40 PM CEO Donald Asplen AHCCS's Allowability of Cost Policy attached</p> </td> </tr> </tbody> </table>	District Comments	<p>4/8/2019 2:25:40 PM CEO Donald Asplen AHCCS's Allowability of Cost Policy attached</p>
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<p>8. Procurement UGG Sec 200.320, 100.67, 200.88</p>	<p>1. Procurement the LEA maintains purchasing procedures</p> <p>Micro-purchases (purchase up to \$10,000)</p> <ul style="list-style-type: none"> <li>• Small Purchase (between \$10,000-\$250,000)</li> <li>• Sealed Bids (purchases over \$250,000 with formal advertising)</li> <li>• Competitive Proposals (more than one source submitting a proposal)</li> <li>• Non-competitive Proposals i.e. Sole Source (Solicitation of a proposal from only one source)</li> </ul>	☑	☐	☐	<p>☐ Procurement procedures exist and include the specific procedures to be followed internally for the five procurement levels</p> <p>☑ Evidence that procurement procedures were followed for 3-5 tested random expenditures.</p>	<table border="1"> <thead> <tr> <th data-bbox="1661 743 2005 792">District Comments</th> </tr> </thead> <tbody> <tr> <td data-bbox="1661 792 2005 1003"> <p>4/8/2019 2:26:48 PM CEO Donald Asplen AHCCS"s Procurement Using Grant funds Policy attached.</p> </td> </tr> </tbody> </table>	District Comments	<p>4/8/2019 2:26:48 PM CEO Donald Asplen AHCCS"s Procurement Using Grant funds Policy attached.</p>
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<p>9. Cash Management Procedures</p> <p>UGG Sec 200.305</p>	<p>1. Cash Management the LEA must maintain written procedures to implement the following cash management requirements:</p> <ul style="list-style-type: none"> <li>• Reimbursements explain what happens if the LEA is initially charging federal grant expenditures to nonfederal funds</li> <li>• Advances explain what happens if the LEA receives advance payments of federal grant funds</li> <li>• Interest explain how the LEA will manage interest earned on federal grant awards</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input type="checkbox"/> Procedures are available that address the three components</p> <p><input checked="" type="checkbox"/> Evidence that LEA returned interest earned in excess of \$500 to federal government, if applicable</p>	<table border="1" style="width: 100%;"> <thead> <tr> <th data-bbox="1659 131 2003 180">District Comments</th> </tr> </thead> <tbody> <tr> <td data-bbox="1659 180 2003 391"> <p>4/8/2019 2:31:31 PM CEO Donald Asplen AHCCS's Cash Management Policy is attached.</p> </td> </tr> </tbody> </table>	District Comments	<p>4/8/2019 2:31:31 PM CEO Donald Asplen AHCCS's Cash Management Policy is attached.</p>
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10. Travel Reimbursement UGG Sec 200.474	1. Travel the LEA must have written travel policies for travel costs to be allowable <ul style="list-style-type: none"> <li>• Types of travel (single day, overnight or out-of-state)</li> <li>• What expenses may be reimbursed (food, lodging, transportation, airfare)</li> <li>• What type of documentation is needed for reimbursement (pre-approval travel form, receipts, post travel form)</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Board approved policies available for review  <input type="checkbox"/> Samples of travel requests reviewed followed policy  <input type="checkbox"/> Prior written approval was obtained by PDE for out of state travel					
11. Prior Written Approval for Various Expenditures UGG Sec 200.413, 200.474, 200.438, 200.439, 200.454	1. LEA must obtain prior written approval for the following expenditures: <ul style="list-style-type: none"> <li>• Salaries of Administrative Staff (Clerical and Federal Program Coordinators) (200.413(c))</li> <li>• Out of State Travel for workshops/conferences (200.474)</li> <li>• Entertainment Costs (200.438)</li> <li>• Equipment (200.439)</li> <li>• Student Activity Costs</li> <li>• Memberships, subscriptions, and Professional Activities (200.454)</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Items were included in approved consolidated application budgets and/or narratives  <input type="checkbox"/> Emails or other correspondence with regional coordinator requesting and receiving approval for expenditures.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="background-color: #e0e0e0; padding: 5px;">District Comments</th> </tr> <tr> <td style="padding: 5px;">           4/10/2019 9:58:42 PM            CEO Donald Asplen            No items needing prior written approval are paid with Title funds.         </td> </tr> <tr> <th style="background-color: #e0e0e0; padding: 5px;">Monitor Comments</th> </tr> <tr> <td style="padding: 5px;">           5/10/2019 10:06:50 AM            Monitor Adem Oksuz            No items needing prior written approval are paid with Title funds.         </td> </tr> </table>	District Comments	4/10/2019 9:58:42 PM CEO Donald Asplen No items needing prior written approval are paid with Title funds.	Monitor Comments	5/10/2019 10:06:50 AM Monitor Adem Oksuz No items needing prior written approval are paid with Title funds.
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<p>12. Carryover</p> <p>The LEA complies with the carryover provisions of Title I.</p> <p>Sec. 1127</p>	<p>1. LEAs with Title I allocations greater than \$50,000 per year have not carried over more than 15% of their allocation from one year to next unless the SEA has waived the limitation (allowable once every 3-year cycle if the SEA believes the request is reasonable and necessary</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> Consolidated Application Carryover section</p> <p><input type="checkbox"/> Waiver request and Carryover Waiver Approval Letter</p>	<p style="text-align: center;"><b>District Comments</b></p> <p>4/10/2019 9:59:02 PM CEO Donald Asplen AHCCS did not request carryover of funds.</p> <p style="text-align: center;"><b>Monitor Comments</b></p> <p>5/10/2019 10:08:50 AM Monitor Adem Oksuz AHCCS did not request carryover of funds.</p>
<p>13. Rank Order</p> <p>The LEA ensures that it complies with the requirements of Title I when allocating funds to eligible school attendance areas or schools in rank order of poverty based on the number of children from low-income families who reside in an eligible school attendance area.</p> <p>Sec. 1113</p>	<p>1. The LEA is serving all buildings over 75% low-income, regardless of grade span, in rank order. Buildings below 75% can be served in rank order in two manners, either still in rank order regardless of grade span, or by rank order within grade span."</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> Consolidated Application, Selection of Schools</p>	<p style="text-align: center;"><b>District Comments</b></p> <p>4/10/2019 9:59:24 PM CEO Donald Asplen AHCCS is a single site entity and this is not applicable.</p> <p style="text-align: center;"><b>Monitor Comments</b></p> <p>5/10/2019 10:09:00 AM Monitor Adem Oksuz AHCCS is a single site entity and this is not applicable.</p>

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments				
	<p>2. Buildings above 75% low-income must be served and can only not be served after written approval has been established by PDE. The same analysis should occur for buildings below 75% regardless of grade span when that ranking methodology is chosen, and when the ranking by grade span methodology is chosen then this analysis should occur within any established grade span.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> Consolidated Application, Selection of Schools</p>	<table border="1"> <tr> <td data-bbox="1650 123 2009 180" style="text-align: center;"><b>District Comments</b></td> </tr> <tr> <td data-bbox="1650 180 2009 391"> <p>4/10/2019 9:59:34 PM CEO Donald Asplen AHCCS is a single site entity and this is not applicable.</p> </td> </tr> <tr> <td data-bbox="1650 391 2009 448" style="text-align: center;"><b>Monitor Comments</b></td> </tr> <tr> <td data-bbox="1650 448 2009 656"> <p>5/10/2019 10:09:11 AM Monitor Adem Oksuz AHCCS is a single site entity and this is not applicable.</p> </td> </tr> </table>	<b>District Comments</b>	<p>4/10/2019 9:59:34 PM CEO Donald Asplen AHCCS is a single site entity and this is not applicable.</p>	<b>Monitor Comments</b>	<p>5/10/2019 10:09:11 AM Monitor Adem Oksuz AHCCS is a single site entity and this is not applicable.</p>
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	<p>3. High schools (grades 9-12) may be served out of rank order at the discretion of the LEA. If the LEA exercises this discretion, any High School that is over 50% low-income shall be treated and ranked as if it is at the 75% low-income level. In this manner a High School would have to be served in rank order regardless of grade span as it would be considered to be at the 75% level.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> Consolidated Application, Selection of Schools</p>	<table border="1"> <tr> <td data-bbox="1650 656 2009 712" style="text-align: center;"><b>District Comments</b></td> </tr> <tr> <td data-bbox="1650 712 2009 924"> <p>4/10/2019 9:59:43 PM CEO Donald Asplen AHCCS is a single site entity and this is not applicable.</p> </td> </tr> <tr> <td data-bbox="1650 924 2009 980" style="text-align: center;"><b>Monitor Comments</b></td> </tr> <tr> <td data-bbox="1650 980 2009 1187"> <p>5/10/2019 10:09:21 AM Monitor Adem Oksuz AHCCS is a single site entity and this is not applicable.</p> </td> </tr> </table>	<b>District Comments</b>	<p>4/10/2019 9:59:43 PM CEO Donald Asplen AHCCS is a single site entity and this is not applicable.</p>	<b>Monitor Comments</b>	<p>5/10/2019 10:09:21 AM Monitor Adem Oksuz AHCCS is a single site entity and this is not applicable.</p>
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	4. Allocations to each eligible school remain in rank order per the method established during the Consolidated Application submission and as analyzed in the bullets above, however variance in per pupil expenditure may vary and may only be in an anticipated format as this analysis is occurring mid-year.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> The Title I budget, including specific salary and benefits for personnel and supply orders for actual and anticipated expenditures, must be used for this analysis	<table border="1"> <tr> <td data-bbox="1656 131 2003 180"><b>District Comments</b></td> </tr> <tr> <td data-bbox="1656 180 2003 391">4/10/2019 9:59:49 PM CEO Donald Asplen AHCCS is a single site entity and this is not applicable.</td> </tr> <tr> <td data-bbox="1656 391 2003 440"><b>Monitor Comments</b></td> </tr> <tr> <td data-bbox="1656 440 2003 651">5/10/2019 10:11:02 AM Monitor Adem Oksuz AHCCS is a single site entity and this is not applicable.</td> </tr> </table>	<b>District Comments</b>	4/10/2019 9:59:49 PM CEO Donald Asplen AHCCS is a single site entity and this is not applicable.	<b>Monitor Comments</b>	5/10/2019 10:11:02 AM Monitor Adem Oksuz AHCCS is a single site entity and this is not applicable.
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	5. Pre-kindergarten children are excluded from the poverty count of any school	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> PIMS Report on Economically Disadvantaged	<table border="1"> <tr> <td data-bbox="1656 664 2003 712"><b>District Comments</b></td> </tr> <tr> <td data-bbox="1656 712 2003 924">4/10/2019 10:00:12 PM CEO Donald Asplen AHCCS does not serve pre-Kindergarten children.</td> </tr> <tr> <td data-bbox="1656 924 2003 972"><b>Monitor Comments</b></td> </tr> <tr> <td data-bbox="1656 972 2003 1183">5/10/2019 10:09:47 AM Monitor Adem Oksuz AHCCS does not serve pre-Kindergarten children.</td> </tr> </table>	<b>District Comments</b>	4/10/2019 10:00:12 PM CEO Donald Asplen AHCCS does not serve pre-Kindergarten children.	<b>Monitor Comments</b>	5/10/2019 10:09:47 AM Monitor Adem Oksuz AHCCS does not serve pre-Kindergarten children.
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<p>14. Supplement/Supplant</p> <p>The LEA ensures that Federal funds are used only to supplement or increase non-Federal sources used for the education of participating students and not to supplant funds from non-Federal sources</p> <p>Sec. 1118(b)</p>	<p>1. Title I only - The LEA has shall demonstrate that the methodology used to allocated State and local funds to each school receiving assistance under Title I, Part A ensures that the school receives all the State and local funds it would otherwise receive if it were not receiving Title I funds.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> Documentation of LEA methodology for allocating state and local funds to buildings.</p>	<table border="1"> <thead> <tr> <th>District Comments</th> </tr> </thead> <tbody> <tr> <td>4/10/2019 10:00:35 PM CEO Donald Asplen AHCCS is a charter school and this requirement is not applicable.</td> </tr> <tr> <th>Monitor Comments</th> </tr> <tr> <td>5/10/2019 10:10:05 AM Monitor Adem Oksuz AHCCS does not serve pre-Kindergarten children.</td> </tr> </tbody> </table>	District Comments	4/10/2019 10:00:35 PM CEO Donald Asplen AHCCS is a charter school and this requirement is not applicable.	Monitor Comments	5/10/2019 10:10:05 AM Monitor Adem Oksuz AHCCS does not serve pre-Kindergarten children.
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<p>15. Comparability</p> <p>The LEA complies with the comparability provisions of Title I</p> <p>Sec. 1118(c)</p>	<p>1. Title I Comparability Report comparing Title I schools to non-Title I schools reported to SEA annually in Pennsylvania and submitted by November 15</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input type="checkbox"/> Detailed Data Sheet and Assurance page</p> <p><input checked="" type="checkbox"/> Assurance page for those LEAs that are exempt</p>					
<p>16. Maintenance of Effort (MOE)</p> <p>Sec. 1118(a)</p>	<p>1. LEAs combined fiscal effort per student on the aggregate expenditures of the LEA from the preceding year must not be less than 90% of the second preceding year</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input checked="" type="checkbox"/> Maintenance of Effort Letter indicating compliance/non-compliance</p>					
<p>17. Compliance to Reservations</p> <p>The LEA complies with requirements regarding the reservation of funds.</p> <p>Sec. 1113(c)(3), 42 U.S.C 11432</p> <p>Sec. 1116(a)(3)</p>	<p>1. The LEA has reserved funds for Homeless students at both Title I served and non-Title I served buildings. This is a district-level reservation.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input checked="" type="checkbox"/> Consolidated Application Reservation of Funds page</p> <p><input type="checkbox"/> Consolidated Application Title I budget</p> <p><input type="checkbox"/> Statement of expenditures for homeless</p>					



Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments
	<p>2. LEAs receiving more than \$500,000 in Title I funds have reserved a minimum of 1% of the allocation for parent and family engagement and have distributed a minimum of 90% of those funds to the school level. A LEA may reserve more than 1% of the allocation. The 90% building-level allocation rule is only applicable against the original 1%, not any percentage above.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> Consolidated Application, Reservation of Funds</p> <p><input type="checkbox"/> Procedure for allocation of at least 90% of Parent and Family Engagement funds to the school level must be demonstrated and applicable expenditures provided as evidence of compliance</p>	<p style="text-align: center;"><b>District Comments</b></p> <p>4/10/2019 10:01:39 PM CEO Donald Asplen AHCCS does not receive more than 500K in Title I funds.</p> <p style="text-align: center;"><b>Monitor Comments</b></p> <p>5/10/2019 10:10:24 AM Monitor Adem Oksuz AHCCS does not receive more than 500K in Title I funds.</p>
	<p>3. LEA reserved appropriate funds for Neglected Institution served. (If not used, select NA)</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> Statement of expenditures for Neglected Institution</p>	<p style="text-align: center;"><b>District Comments</b></p> <p>4/10/2019 10:01:56 PM CEO Donald Asplen AHCCS does not reserve funds for Neglected Institutions.</p> <p style="text-align: center;"><b>Monitor Comments</b></p> <p>5/10/2019 10:10:51 AM Monitor Adem Oksuz AHCCS does not reserve funds for Neglected Institutions.</p>

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments				
	4. The LEA has reserved funds for Foster students at both Title I served and non-Title I served buildings. This is a district-level reservation. (If not used, select NA)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Statement of expenditures for Foster	<table border="1"> <tr> <td data-bbox="1654 123 2009 180" style="text-align: center;"><b>District Comments</b></td> </tr> <tr> <td data-bbox="1654 180 2009 391">4/10/2019 10:02:09 PM CEO Donald Asplen AHCCS does not reserve funds for Foster students.</td> </tr> <tr> <td data-bbox="1654 391 2009 448" style="text-align: center;"><b>Monitor Comments</b></td> </tr> <tr> <td data-bbox="1654 448 2009 656">5/10/2019 10:11:20 AM Monitor Adem Oksuz AHCCS does not reserve funds for Foster students.</td> </tr> </table>	<b>District Comments</b>	4/10/2019 10:02:09 PM CEO Donald Asplen AHCCS does not reserve funds for Foster students.	<b>Monitor Comments</b>	5/10/2019 10:11:20 AM Monitor Adem Oksuz AHCCS does not reserve funds for Foster students.
<b>District Comments</b>										
4/10/2019 10:02:09 PM CEO Donald Asplen AHCCS does not reserve funds for Foster students.										
<b>Monitor Comments</b>										
5/10/2019 10:11:20 AM Monitor Adem Oksuz AHCCS does not reserve funds for Foster students.										
	5. If LEA has indicated the use of the Salary and Fringe Benefit set-aside on the Reservation of Funds worksheet, does documentation exist to show how the calculation was derived and shows how the set-aside amount was allocated back to the appropriate Title I school? (If not used, select NA)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Spreadsheet demonstrating calculations	<table border="1"> <tr> <td data-bbox="1654 656 2009 716" style="text-align: center;"><b>District Comments</b></td> </tr> <tr> <td data-bbox="1654 716 2009 927">4/10/2019 10:03:47 PM CEO Donald Asplen AHCCS does not use the Salary and Fringe set aside.</td> </tr> <tr> <td data-bbox="1654 927 2009 984" style="text-align: center;"><b>Monitor Comments</b></td> </tr> <tr> <td data-bbox="1654 984 2009 1185">5/10/2019 10:11:38 AM Monitor Adem Oksuz AHCCS does not use the Salary and Fringe set aside.</td> </tr> </table>	<b>District Comments</b>	4/10/2019 10:03:47 PM CEO Donald Asplen AHCCS does not use the Salary and Fringe set aside.	<b>Monitor Comments</b>	5/10/2019 10:11:38 AM Monitor Adem Oksuz AHCCS does not use the Salary and Fringe set aside.
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<b>Monitor Comments</b>										
5/10/2019 10:11:38 AM Monitor Adem Oksuz AHCCS does not use the Salary and Fringe set aside.										

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments
<p>18. Title I, Part D Subpart 2: Sec. 1424</p>	<p>1. LEA spends Title I, Part D funds on allowable, supplemental, and educational activities at the selected delinquent institution(s)</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> Statement of expenditures for Delinquent funds</p>	<p style="text-align: center;"><b>District Comments</b></p> <p>4/10/2019 10:04:18 PM CEO Donald Asplen Achievement House Cyber CS is not a delinquent institution.</p> <p style="text-align: center;"><b>Monitor Comments</b></p> <p>5/10/2019 10:12:03 AM Monitor Adem Oksuz Achievement House Cyber CS is not a delinquent institution.</p>
<p>19. Community Eligibility Provision (CEP) 7 CFR 245.9(f)(7)(iii)</p>	<p>1. Did your LEA have schools that participated in the Community Eligibility Provision (CEP) during the 17-18 SY? This is asked for 18-19 monitoring because data from the previous year is used for the current year Selection of Schools and Nonpublic Equitable Share data</p> <p>Note: If your LEA has schools that have adopted CEP for the first time during the 18-19 SY this answer is "no". Note: If a "no" answer the remaining questions can be marked N/A.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><input type="checkbox"/> Consolidated Application, Selection of Schools</p>	<p style="text-align: center;"><b>District Comments</b></p> <p>4/10/2019 10:04:42 PM CEO Donald Asplen Achievement House is a Cyber CS and not eligible.</p> <p style="text-align: center;"><b>Monitor Comments</b></p> <p>5/10/2019 10:12:20 AM Monitor Adem Oksuz Achievement House is a Cyber CS and not eligible.</p>

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments				
	2. Were all buildings in 16-17 CEP or were some CEP and others non-CEP? If all schools CEP, select MET. If not, select N/A, then discuss per bullet 3 how data was made uniform	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Consolidated Application, Selection of Schools	<table border="1"> <tr> <td data-bbox="1654 123 2011 180" style="text-align: center;"><b>District Comments</b></td> </tr> <tr> <td data-bbox="1654 180 2011 391">4/10/2019 10:04:46 PM CEO Donald Asplen Achievement House is a Cyber CS and not eligible.</td> </tr> <tr> <td data-bbox="1654 391 2011 448" style="text-align: center;"><b>Monitor Comments</b></td> </tr> <tr> <td data-bbox="1654 448 2011 656">5/10/2019 10:13:02 AM Monitor Adem Oksuz Achievement House is a Cyber CS and not eligible.</td> </tr> </table>	<b>District Comments</b>	4/10/2019 10:04:46 PM CEO Donald Asplen Achievement House is a Cyber CS and not eligible.	<b>Monitor Comments</b>	5/10/2019 10:13:02 AM Monitor Adem Oksuz Achievement House is a Cyber CS and not eligible.
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5/10/2019 10:13:02 AM Monitor Adem Oksuz Achievement House is a Cyber CS and not eligible.										
	3. LEA has a data source/process that was used to ensure that CEP building low-income data was uniform with other non-CEP buildings and/or was equitable in regard to nonpublic schools	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Consolidated Application Selection of Schools  <input type="checkbox"/> The 1.6 multiplier was applied against CEP data from participating schools to make it uniform with traditional Free and Reduced Lunch data at non-CEP schools.  <input type="checkbox"/> Raw CEP/Direct Certification (DC) data was utilized at all schools in a uniform manner without a multiplier and regardless of whether or not a school was CEP participating or not.  <input type="checkbox"/> A survey that looked like the old Free and Reduced lunch survey but which made clear that it was not a requirement of the food subsidy program was sent to participating CEP schools. Non-CEP schools would use the traditional free and reduced forms.	<table border="1"> <tr> <td data-bbox="1654 656 2011 716" style="text-align: center;"><b>District Comments</b></td> </tr> <tr> <td data-bbox="1654 716 2011 927">4/10/2019 10:04:51 PM CEO Donald Asplen Achievement House is a Cyber CS and not eligible.</td> </tr> <tr> <td data-bbox="1654 927 2011 984" style="text-align: center;"><b>Monitor Comments</b></td> </tr> <tr> <td data-bbox="1654 984 2011 1195">5/10/2019 10:13:32 AM Monitor Adem Oksuz Achievement House is a Cyber CS and not eligible.</td> </tr> </table>	<b>District Comments</b>	4/10/2019 10:04:51 PM CEO Donald Asplen Achievement House is a Cyber CS and not eligible.	<b>Monitor Comments</b>	5/10/2019 10:13:32 AM Monitor Adem Oksuz Achievement House is a Cyber CS and not eligible.
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5/10/2019 10:13:32 AM Monitor Adem Oksuz Achievement House is a Cyber CS and not eligible.										

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments				
20. Transferability Sec 5103(b)	1. Up to 100% of Title II and IV funds can be transferred. Funds can be transferred into Title I and Title III but not out of either subprogram. Title IIA and IV can transfer between programs.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Expenditures aligned to transferred into subprogram <input checked="" type="checkbox"/> Consolidated Application, Transferability page					
	2. Evidence of Non-public school consultation to discuss transferred amounts	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Agendas/sign in sheets <input type="checkbox"/> Emails <input type="checkbox"/> Other documentation to reflect consultation occurred	<table border="1"> <thead> <tr> <th data-bbox="1656 367 2003 418">District Comments</th> </tr> </thead> <tbody> <tr> <td data-bbox="1656 418 2003 630">4/10/2019 10:05:10 PM CEO Donald Asplen AHCCS is a CS and not required to consult with Non-public schools.</td> </tr> <tr> <th data-bbox="1656 630 2003 675">Monitor Comments</th> </tr> <tr> <td data-bbox="1656 675 2003 886">5/10/2019 10:13:45 AM Monitor Adem Oksuz AHCCS is a CS and not required to consult with Non-public schools.</td> </tr> </tbody> </table>	District Comments	4/10/2019 10:05:10 PM CEO Donald Asplen AHCCS is a CS and not required to consult with Non-public schools.	Monitor Comments	5/10/2019 10:13:45 AM Monitor Adem Oksuz AHCCS is a CS and not required to consult with Non-public schools.
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Monitor Comments										
5/10/2019 10:13:45 AM Monitor Adem Oksuz AHCCS is a CS and not required to consult with Non-public schools.										
If you have additional comments to make about this section, enter them here:										

## Title II A: Fiscal

### Requirements

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments
<p>1. Supplement/Supplant</p> <p>The LEA ensures that Federal funds are used only to supplement or increase non-Federal sources used for the education of participating students and not to supplant funds from non-Federal sources</p> <p>Sec. 1118(b)</p>	1. Title II - the LEA approved budget and records of expenditures of Title II funds match	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Title II budgets <input type="checkbox"/> LEA budget <input type="checkbox"/> Statement of Expenditures for Title II	
<p>2. Performance Goal Reporting Verification</p> <p>UGG 200.328</p>	1. LEA has submitted the Performance Goal Output Report for Title II.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Consolidated Application, Performance Goal Output Report in Title II.	
	2. Backup documentation exists for the performance goal report that aligns with the data indicated in the goals that would be used to determine success.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Data reports/ summaries	
If you have additional comments to make about this section, enter them here:						

# Title IVA: Fiscal

## Requirements

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments
<p>1. Supplement/Supplant</p> <p>The LEA ensures that Federal funds are used only to supplement or increase non-Federal sources used for the education of participating students and not to supplant funds from non-Federal sources</p> <p>Sec. 1118(b)</p>	<p>1. Title IV (where applicable) - the LEA approved budget and records of expenditures of Title IV funds match.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input checked="" type="checkbox"/> Title IV budgets</p> <p><input type="checkbox"/> LEA budget</p> <p><input type="checkbox"/> Statement of Expenditures for Title IV</p>	
<p>2. Performance Goal Reporting Verification</p> <p>UGG 200.328</p>	<p>1. LEA has submitted the Performance Goal Output Report for Title IV.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input checked="" type="checkbox"/> Consolidated Application, Performance Goal Output Report in Title IV.</p>	
	<p>2. Backup documentation exists for the performance goal report that aligns with the data indicated in the goals that would be used to determine success.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><input checked="" type="checkbox"/> Data reports/ summaries</p>	
<p>If you have additional comments to make about this section, enter them here:</p>						

## Personnel Interviews

Building	Date	Staff Member Interviewed	Staff Member Position
AHCCS	5/10/2019	Abigail Dubinchik	Director of Compliance from Charter Choices
AHCCS	5/10/2019	Bob Worn	HR
AHCCS	5/10/2019	Julia Debold	Parent Involvement



**Division of Federal Program  
Consolidated Program Review  
2018-2019 School Year  
Achievement House CS**

**Achievement House Cyber Charter School**

**SCHOOL Level Monitoring**

	<b>Name</b>	<b>Check if Interviewed</b>
Principal:	Neil Thomas	<input checked="" type="checkbox"/>
Parent:	Kris Botes	<input checked="" type="checkbox"/>
Parent:	_____	<input type="checkbox"/>
Parent:	_____	<input type="checkbox"/>
Parent:	_____	<input type="checkbox"/>
Parent:	_____	<input type="checkbox"/>

Program Reviewers: Adem Oksuz Visit Date: 5/10/2019

# School Level Monitoring

## Component I: Requirements

Description	Requirements	Met	Not Met	N/A	Suggested Evidence of Implementation	Comments				
1. Time Documentation  UGG Sec. 200.430	1. The LEA and Title I school maintain semi-annual certifications for all employees funded 100% from a single cost objective	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Semi-annual time certifications					
	2. The LEA and Title I school maintain time documentation/logs for prorated staff including the amount of time spent on each funding source activity; logs are signed by a supervisor and reconciled to payroll documentation on a monthly basis; or fixed schedule approval has been obtained from DFP	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/> Time logs <input type="checkbox"/> Staff schedules <input type="checkbox"/> Documentation of Fixed schedule semi-annual time documentation DFP approval	<table border="1"> <thead> <tr> <th>District Comments</th> </tr> </thead> <tbody> <tr> <td>4/10/2019 9:57:09 PM CEO Donald Asplen AHCCS does not pay prorated staff with Federal funds. All Title Staff are funded under single cost objective.</td> </tr> <tr> <th>Monitor Comments</th> </tr> <tr> <td>5/10/2019 10:18:34 AM Monitor Adem Oksuz AHCCS does not pay prorated staff with Federal funds.</td> </tr> </tbody> </table>	District Comments	4/10/2019 9:57:09 PM CEO Donald Asplen AHCCS does not pay prorated staff with Federal funds. All Title Staff are funded under single cost objective.	Monitor Comments	5/10/2019 10:18:34 AM Monitor Adem Oksuz AHCCS does not pay prorated staff with Federal funds.
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Monitor Comments										
5/10/2019 10:18:34 AM Monitor Adem Oksuz AHCCS does not pay prorated staff with Federal funds.										
2. Building Level Budget	1. The LEA and Title I School maintain a building level budget documenting Title I expenditures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Schools Title I building level budget including specific salary and benefits for personnel and supply orders for actual and anticipated expenditures, must be used for this analysis					
If you have additional comments to make about this section, enter them here:										



## **Executive Summary BSE Compliance Monitoring Review of the Achievement House Cyber CS**

### **PART I SUMMARY OF FINDINGS**

#### **A. Review Process**

Prior to the Bureau's monitoring the week of March 20, 2017, the Achievement House Cyber CS was formally notified of the dates the onsite review would be conducted. Notice and invitation to comment was also provided to the Local Task Force on Right-to-Education. The charter school was informed of its responsibility to compile various reports, written policies, and procedures to document compliance with requirements.

While onsite, the monitoring team employed a variety of techniques to gain an in depth understanding of the charter school's program operations. This included:

- Interviews of charter school administrative and instructional personnel
- Review of policies, notices, plans, outcome and performance data, special education forms and formats, and data reports used and compiled by the charter school (Facilitated Self-Assessment)
- Comprehensive case studies (including classroom observations, interviews of parents, students, and general and special education teachers, and student file reviews).

#### **B. General Findings**

In reaching compliance determinations, the Bureau of Special Education (BSE) monitoring teams apply criteria contained in federal and state special education regulations. Specifically, these are:

- Individuals with Disabilities Education Improvement Act of 2004
- 22 Pa. Code Chapter 711
- 34 CFR Part 300

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

#### **C. Overall Findings**

##### **1. FACILITATED SELF ASSESSMENT (FSA)**

The team reviewed the FSA submitted by the charter school and conducted onsite verification activities of the information submitted in the FSA. The onsite verification activities included review of policies, notices, procedures, and file reviews.

<b>FSA</b>	<b>In Compliance</b>	<b>Out of Compliance</b>
Assistive Technology and Services; Hearing Aids	2	0
Positive Behavior Support Policy	1	0
Child Find (Annual Public Notice and General Dissemination Materials)	1	0
Confidentiality	1	0
Dispute Resolution (Due process hearing decision implementation)	0	0
Exclusions: Suspensions and Expulsions (Procedural Requirements)	0	0
Independent Education Evaluation	0	1
Least Restrictive Environment (LRE)	1	0
Provision of Extended School Year Services	1	0
Provision of Related Service Including Psychological Counseling	1	0
Parent Training	1	0
Public School Enrollment	1	0
Surrogate Parents (Students Requiring)	0	1
Personnel Training	1	0
Intensive Interagency Approach	0	0
Summary of Academic Achievement and Functional Performance/Procedural Safeguard Requirements for Graduation	2	0
Disproportionate Representation that is the Result of Inappropriate Identification	1	0

<b>IMPROVEMENT PLAN REQUIRED*</b>	<b>Yes</b>	<b>No</b>
Effective use of Dispute Resolution	0	0
Graduation Rates (SPP)	1	0
Dropout Rates (SPP)	1	0
Suspensions (Rates)	0	0
Least Restrictive Environment (LRE) (SPP)	0	1
Participation in PSSA and PASA (SPP)	0	1
Participation in Charter-Wide Assessment	0	1
Public School Enrollment	0	1
Disproportionate Representation that is the Result of Inappropriate Identification	0	1

\*This determination is based on the data used for the monitoring. More recent data provided by the LEA may demonstrate that the LEA does not require an improvement plan for this topic. Please refer to the Corrective Action Verification/Compliance and Improvement Plan for final guidance.

## 2. **FILE REVIEW** (Student case studies)

The education records of randomly selected students participating in special education programs were studied to determine whether the charter school complied with essential requirements.

The status of compliance of the Achievement House Cyber CS is as follows:

<b>Sections of the FILE REVIEW</b>	<b>In Compliance</b>	<b>Out of Compliance</b>	<b>NA</b>
Essential Student Documents Are Present and Were Prepared Within Timelines	85	2	73
Evaluation/Reevaluation: Process and Content	235	13	532
Individualized Education Program: Process and Content	500	38	262
Procedural Safeguards: Process and Content	114	6	0
<b>TOTALS</b>	<b>934</b>	<b>59</b>	<b>867</b>

### 3. TEACHER AND PARENT INTERVIEWS

Interviews were conducted with parents and teachers of students selected by the BSE for the sample group. The goal is to determine if the charter school involves parents and professionals in required processes (e.g., evaluation, IEP development), whether programs and services are being provided, and whether the charter school provides training to enhance knowledge. Parent and teacher satisfaction with the special education program is also generally assessed.

	<b># Yes Responses</b>	<b># No Responses</b>	<b># of Other Responses</b>
Program Implementation: General Ed Teacher Interviews	237	9	92
Program Implementation: Special Ed Teacher Interviews	320	8	126
Program Implementation: Parent Interviews	204	14	95
<b>TOTALS</b>	<b>761</b>	<b>31</b>	<b>313</b>

### 4. STUDENT INTERVIEWS

Results of the student interviews are reflected on the Charter School Corrective Action Verification/Compliance and Improvement Planning document.

### 5. CLASSROOM OBSERVATIONS

Observations are conducted in classrooms of students selected by the BSE for the sample group.

	<b># Yes Responses</b>	<b># No Responses</b>	<b># of Other Responses</b>
Classroom Observations	0	0	0

### 6. EDUCATIONAL BENEFIT REVIEW

	<b>In Compliance</b>	<b>Out of Compliance</b>
Educational Benefit Review		X

## PART II CORRECTIVE ACTION PROCESS

PART I of this report presented an overall summary of findings. In the Appendix to the report, we have provided the detailed findings for each of the criteria of the compliance monitoring document, i.e. FSA, File Reviews, Interviews and Classroom Observations. The detailed report of findings includes:

- Criteria Number
- Statements of all requirements
- Whether each requirement was met, not met, not applicable or other
- Statements of corrective action required for those criteria not met. ***Criteria not met that require corrective action by the charter school are gray-shaded.***

***Charter schools are advised that in accordance with requirements of the Individuals with Disabilities Education Act, all noncompliance must be corrected as soon as possible but in no case later than one year from the date of the monitoring report.*** The BSE is required to verify timely correction of noncompliance, and must report annually to the federal government and the public on this requirement.

Upon receipt of this report, the charter school should review the corrective action and improvement planning required. The report is formatted so that findings from all components of the monitoring are consolidated by topical area. The report lists the finding, and whether corrective action is required. For certain types of findings, corrective action will be prescribed, and will not vary from charter school to charter school. For example, if the finding is that the charter school lacks a specific required policy, it is reasonable to have the BSE prescribe a standardized remedy and timeline for correcting this deficiency. However, the majority of corrective action activities will be individually designed by the charter school based on their own unique circumstances and goals. Consistent with IDEA's general supervision requirements for states, BSE must approve all proposed corrective action.

With respect to the File Review, because students were selected at random, findings are generalized to the entire population of students with disabilities. During the corrective action review, the BSE Advisor will select students at random and will review updated data, i.e. records that were developed subsequent to the monitoring. Consequently, the charter school should approach corrective action on a systemic basis. As indicated above, the charter school is also required to correct student specific noncompliance identified during monitoring under the ICAP process. If there has been a finding of noncompliance in the Educational Benefit Review component, the individual students are identified to the charter school and, because of the significance of the provision of a free appropriate public education (FAPE) to these students; the charter school must take immediate corrective action.

The BSE Adviser will schedule an onsite visit with the charter school within 60 days following issuance of the monitoring report. The BSE Adviser, charter school, and PaTTAN staff will develop a Charter School Corrective Action Verification/Compliance and Improvement Plan. PaTTAN and IU staff is available to assist the charter school.

Upon conclusion of the corrective action process, the charter school will be notified of its successful completion of the monitoring process.