



Reach Cyber Charter School
ANNUAL BOARD MEETING

Pursuant to the Pennsylvania Open Meeting Laws, notice is hereby given to the members of the Reach Cyber Charter School Board and the general public that the Board will hold a meeting open to the public on:

Date and Time:

Wednesday, June 19, 2019 at 9:00 a.m.

Meeting Location:

750 East Park Drive, Suite 204
Harrisburg, PA 17111

Below is an agenda of all items scheduled to be considered. Unless otherwise stated, items may be taken out of the order presented on the agenda at the discretion of the Chair.

Reasonable efforts will be made to assist and accommodate persons with a disability. Please contact Jane Swan at (717) 704-8437.

AGENDA

- I. Call to Order and Roll Call – D. Taylor
- II. Public Comment – D. Taylor

The Board welcomes participation by the members of the public both in-person and telephonically. To address an item on the agenda, before the scheduled start of the meeting, an individual must provide their name and short description of the agenda item on which they wish to comment to the Chair, along with any materials they want to have distributed to the Board. Individuals who wish to address the Board telephonically must contact the Principal or Board President by phone or by email at least twenty four (24) hours before the scheduled start of the Board meeting. If the individual wants to provide any written materials to the Board, these should be emailed to the Principal or Board President at least twenty four (24) hours before the scheduled start of the meeting.

The total time for any individual to present, either in person or via telephone, on an item on the agenda shall not exceed three (3) minutes, unless the Board grants additional time.

Individuals desiring to make a formal presentation to the Board on an item not on the agenda but desiring it be placed on the agenda must provide notice and written submissions detailing the subject of the presentation to the Principal or Board President at least fourteen (14) days prior to the meeting. Any such presentations shall not exceed fifteen (15) minutes in duration, unless otherwise permitted by the Chair.

- III. Routine Business – D. Taylor
 - a. Approval of Agenda

- IV. Audit Committee, Committee of the Entire Board
 - a. Ratification of Revised Audit Firm Engagement for the 2017-18 SY Annual Financial Audit and Audit Firm Engagement for the 2018-19 SY Annual Financial Audit (attached) – D. Biondo/T. Lee
 - b. Ratification of the 2017-2018 School Year Financial Audit Report (attached) – D. Biondo/T. Lee

- V. Oral Reports
 - a. Executive Director's Report (MSR attached) – J. Swan
 - i. Graduation and End of Year Activities Update
 - ii. Comprehensive Support and Improvement (CSI) Designation Update
 - b. Financial Report (attached) – T. Lee

- VI. Strategic Plan

- VII. Consent Items
 - a. Approval of Minutes from the May 15, 2019 Board Meeting (attached)
 - b. Approval of Staffing Report (attached)
 - c. Approval of Connections Education Invoice(s) for May (attached)
 - d. Approval of LiveSpeech Invoice(s) (attached)
 - e. Approval of School Calendar for the 2019-2020 School Year (attached)
 - f. Approval of Board Meeting Schedule for the 2019-2020 School Year (attached)
 - g. Approval of Revision(s) to the 2019-2020 School Year State Specific School Handbook: Use of the Internet Policies and Procedures (attached)

- VIII. Action Items
 - a. Approval of Budget for the 2019-2020 School Year and Fee Schedule from POBL (attached) – D. Biondo/ T. Lee
 - b. Approval of Authorization for Board President to Sign an Extension to the Current Statement of Agreement (SOA) with POBL – A. Jay
 - c. Approval of Directors – M. Arthur
 - d. Approval of Officers for the 2019-2020 School Year – M. Arthur

- IX. Information Items
 - a. Results of the Parent Satisfaction Survey (PSS) (attached) – J. Swan
 - b. State and Strategic Client Relations (SSCR) Update – A. Jay
 - c. Partner School Leadership Team (PSLT) Update – A. Pasquinilli
 - d. Board Support Update – M. Arthur

- X. EXECUTIVE SESSION – Pursuant to 65 Pa. C.S. §§ 708(a)(1) – to discuss any matter involving the employment, appointment, termination of employment, terms and conditions of employment, evaluation of performance, promotion or disciplining of any specific prospective public officer or employee or current public officer or employee (attached) – A. Pasquinilli

- XI. Approval of School Leader Compensation for the 2019-2020 School Year – D. Taylor/ A. Pasquinilli
- XII. Adjournment and Confirmation of Annual Meeting – Wednesday, August 21, 2019 at 9:00 a.m.



April 9, 2018

To the Board of Trustees and Management
Reach Cyber Charter School
750 E. Park Drive, Suite 204
Harrisburg, PA 17111

We are pleased to confirm our understanding of the services we are to provide Reach Cyber Charter School for the year ended June 30, 2018. We will audit the financial statements of the governmental activities and the major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements, of Reach Cyber Charter School as of and for the year ended June 30, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Reach Cyber Charter School's 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. As part of our engagement, we will apply certain limited procedures to Reach Cyber Charter School's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Governmental Fund Budgetary Comparison Schedule

We have also been engaged to report on supplementary information other than RSI that accompanies Reach Cyber Charter School's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 1) Schedule of expenditures of federal awards.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Trustees of Reach Cyber Charter School. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain

controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Reach Cyber Charter School's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Reach Cyber Charter School's major programs. The purpose of these procedures will be to express an opinion on Reach Cyber Charter School's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of Reach Cyber Charter School in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you, as well as prepare the Internal Revenue Service Form 990. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information

as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will

take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to Reach Cyber Charter School; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of SD Associates, P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the PA Department of Education or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of SD Associates, P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

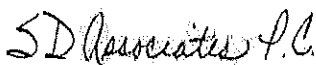
The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the PA Department of Education. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Keith Drobnes is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will not exceed \$17,000 for the audit and \$1,000 for the Form 990. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Reach Cyber Charter School and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



SD Associates, P.C.,

RESPONSE:

This letter correctly sets forth the understanding of Reach Cyber Charter School.

Management signature:

Jane Swan
CEO

Title:

Date:

May 23, 2019

Governance signature:

David Beard
School Board Treasurer

Title:

Date:

5-24-19



May 6, 2019

To the Board of Trustees and Management
Reach Cyber Charter School
750 E. Park Drive, Suite 204
Harrisburg, PA 17111

We are pleased to confirm our understanding of the services we are to provide Reach Cyber Charter School for the year ended June 30, 2019. We will audit the financial statements of the governmental activities and the major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements, of Reach Cyber Charter School as of and for the year ended June 30, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Reach Cyber Charter School's 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. As part of our engagement, we will apply certain limited procedures to Reach Cyber Charter School's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Governmental Fund Budgetary Comparison Schedule

We have also been engaged to report on supplementary information other than RSI that accompanies Reach Cyber Charter School's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 1) Schedule of expenditures of federal awards.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Trustees of Reach Cyber Charter School. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain

controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Reach Cyber Charter School's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Reach Cyber Charter School's major programs. The purpose of these procedures will be to express an opinion on Reach Cyber Charter School's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of Reach Cyber Charter School in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you, as well as prepare the Internal Revenue Service Form 990. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information

as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will

take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to Reach Cyber Charter School; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of SD Associates, P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the PA Department of Education or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of SD Associates, P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

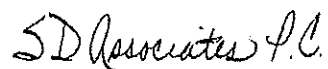
The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the PA Department of Education. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Keith Drobnes is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will not exceed \$22,000 for the audit and \$1,000 for the Form 990. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Reach Cyber Charter School and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



SD Associates, P.C.

RESPONSE:

This letter correctly sets forth the understanding of Reach Cyber Charter School.

Management signature:

Jane Swan
CEO

Title:

Date:

May 23, 2019

Governance signature:

David Beard
School Board Treasurer

Title:

Date:

5-24-19

Reach Cyber Charter School
Financial Statements
And
Independent Auditor's Report
Year Ended June 30, 2018

**Reach Cyber Charter School
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Year Ended June 30, 2018**

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Independent Auditor's Report

To the Board of Trustees
Reach Cyber Charter School
Harrisburg, Pennsylvania

We have audited the accompanying financial statements of the governmental activities and the major fund of Reach Cyber 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 the major fund of Reach Cyber 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 and budgetary comparison 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 May 2, 2019, on our consideration of Reach Cyber 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 Reach Cyber Charter School's internal control over financial reporting and compliance.



Certified Public Accountants
Elkins Park, Pennsylvania

May 2, 2019

Reach Cyber Charter School Management's Discussion and Analysis June 30, 2018

The Board of Trustees of Reach Cyber 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

- Total revenues increased by approximately \$16,704,000 due primarily to increased enrollment.
- At the close of the current fiscal year, the School reports an ending fund balance of \$5,081,189. This balance was the result of a \$3,021,292 surplus for the year ended June 30, 2018.
- The School's cash balance at June 30, 2018 was \$11,054,558 representing an increase of \$6,526,329 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 four components: Management's Discussion and Analysis (this section), the basic financial statements, supplementary information, and single audit requirements.

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.

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.

Reach Cyber Charter School Management's Discussion and Analysis June 30, 2018

Overview of the Financial Statements (Continued)

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 has only two fund types, governmental and fiduciary funds.

All 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. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Government-Wide Financial Analysis

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

	2018	2017
Assets		
Current assets	\$ 12,810,129	\$ 5,093,801
Noncurrent assets	204,240	104,105
	13,014,369	5,197,906
 Current Liabilities	 7,737,857	 3,042,821
 Net Position	 \$ 5,276,512	 \$ 2,155,085

As noted earlier, net assets may serve over time as a useful indicator of a school's financial position. In the case of the School, assets exceeded liabilities by \$5,276,512.

**Reach Cyber Charter School
Management's Discussion and Analysis
June 30, 2018**

Government-Wide Financial Analysis (Continued)

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 revenues of \$26,797,381 exceeded expenditures of \$23,675,954 by \$3,121,427.

	<u>2018</u>	<u>2017</u>
Revenues		
Program revenues		
Local educational agency assistance	\$ 25,956,836	\$ 9,944,211
Federal sources	838,015	215,796
General revenues		
Other	2,530	20
Total revenues	<u>26,797,381</u>	<u>10,160,027</u>
Expenditures		
Instruction	17,361,619	5,852,184
Support services	6,272,152	2,136,693
Depreciation	42,183	16,065
Total expenditures	<u>23,675,954</u>	<u>8,004,942</u>
Change in net position	3,121,427	2,155,085
Net position, beginning	<u>2,155,085</u>	<u>-</u>
Net position, ending	<u>\$ 5,276,512</u>	<u>\$ 2,155,085</u>

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 \$5,081,189.

Budget Variations

Actual revenues were \$5,027,080 higher than the budget due to increases as follows:

Local educational agency assistance	\$ 4,853,535
Federal sources	171,015
Other revenues	2,530
	<u>\$ 5,027,080</u>

**Reach Cyber Charter School
Management's Discussion and Analysis
June 30, 2018**

Budget Variations (Continued)

Actual expenditures were \$5,089,801 higher than the budget due to increases as follows:

Instruction	\$ 2,244,095
Support services	2,703,388
Capital outlay	142,318
	<u>\$ 5,089,801</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 \$195,323 (net of accumulated depreciation). This investment in capital assets includes leasehold improvements and equipment and furniture.

Major capital asset purchases during the year included the following:

- Capital expenditures of \$142,318 for furniture and equipment

Additional information on the School's capital assets can be found in Note 4 of this report.

Long-Term Debt

The School does not have any long-term debt at this time.

Economic Factors and Next Year's Budgets and Rates

The School's primary source of revenue, the per student subsidy provided by the local school districts, will increase by approximately \$9,140,000 for fiscal year 2018-2019 due to increased enrollment.

Future Events That Will Financially Impact the School

Except as listed above, there are no known future events that will financially impact the School.

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 CEO, Reach Cyber Charter School, 750 East Park Drive, Suite 204, Harrisburg, PA 17111.

Reach Cyber Charter School
Statement of Net Position
June 30, 2018

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 11,054,558
Receivable from school districts, net of allowance	1,164,398
Federal subsidies receivable	575,283
Prepaid expenses	15,890
Property and equipment, net	195,323
Security deposit	8,917
Total assets	13,014,369
Liabilities	
Accounts payable and accrued expenses	1,904,843
Due to Connections Education, LLC	4,745,890
Due to school districts	1,087,124
Total liabilities	7,737,857
Net Position	
Invested in capital assets, net	195,323
Unrestricted	5,081,189
Total net position	\$ 5,276,512

See accompanying notes to financial statements.

Reach Cyber Charter School
Balance Sheet-Governmental Fund
June 30, 2018

	General Fund
Assets	
Cash and cash equivalents	\$ 11,054,558
Receivable from school districts, net of allowance	1,164,398
Federal subsidies receivable	575,283
Prepaid expenses	15,890
Security deposit	8,917
Total assets	\$ 12,819,046
Liabilities	
Accounts payable and accrued expenses	\$ 1,904,843
Due to Connections Education, LLC	4,745,890
Due to school districts	1,087,124
Total liabilities	7,737,857
Fund Balances	
Nonspendable	24,807
Unassigned	5,056,382
Total fund balances	5,081,189
Total liabilities and fund balances	\$ 12,819,046

See accompanying notes to financial statements.

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

Total Fund Balance for Governmental Funds	\$	5,081,189
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Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Equipment and furniture	253,571	
Accumulated depreciation and amortization	(58,248)	
		195,323

Total Net Position of Governmental Activities	\$	5,276,512
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See accompanying notes to financial statements.

Reach Cyber Charter School
Statement of Revenues, Expenditures, and Changes in Fund Balance-
Governmental Fund
Year Ended June 30, 2018

	General Fund
Revenues	
Local educational agency assistance	\$ 25,956,836
Federal sources	838,015
Other revenues	2,530
Total revenues	26,797,381
Expenditures	
Instruction	17,361,619
Support services	6,272,152
Capital outlay	142,318
Total expenditures	23,776,089
Net Change In Fund Balance	3,021,292
Fund Balance - Beginning of Year	2,059,897
Fund Balance - End of Year	\$ 5,081,189

See accompanying notes to financial statements.

**Reach Cyber 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**

Net Change in Fund Balances - Total Governmental Funds \$ 3,021,292

Capital outlays 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 exceeds depreciation in the current period.

Depreciation expense	(42,183)
Capital outlays	<u>142,318</u>

Change in Net Position of Governmental Activities \$ 3,121,427

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

Note 1 Background and Summary of Significant Accounting Policies

Reach Cyber 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 School was granted a charter which ends on June 30, 2019. The charter may be renewed for additional five year periods.

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School's accounting policies are described below.

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 government reports the following major governmental fund:

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

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

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

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

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.

The School implemented GASB No. 54, *Fund Balance Reporting and Governmental Type Definition*. 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 deposit as being nonspendable as these items are not expected to be converted to cash.

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

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

Method of Accounting (Continued)

- 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.
- 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. The School only has a general fund budget; therefore, the original budget filed and accepted by the Pennsylvania Department of Education is the final budget as well.

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.

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

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

Cash and Cash Equivalents

The School's cash is considered to be cash on hand and demand deposits.

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. Capital assets of the School are depreciated using the straight-line method over the useful lives of the assets; furniture and fixtures (6-7 years) and equipment (3-6 years).

Advertising Costs

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

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 2017 and 2016 are subject to examination by the IRS, generally for three years after they were filed.

Note 2 Cash

The School's cash and cash equivalents balance at June 30, 2018, was \$11,054,558. The actual amount of cash on deposit in the School's bank accounts at June 30, 2018 was \$11,080,160. 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	<u>\$ 10,830,160</u>
Insured amount	<u>\$ 250,000</u>

Custodial Credit Risk-Deposits

Custodial credit risk is the risk than in the event of a bank failure, the School's uninsured deposits may not be returned. The School does not have a policy for custodial credit risk.

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

Note 3 Receivables

Receivables as of June 30, 2018 consist primarily of subsidies from federal, state, and local authorities. Receivables are shown net of an allowance for uncollectible accounts of \$59,807.

Note 4 Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Balance, 7/1/17	Additions	Deletions	Balance, 6/30/18
Equipment and furniture	111,253	142,318	-	253,571
Less: accumulated depreciation	16,065	42,183	-	58,248
	\$ 95,188	\$ 100,135	\$ -	\$ 195,323

Depreciation expense was \$42,183 for the year ended June 30, 2018.

Note 5 Funding

The School received funding from various local school districts on a monthly basis based on enrollment. The rate of funding per student is determined on an annual basis.

Note 6 Lease Commitment

The School entered into a lease agreement with Connections Education, LLC (CE) to lease a facility in Harrisburg, Pennsylvania under an operating lease agreement that expires August 31, 2022, plus two three-year renewal options. In addition to the basic rentals, the School is subject to additional costs including taxes, occupancy, and maintenance. Rent expense was \$174,598 for the year ended June 30, 2018.

Future minimum lease payments are as follows as of June 30, 2018:

Year ended June 30,	
2019	\$ 185,262
2020	190,820
2021	196,544
2022	202,441
2023	33,909
	\$ 623,714

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

Note 7 Retirement Plan

The School provides pension benefits for all of its employees through the Reach Cyber Charter School 403(b) Plan. Employees are required to 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. School contributions to the plan for the year ended June 30, 2018 totaled \$258,677.

Note 8 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.

Note 9 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 10 Professional Services Agreement

The School entered into an agreement with Connections Educations, LLC (CE) for curriculum, school management services, instruction, technology and other services. The agreement expires on June 30, 2019.

Under the contract, CE will provide direct materials/services or procurement and payment of services for the following:

1. Instructional materials as approved by the board.
2. Administrative personnel, including health and other benefits, as approved
3. Educational support services for participating families.
4. Training and other professional development as approved by the Board.
5. Hardware and software as approved by the Board.
6. Technical support for any hardware and software provided under the contract.
7. Maintenance of student records.
8. Services to special needs students as required by law.
9. Administrative services including expenditures for a facility and capital, both
10. Financial, treasury and other reporting as required by law.
11. Student recruiting and community education

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

Note 10 Professional Services Agreement (Continued)

12. General school management.

For all services, the School reimburses CE according to the terms of the contract based on documentation that is reviewed and approved by the Board. Total charges from CE amounted to \$14,318,385 for the year ended June 30, 2018.

Required Supplementary Information

**Reach Cyber Charter School
Governmental Fund Budgetary Comparison Schedule
Year Ended June 30, 2018**

	<u>Budgeted Amounts</u>		Actual	Variance With Budget
	Original	Final	Revenues/ Expenditures	
Revenues				
Local educational agency assistance	\$ 21,103,301	\$ 21,103,301	\$ 25,956,836	\$ 4,853,535
Federal sources	667,000	667,000	838,015	171,015
Other revenues	-	-	2,530	2,530
Total revenues	<u>21,770,301</u>	<u>21,770,301</u>	<u>26,797,381</u>	<u>5,027,080</u>
Expenditures				
Instruction	15,117,524	15,117,524	17,361,619	(2,244,095)
Support services	3,568,764	3,568,764	6,272,152	(2,703,388)
Capital outlay	-	-	142,318	(142,318)
Total expenditures	<u>18,686,288</u>	<u>18,686,288</u>	<u>23,776,089</u>	<u>(5,089,801)</u>
Net Change in Fund Balance	3,084,013	3,084,013	3,021,292	(62,721)
Fund Balance, Beginning	<u>2,059,897</u>	<u>2,059,897</u>	<u>2,059,897</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 5,143,910</u>	<u>\$ 5,143,910</u>	<u>\$ 5,081,189</u>	<u>\$ (62,721)</u>

See accompanying notes to financial statements.

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
Reach Cyber Charter School
Harrisburg, 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 Reach Cyber 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 May 2, 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*.

We noted certain matters that we reported to management of Reach Cyber Charter School in a separate letter dated May 2, 2019.

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 cursive script that reads "SD Associates P.C.".

Certified Public Accountants
Elkins Park, Pennsylvania

May 2, 2019

Single Audit Requirements

**Reach Cyber Charter School
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018**

Federal Grantor/ Pass-Through Grantor	Federal CFDA Number	Pass- Through Grantor's Number	Grant Period	Program or Award	Accrued (Deferred) Revenue 7/1/2017	Total Received for the Year	Revenue Recognized	Federal Expenditures	Accrued (Deferred) Revenue 6/30/2018
U.S. Department of Education									
<u>Pass-Through PA Department of Education</u>									
Title I - Improving Basic Programs	84.010	013-181150	7/1/17-9/30/18	\$ 617,265	\$ -	\$ 224,114	\$ 617,265	\$ 617,265	\$ 393,151
Title I - Improving Basic Programs	84.010	013-171150	8/25/17-9/30/17	189,680	189,680	189,680	-	-	-
					189,680	413,794	617,265	617,265	393,151
Title II - Improving Teacher Quality	84.367	020-181150	7/1/17-9/30/18	72,867	-	30,496	72,867	72,867	42,371
Title II - Improving Teacher Quality	84.367	020-171150	8/25/17-9/30/17	26,904	26,904	26,904	-	-	-
					26,904	57,400	72,867	72,867	42,371
Title IV - Student Support and Academic Enrichment	84.424	144-181150	7/1/17-9/30/18	10,000	-	7,333	10,000	10,000	2,667
<u>Pass-Through Capital Area Intermediate Unit</u>									
Individuals with Disabilities Education Act Part B	84.027	N/A	7/1/17-6/30/18	135,991	-	135,991	135,991	135,991	-
Individuals with Disabilities Education Act Preschool	84.173	N/A	7/1/17-6/30/18	1,104	-	1,104	1,104	1,104	-
Total Special Education Cluster					-	137,095	137,095	137,095	-
Total U.S. Department of Education					\$ 216,584	\$ 615,622	\$ 837,227	\$ 837,227	\$ 438,189

See notes to schedule of expenditures of federal awards.

Reach Cyber Charter School
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018

Note 1 Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Reach Cyber Charter School (the School) under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the School.

Note 2 Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

Note 3 Indirect Cost Rate

The School has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**Independent Auditor's Report on Compliance for
Each Major Program and on Internal Control Over
Compliance Required by the Uniform Guidance**

To the Board of Trustees
Reach Cyber Charter School
Harrisburg, Pennsylvania

Report on Compliance for Each Major Federal Program

We have audited Reach Cyber Charter School's (the School) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2018. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

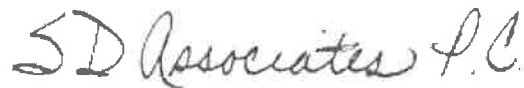
Report on Internal Control Over Compliance

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

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

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

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



Certified Public Accountants
Elkins Park, Pennsylvania

May 2, 2019

**Reach Cyber Charter School
Schedule of Findings and Questioned Costs
Year Ended June 30, 2018**

A. Summary of Audit Results

1. The Independent Auditor's Report expresses an unmodified opinion on the basic financial statements of Reach Cyber Charter School.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control over Financial Reporting.
3. No instances of noncompliance material to the financial statements of Reach Cyber Charter School which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies relating to the audit of major federal award programs is reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance.
5. The independent auditor's report on compliance for the major federal award programs for Reach Cyber Charter School expresses an unqualified opinion.
6. There were no audit findings, which were required to be reported in accordance with 2 CFR section 200.516(a).
7. The program tested as a major program was Title I, CFDA #84.010.
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. Reach Cyber Charter School did not qualify as a low-risk auditee.

B. Findings-Financial Statement Audit

None.

C. Findings and Questioned Costs-Major Federal Award Programs Audit

None.



May 2, 2019

To the Board of Trustees
Reach Cyber Charter School
Harrisburg, Pennsylvania

In planning and performing our audit of the financial statements of the governmental activities and the major fund of Reach Cyber Charter School as of and for the year ended June 30, 2018, in accordance with auditing standards generally accepted in the United States of America, we considered Reach Cyber Charter School's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Reach Cyber Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of Reach Cyber Charter School's internal control.

However, during our audit we became aware of one matter that is an opportunity for strengthening internal controls and operating efficiency. Our comments and recommendations regarding this matter is presented below. A separate report dated May 2, 2019 contains our report on Reach Cyber Charter School's internal control over financial reporting in accordance with Government Auditing Standards in which we did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies or material weaknesses. This letter does not affect our report dated May 2, 2019 on the financial statements of Reach Cyber Charter School.

The accounting/bookkeeping function is handled primarily by Connections Education, LLC (CE) pursuant to a service agreement. In addition, certain School expenditures are paid by CE and reimbursed by the School. Per discussions with management it was determined that access to the books and records maintained by CE has been limited, and the School has limited capacity to review all pass-through and fee-based expenditures billed each month by CE. We recommend that the School implement procedures for a comprehensive monthly review of the CE accounting/bookkeeping services.

We will review the status of these comments during our next audit engagement. We have already discussed these comments with School personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assists you in implementing the recommendations.

This communication is intended solely for the information and use of management, the Board of Trustees, and others within the School, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

A handwritten signature in cursive script that reads 'SD Associates P.C.'.

SD Associates, P.C.
Elkins Park, Pennsylvania



May 2, 2019

To the Board of Trustees

Reach Cyber Charter School

We have audited the financial statements of the governmental activities and the major fund of Reach Cyber Charter School for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 9, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Reach Cyber Charter School are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2018. We noted no transactions entered into by Reach Cyber Charter School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the government wide financial statements were:

Management's estimate of depreciation and amortization is based on the estimated useful lives of the underlying assets. We evaluated the key factors and assumptions used to develop the depreciation and amortization expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for doubtful accounts is based on a historical analysis of collectability. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 2, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Reach Cyber Charter School's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Reach Cyber Charter School's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Governmental Fund Budgetary Comparison Schedule, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Board of Trustees and management of Reach Cyber Charter School and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



SD Associates, P.C.

MONTHLY SCHOOL REPORT

School & Date Selection

School

Reach Cyber Charter School

Report Date

May 31, 2019

Currently Enrolled

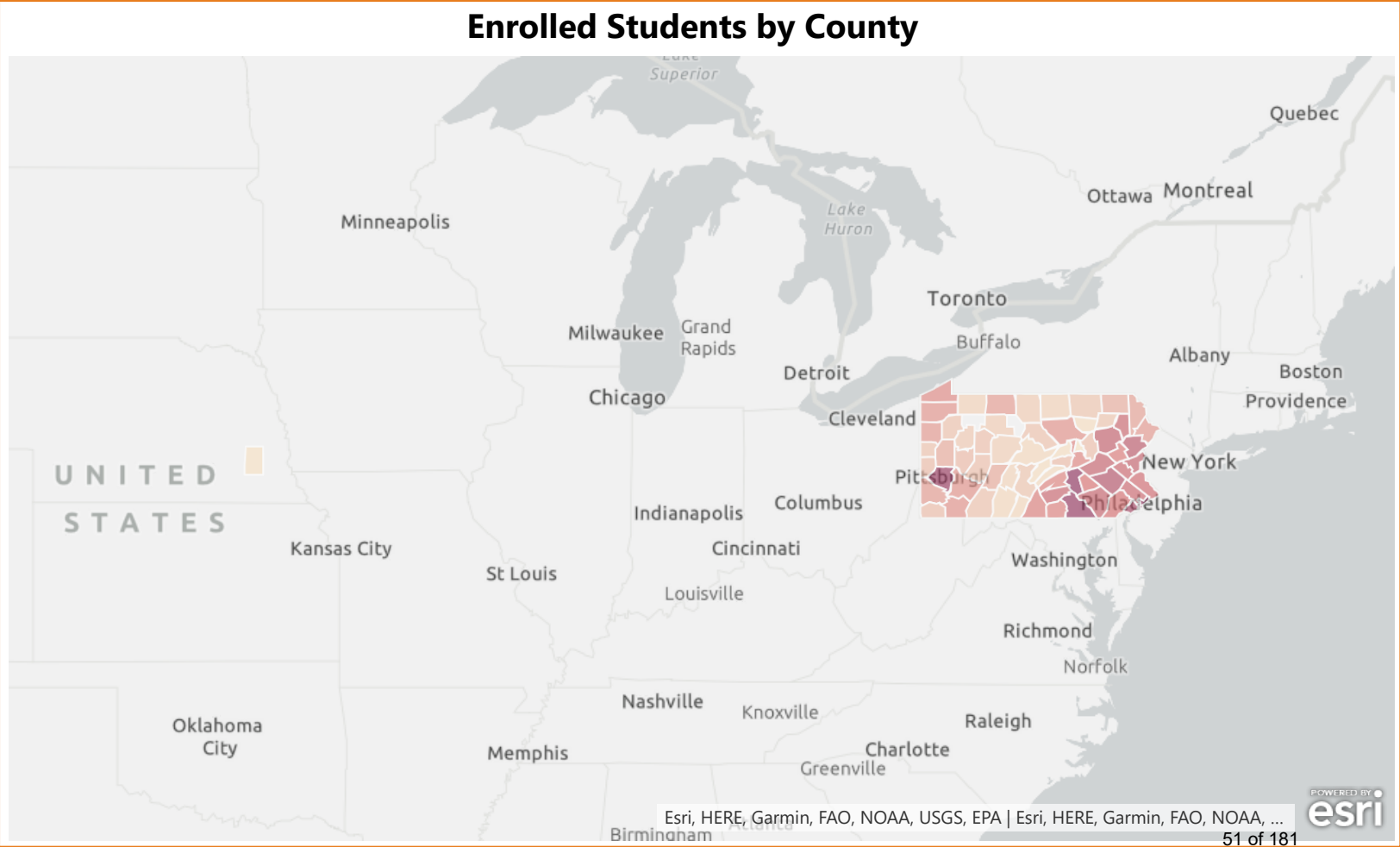
3078

Total YTD Enrolled

4148

Enrollment Services Complete (Stage 4)

4320



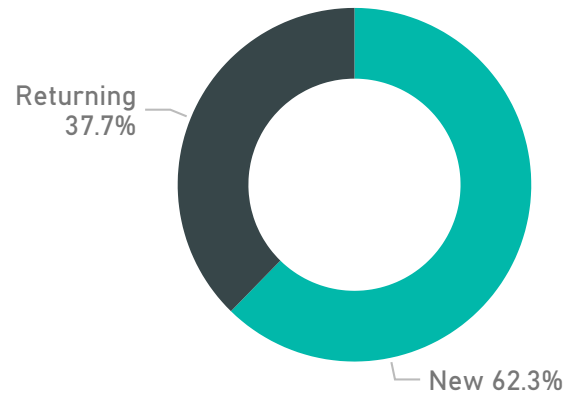
Reach Cyber Charter School

May 31, 2019

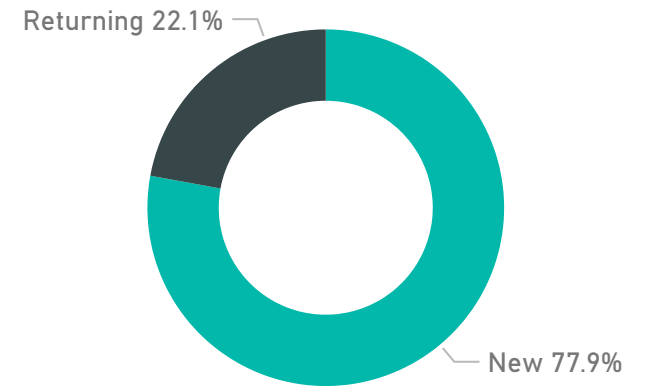
Current Enrollment Month-Over-Month Change
-1%

Current Enrollment Year-Over-Year Change
45%

New and Returning

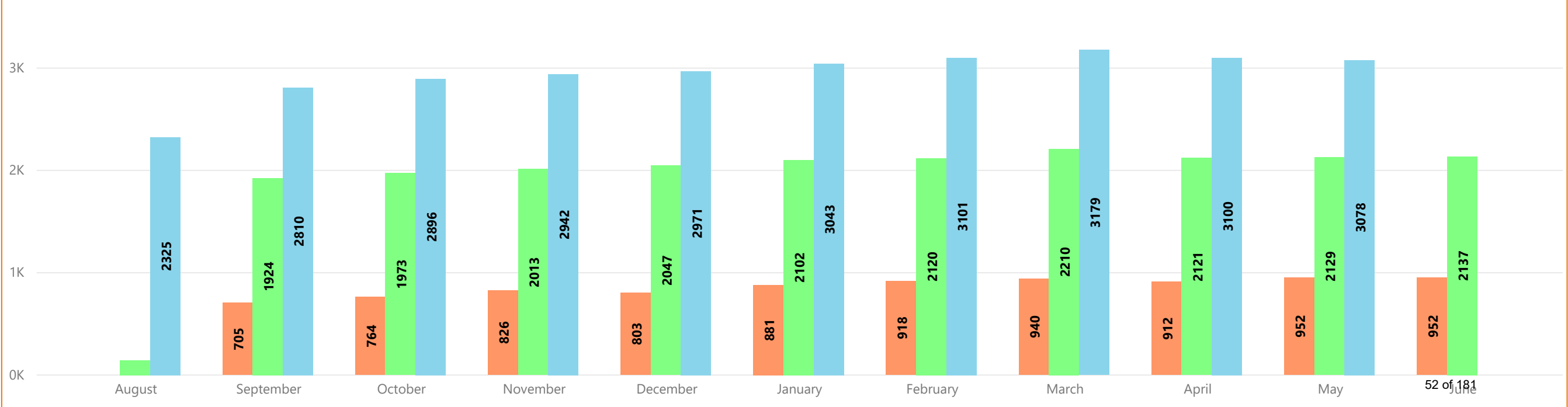


New and Returning Prior Year



Monthly Student Current Enrollment Comparison

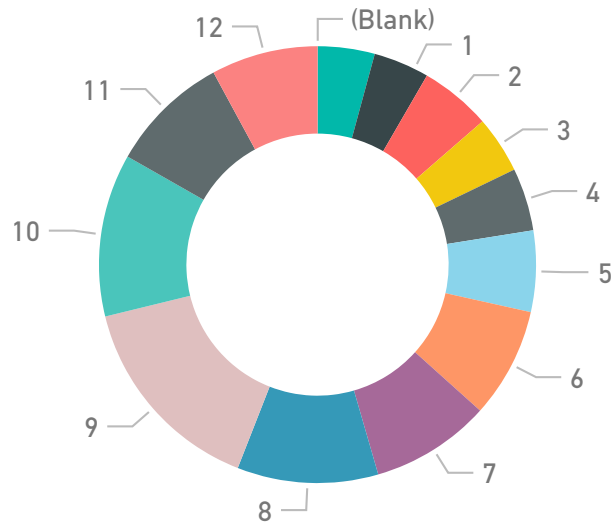
schoolYear ● 2016-2017 ● 2017-2018 ● 2018-2019



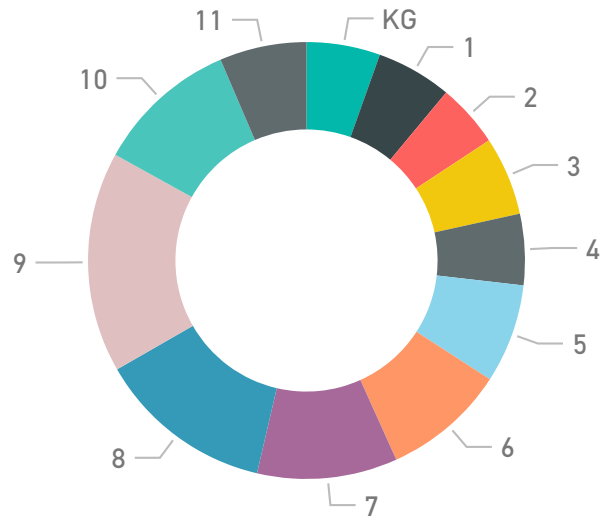
Reach Cyber Charter School

May 31, 2019

Enrolled Students by Final Grade



Enrolled Students Prior Year by Final Grade

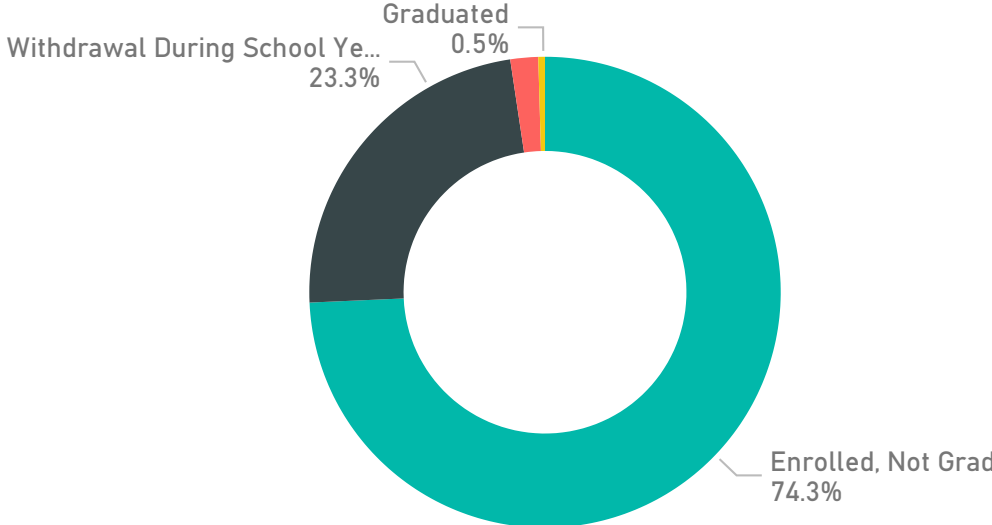


Grade Distribution

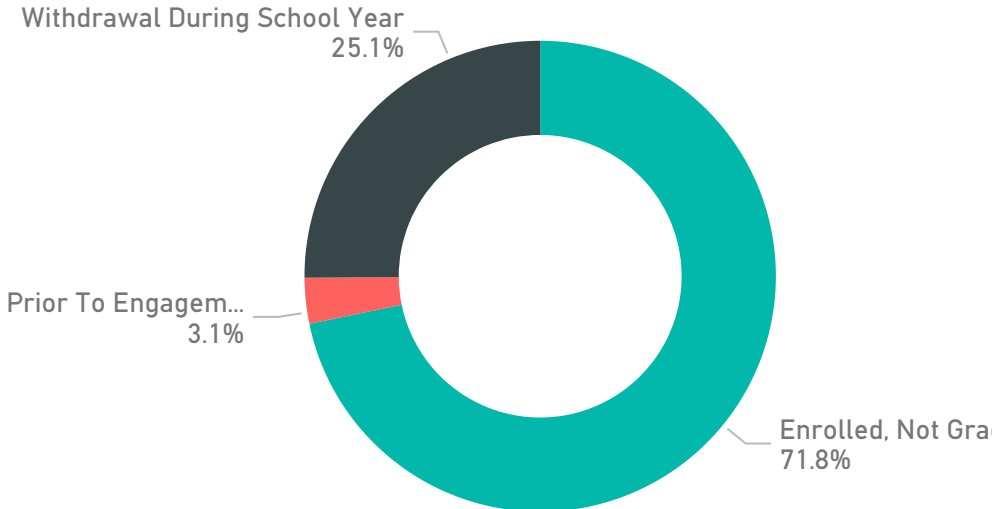
ReportPeriod GradeDistribution	SameMonthPriorYear		PriorEOY		LastMonth		CurrentMonth	
	Students	%CT Students	Students	%CT Students	Students	%CT Students	Students	%CT Students
PK-2	335	16%	335	16%	417	13%	418	14%
KG	116	5%	115	5%	128	4%	129	4%
1	119	6%	120	6%	127	4%	127	4%
2	100	5%	100	5%	162	5%	162	5%
3-5	392	18%	393	18%	459	15%	458	15%
3	124	6%	124	6%	131	4%	130	4%
4	112	5%	112	5%	141	5%	143	5%
5	156	7%	157	7%	187	6%	185	6%
6-8	693	33%	695	33%	845	27%	845	27%
6	194	9%	194	9%	250	8%	251	8%
7	221	10%	222	10%	271	9%	273	9%
8	278	13%	279	13%	324	10%	321	10%
9-12	709	33%	714	33%	1379	44%	1356	44%
9	348	16%	349	16%	479	15%	469	15%
10	224	11%	227	11%	381	12%	371	12%
11	137	6%	138	6%	275	9%	273	9%
12					244	8%	243	8%
Total	2129	100%	2137	100%	3100	100%	3077	100%

Reach Cyber Charter School
May 31, 2019

Total YTD Enrollment by Withdrawal Category



Total YTD Enrollment Prior Year by Withdrawal Category



Total YTD Enrollment

ReportPeriod Withdrawal Category	SameMonthPriorYear		PriorEOY		LastMonth		CurrentMonth	
	Student Count	%CT Student Count	Student Count	%CT Student Count	Student Count	%CT Student Count	Student Count	%CT Student Count
Enrolled, Not Grad	2150	72%	2156	72%	3104	76%	3082	74%
Graduated					19	0%	19	0%
Prior To Engagement	94	3%	94	3%	77	2%	79	2%
Withdrawal During School Year	752	25%	754	25%	910	22%	968	23%
Total	2996	100%	3004	100%	4110	100%	4148	100%

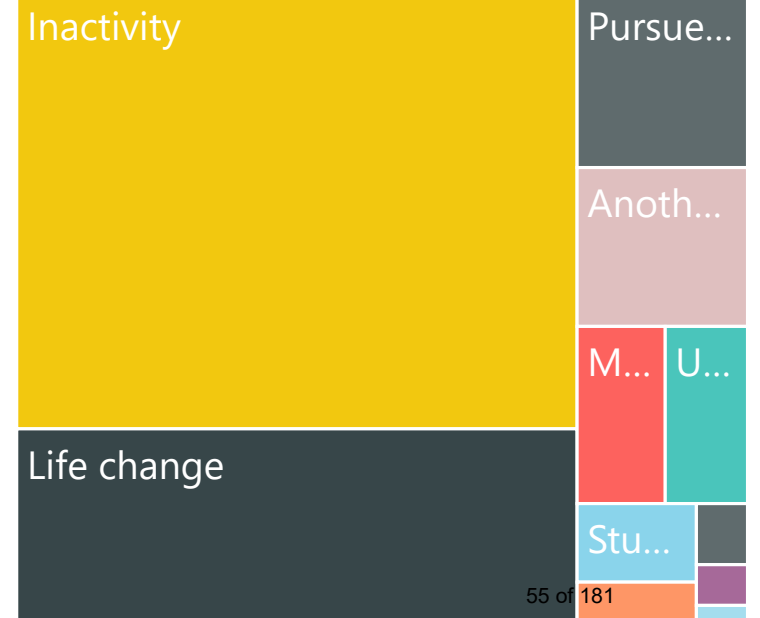
Enrollment Services Complete (Stage 4)
4320

Reach Cyber Charter School May 31, 2019

Withdrawal Reason

Withdrawal Reason ▲	SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
Another Reason (EOY Import; See Parent ITW)	38	38	25	26
Applying for next school year			1	1
Deceased	1	1		
Different/Better Schooling Option (Not related to socialization)	342	343	514	521
Getting started with the school was too difficult	3	3	2	2
Inactivity	186	186	200	236
Life change	117	117	97	106
Mismatch Academic	18	18	14	15
Mismatch Family Schedule	4	4	5	5
No Reason Given (EOY Import)	3	3		
Pursue GED	10	11	25	29
Required Documentation Incomplete	1	1		
Student wants more socialization	14	14	9	9
Technical Difficulties	1	1	3	3
Unhappy with the school (teachers, leadership)	14	14	14	14

Different/Better Schooling Option (Not...



Reach Cyber Charter School

May 31, 2019

Household Data

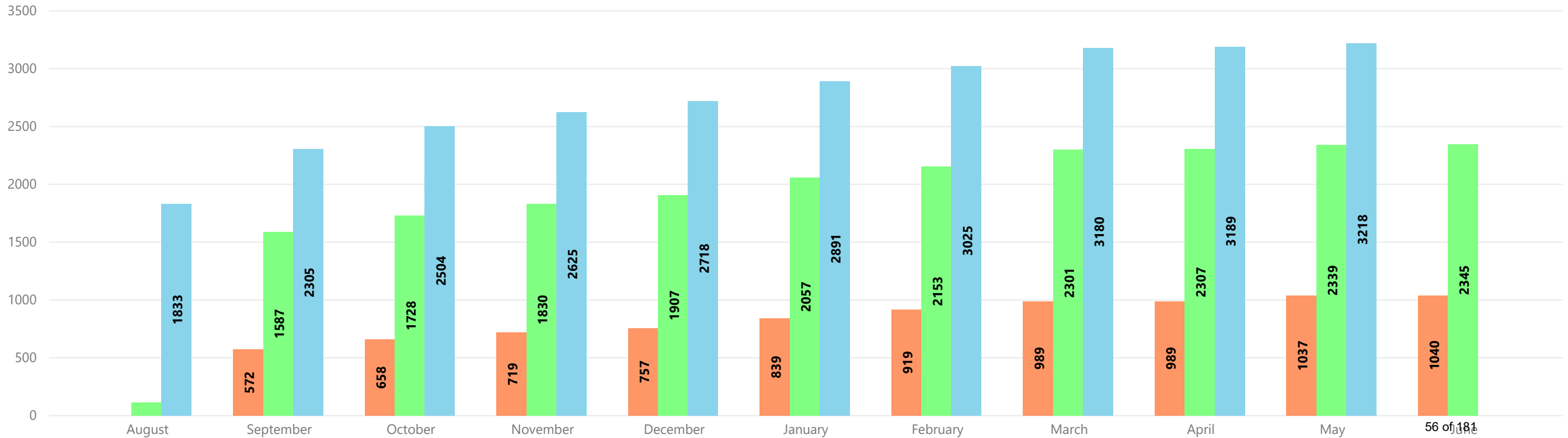
Household Data	SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
Active	1708	1713	2450	2428
Graduated			19	19
WD During School Year	606	607	724	774
WD Prior To Engagement	84	84	68	71

Students Per Active Household

SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
1.26	1.26	1.27	1.27

Monthly Total Households

schoolYear ● 2016-2017 ● 2017-2018 ● 2018-2019



Reach Cyber Charter School May 31, 2019

Ethnicity

Ethnicity	SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
Hispanic or Latino	289	291	424	427
Not Hispanic or Latino	1838	1844	2674	2649

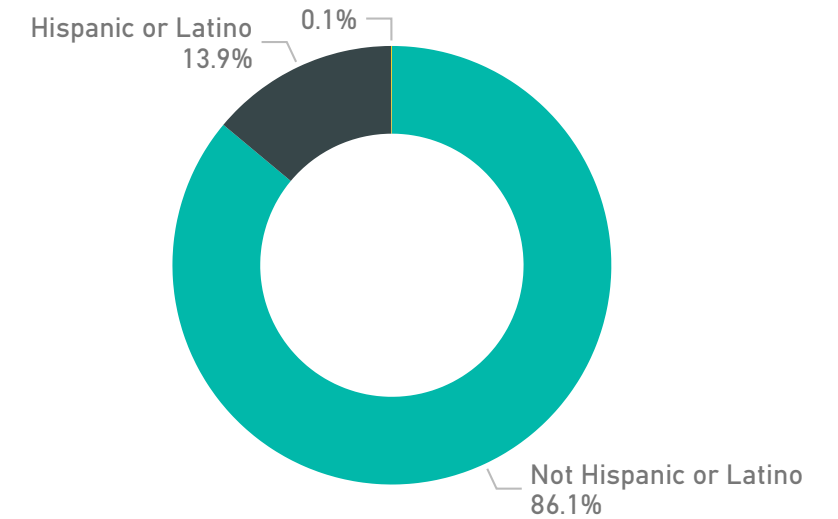
Race

Race	SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
American Indian or Alaskan Native	83	85	127	127
Asian	39	39	68	68
Black/African American	628	631	894	888
Native Hawaiian or Other Pacific Islander	24	24	40	40
White	1550	1556	2285	2274

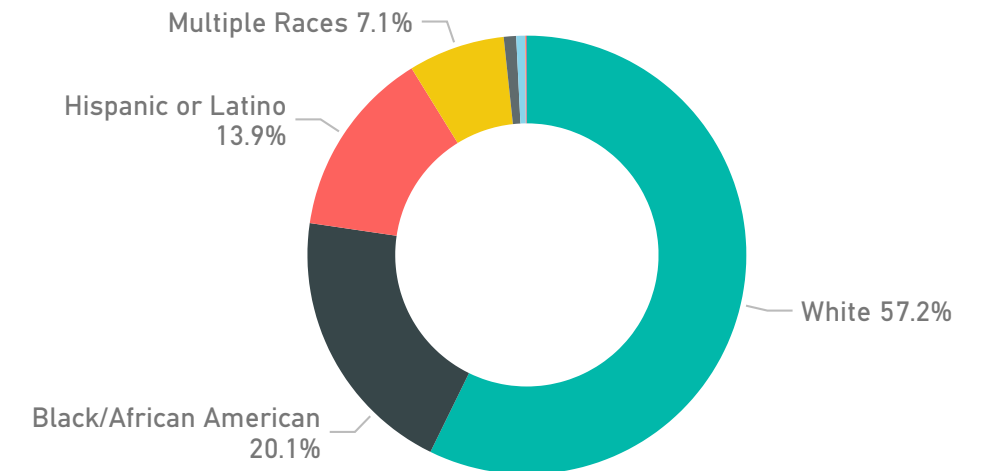
Distinct Race/Ethnicity

Distinct Race/Ethnicity	SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
American Indian or Alaskan Native	15	15	21	20
Asian	18	18	29	28
Black/African American	437	438	623	618
Hispanic or Latino	289	291	424	427
Multiple Races	148	150	215	219
Native Hawaiian or Other Pacific Islander	2	2	2	2
Not Indicated	2	2	2	2
Parent refused to report race	1	1		
White	1217	1220	1784	1762

Enrolled Students by Ethnicity



Enrolled Students by Distinct Race/Ethnicity



Reach Cyber Charter School

May 31, 2019

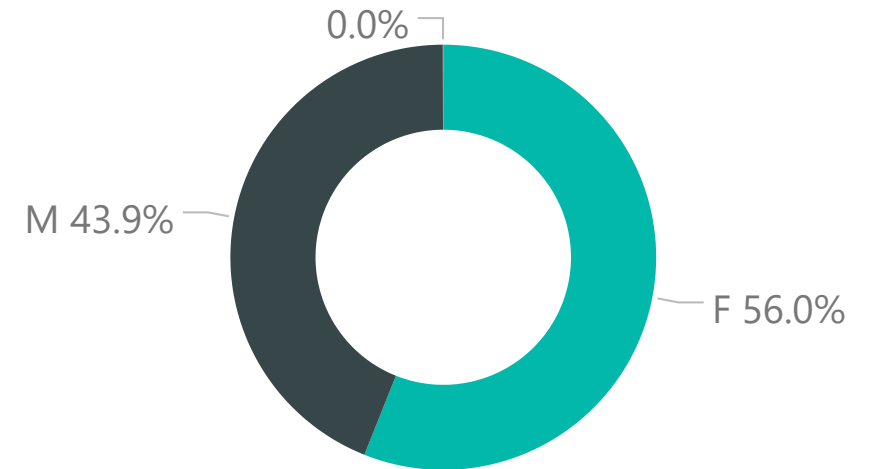
Gender

Gender	SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
			1	1
F	1199	1209	1732	1725
M	930	928	1367	1352

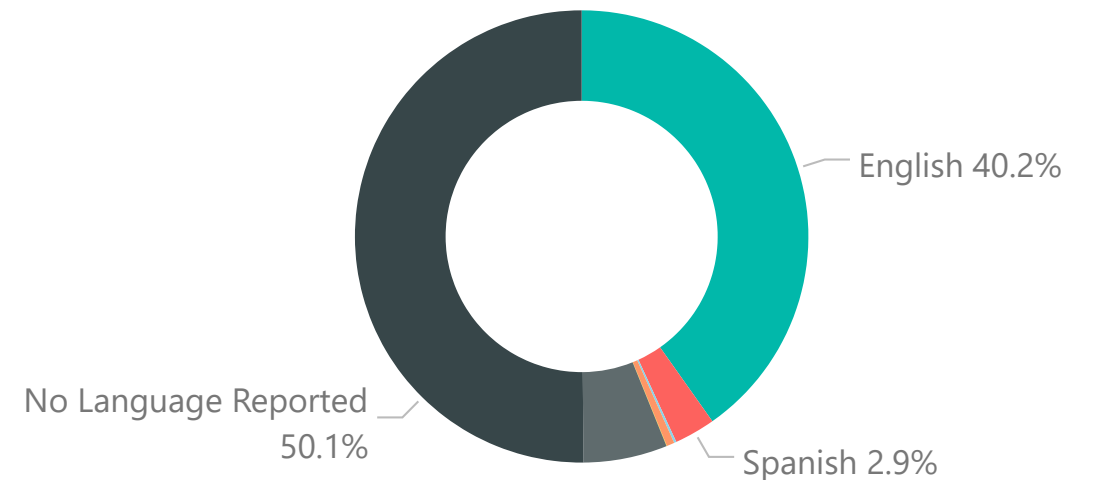
Primary Language

Home Language	SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
English	1913	1918	1254	1238
Spanish	13	12	87	90
Russian	2	2	5	5
Arabic	5	5	17	17
Urdu			1	1
Another Language	180	181	185	184
No Language Reported	16	19	1551	1543

Enrolled Students by Gender



Enrolled Students by Language



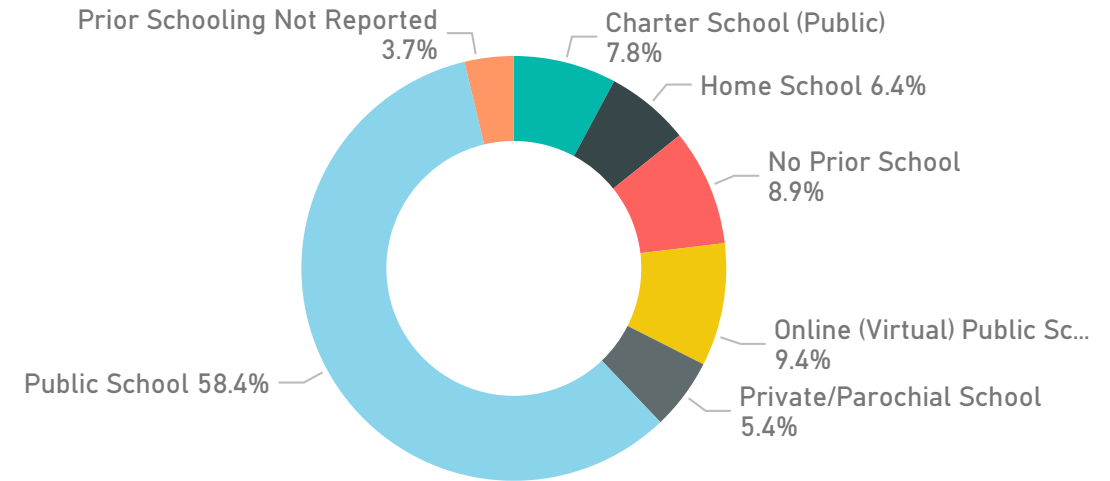
Reach Cyber Charter School May 31, 2019

Prior Schooling

Prior Schooling	SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
Charter School (Public)	149	150	238	241
Home School	127	127	201	197
No Prior School	199	198	272	273
Online (Virtual) Public School	133	133	292	288
Private/Parochial School	134	134	165	167
Public School	1309	1317	1815	1797
Prior Schooling Not Reported	78	78	117	115

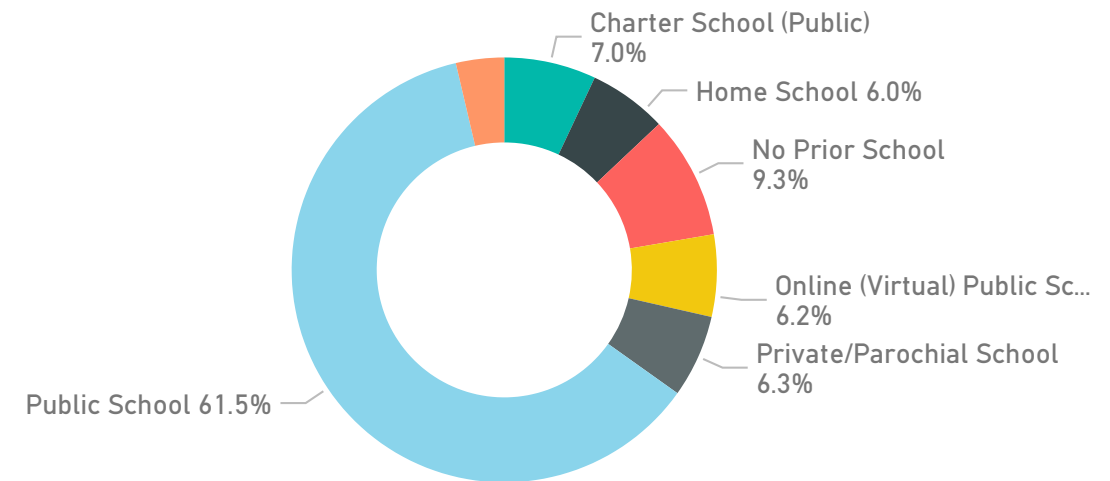
Prior Schooling

May 31, 2019



Prior Schooling

May 31, 2018

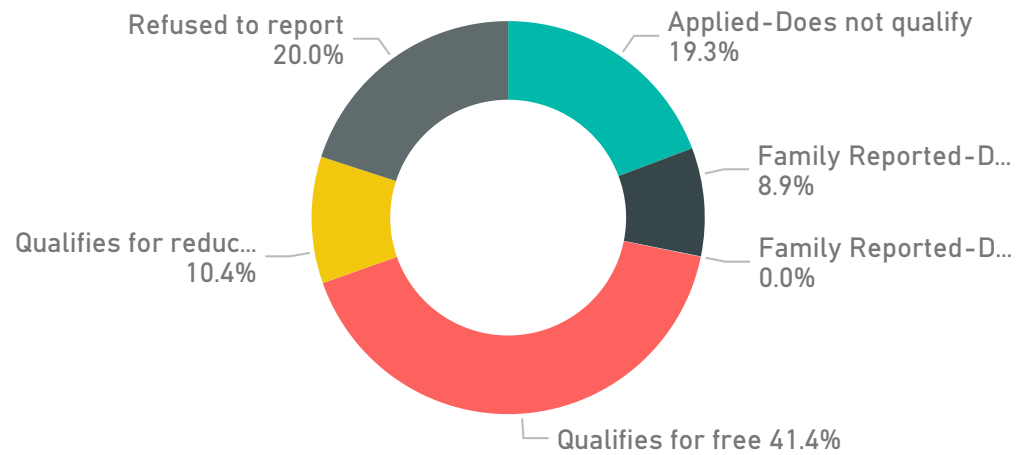


Reach Cyber Charter School

May 31, 2019

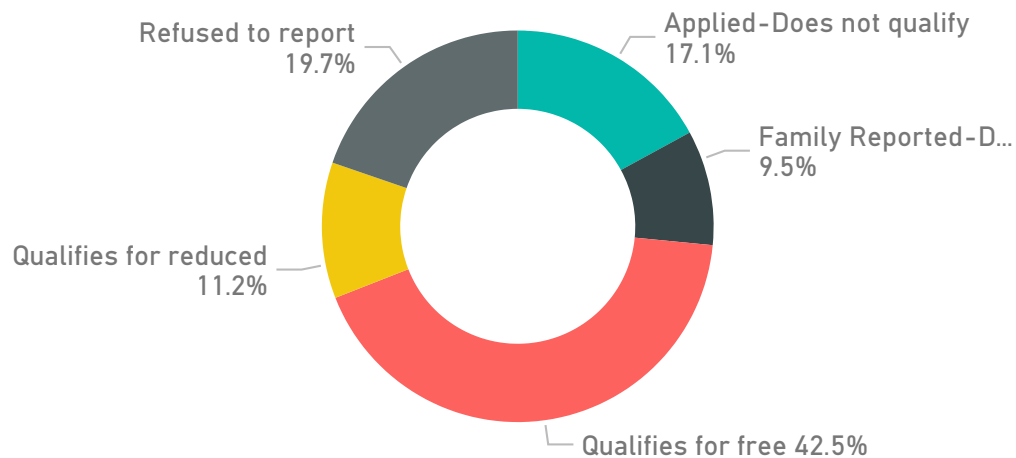
FARM Eligibility

May 31, 2019



FARM Eligibility

May 31, 2018



Disability

Disability	SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
Autism	40	40	59	63
Cognitive Disability	15	15	21	20
Developmentally Delayed	1	1		
Emotionally Impaired	63	64	88	86
Hearing Impaired			3	3
Multiple Disabilities	1	1	2	2
Other	24	24	25	23
Other Health Impaired	75	81	124	128
Physical Disability	1	1	1	1
Specific Learning Disability	179	181	243	241
Speech/Language Impaired	25	26	43	44
Traumatic Brain Injury			1	1
Visually Impaired	1	1	1	1

Specific Learning Disability

Other Health Impaired

Autism

Spec...

Emotionally Impaired

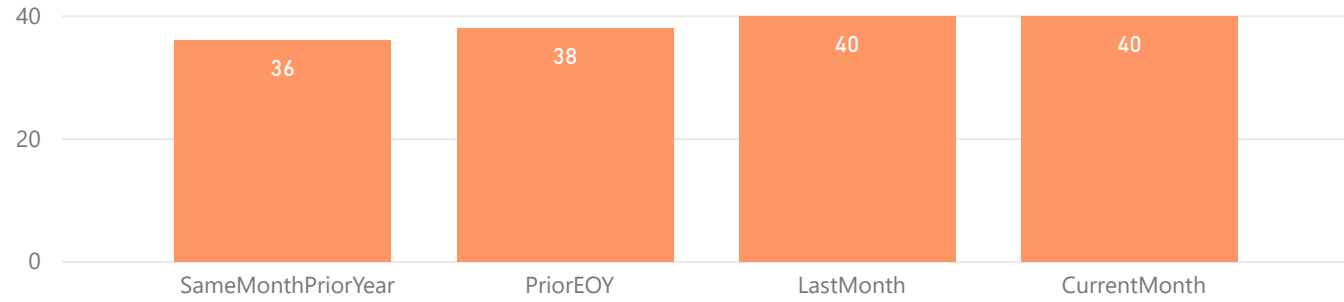
Other

Cogni...

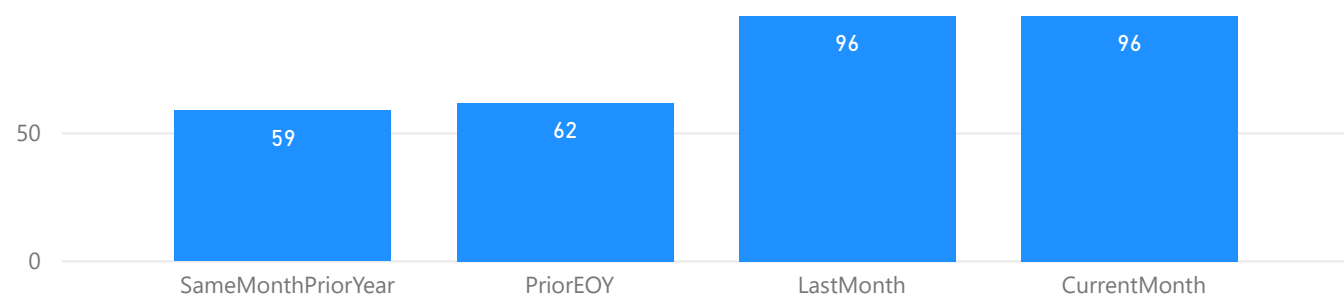
Reach Cyber Charter School

May 31, 2019

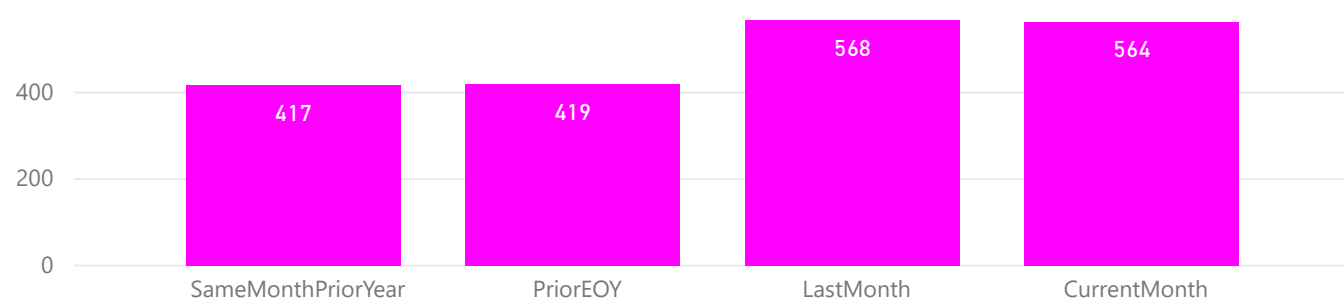
Gifted



Plan504



IEP



Currently Enrolled

3078

Gifted

1%

Plan504

3%

IEP

18%

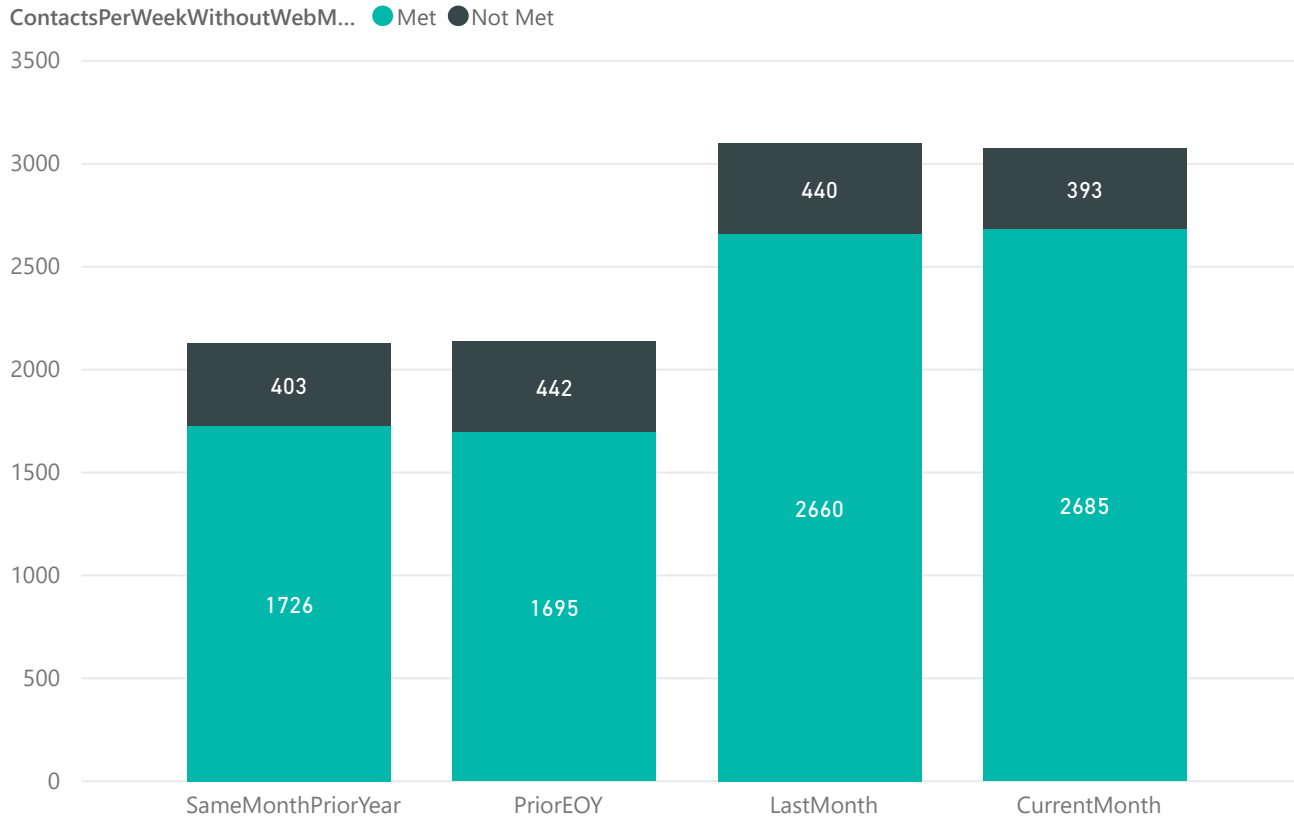
Not in Special Population

77%

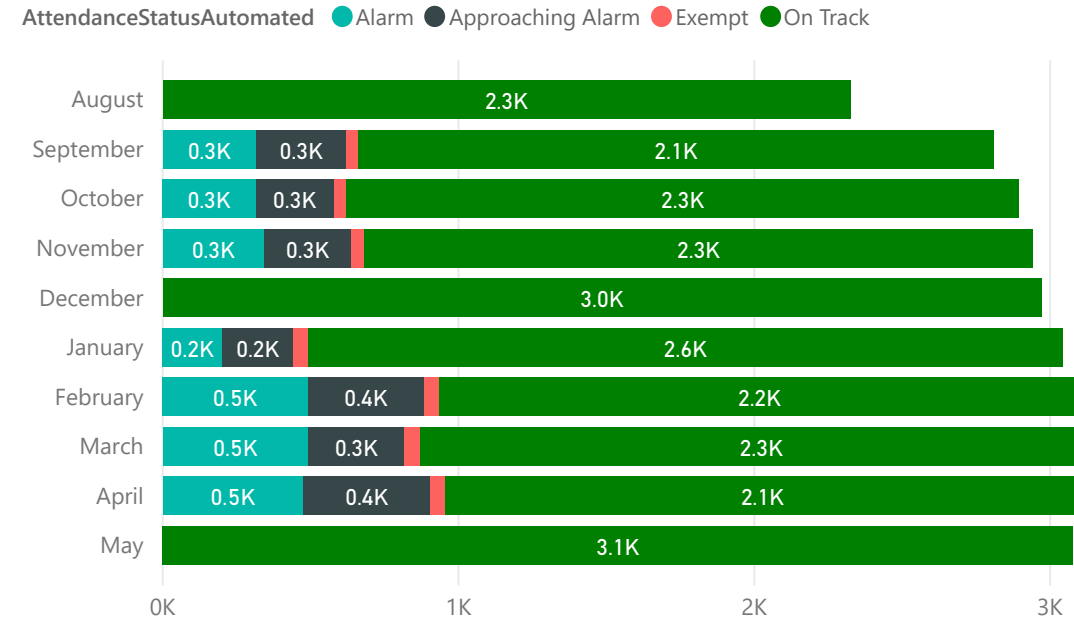
Reach Cyber Charter School

May 31, 2019

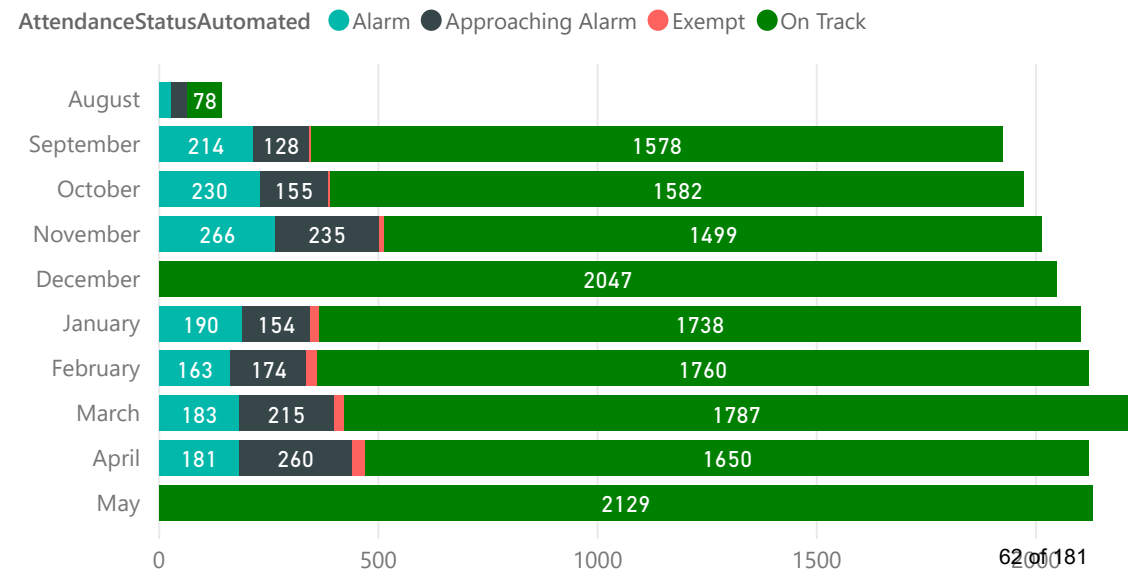
Contacts Per Week



School Year: 2018-2019



School Year: 2017-2018



Currently Enrolled

3078

Reach Cyber Charter School

May 31, 2019

Average Participation

GradeDistribution	SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
PK-2	98%	97%	96%	92%
3-5	96%	95%	88%	88%
6-8	94%	87%	89%	90%
9-12	96%	96%	80%	84%
Total	95%	93%	86%	87%

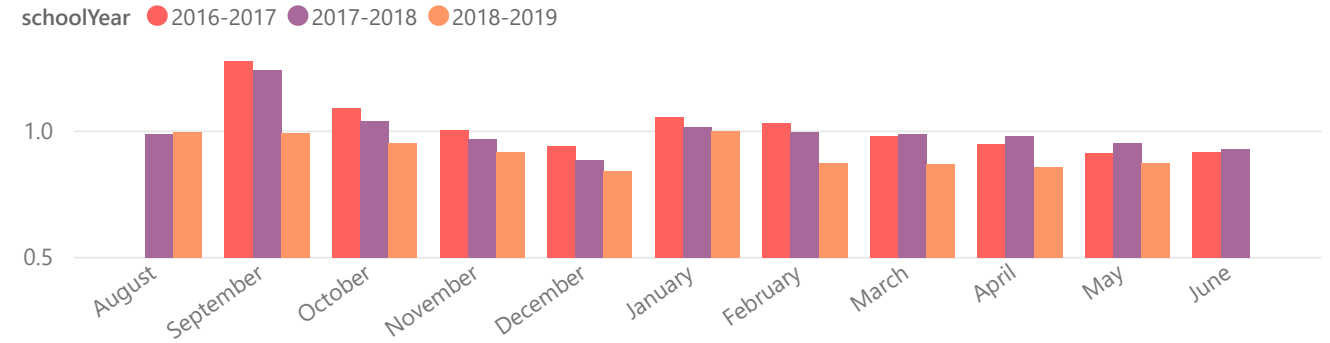
Average Performance

GradeDistribution	SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
PK-2	84%	84%	82%	82%
3-5	73%	76%	71%	72%
6-8	69%	68%	67%	68%
9-12	64%	67%	67%	67%
Total	70%	72%	70%	70%

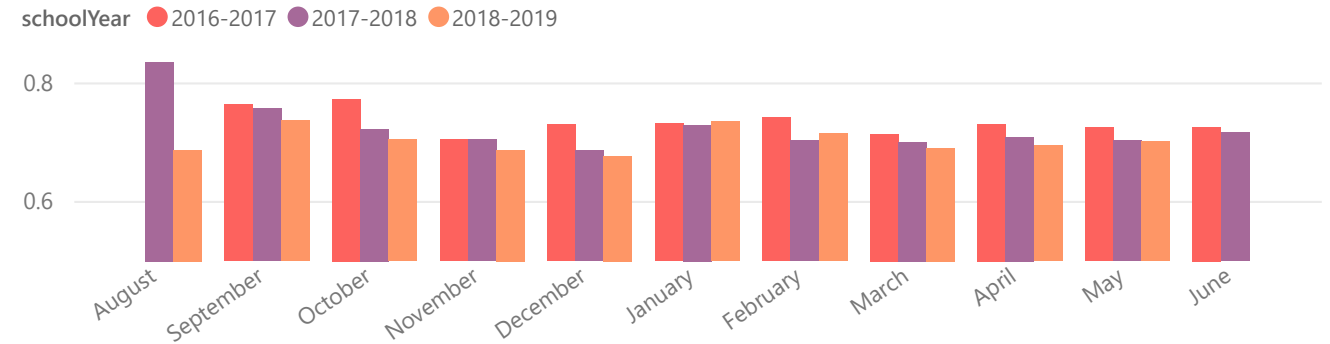
Average Attendance

GradeDistribution	SameMonthPriorYear	PriorEOY	LastMonth	CurrentMonth
PK-2	106%	108%	107%	108%
3-5	109%	112%	111%	111%
6-8	105%	107%	106%	107%
9-12	103%	104%	102%	103%
Total	105%	107%	105%	106%

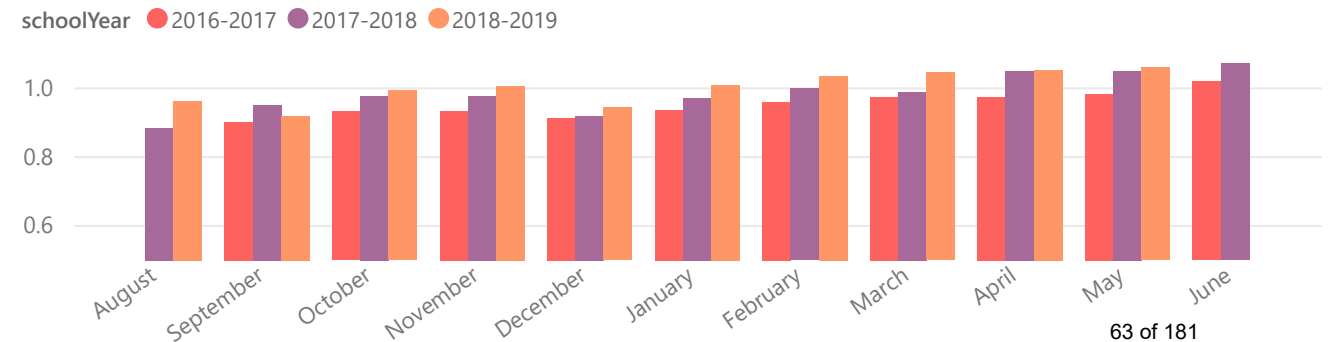
Average Total Participation



Average Total Performance



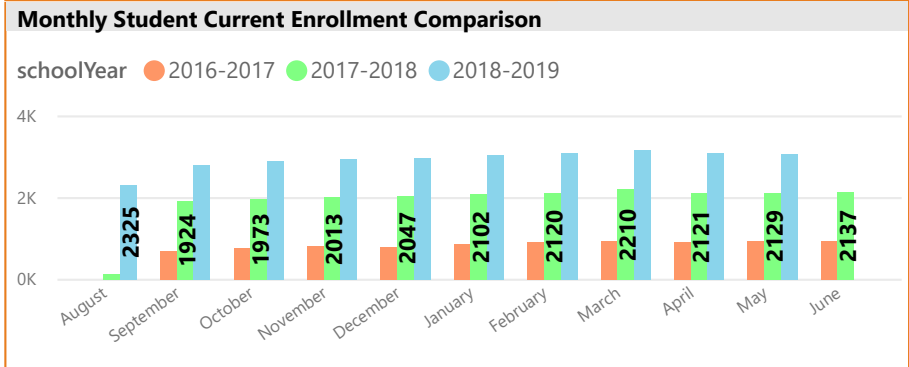
Average Total Attendance



Currently Enrolled 3078	Total YTD Enrolled 4148
Enrollment Services Complete (Stage 4) 4320	

Reach Cyber Charter School
May 31, 2019

Current Enrollment Month-Over-Month Change -1%
Current Enrollment Year-Over-Year Change 45%



Total YTD Enrollment

ReportPeriod Withdrawal Category	SameMonthPriorYear		CurrentMonth	
	Student Count	%CT Student Count	Student Count	%CT Student Count
Enrolled, Not Grad	2150	72%	3082	74%
Graduated			19	0%
Prior To Engagement	94	3%	79	2%
Withdrawal During School Year	752	25%	968	23%
Total	2996	100%	4148	100%

New & Returning

ReportPeriod New or Returning	SameMonthPriorYear		CurrentMonth	
	Students	%CT Students	Students	%CT Students
New	1658	77.88%	1918	62.31%
Returning	471	22.12%	1160	37.69%

Household Data

Household Data	SameMonthPriorYear	CurrentMonth
Active	1708	2428
Graduated		19
WD During School Year	606	774
WD Prior To Engagement	84	71

Students Per Active Household

	SameMonthPriorYear	CurrentMonth
	1.26	1.27

Grade Distribution

ReportPeriod GradeDistribution	SameMonthPriorYear		CurrentMonth	
	Students	%CT Students	Students	%CT Students
PK-2	335	16%	418	14%
KG	116	5%	129	4%
1	119	6%	127	4%
2	100	5%	162	5%
3-5	392	18%	458	15%
3	124	6%	130	4%
4	112	5%	143	5%
5	156	7%	185	6%
6-8	693	33%	845	27%
6	194	9%	251	8%
7	221	10%	273	9%
8	278	13%	321	10%
9-12	709	33%	1356	44%
9	348	16%	469	15%
10	224	11%	371	12%
11	137	6%	273	9%
12			243	8%
Total	2129	100%	3077	100%

Withdrawal Reason

Withdrawal Reason	SameMonthPriorYear	CurrentMonth
Another Reason (EOY Import; See Parent ITW)	38	26
Applying for next school year		1
Deceased	1	
Different/Better Schooling Option (Not related to socialization)	342	521
Getting started with the school was too difficult	3	2
Inactivity	186	236
Life change	117	106
Mismatch Academic	18	15
Mismatch Family Schedule	4	5
No Reason Given (EOY Import)	3	
Pursue GED	10	29
Required Documentation Incomplete	1	
Student wants more socialization	14	9
Technical Difficulties	1	3
Unhappy with the school (teachers, leadership)	14	14

**Reach Cyber Charter School
May 31, 2019**

Gender		
Gender	SameMonthPriorYear	CurrentMonth
		1
F	1199	1725
M	930	1352

Disability		
Disability	SameMonthPriorYear	CurrentMonth
Autism	40	63
Cognitive Disability	15	20
Developmentally Delayed	1	
Emotionally Impaired	63	86
Hearing Impaired		3
Multiple Disabilities	1	2
Other	24	23
Other Health Impaired	75	128
Physical Disability	1	1
Specific Learning Disability	179	241
Speech/Language Impaired	25	44
Traumatic Brain Injury		1
Visually Impaired	1	1

Gifted		
Gifted	SameMonthPriorYear	CurrentMonth
Yes	36	40

Plan 504		
Plan504	SameMonthPriorYear	CurrentMonth
504	59	96

IEP		
IEP	SameMonthPriorYear	CurrentMonth
IEP	417	564

Gifted	Plan504
1%	3%
IEP	Not in Special Popula...
18%	77%

Primary Language		
Home Language	SameMonthPriorYear	CurrentMonth
English	1913	1238
Spanish	13	90
Russian	2	5
Arabic	5	17
Urdu		1
Another Language	180	184
No Language Reported	16	1543

Ethnicity		
Ethnicity	SameMonthPriorYear	CurrentMonth
Hispanic or Latino	289	427
Not Hispanic or Latino	1838	2649

Distinct Race/Ethnicity		
Distinct Race/Ethnicity	SameMonthPriorYear	CurrentMonth
American Indian or Alaskan Native	15	20
Asian	18	28
Black/African American	437	618
Hispanic or Latino	289	427
Multiple Races	148	219
Native Hawaiian or Other Pacific Islander	2	2
Not Indicated	2	2
Parent refused to report race	1	
White	1217	1762

Race		
Race	SameMonthPriorYear	CurrentMonth
American Indian or Alaskan Native	83	127
Asian	39	68
Black/African American	628	888
Native Hawaiian or Other Pacific Islander	24	40
White	1550	2274

Household FARM Eligibility		
HouseholdFARMEligibility	SameMonthPriorYear	CurrentMonth
Applied-Does not qualify	297	487
Family Reported-Does not qualify	158	230
Family Reported-Does not qualify,Refused to report		1
Qualifies for free	711	989
Qualifies for reduced	188	252
Refused to report	350	506

Prior Schooling		
Prior Schooling	SameMonthPriorYear	CurrentMonth
Charter School (Public)	149	241
Home School	127	197
No Prior School	199	273
Online (Virtual) Public School	133	288
Private/Parochial School	134	167
Public School	1309	1797
Prior Schooling Not Reported	78	115

**Reach Cyber Charter School
May 31, 2019**

Contacts Per Week

ContactsPerWeekWithoutWebMail	SameMonthPriorYear	CurrentMonth
Met	1726	2685
Not Met	403	393

Attendance Status

AttendanceStatusAutomated	SameMonthPriorYear	CurrentMonth
On Track	2129	3078

Average Participation

GradeDistribution	SameMonthPriorYear	CurrentMonth
PK-2	98%	92%
3-5	96%	88%
6-8	94%	90%
9-12	96%	84%
Total	95%	87%

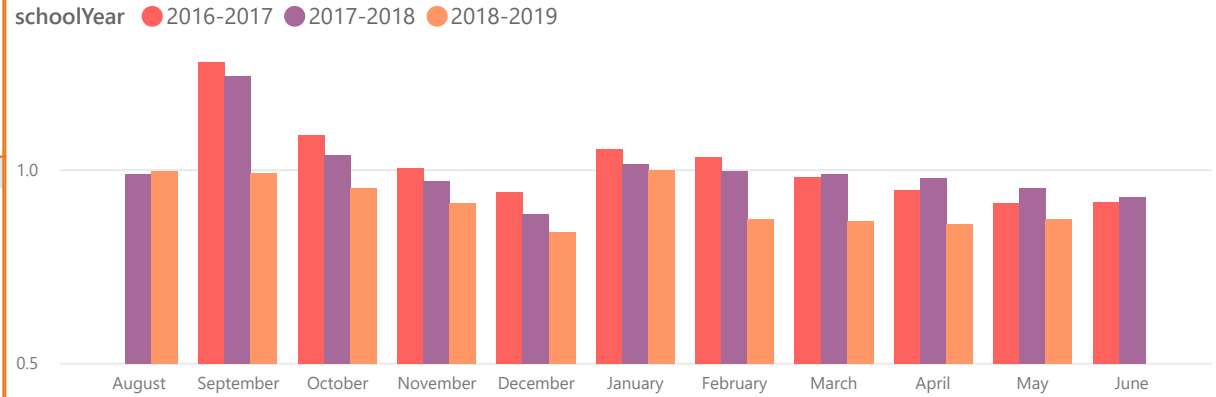
Average Performance

GradeDistribution	SameMonthPriorYear	CurrentMonth
PK-2	84%	82%
3-5	73%	72%
6-8	69%	68%
9-12	64%	67%
Total	70%	70%

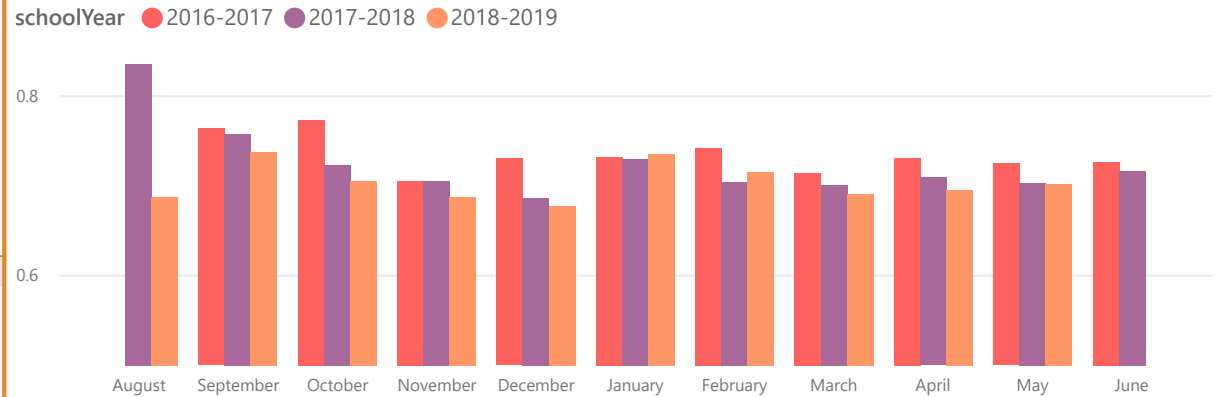
Average Attendance

GradeDistribution	SameMonthPriorYear	CurrentMonth
PK-2	106%	108%
3-5	109%	111%
6-8	105%	107%
9-12	103%	103%
Total	105%	106%

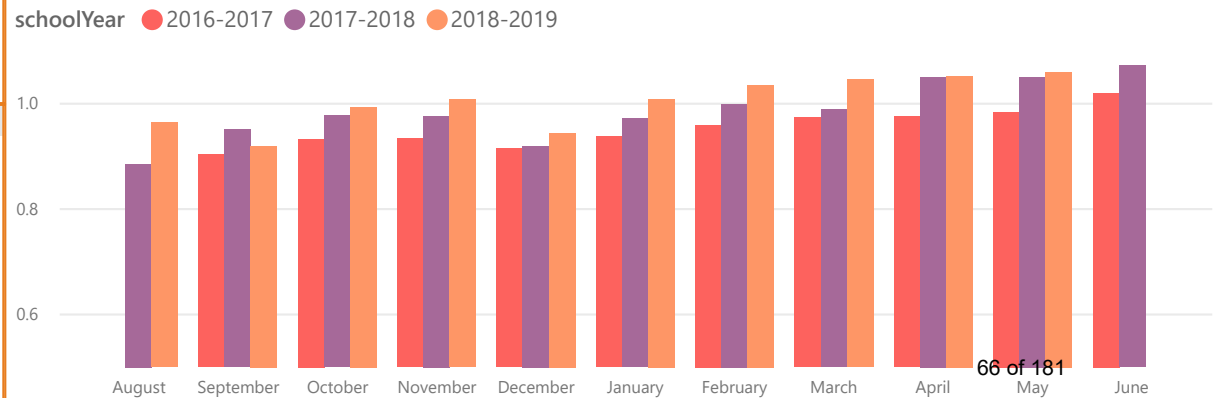
Average Total Participation



Average Total Performance



Average Total Attendance



**Reach Cyber Charter School
Revenue and Expense Statement
For the Period Ended May 31, 2019**

	May-19 Actual	YTD Actual	Annual Forecast	Annual Budget	Forecast vs Budget	Forecast vs. Budget Variance
Forecasted Enrollment						
Forecasted ADM			2,944	2,836	108	3.8%
Forecasted Total Enrollment			4,317	4,323	(6)	-0.1%
Forecasted Funded Enrollment			2,905	2,800	105	3.8%
Revenue						
State Funding	4,610,509.30	39,499,217.54	40,397,440.00	34,969,557.63	5,427,882.37	15.5%
Federal & Other Program Funding	156,872.70	883,702.33	1,407,974.11	1,170,000.00	237,974.11	20.3%
Interest Income	14,709.92	36,694.09	25,200.00	-	25,200.00	100.0%
Student Activities Income	5.00	8,305.00	8,300.00	-	8,300.00	100.0%
Total Revenue	4,782,096.92	40,427,918.96	41,838,914.11	36,139,557.63	5,699,356.48	15.8%
Program Expenses						
Compensation Expense						
Administration Staff	245,057.98	2,541,296.76	3,175,961.54	3,194,393.75	18,432.21	0.6%
Instructional Staff	1,126,783.22	10,176,678.34	13,741,816.97	10,956,136.01	(2,785,680.96)	-25.4%
Total Compensation Expense	1,371,841.20	12,717,975.10	16,917,778.50	14,150,529.76	(2,767,248.74)	-19.6%
Fee Based Expenses						
Enrollment/Unit Based Fees	1,765,939.87	15,680,903.11	17,235,949.17	16,467,896.00	(768,053.17)	-4.7%
Total Fee Based Expenses	1,765,939.87	15,680,903.11	17,235,949.17	16,467,896.00	(768,053.17)	-4.7%
Other School Expenses						
Assessment	66,421.43	190,695.34	540,000.00	325,000.00	(215,000.00)	-66.2%
Employee Related	18,827.39	180,458.54	355,000.00	316,250.00	(38,750.00)	-12.3%
Facilities	26,140.47	372,701.67	564,165.48	627,382.00	63,216.52	10.1%
Governance	1,893.76	42,314.04	81,744.00	402,750.00	321,006.00	79.7%
Instructional	2,319.48	369,433.41	570,000.00	226,000.00	(344,000.00)	-152.2%
Professional Services	(1,778.70)	238,570.86	335,300.00	200,000.00	(135,300.00)	-67.7%
Student Related	75,498.49	1,480,090.25	2,038,000.00	1,625,000.00	(413,000.00)	-25.4%
Pending Allocation	(33,641.24)	8,220.68	-	-	-	0.0%
Total Other School Expenses	155,681.08	2,882,484.79	4,484,209.48	3,722,382.00	(761,827.48)	-20.5%
Total Program Expenses	3,293,462.15	31,281,363.00	38,637,937.15	34,340,807.76	(4,297,129.39)	-12.5%
Net Increase (Decrease)	1,488,634.77	9,146,555.96	3,200,976.95	1,798,749.87	1,402,227.08	78.0%
Beginning fund balance	12,739,268.53	5,081,347.34	5,081,347.34	-	-	
Ending fund balance	14,227,903.30	14,227,903.30	8,282,324.29	-	(1,402,227.08)	

Reach Cyber Charter School
Balance Sheet
May 31, 2019

ASSETS

Cash and Short Term Investments:

Cash:Checking	\$	3,899,853.78
Cash:Money market Account		8,341,509.32

Total Cash and Short Term Investments		12,241,363.10
--	--	----------------------

Other Current Assets:

Pupil Funding Receivable		4,678,108.14
PY State Receivables		157,901.09
Allowance for Doubtful Accounts		(97,527.71)
Grant Receivables		146,206.59
Prepaid Rent		15,061.93

Total Other Current Assets		4,899,750.04
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Other Current Assets:

Security Deposit		8,916.65
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Total other Assets		8,916.65
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Fixed Assets:

Property Plant & Equipment:

Computer Hardware		48,121.10
Leasehold Improvements		104,076.35
Furniture		101,373.97
Accum Depr:Computer Hardware		(28,357.29)
Accum Depr:Leasehold Improvements		(49,008.63)
Accum Depr: Furniture		(24,633.55)

Net Fixed Assets		151,571.95
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Total Assets	\$	17,301,601.74
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LIABILITIES

Current Liabilities:

Due to (from) Connections Academy	\$	2,150,783.12
Pension Payable		110,680.85
Accounts Payable		208.80
Accrued Expenses		91,065.61
Payable to District		569,388.12

Total Current Liabilities		2,922,126.49
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Total Liabilities		2,922,126.49
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FUND BALANCE

Beginning Fund Balance		5,081,347.34
Invested in Capital		151,571.95
Change in Fund Balance		9,146,555.96

Ending Fund Balance		14,379,475.25
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Total Liabilities and Fund Balance	\$	17,301,601.74
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**Reach Cyber Charter School
Schedule of Revenue
For the Period Ended May 31, 2019**

	May-19 Actual	YTD Actual	Annual Forecast	Annual Budget	Actuals vs. Budget Variance
Revenue					
State Funding					
Regular Education Funding	3,030,980.23	25,670,200.45	26,253,614.10	23,635,006.42	2,618,607.68
State- Prior Year	(22,570.42)	(22,570.42)	(22,570.42)	-	(22,570.42)
Special Education Funding	1,602,099.49	13,851,587.51	14,166,396.32	11,334,551.21	2,831,845.11
Total State Funding	4,610,509.30	39,499,217.54	40,397,440.00	34,969,557.63	5,427,882.37
Federal					
Title I	126,415.00	632,077.00	912,752.00	866,000.00	46,752.00
Title IIA	23,376.30	78,603.18	96,867.11	102,000.00	(5,132.89)
Title III	1,091.40	1,091.40	1,284.00	-	1,284.00
IDEA	-	135,990.75	350,719.00	192,000.00	158,719.00
Title IV	5,990.00	35,940.00	44,925.00	10,000.00	34,925.00
Erate	-	-	1,427.00	-	1,427.00
Total Federal & Other Programs Funding	156,872.70	883,702.33	1,407,974.11	1,170,000.00	237,974.11
Other Funding					
Student Activities Income	5.00	8,305.00	8,300.00	-	8,300.00
Interest Income	14,709.92	36,694.09	25,200.00	-	25,200.00
Total Other Funding	14,714.92	44,999.09	33,500.00	-	33,500.00
Total Revenue	4,782,096.92	40,427,918.96	41,838,914.11	36,139,557.63	5,699,356.48

Reach Cyber Charter School
Schedule of Fees
For the Period Ended May 31, 2019

	May-19 Actual	YTD Actual	Annual Forecast	Annual Budget	Forecast vs Budget
SCHEDULE OF FEES:					
Enrollment/Unit Based Fees					
Curriculum and Instructional Support Services	572,928.34	4,835,081.66	5,360,325.00	5,155,704.00	(204,621.00)
Student Connexus License	222,530.00	1,683,010.00	1,898,400.00	1,786,877.00	(111,523.00)
Student Technology Assistance Services	350,543.67	3,123,642.35	3,435,360.00	3,337,336.00	(98,024.00)
Enrollment/Placement/Student Support Services	292,595.00	2,833,015.00	3,080,025.00	3,035,310.00	(44,715.00)
School Operations Support Services	206,635.00	1,562,795.00	1,762,800.00	1,659,243.00	(103,557.00)
School Business Support Services	50,864.00	384,688.00	433,920.00	408,429.00	(25,491.00)
Professional Development Services	8,376.00	227,874.79	228,250.00	220,833.00	(7,417.00)
School Staff Support Services/Human Resources Support	31,830.00	865,925.38	867,350.00	839,164.00	(28,186.00)
Facilities Support Services	4,166.66	22,916.63	25,000.00	25,000.00	-
Short Term Substitute Teachers	11,700.00	29,100.00	29,100.00	-	(29,100.00)
Direct Course Instruction Support	13,771.20	112,854.30	115,419.17	-	(115,419.17)
Total Enrollment/Unit Based Fees	1,765,939.87	15,680,903.11	17,235,949.17	16,467,896.00	(768,053.17)
Total Fee Based Expenses	1,765,939.87	15,680,903.11	17,235,949.17	16,467,896.00	(768,053.17)

SCHEDULE OF COMPENSATION:

Administrative Compensation					
Salaries - Administration	182,538.70	1,887,049.31	2,353,714.58	2,348,818.20	(4,896.38)
Benefits - Administration	40,158.51	415,150.84	517,817.21	516,740.00	(1,077.21)
Pension - Administration	9,126.88	90,785.83	114,119.10	117,441.91	3,322.81
Taxes - Administration	13,233.89	148,310.78	190,310.65	211,393.64	21,082.99
Total Administrative Compensation	245,057.98	2,541,296.76	3,175,961.54	3,194,393.75	18,432.21
Instructional Compensation					
Salaries - Teachers	838,306.12	7,534,489.91	10,154,942.35	8,055,982.36	(2,098,959.99)
Benefits - Teachers	184,427.34	1,657,587.77	2,234,087.32	1,772,316.12	(461,771.20)
Pension - Teachers	41,915.15	374,351.34	506,697.26	402,799.12	(103,898.14)
Taxes - Teachers	62,134.61	610,249.32	846,090.04	725,038.41	(121,051.63)
Total Instructional Compensation	1,126,783.22	10,176,678.34	13,741,816.97	10,956,136.01	(2,785,680.96)
Total Compensation	1,371,841.20	12,717,975.10	16,917,778.50	14,150,529.76	(2,767,248.74)

**Reach Cyber Charter School
Schedule of Other Expenses
For the Period Ended May 31, 2019**

	May-19 Actual	YTD Actual	Annual Forecast	Annual Budget	Forecast vs. Budget Variance
SCHEDULE OF OTHER SCHOOL EXPENSES:					
Assessment					
Student Testing & Assessment	66,421.43	190,695.34	540,000.00	325,000.00	(215,000.00)
Total Assessment	66,421.43	190,695.34	540,000.00	325,000.00	215,000.00
Employee Related					
Staff Recruiting/Background Checks	77.60	17,970.01	23,000.00	45,000.00	22,000.00
Staff Training/Prof. Dvlpmt	13,010.74	128,369.53	200,000.00	124,250.00	(75,750.00)
Team Building	1,729.00	2,714.26	12,000.00	20,000.00	8,000.00
Travel- Nurse	-	-	-	7,000.00	7,000.00
Travel and Conferences	4,010.05	31,404.74	120,000.00	120,000.00	-
Total Employee Related	18,827.39	180,458.54	355,000.00	316,250.00	(38,750.00)
Facilities					
Capital Outlay	-	-	135,000.00	135,000.00	-
Copiers/ Reproduction	1,826.57	10,901.48	14,000.00	14,000.00	-
Internet	200.00	10,842.80	17,000.00	15,000.00	(2,000.00)
Maintenance & Repairs	980.00	14,657.60	21,000.00	28,000.00	7,000.00
Office Postage	153.12	10,631.63	18,000.00	18,000.00	-
Office Supplies	1,349.37	19,723.15	30,000.00	64,000.00	34,000.00
Office Rent	21,513.79	176,199.83	192,165.48	285,262.00	93,096.52
Other School Expense	-	-	1,000.00	9,000.00	8,000.00
Rent Operating Expense	-	-	-	21,120.00	21,120.00
Small Office Equipment	-	125,798.68	130,000.00	35,000.00	(95,000.00)
Telephone	117.62	3,946.50	6,000.00	3,000.00	(3,000.00)
Total Facilities	26,140.47	372,701.67	564,165.48	627,382.00	63,216.52
Governance					
Banking Fees	637.65	3,998.52	5,000.00	3,000.00	(2,000.00)
Board-Related Expenses	-	5,704.20	15,000.00	20,000.00	5,000.00
Charter School Initiatives (Board Designations)	-	-	-	250,000.00	250,000.00
Dues	1,256.11	28,867.32	42,000.00	9,750.00	(32,250.00)
External Audit	-	-	16,000.00	16,000.00	-
D&O Insurance	-	3,744.00	3,744.00	4,000.00	256.00
Insurance Expenses	-	-	-	100,000.00	100,000.00
Total Governance	1,893.76	42,314.04	81,744.00	402,750.00	321,006.00
Instructional					
Other Curriculum	60.76	54,103.72	70,000.00	-	(70,000.00)
STEM Programmatic Expenses	2,258.72	315,329.69	500,000.00	226,000.00	(274,000.00)
Total Instructional	2,319.48	369,433.41	570,000.00	226,000.00	(344,000.00)

Professional Services

Accounting Services	-	195,082.14	275,000.00	170,000.00	(105,000.00)
Legal Services	(1,811.00)	43,327.22	60,000.00	30,000.00	(30,000.00)
Other Consultants	32.30	161.50	300.00	-	(300.00)
Total Professional Services	(1,778.70)	238,570.86	335,300.00	200,000.00	(135,300.00)

Student Related

Community Coordinators	4,500.00	9,000.00	7,000.00	-	(7,000.00)
Contracted Pupil Health Support	-	5,000.00	10,000.00	10,000.00	-
School Discretionary Targeted Outreach	21,100.68	41,025.68	60,000.00	-	-
Extracurricular Activities	-	-	40,000.00	70,000.00	30,000.00
Graduation Expense	83.73	465.33	35,000.00	35,000.00	-
Student Technology Support Stipend	-	521,560.67	806,000.00	740,000.00	(66,000.00)
SPED Related Services	36,452.90	838,095.15	1,000,000.00	768,000.00	(232,000.00)
Student Activities	13,361.18	64,943.42	80,000.00	2,000.00	(78,000.00)
Total Student Related	75,498.49	1,480,090.25	2,038,000.00	1,625,000.00	(413,000.00)

Pending Allocation

Expenses Pending Allocation	(33,641.24)	8,220.68	-	-	-
Total Pending Allocation	(33,641.24)	8,220.68	-	-	-

Total Other Expenses	155,681.08	2,882,484.79	4,484,209.48	3,722,382.00	(761,827.48)
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Reach Cyber Charter School
MINUTES OF THE BOARD OF DIRECTORS MEETING
Wednesday, May 15, 2019 at 9:00 a.m.

Held at the following location and via teleconference
750 East Park Drive, Suite 204
Harrisburg, PA 17111

I. Call to Order and Roll Call

Mr. Taylor called the meeting to order at 9:02 a.m. when all participants were present and able to hear each other.

Board Members Present: David Taylor, Joe Harford, Dave Biondo and Paul Donecker (all via phone);

Board Members Absent: Gail Hawkins-Bush and Alex Schuh;

Guests: Jane Swan, School Leader; Karen Yeselavage, LeeAnn Richie, Michael Hinshaw, Alicia Swope, Cody Smith and John McMurray, School Staff; Amanda Jay, Pearson Online and Blended Learning (POBL) Staff (in person); Kevin Corcoran, Charter Choices, Financial Consultant; Rachel Graver, Rachel Parker and Jamie Miedel, School Staff; Andrew Pasquinilli, Megan Holston, Tanya Lee and Megann Arthur, Pearson Online and Blended Learning (POBL) staff (via phone).

II. Public Comment

There were no public comments made at this time.

III. Routine Business

a. Approval of Agenda

Mr. Taylor asked the Board to review the agenda distributed prior to the meeting. The Board expressed their intention to amend all of the Audit Committee item resolution language to allow the Treasurer additional time to review. The Board also indicated their intention to similarly amend the Strategic Planning item to allow the School Leader and Board President to finalize the MOU language. Lastly, the Board indicated their desire to table Consent Item (d) Approval of School Calendar for the 2018-2019 School Year, as the final calendar was not available for review at this meeting. There being no additional changes noted, a motion was made and seconded as follows:

RESOLVED, that the Agenda for the May 15, 2019 regular meeting of the Reach Cyber Charter School Board of Directors, as amended, is hereby approved.

The motion passed unanimously.

[Ms. Graver joined the meeting in person at 9:06 a.m.]

IV. Audit Committee, Committee of the Entire Board

a. Approval of Revised Audit Firm Engagement for the 2017-18 SY Annual Financial Audit and Audit Firm Engagement for the 2018-19 SY Annual Financial Audit

Ms. Lee provided the Board with a thorough review of all the audit-related documentation included in the Board materials. She detailed the current school year's audit process, and the independent audit firm's report and recommendations. Mr. Biondo advised that he wished to have some additional time to review all the documentation, and the Board discussed the advantages of appointing him as the Board's Designee to review and finalize all necessary documentation and submissions on behalf of the school.

b. Review and Acceptance of the 2017-2018 School Year Financial Audit Report

The Board briefly reviewed their desire to appoint the Board Treasurer as Board Designee to finalize and submit all necessary documentation with regards to the audit report and audit firm engagement. There being no additional discussion, a motion was made and seconded as follows:

RESOLVED, that the Board Treasurer as Board Designee to Review, Finalize and Submit all Necessary Documentation Regarding the Revised Audit Firm Engagement for the 2017-2018 SY Annual Financial Audit, the Audit Firm Engagement for the 2018-2019 SY Annual Financial Audit, and the 2017-2018 SY Financial Audit Report, as discussed, are hereby accepted.

The motion passed unanimously.

V. Oral Reports

a. Executive Director's Report

i. Graduation Plans (June 7th) and End of Year Activities Update

Ms. Swan reminded the Board of the upcoming graduation ceremony for Reach, planned for Friday, June 7, 2019 from 6-8 p.m. in Mechanicsburg. She further provided the Board with an update on end of year activities for students and families.

Ms. Swan reviewed upcoming baseball games being attended by families and staff all around the state, including those in State College, Altoona, Philadelphia, Pittsburgh, York, and others.

ii. State Testing Update

Ms. Swan updated the Board on the school's state testing completion. She advised that students were in Keystone Testing Week 1, and that PSAA testing had been completed. Ms. Swan further reviewed the current percentages of state testing completion.

iii. Comprehensive Support and Improvement (CSI) Designation Update

Ms. Swan provided the Board with an update on the school's CSI designation status, and associated activities.

iv. Charter Renewal Update

Ms. Swan advised that PDE had recently confirmed receipt of all related documents, and that the school was awaiting a response.

v. AdvancED Accreditation Update

Ms. Swan related the positive responses the school received from the accreditation team following their site visit(s), and the anticipated timeline for a final report from them.

b. Financial Report

Ms. Lee reviewed the school's financial statements with the Board. She reviewed the revenue and expense statements, advising on changes since the previous months' statements.

VI. Strategic Plan

a. Approval of Memorandums of Understanding (MOUs) with Immaculata University and Gwynedd Mercy University

Ms. Swan presented this item to the Board. She reviewed the draft MOU's included in the Board materials, as well as their intended purpose and current review progress. Board members expressed their support of the partnerships, and desire to appoint the Board President to work with Ms. Swan to finalize the MOUs. There being no further discussion, a motion was made and seconded as follows:

RESOLVED that the Board President as Board Designee to work with School Leadership and POBL to Finalize the Memorandums of Understanding (MOUs) with Immaculata University and Gwynedd Mercy University, as discussed, are hereby approved.

The motion passed unanimously.

VII. Consent Items

Mr. Taylor asked the Board Members whether there were any items from the Consent Items that they wanted moved to Action Items for discussion, or tabled. There being no changes noted, a motion was made and seconded as follows:

RESOLVED, the Consent Items:

- a. Approval of Minutes from the April 17, 2019 Board Meeting and Training Retreat;
- b. Approval of Staffing Report;
- c. Approval of Connections Education Invoice(s) for April;
- e. Approval of Revision(s) to the Employee Handbook;
- f. Approval of Board President as Board Designee to Approve Summer Staffing Decisions for the 2019-2020 School Year; and
- g. Approval of School's Vision Statement; are hereby approved.

The motion passed unanimously.

VIII. Action Items

- a. Approval of Supplemental Educational Products and Services for the 2019-2020 School Year: LiveSpeech

Ms. Swan reviewed the proposal for LiveSpeech services for the next school year, as included in the Board meeting materials. She advised the Board of the positive results yielded from the use of Live Speech, and her recommendation that the Board approve engaging POBL for LiveSpeech for another year. There being no further discussion, a motion was made and seconded as follows:

RESOLVED, that the Supplemental Educational Products and Services: LiveSpeech, as presented, is hereby approved.

The motion passed unanimously.

IX. Information Items

- a. State and Strategic Client Relations (SSCR) Update

Ms. Jay provided the Board with an update on recent legislative activities in the state, which may impact the school.

- i. Statement of Agreement with POBL Update

Ms. Jay provided the Board with an update on this item. She reviewed highlights within the current draft of the Agreement, where it is in the review process, and that it is expected to be sent to the full Board for consideration at the next meeting.

- b. Partner School Leadership Team (PSLT) Update

Mr. Pasquinilli presented to the Board on behalf of Pearson Online & Blended Learning's (POBL) School Leadership Team. National Student Clearinghouse under PSLT

- i. Planning for School Leader Performance Review

Mr. Pasquinilli outlined the annual school leader review process with the Board. He reminded Board members that the process includes feedback from the Board through a survey. Mr. Pasquinilli further reminded the Board that Ms. Swan's final review will take place during the Board's Annual Meeting in June. He also reiterated the importance of Board member participation in the review process.

Mr. Taylor discussed with the Board comparison data he had recently received regarding Reach's math scores. Board members discussed math instruction and student outcomes, and Ms. Swan reaffirmed the staff's commitment to increasing achievement.

X. Adjournment and Confirmation of Annual Meeting – Wednesday, June 19, 2019 at 9:00 a.m.

Mr. Taylor inquired if there was any other business or discussion. There being no further business or discussion, he noted that the Annual Meeting date is Wednesday, June 19, 2019 at 9:00 a.m. The Board being at the end of its agenda, the meeting was adjourned at 9:44 a.m.

Staffing Reports

New Hires

Name	Area	Compensation	Bonus Potential	Start Date
Lingle, Kayla B.	Social Worker	\$52,500.00	0.05	05/02/2019

Departing Employees

Name	Area	Last Day Worked	Reason
n/a			

Promotions/Transfers

Name	Previous Position	New Position	Compensation	Bonus	Effective Date
Lingle, Kayla B.	Social Worker	\$52,500.00	0.05	05/02/2019	10/10/2018

Staffing Reports

New Hires

Name	Area	Compensation	Bonus Potential	Start Date
Petrasic, Megan E.	Teacher - Special Edu	\$54,000.00	0.05	05/21/2019

Departing Employees

Name	Area	Last Day Worked	Reason
n/a			

Promotions/Transfers

Name	Previous Position	New Position	Compensation	Bonus	Effective Date
n/a					

Summary of Qualification: A motivated and dedicated Social Worker with extensive knowledge of social work principles, techniques, and practices with their application to complex casework, group work, and community issues. Skilled in establishing rapport with consumers and providers to gather relative information in efforts of best serving the consumer. Frequently recognized by colleagues for advocacy and creative problem solving.

Professional Skills:

- A proactive team player with a positive attitude.
- Utilizes diverse practice modalities.
- Familiar with the application and use of the DSM-V.
- Adept in successfully coordinating multiple projects simultaneously.
- Proficient in consumer advocacy and the navigation of government systems.

Professional Experience:

CUMBERLAND COUNTY CHILDREN AND YOUTH

Senior Human Services Case Manager

December 2014- Present

- Conduct investigations/assessments of abuse and neglect while routinely assessing safety and risk.
- Address and identify barriers to wellness regarding trauma, addiction, self-injurious behaviors, suicidal ideation, grief, eating disorders, domestic violence, abuse and neglect.
- Develop/ monitor service plans with the engagement of the consumers and families.
- Provide counseling to individuals, couples, co-parenting, and families.
- Coordinate and facilitate family groups.
- Frequently make referrals and collaborate with a variety of multidisciplinary teams, including local and state agencies, hospitals, and law enforcement in reviewing the complexity of cases and ensuring the best care for consumers.
- Maintain familiarity with prescription medications that treat mental health and medical diagnoses.
- On Call coverage for evenings, weekends, and holidays.
- Provide task supervision and support to interns and new hires.
- Individually selected to work on a Trauma Informed Courtroom Workgroup as a means to develop trainings to be utilized state wide.
- Maintain case records according to state and federal guidelines.

FRANKLIN FAMILY SERVICES

Mobile Therapist/ Behavioral Specialist Consultant

December 2014- September 2016

- Provide intensive therapeutic services in the home with consumers.
- Develop and implement treatment plans with the input of families and children using various social modalities.
- Maintain files/records according to the needs of insurance providers.

Internships:

MERCY BEHAVIORAL HEALTH

Child Therapist Graduate Intern

September 2013- May 2014

AUBERLE

S. N. A. P Intern

October 2012- May 2013

PERRY COUNTY CHILDREN AND YOUTH

County Intern

May 2012- August 2012

Licenses and Certifications:

Post- Master's Advanced Clinical Certificate Program, September 2018- Present

Licensed Social Worker, License Number: SW131451, May 2014

Education:

UNIVERSITY OF PITTSBURGH, 2012- 2014

Masters of Social Work, Direct Practice

Children, Youth, and Families Certificate

INDIANA UNIVERSITY OF PENNSYLVANIA, 2009- 2012

Bachelor of Arts, Sociology and Human Services, Psychology Minor

Megan Petrasic

3842 Montour Street
Harrisburg, Pa 17111

Cell: 717-557-2246

mpetrasic@gmail.com

Career Objective:

- To build a long-term career as an elementary or special education teacher in order to utilize my strong dedication to children's development and to their educational needs.

Education

- Lock Haven University
- B.S. in Special Education/ Early Childhood Education
- GPA: 3.6
- Graduation date: December 2016

Core competencies

- Creative lesson planning
- Classroom management skills
- IEP familiarity
- Common Core knowledge

Professional Experience

- **Learning Support Teacher** at Swatara Middle school. (Current)
 - Caseload of 19 children
 - Responsibilities: Design, supervise and implement students' IEP's. Create and coordinate student schedules with related services and general education. Collect and analyze student data and monitor student progress. Effectively work with large team of professionals to coordinate the needs of the students.
- **Long term substitute** at North Side Elementary from 1/27/17-current.
 - 1st grade autistic support classroom.
 - Caseload of 8 children
 - Responsibilities: Design, supervise and implement students' IEP's. Create and coordinate student schedules with related services and general education.

Collect and analyze student data and monitor student progress. Effectively work with large team of professionals to coordinate the needs of the students.

- **Summer Teacher** at Stepping Stone Daycare from 6/2012-8/2015.
- Responsible for the care of 20 children
- Responsibilities included: enforcing rules for behavior and procedures, helping implement lessons, plan and execute activities.
- Evaluated the growth of students on a regular basis
- Prepared nutritious lunches and snacks according to the USDA's guidelines for child nutrition

Volunteer

- **Top Soccer Camp**- Harrisburg, PA
- I have volunteered for several years at the Top Soccer camp for children with disabilities.
- My responsibilities were to teach the children to play soccer while also befriending them and ensuring that they enjoyed their time at camp.

Honors/Awards

- Dean's List: Spring/Fall-2012, 2013, 2014, 2015, 2016
- Graduated with honors



Pearson

INVOICE

Customer Bill-to:

Reach Cyber Charter School
750 East Park Drive
Suite 204
Harrisburg, PA 17111

Attention:
Accounts Payable

Customer Ship-to:

Reach Cyber Charter School
750 East Park Drive
Suite 204
Harrisburg, PA 17111

**Connections Education LLC
dba Pearson Online & Blended
Learning K-12 USA**
10960 Grantchester Way
Columbia, MD 21044
Tel: 1-800-843-0019
Email:
credit@pearson.com
Tax ID No:

Invoice Number : 91000002693
Date : 07-JUN-2019
Due Date : 07-JUL-2019
Payment Terms : NET 30
Customer Account : 3924545
Project Number : 82036752
Currency : USD
Shipment Terms :
Purchase Order Number : Reach
Number of Pages : Page 1 of 2

Total Ordered Quantity (No. Of Items) : 4	REMITTANCE INFORMATION	
Net Amount : USD \$2,177,941.12	Make Checks Payable to:	
Tax Total : USD \$0.00	Pearson Online & Blended Learning	
Invoice Total : USD \$2,177,941.12	32369 Collection Center Drive	
Amount Due : USD \$2,177,941.12	Chicago, IL 60693-0323	
	Bank Wire to:	
	Bank Name	Bank of America N A
	ABA ACH No	
	ABA Wire No	
	SWIFT Code	
	A/C No	
	Bank Account Name	Connections Education LLC dba Pearson Online & Blended Learning K-12 USA
Always quote your invoice number when paying		



Pearson

Invoice Number: 91000002693							Page 2 of 2
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Project Number	Project Agreement Number	Description	Quantity	List Price	Net Price	Tax	Line Total
82036752	Reach	Direct Charges	1		2,115,026.07	0.00	2,115,026.07
82036752	Reach	Pass Through	1		99,221.40	0.00	99,221.40
82036752	Reach	Rev April Benefit Revenue Adj	-1		40,473.01	0.00	-40,473.01
82036752	Reach	Facility Support May 19	1		4,166.66	0.00	4,166.66

Invoice Total	Subtotal	Total Tax	Invoice Total
	USD	USD	USD
	\$2,177,941.12	\$0.00	\$2,177,941.12



Pearson

INVOICE

Customer Bill-to:

Reach Cyber Charter School
750 East Park Drive
Suite 204
Harrisburg, PA 17111

Customer Ship-to:

Reach Cyber Charter School
750 East Park Drive
Suite 204
Harrisburg, PA 17111

**Connections Education LLC
dba Pearson Online & Blended
Learning K-12 USA**

10960 Grantchester Way
Columbia, MD 21044

Tel: 1-800-843-0019

Email:
credit@pearson.com

Tax ID No:

Invoice Number : 91000002704

Date : 07-JUN-2019

Due Date : 07-JUL-2019

Payment Terms : NET 30

Customer Account : 3924545

Project Number : 82036752

Currency : USD

Shipment Terms :

Purchase Order Number : Reach

Number of Pages : Page 1 of 2

Attention:

Accounts Payable

Total Ordered Quantity (No. Of Items) :		2	REMITTANCE INFORMATION	
Net Amount :	USD	\$-88,194.00	Make Checks Payable to:	
Tax Total :	USD	\$0.00	Pearson Online & Blended Learning	
Invoice Total :	USD	\$-88,194.00	32369 Collection Center Drive	
Amount Due :	USD	\$-88,194.00	Chicago, IL 60693-0323	
			Bank Wire to:	
			Bank Name	Bank of America N A
			ABA ACH No	0
			ABA Wire No	0
			SWIFT Code	
			A/C No	8
			Bank Account Name	Connections Education LLC dba Pearson Online & Blended Learning K-12 USA
Always quote your invoice number when paying				



Pearson

Invoice Number: 91000002704							Page 2 of 2
Project Number	Project Agreement Number	Description	Quantity	List Price	Net Price	Tax	Line Total
82036752	Reach	Adj May Prof Dev Servs	-1		18,374.00	0.00	-18,374.00
82036752	Reach	Adj May School Staff Sppt Servs	-1		69,820.00	0.00	-69,820.00
Invoice Total			Subtotal	Total Tax	Invoice Total		
			USD	USD	USD		
			\$-88,194.00	\$0.00	\$-88,194.00		



Pearson

Charges for the Following Period:

May 2019

Compensation Expenses

Benefits - Administration	\$ 40,158.51
Benefits - Instructional	184,427.35
	<hr/> 224,585.86

Enrollment/Unit Based Charges

Curriculum and Instructional Support Services	159,658.34
Curriculum and Instructional Support Services - Monthly fee	413,270.00
Student Technology Assistance Services	150,266.66
Student Technology Assistance Services - Monthly fee	200,277.00
Enrollment/Placement/Student Support Services	197,225.00
Enrollment/Placement/Student Support Services - Monthly fee	95,370.00
Student Connexus License	222,530.00
School Operations Support Services	206,635.00
School Business Support Services	50,864.00
Professional Development Services	8,376.00
School Staff Support Services/Human Resources Support	31,830.00
Facilities Support Services	4,166.66
Direct Course Instruction	13,771.20
	<hr/> 1,754,239.86

Pass Through Expenses	90,603.54
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Withholdings	60,348.99
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Credit for Non-Billable Earnings Paid By the Schools	(51,731.13)
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Short Term Substitute Teaching Services	11,700.00
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Total Amount Due	\$ 2,089,747.12
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Pearson

INVOICE

Customer Bill-to:

Reach Cyber Charter School
750 East Park Drive
Suite 204
Harrisburg, PA 17111

Customer Ship-to:

Reach Cyber Charter School
750 East Park Drive
Suite 204
Harrisburg, PA 17111

**Connections Education LLC
dba Pearson Online & Blended
Learning K-12 USA**

10960 Grantchester Way
Columbia, MD 21044

Tel: 1-800-843-0019

Email:
credit@pearson.com

Tax ID No:

Invoice Number : 91000002527

Date : 24-MAY-2019

Due Date : 23-JUN-2019

Payment Terms : NET 30

Customer Account : 3924545

Project Number : 82036752

Currency : USD

Shipment Terms :

Purchase Order Number : Reach

Number of Pages : Page 1 of 2

Attention:

Accounts Payable

Total Ordered Quantity (No. Of Items) :		1	REMITTANCE INFORMATION	
Net Amount :	USD	\$32,196.00	Make Checks Payable to:	
Tax Total :	USD	\$0.00	Pearson Online & Blended Learning	
Invoice Total :	USD	\$32,196.00	32369 Collection Center Drive	
Amount Due :	USD	\$32,196.00	Chicago, IL 60693-0323	
			Bank Wire to:	
			Bank Name	Bank of America N A
			ABA ACH No	
			ABA Wire No	
			SWIFT Code	
			A/C No	
			Bank Account Name	Connections Education LLC dba Pearson Online & Blended Learning K-12 USA
Always quote your invoice number when paying				



Pearson

Invoice Number: 91000002527							Page 2 of 2
Project Number	Project Agreement Number	Description	Quantity	List Price	Net Price	Tax	Line Total
82036752	Reach	LiveSpeech Services March 19	1		32,196.00	0.00	32,196.00
Invoice Total			Subtotal	Total Tax	Invoice Total		
			USD	USD	USD		
			\$32,196.00	\$0.00	\$32,196.00		



Pearson

INVOICE

Customer Bill-to:

Reach Cyber Charter School
750 East Park Drive
Suite 204
Harrisburg, PA 17111

Attention:
Accounts Payable

Customer Ship-to:

Reach Cyber Charter School
750 East Park Drive
Suite 204
Harrisburg, PA 17111

**Connections Education LLC
dba Pearson Online & Blended
Learning K-12 USA**
10960 Grantchester Way
Columbia, MD 21044
Tel: 1-800-843-0019
Email:
credit@pearson.com
Tax ID No:

Invoice Number : 91000002514
Date : 22-MAY-2019
Due Date : 21-JUN-2019
Payment Terms : NET 30
Customer Account : 3924545
Project Number : 82036752
Currency : USD
Shipment Terms :
Purchase Order Number : Reach
Number of Pages : Page 1 of 2

Total Ordered Quantity (No. Of Items) :		1	REMITTANCE INFORMATION	
Net Amount :	USD	\$28,840.00	Make Checks Payable to:	
Tax Total :	USD	\$0.00	Pearson Online & Blended Learning	
Invoice Total :	USD	\$28,840.00	32369 Collection Center Drive	
Amount Due :	USD	\$28,840.00	Chicago, IL 60693-0323	
			Bank Wire to:	
			Bank Name	Bank of America N A
			ABA ACH No	
			ABA Wire No	
			SWIFT Code	
			A/C No	
			Bank Account Name	Connections Education LLC dba Pearson Online & Blended Learning K-12 USA
Always quote your invoice number when paying				



Pearson

Invoice Number: 91000002514							Page 2 of 2
Project Number	Project Agreement Number	Description	Quantity	List Price	Net Price	Tax	Line Total
82036752	Reach	LiveSpeech Services April 19	1		28,840.00	0.00	28,840.00
Invoice Total			Subtotal	Total Tax	Invoice Total		
			USD	USD	USD		
			\$28,840.00	\$0.00	\$28,840.00		



To: Reach Cyber Charter School Board
From: Claudia Burns
Re: 2019-20 School Calendar
Date: June 11, 2019

Attached is a draft calendar for the 2019-20 school year. This calendar has been carefully reviewed by your school principal and the Director of Schools, and represents 180 student days. Once board-approved, this calendar will become the official school calendar for 2019-20 and will be added to the State-Specific School Handbook Supplement.

3.4.1 REACH School Calendar

Note: The School Status Legend below the calendar reflects the possible school statuses for each event. All events which show a status of School In Session indicates they are school days for students. All events which show any other status indicates they are NOT school days for students. Please refer to the legend to determine whether teachers and/or administrator staff are available for each event according to its status.

Event	School Status	Date
<i>First Day of School</i>	School in Session	September 3, 2019
Veterans' Day	School Closed	November 11, 2019
Thanksgiving Break	School Closed	November 28-December 2, 2019
Winter Break	School Closed	December 23, 2019-January 1, 2020
Martin Luther King, Jr. Day	School Closed	January 20, 2020
<i>First Semester End Date</i>	NA	January 24, 2020
Teacher work day	Staff Work Day	January 27, 2020
<i>Second Semester Start Date</i>	NA	January 28, 2020
Presidents' Day	No School in Session	February 17, 2020
Spring Break	No School in Session	April 9, 2020
	School Closed	April 10, 2020
	Staff Work Day	April 13, 2020
Memorial Day	School Closed	May 25, 2020
<i>Last Day of School</i>	School in Session	June 5, 2020
School Closed - Additional Administrator/12 Month Employee Days: November 11, 2019, December 2, 2019, December 23-24, 2019, April 10, 2020		
School Status Legend:		
No School in Session = Students and Teachers are NOT in school but Administrators ARE		
School Closed = Students, Teachers, and Administrators are NOT in school		
School In Session = Students, Teachers, and Administrators ARE in school		
Staff Professional Development Day = Students are NOT in school but Teachers and Administrators ARE		
Staff Work Day = Students are NOT in school but Teachers and Administrators ARE		

Reach Cyber Charter School 2019 – 2020 Meeting Schedule for Board of Directors

School Phone: (717) 704-8437

School Fax: (717) 409-8356

 School Website: <http://www.connectionsacademy.com/reach-cyber-school/about>

All meetings are open to members of the public. For information about meetings or for members of the public who require special accommodations to attend, contact the School Principal at least 24 hours prior to the meeting.

Jane Swan, School Principal

jswan@reach.connectionsacademy.org

(717) 704-8437

DATE	TIME	LOCATION
Wednesday, August 21, 2019	9:00 a.m. – 11:00 a.m.	750 East Park Drive, Suite 204 Harrisburg, PA 17111
Wednesday, September 18, 2019	9:00 a.m. – 11:00 a.m.	750 East Park Drive, Suite 204 Harrisburg, PA 17111
Wednesday, October 16, 2019	9:00 a.m. – 11:00 a.m.	750 East Park Drive, Suite 204 Harrisburg, PA 17111
Wednesday, November 20, 2019	9:00 a.m. – 11:00 a.m.	750 East Park Drive, Suite 204 Harrisburg, PA 17111
Wednesday, January 15, 2020	9:00 a.m. – 11:00 a.m.	750 East Park Drive, Suite 204 Harrisburg, PA 17111
Wednesday, February 19, 2020	9:00 a.m. – 11:00 a.m.	750 East Park Drive, Suite 204 Harrisburg, PA 17111
Wednesday, April 15, 2020	9:00 a.m. – 11:00 a.m.	750 East Park Drive, Suite 204 Harrisburg, PA 17111
Wednesday, May 20, 2020	9:00 a.m. – 11:00 a.m.	750 East Park Drive, Suite 204 Harrisburg, PA 17111
Annual Meeting Friday, June 17, 2020	9:00 a.m. – 11:00 a.m.	750 East Park Drive, Suite 204 Harrisburg, PA 17111



From: Amy Pymm
To: Reach Cyber Charter School Board of Directors
Re: School-Specific Handbook Supplement for 2019-2020

Attached for board approval are updates to the "Use of the Internet" section of the 2019-2020 School-Specific Handbook Supplement. Once board-approved, the update will be reflected in the 2019-2020 school supplement, and the revised Handbook Supplement will be posted on the Virtual Library.

For your convenience, a summary of the changes to your School-Specific Handbook Supplement is provided below.

10.2.5 Use of the Internet

Internet Reimbursement

Families will arrange for Internet service for their students to attend school ~~and,~~ The school will be regularly reimbursed for the full issue subsidies to assist with the cost of Internet service (and ~~also printer ink).~~ The subsidy will be equal to \$40.00 a month, but will be paid out three times during the year through a third-party vendor contracted through Connections Education, LLC, as outlined below. Reach will reimburse the families regularly so as not to cause financial hardship for families and so there is no disruption of schooling for the students. The reimbursement schedule will also factor in students enrolled in Reach's various pacing models. If the disbursement schedule would create a family hardship, the family should request an alternative disbursement schedule to remove the hardship.

If a family lives in an area that receives limited or poor Internet connections or needs assistance in arranging Internet service, please contact the school.

For students who select the accelerated pacing option or the year-round pacing option which requires participating in the program in the summer, Reach will ensure the families are reimbursed for Internet expenses over the two summer months.

~~Each family will receive a payment for the cost of home Internet costs, printer supplies, or any other supply to support the students' educational programs. The payment will be distributed out three times during the year through a third party vendor, unless this disbursement schedule would create a family hardship. In this circumstance, the family should request an alternative disbursement schedule to remove the hardship.~~

In order for the household to receive the payment, the following information is provided to the third party vendor contracted to issue the debit cards: payee name, email address, and mailing address~~name of individual to whom subsidy is being made and mailing address of person to whom subsidy is being made.~~ No other information will be provided to such third party vendor.

Debit Card Issuing Schedule

Debit Card Number	<u>Approximate</u> Cut Off Date for Debit Card Disbursement	Month Debit Card is Issued	Months the Debit Card Covers
1 <u>(Fall)</u>	November 4525	December	September, October, November
2 <u>(Winter)</u>	February 4525	March	December, January, February
3 <u>(Spring)</u>	May 4525	June	March, April, May

Families must be enrolled at the time of the disbursement in order to be eligible. Families who enroll after the beginning of one of the payment periods~~were not enrolled for the entire payment period~~ will receive a pro-rated payment. ~~Families enrolled in the Year-Round pacing option will receive the subsidy for the summer months. Families enrolled in the Traditional and/or Accelerated pacing options are not given a subsidy for the summer months.~~

Please let us know if we can aid in the review process in any way or if you require further information on this policy.

Reach Cyber Charter School 2019-2020 Budget Notes

Overall Comments

1. The budget reflects a funded enrollment of 3,892 students generating total revenue of approximately \$56.6 million from all state and federal funding sources.
2. To provide better support for the fact that federal funds are supplementing the school's educational program and not supplanting it, expenditures are budgeted by fund source. The biggest impact involves the approach to staffing, which will be discussed later.
3. Total funding from all sources on a per pupil basis is budgeted at approximately \$14,530.
4. The budget assumes the shifting of responsibility of special education program oversight from Connections to the School. Connections' special education administrative charges have been removed from the budget and the related hiring of additional special education administrative staff at the school have been appropriately incorporated.

Enrollment and Grade Distribution

1. Enrollment for the year is expected to average 3,942 students with 1,099 students enrolled in grades K-5 and 2,843 students enrolled in grades 6-12, which is budgeted for the 19-20 school year.
2. To achieve this level of enrollment, the school is expected to enroll a total of 6,107 students throughout the school year. As measured in the monthly school report, this translates into a "turnover and mid-year start" factor of 55%.
3. The grade distribution is budgeted to comprise 27.9% of students in grades K-5, 72.1% in grades 6-12.
4. The percentage of students expected to receive special education services is budgeted at 19%.

Revenue

1. The base per pupil funding rate paid by districts is assumed to be \$11,262 for a general education student (this represents a weighted average district rate that reflects the school's student mix). For those students who receive special education resources, the per pupil funding is projected at \$26,892.
2. The budget includes \$1,751,000 in funding from the Federal Title Fund program. This consists of \$1,072,000 for Title I (low income, disadvantaged students), \$153,000 for Title II (professional development), \$466,000 for IDEA-B (special education) and \$60,000 in Title IV funding. The use of these funds is restricted, but the budget uses the money in an appropriate manner, primarily for teacher compensation and other resources targeted at these populations.

Staffing

1. It is hoped that staffing decisions will be based upon the assumptions in this model, thus providing school management with an objective guide throughout the year in which to make hiring decisions. This model offers guidance on student-teacher ratios for different grade levels, use of federal grants in funding some of the teachers, and administrative staff structure.
2. The Staffing Model in this budget presents the number of teachers funded by federal funds separately from the number of teachers funded by the general state fund. This form of budgeting by fund provides better support for the fact that federal funds are supplementing the school's educational program and not supplanting it. The budget assumes federal funds will be used to support the employment of 20 teachers.
3. The proposed combined student-teacher ratios are as follows:
 - a. 35:1 for K-5
 - b. 30:1 for 6-12
 - c. 18:1 for Special Ed
 - d. 500:1 for Elective Teachers
 - e. 250:1 for Intervention Specialists
 - f. 250:1 for Secondary Advisory Teachers
 - g. 395:1 for STEM Coaches
 - h. 113:1 for Family Mentors

The resulting overall student-teacher ratio is projected at 14:1.

4. If budgeted enrollment levels are achieved, then the teaching and instructional support staff will be comprised of approximately 31.4 FTE (full-time equivalent) elementary teachers, 94.8 secondary teachers, 8 credit recovery teachers, 43.5 special education teachers, 2 ELL teacher, 3 Gifted Teachers, 5.7 elective teachers, 23.8 interventionists, 2 social workers, 1 professional development coordinator, 1 occupational therapist, 1 speech pathologist, 1 school psychologist, 1 special ed coordinator, 1 state testing coordinator, 10 STEM coaches, 2 truancy coordinators, 34.9 family mentors and 11.4 counselors/advisory teachers.
5. It is important to note that this staff accounts for all teaching responsibilities, including electives. If the school needs to find another resource to teach any electives, then the teacher allocation will need to be adjusted downward accordingly.
6. For budgeting purposes only, all returning teachers were assumed to be eligible to receive a 3% merit increase and earn their maximum incentive award. The actual merit increase and incentive award to each individual would be driven by a performance evaluation, based upon the objectives approved by the Board. Returning teachers will be eligible to pursue career ladder positions that would carry additional compensation.
7. The administrative team will consist of 1 school leader, 1 lead principal, 3 principals, 5.6 assistant principals, 1 special education director, 2 special education assistant director, 1 director of counseling, 1 manager of counseling services, 1 director of MTSS, 1 director of data and student assessments, 1 coordinator of counseling, 1 coordinator of social workers, 1 STEM manager, 1 business manager, 1 director of career pathways, 1 director of family services, 1 director of partnerships, 1 manager of social outreach/marketing coordinator, 14.3 administrative assistants, 2 school psychologists, 1 12 month family mentor, 2 attendance coordinator and 2 school nurses, for a total administrative staff of 46.9 employees.
8. For budgeting purposes only, all administrative staff is shown to be eligible to receive a 3% merit increase and earning the maximum incentive award. The actual merit increase and incentive award will be made at the Board's direction and will be performance-weighted.

Benefits

1. The rate charged to the school for the provision of benefits is 22%. Pension expense has been budgeted at 5%, and payroll taxes will be charged back to the school at cost. Benefits, pension and taxes are estimated to represent approximately 36% of wages.

Products and Services

1. The charge to the school for products and services is included in the products and services fee as outlined in the schedule of fees.
2. The charge to the school for the provision of student technology is included in the student technology assistance services fee as outlined in the schedule of fees.
3. The charge to the school for the special education program support services is included in the special education program support services fee as outlined in the schedule of fees.
4. The Monthly Fees for "Enrollment/Placement/Student Support Services" and "School Business Support Services" will be assessed in this second school year.

Other Non-Payroll Related Expenses

1. The charge from Connections to support the teaching of certain courses (primarily German, Latin, and Chinese) is \$2.30, an increase from \$1.90 in 18-19, per student day enrolled in one of the courses supported by a Connections staff member. No expense is budgeted here as the full instructional cost is shown in staff salaries. If the school utilizes this resource, its staff allocation will be adjusted accordingly.
2. In order to assist schools with extended teacher absences, such as maternity leave, Connections is planning on hiring some teaching resources. The charge to a school that utilizes one of these teachers will be \$300 per day. Although this rate is higher than what is typical in the traditional school system, these teachers will be trained in Connections' program and the operation of Connexus®, its EMS (education management system). The school is under no obligation to utilize this resource and is free to determine the best way to fill any temporary absence.
3. Student Testing and Assessment expenses of \$482,000 have been budgeted.
4. Office Rent and Utilities expense is budgeted at \$212,120.
5. \$155,000 is included in the budget for Travel and Conferences, as well as \$7,000 for Travel attributed to the School Nurse position.
6. Staff Training and Professional Development is budget at \$250,000. This is to allow staff members to participate in professional development workshops. \$90,000 of the professional development opportunities will be funded with the Title grants.
7. \$95,000 has been included in the budget for Extracurricular Activities.

8. \$240,000 is included for Accounting Services, and \$20,000 for External Audit; and Legal expense is budgeted at \$75,000.
9. In order to encourage participation by Board members in school activities, including attendance at state and national charter school conferences, \$20,000 has been included in the budget.

REACH CYBER CHARTER SCHOOL - 2019-2020 Budget
Revenue and Expense Statement

	2019-2020 M&O Budget	2019-2020 Title I Budget	2019-2020 Title II Budget	2019-2020 IDEA-B Budget	2019-2020 Title IV Budget	2019-2020 Combined Budget	2018-2019 Combined Forecast
Average Enrolled Students	3,942					3,942	2,967
Funded Enrollment	3,892					3,892	2,929
Revenue							
Regular Education Funding	35,942,308					35,942,308	26,461,426
Special Education Funding	18,839,419					18,839,419	14,317,583
Subtotal	54,781,728	-	-	-		54,781,728	40,779,010
Title I	-	1,072,000				1,072,000	912,752
Title IIA	-		153,000			153,000	96,867
Title III	-					-	1,284
Title IV	-				60,000	60,000	44,925
IDEA	-			466,000		466,000	350,719
Student Activities Income	11,000					11,000	8,300
Interest Income	10,000					10,000	25,200
Erate	1,427					1,427	1,427
Subtotal	22,427	1,072,000	153,000	466,000	60,000	1,773,427	1,441,474
Total Revenue	54,804,155	1,072,000	153,000	466,000	60,000	56,555,155	42,220,484
Compensation Expense							
Salaries - Administration	3,686,044					3,686,044	2,387,082
Benefits - Administration	810,930					810,930	525,158
Pension - Administration	184,302					184,302	115,788
Taxes - Administration	331,744					331,744	196,508
Subtotal Administration	5,013,020	-	-	-	-	5,013,020	3,224,536
Salaries - Teachers	15,399,779	760,284	87,096	330,496	11,170	16,588,825	10,227,842
Benefits - Teachers	3,401,261	167,262	5,851	72,709	2,457	3,649,541	2,250,125
Pension - Teachers	716,587	76,028	2,660	33,050	1,117	829,441	510,342
Taxes - Teachers	1,391,425	68,426	2,394	29,745	1,005	1,492,994	865,964
Subtotal Instructional Staff	20,909,052	1,072,000	98,000	466,000	15,750	22,560,802	13,854,274
Total Compensation Expense	25,922,072	1,072,000	98,000	466,000	15,750	27,573,822	17,078,810
Connections Products and Services							
Curriculum and Instructional Support Services	7,182,191					7,182,191	5,413,900
Student Connexus License	2,483,758					2,483,758	1,911,000
Student Technology Assistance Services	4,653,732					4,653,732	3,475,100
Enrollment/Placement/Student Support Services	4,238,552					4,238,552	3,122,700
School Operations Support Services	2,306,347					2,306,347	1,774,500
School Business Support Services	567,716					567,716	436,800
Professional Development Services	365,977					365,977	228,975
School Staff Support Services/Human Resources support	1,390,714					1,390,714	870,105
Facilities Support Services	25,000					25,000	25,000
Short term substitute teachers	-					-	52,200
Direct Course Instruction Support	-					-	115,811
Total Connections Products and Services Fees	23,213,988	-	-	-	-	23,213,988	17,426,091

REACH CYBER CHARTER SCHOOL - 2019-2020 Budget
Revenue and Expense Statement

	2019-2020 M&O	2019-2020 Title I	2019-2020 Title II	2019-2020 IDEA-B	2019-2020 Title IV	2019-2020 Combined	2018-2019 Combined
<u>Pass - Through Expenses</u>							
Office Supplies	53,000					53,000	40,000
Copiers/ Reproduction	19,000					19,000	14,000
Office Postage	24,000					24,000	18,000
Student Testing & Assessment	482,000					482,000	540,000
Staff Recruiting/Background Checks	50,000					50,000	25,000
Staff Training/Prof. Dvlpmt	160,000		55,000		35,000	250,000	200,000
Travel and Conferences	147,750				7,250	155,000	120,000
Travel- Nurse	7,000					7,000	6,000
Maintenance & Repairs	30,000					30,000	25,000
Internet	26,000					26,000	17,000
Telephone	8,000					8,000	6,000
Office Rent	191,000					191,000	186,165
Rent Operating Expense	21,120					21,120	-
Small Office Equipment	140,000					140,000	130,000
Student Technology Support Stipend	1,071,000					1,071,000	806,000
SPED Related Services	1,329,000					1,329,000	1,000,000
Contracted Pupil Health Support	12,000					12,000	10,000
Team Building	27,000					27,000	15,000
STEM Programmatic Expenses	653,260					653,260	500,000
Student Activities	55,000					55,000	40,000
Extracurricular Activities	95,000					95,000	65,000
School Discretionary Targeted Outreach	50,000					50,000	30,000
Total Pass-Through Expenses	4,651,130	-	55,000	-	42,250	4,748,380	3,793,165
<u>Other School Expenses</u>							
Banking Fees	5,000					5,000	3,600
External Audit	20,000					20,000	16,000
Dues	46,000				2,000	48,000	42,000
D&O Insurance	4,500					4,500	3,744
Insurance Expenses	100,000					100,000	-
Legal Services	75,000					75,000	60,000
Board-Related Expenses	20,000					20,000	20,000
Graduation Expense	45,000					45,000	35,000
Other Curriculum	90,000					90,000	70,000
Other School Expense	11,000					11,000	9,000
Other Consultants	-					-	300
Community Coordinators	10,000					10,000	7,000
Accounting Services	240,000					240,000	275,000
Total Other School Expenses	666,500	-	-	-	2,000	668,500	541,644
<u>Adjustments and Credits</u>							
Deficit Protection Credit	-					-	-
Total Adjustments and Credits	-	-	-	-	-	-	-
Total Program Expenses Before Depreciation	54,453,690	1,072,000	153,000	466,000	60,000	56,204,690	38,839,711
Capital Outlay	145,000					145,000	135,000
Total Program Expenses Including Depreciation	54,598,690	1,072,000	153,000	466,000	60,000	56,349,690	38,974,711
Net	205,464	-	-	-	-	205,464	3,245,772
Beginning fund balance	8,487,306					8,487,306	5,241,533
Ending fund balance	8,692,770					8,692,770	8,487,306

REACH CYBER CHARTER SCHOOL - 2019-2020 Budget

Enrollment and Revenue

3,942 ADM
3,892 Funded

School Days 180

Average Daily Membership (ADM)			
Grade	Total	Grade Mix	Funded
K	174	4.4%	172
1	162	4.1%	160
2	191	4.9%	189
3	166	4.2%	164
4	181	4.6%	178
5	224	5.7%	221
6	322	8.2%	318
7	342	8.7%	338
8	425	10.8%	419
9	612	15.5%	604
10	483	12.3%	477
11	355	9.0%	351
12	304	7.7%	300
Total	3,942	100.0%	3,892

Special Ed Population 18%

Revenue Source	Annual Base Rate	Enrollment	Adjustments	Budgeted Revenue
Regular Ed Funding	\$11,262	3,191		35,942,308
Special Ed Funding	\$26,892	701		18,839,419
Title I	\$216	3,892	232,000	1,072,000
Title II	\$33	3,892	24,000	153,000
IDEA-B	\$120	3,892		466,000
Title IV	\$15	3,892		60,000
Student Activities Income	\$3	3,892		11,000
E-Rate	\$0			1,427
Interest	\$0			10,000
Total Revenue				56,555,155

REACH CYBER CHARTER SCHOOL 2019-2020 Budget
Staffing Model

Enrollment Plan	
Kindergarten	174
First	162
Second	191
Third	166
Fourth	181
Fifth	224
Sixth	322
Seventh	342
Eighth	425
Ninth	612
Tenth	483
Eleventh	355
Twelfth	304
Average Enrollment	3,942
Funded Enrollment	3,892
ADM to Funded Ratio	101.3%

Total Population		
Elementary (K-5)	1,099	28%
Secondary (6-12)	2,843	72%
Total Regular FTE	3,942	

Special Population			
Category	%	Factor	Total FTE
IEP	18%	100%	718
IEP - Alt Asses.		100%	31
504	3%	33%	35
Gifted	2%	0%	0
ELL	1%	0%	0
Total	19%		784

Peak Enrollment	
Peak Enrollment	4,150
Adm to Peak %	95.0%
Peak Enrollment Month	April

Base Rate for New	
Reach - Harrisburg	48,000
Reach - Philadelphia	48,000
Reach - Pittsburgh	48,000
Reach - Wilkes-Bar	48,000
Reach - Allentown	48,000

New Staff - Salary Adjustment	
Avg. Existing	56,574
Adj. - New Staff	

Prior Year iNaCA FTE	
FTE	0.0

Compensation Metrics			
Merit			
Teachers	3.0%		449,908
Admin	3.0%		117,105
Total Merit (Incl. Benefits & Taxes)			567,012
Bonus for Returning			358,000
Career Ladder Points	81		
Career Ladder Point %	4.0%		184,208
Summer Support (# of FTE)	3		19,200
Summer Instruction	8		90,519
Other Comp Adj.			25,000
Total Other Compensation			676,927

	Ratios			Staffing				Base Compensation		Salaries, Benefits and Taxes			
	19-20		19-20	19-20		18-19	19-20	New	Average 18-19	Average 19-20	General Fund 19-20	Total Grant 19-20	Total Combined 19-20
	18-19	General Fund		Combined	18-19								
Instructional Staff													
Elementary Teachers (K-5)	35	37	35	26.0	29.7	1.7	31.4	5.4	54,220	55,847	1,662,045	91,986	1,754,031
Secondary Teachers (6-12)	30	32	30	77.0	86.7	6.8	93.5	16.5	55,220	56,877	4,941,417	375,634	5,317,051
Credit Recovery Teachers			8	4.0	8.0	0.0	8.0	4.0	55,220	56,877	455,013	-	455,013
Adjuncts				1.0	1.3	0.0	1.3	0.3	27,000	27,000	34,806	-	34,806
ELL Teachers			2	2.0	1.1	0.9	2.0	0.0	56,700	58,401	63,837	52,965	116,802
Gifted Teacher			3	3.0	3.0	0.0	3.0	0.0	58,500	60,255	180,765	-	180,765
Special Ed Teachers	18	20	18	34.0	38.6	5.0	43.5	9.5	56,020	57,701	2,234,553	277,531	2,512,084
Elective Teachers	500	500	500	0.0	5.7	0.0	5.7	5.7	56,250	57,938	329,455	-	329,455
Intervention Specialists	250	250	250	19.0	23.8	0.0	23.8	4.8	58,500	60,255	1,432,255	-	1,432,255
Social Worker			2	2.0	2.0	0.0	2.0	0.0	55,750	57,423	114,845	-	114,845
Related Services Coordinator			0	1.0	0.0	0.0	0.0	(1.0)	62,000	63,860	-	-	-
Professional Development Coordinator			1	1.0	1.0	0.0	1.0	0.0	55,000	56,650	56,650	-	56,650
Occupational Therapist			1	0.0	1.0	0.0	1.0	1.0	55,000	56,650	56,650	-	56,650
Speech Pathologist			1	0.0	1.0	0.0	1.0	1.0	55,000	56,650	56,650	-	56,650
School Psychologist			1	1.0	1.0	0.0	1.0	0.0	55,000	56,650	56,650	-	56,650
Special Ed Coordinator (504)			1	1.0	1.0	0.0	1.0	0.0	62,000	63,860	63,860	-	63,860
State Testing Coordinator			1	1.0	1.0	0.0	1.0	0.0	70,000	72,100	72,100	-	72,100
STEM Coaches			395	0.0	10.0	0.0	10.0	10.0	55,220	56,877	567,682	-	567,682
Truancy Coordinator (10 month)			2	0.0	2.0	0.0	2.0	2.0	55,220	56,877	113,753	-	113,753
Family Mentors			113	11.0	29.9	5.0	34.9	23.9	55,220	56,877	1,708,276	276,100	1,984,376
Advisory Teacher/Counselors	250	274	250	15.0	10.4	1.0	11.4	(3.6)	54,330	55,960	582,089	54,330	636,419
Subtotal Instructional Staff				199.0	258.0	20.4	278.4	79.4	55,487	57,151	14,783,352	1,128,546	15,911,898
Student/Teacher Ratio		15	14										
Other Compensation													
Subtotal Instructional Wages											616,427	60,500	676,927
Benefits				22%	22%						3,401,261	248,280	3,649,541
Pension				5%	5%						716,587	112,855	829,441
Taxes				9%	9%						1,391,425	101,569	1,492,994
Total Instructional Expense											20,909,052	1,651,750	22,560,802
Administration													
School Executive Director/CEO			1.0	1.0	1.0	0.0	1.0	0.0					
Lead Principal			1.0	1.0	1.0	0.0	1.0	0.0					
Principal (K-5)			1.0	1.0	1.0	0.0	1.0	0.0					
Principal (6-8)			1.0	1.0	1.0	0.0	1.0	0.0					
Principal (9-12)			1.0	1.0	1.0	0.0	1.0	0.0					
Assistant Principal	700	700	700	4.0	5.6	0.0	5.6	1.6					
Director of Special Ed			1.0	1.0	1.0	0.0	1.0	0.0					
Assistant Director of Special Ed			2.0	2.0	2.0	0.0	2.0	0.0					
Administrative Assistant	250	350	350	11.0	14.3	0.0	14.3	3.3					
Director of Counseling			1.0	1.0	1.0	0.0	1.0	0.0					
Manager of Counseling			1.0	1.0	1.0	0.0	1.0	0.0					
Director of MTSS			1.0	0.0	1.0	0.0	1.0	1.0					
Director of Data and Student Assessments			1.0	1.0	1.0	0.0	1.0	0.0					
Coordinator of Counseling			1.0	1.0	1.0	0.0	1.0	0.0					
Coordinator of Social Workers			1.0	0.0	1.0	0.0	1.0	1.0					
STEM Education Manager			1.0	1.0	1.0	0.0	1.0	0.0					
Business Manager			1.0	1.0	1.0	0.0	1.0	0.0					
Director of Career Pathways			1.0	0.0	1.0	0.0	1.0	1.0					
Director of Family Services			1.0	1.0	1.0	0.0	1.0	0.0					
Director of Partnerships			1.0	0.0	1.0	0.0	1.0	1.0					
Social Outreach and Marketing Coordinator			1.0	1.0	1.0	0.0	1.0	0.0					
School Nurse			2.0	2.0	2.0	0.0	2.0	0.0					
School Psychologist			2.0	2.0	2.0	0.0	2.0	0.0					
12 Month Family Mentor			1.0	0.0	1.0	0.0	1.0	1.0					
Attendance Coordinator			2.0	2.0	2.0	0.0	2.0	0.0					
Subtotal Administration				37.0	46.9	0.0	46.9	9.9			3,379,882	-	3,379,882
Total Staff				236.0	304.9	20.4	325.3	89.3					
Bonus Pool											306,162	-	306,162
Subtotal Administrative Wages											3,686,044	-	3,686,044
Benefits				22%	22%						810,930	-	810,930
Pension				5%	5%						184,302	-	184,302
Taxes				9%	9%						331,744	-	331,744
Total Administrative Expense											5,013,020	-	5,013,020
Total Compensation Expense											25,922,072	1,651,750	27,573,822

**REACH CYBER CHARTER SCHOOL 2019 - 2020 Budget
Connections Charges**

Connections Charges Forecast

Turn Over Ratio 54.90%
TE eligible for District billing 99.00%

Connections Products and Services

Description	Enrollment/		Months	Projected
	Rate	Unit		
Curriculum and Instructional Support Services - Upfront	\$425	6,046		2,569,497
Curriculum and Instructional Support Services - Monthly	\$130	3,942	9	4,612,694
Student Connexus License	\$70	3,942	9	2,483,758
Student Technology Assistance Services - Upfront	\$400	6,046		2,418,350
Student Technology Assistance Services - Monthly	\$63	3,942	9	2,235,383
Enrollment/Placement/Student Support Services - Upfront	\$525	6,046		3,174,084
Enrollment/Placement/Student Support Services - Monthly	\$30	3,942	9	1,064,468
School Operations Support Services	\$65	3,942	9	2,306,347
School Business Support Services	\$16	3,942	9	567,716
Special Ed Administrative Services	\$0	718	9	-
Professional Development Services	\$125	325	9	365,977
School Staff Support Services	\$475	325	9	1,390,714
Direct Course Instruction Service	\$2.30	0		-
Short Term Sub Teachig Services	\$300	0		-
Facilities Support Services	\$25,000	1		25,000
Total Connections Products and Services				23,213,988

REACH CYBER CHARTER SCHOOL 2019 - 2020 Budget

Reach Cyber Charter School of Pennsylvania LLC

Fee Schedule

Fee	Factor	Description
Upfront Fees		
Curriculum and Instructional Support Services	\$425	Charged per student at time student becomes eligible for billing to districts/state
Enrollment/Placement/Student Support Services	\$525	Charged per student at time student becomes eligible for billing to districts/state
Student Technology Assistance Services	\$400	Charged per student at time student becomes eligible for billing to districts/state
Monthly Fees		
Curriculum and Instructional Support Services	\$130	Charged per each student enrolled (Stage 4) at the end of the month - maximum of 9 months for a full school year ¹
Student Connexus License	\$70	Charged per each student enrolled (Stage 4) at the end of the month - maximum of 9 months for a full school year ¹
Student Technology Assistance Services	\$63	Charged per each student enrolled (Stage 4) at the end of the month - maximum of 9 months for a full school year ¹
Enrollment/Placement/Student Support Services ¹	\$30	Charged per each student enrolled (Stage 4) at the end of the month - maximum of 9 months for a full school year ¹
School Operations Support Services	\$65	Charged per each student enrolled (Stage 4) at the end of the month - maximum of 9 months for a full school year ¹
School Business Support Services ¹	\$16	Charged per each student enrolled (Stage 4) at the end of the month - maximum of 9 months for a full school year ¹
Special Ed Administration Services	\$0	Charged per each student enrolled (Stage 4) at the end of the month - maximum of 9 months for a full school year ¹
Professional Development Services	\$125	Charged monthly for each employee employed at the end of the month - maximum of 9 months for a full school year ¹
School Staff Support Services	\$475	Charged monthly for each employee employed at the end of the month - maximum of 9 months for a full school year ¹
Direct Course Instruction Support	2.30	Charged per student day; based on enrollment at a point in time each month in an iNaCA supported course
Short Term Substitute Teaching Services	300.00	Charged per day if service is provided by a teacher employed by International Connections Academy (iNaCA)
Employee Benefits	0.00%	per actual gross wages and bonus accrual for administration and teacher

¹ The Monthly Fees for "Enrollment/Placement/Students Support Services" and "School Business Support Services" are waived in their entirety for the first year of operation

* measured on 9/30, 10/31, 11/30, 12/31, 1/31, 2/28, 3/31, 4/30, 5/31 (or last day of traditional school year, if earlier)

Fixed Fee Services

Facilities Support Services	\$25,000	Charged per Location
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END OF FEE SCHEDULE

If the Board of Trustees requests Connections to act as a pay agent for other products or services, Connections will be reimbursed at cost (i.e., with no markup or profit added). Examples would include:

- Office Supplies and Postage
- Copiers/Reproduction
- Student Technology Support Stipend Payment Reimbursement
- Student Testing and Assessment
- Staff Recruiting
- Staff Training/Professional Development
- Travel and Conferences
- Maintenance and Repair
- High Speed Internet, Phone, Facility Operating Expense
- Office Rent
- Other School Operating Expenses Shown in the Budget

Note: Items under Student Technology Assistance Services and Curriculum and Instructional Support Services are provided to the school and its students for use during the school year. They remain the property of Connections Academy of Pennsylvania and/or its vendors.



Parent Satisfaction Survey

Executive Board Summary
2018-19



**REACH CYBER
CHARTER
SCHOOL**

A Pennsylvania Connections Academy

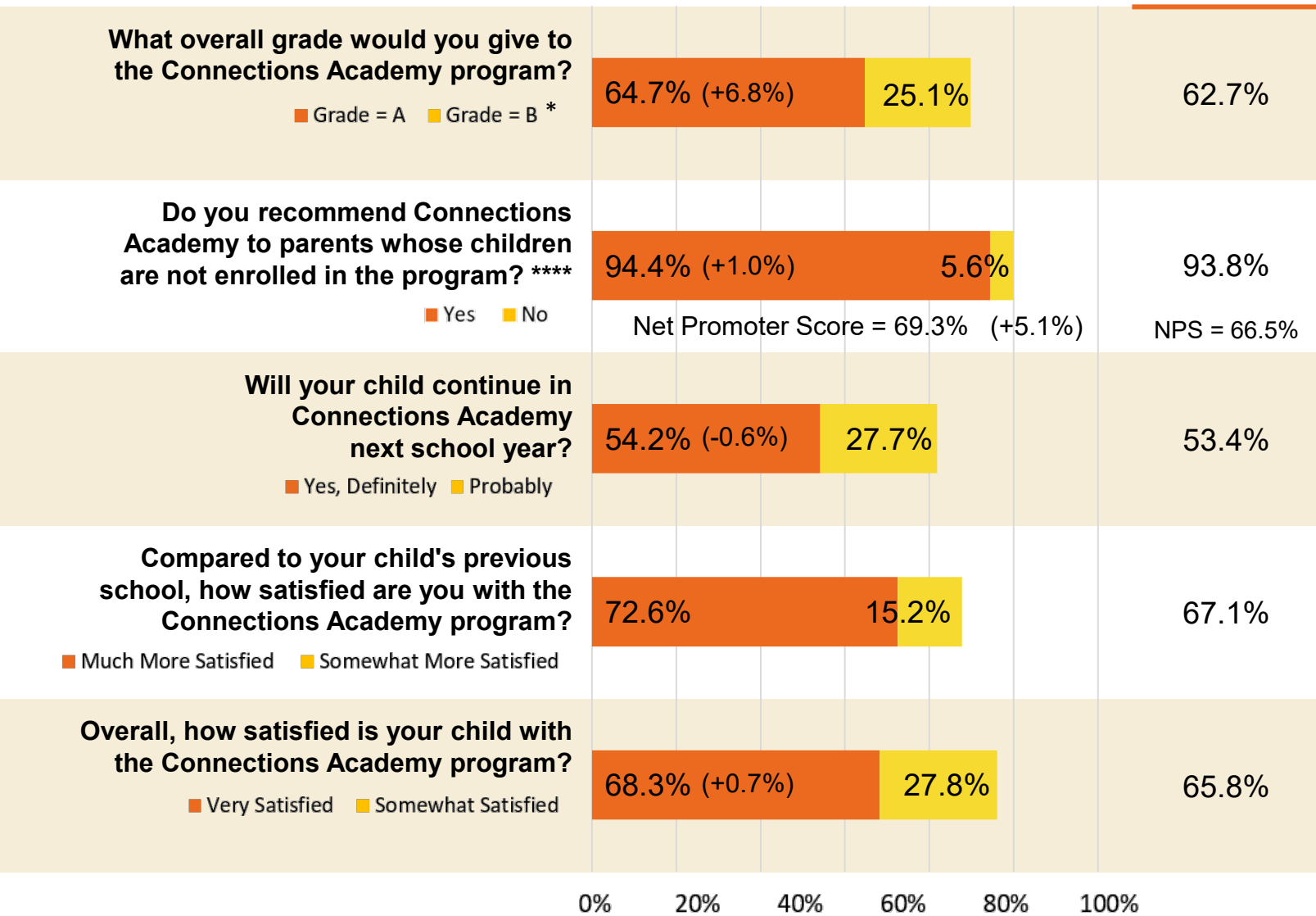
Parent Satisfaction Survey 2018-2019

Executive Summary



Satisfaction with the Connections Academy Program

Top CA Avg. Response (2018-2019)



* Top two response options.

** (+/-x.x%) = Percentage point change from 17-18 to 18-19, e.g., 20.0% to 21.5% = (+1.5%)

*** White figures indicate a top scores lower than the Connections Academy average. 108 of 181

**** Survey Rating: Yes = 6 to 10; No = 0 to 5; Net Promoter Score (NPS) = (10 + 9) – (0 to 6)

Parent Satisfaction Survey 2018-2019

Executive Summary



Support

Top CA Avg. Response (2018-2019)

How would you rate fulfillment support?

Excellent Good*

66.8% (+3.2%) 24.7%

65.9%

How would you rate placement support?

Excellent Good

59.6% (+5.0%) 31.0%

57.4%

How would you rate enrollment support?

Excellent Good

67.9% (+4.6%) 25.3%

62.5%

How would you rate technical support?

Excellent Good

67.6% 24.4%

62.3%

0% 20% 40% 60% 80% 100%

* Top two response options.

** (+/-x.x%) = Percentage point change from 17-18 to 18-19, e.g., 20.0% to 21.5% = (+1.5%)

*** White figures indicate a top scores lower than the Connections Academy average. 109 of 181



Academic and Emotional Success

Top CA Avg. Response (2018-2019)

My child's attitude toward learning has improved with Connections Academy.

Agree Strongly Agree*

40.6% (+10.7%) 45.8%

36.7%

My child is able to learn at his/her own pace.

Agree Strongly Agree

51.3% 39.2%

47.4%

My child is enjoying the program.

Agree Strongly Agree

45.0% (+11.0%) 47.0%

39.3%

My child is making good progress.

Agree Strongly Agree

48.4% (+12.5%) 44.5%

42.7%

0% 20% 40% 60% 80% 100%

* Top two response options.

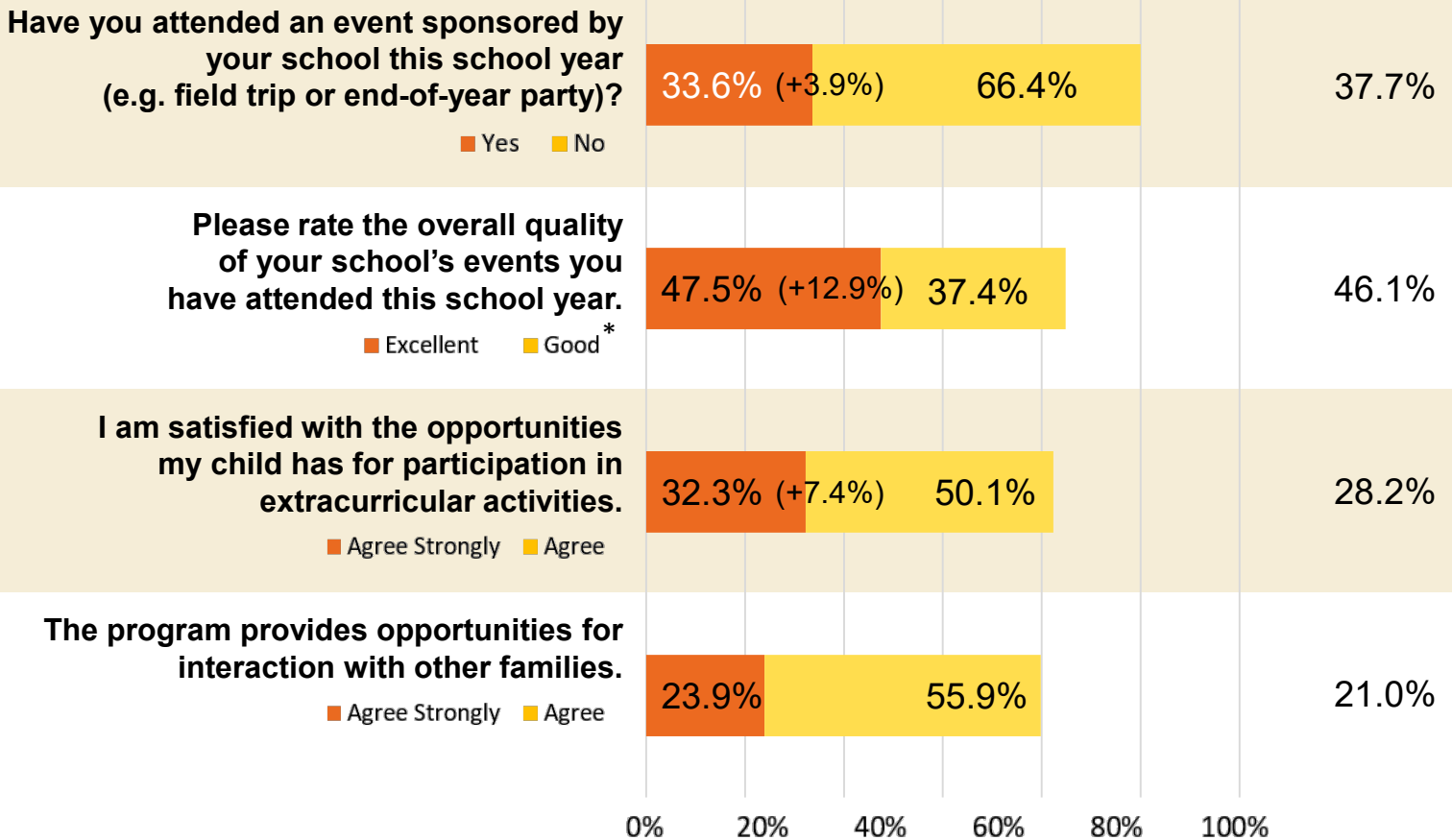
** (+/-x.x%) = Percentage point change from 17-18 to 18-19, e.g., 20.0% to 21.5% = (+1.5%)

*** White figures indicate a top scores lower than the Connections Academy average. 110 of 181



Socialization and Interaction

Top CA Avg. Response (2018-2019)



* Top two response options.

** (+/-x.x%) = Percentage point change from 17-18 to 18-19, e.g., 20.0% to 21.5% = (+1.5%)

*** White figures indicate a top scores lower than the Connections Academy average. 111 of 181

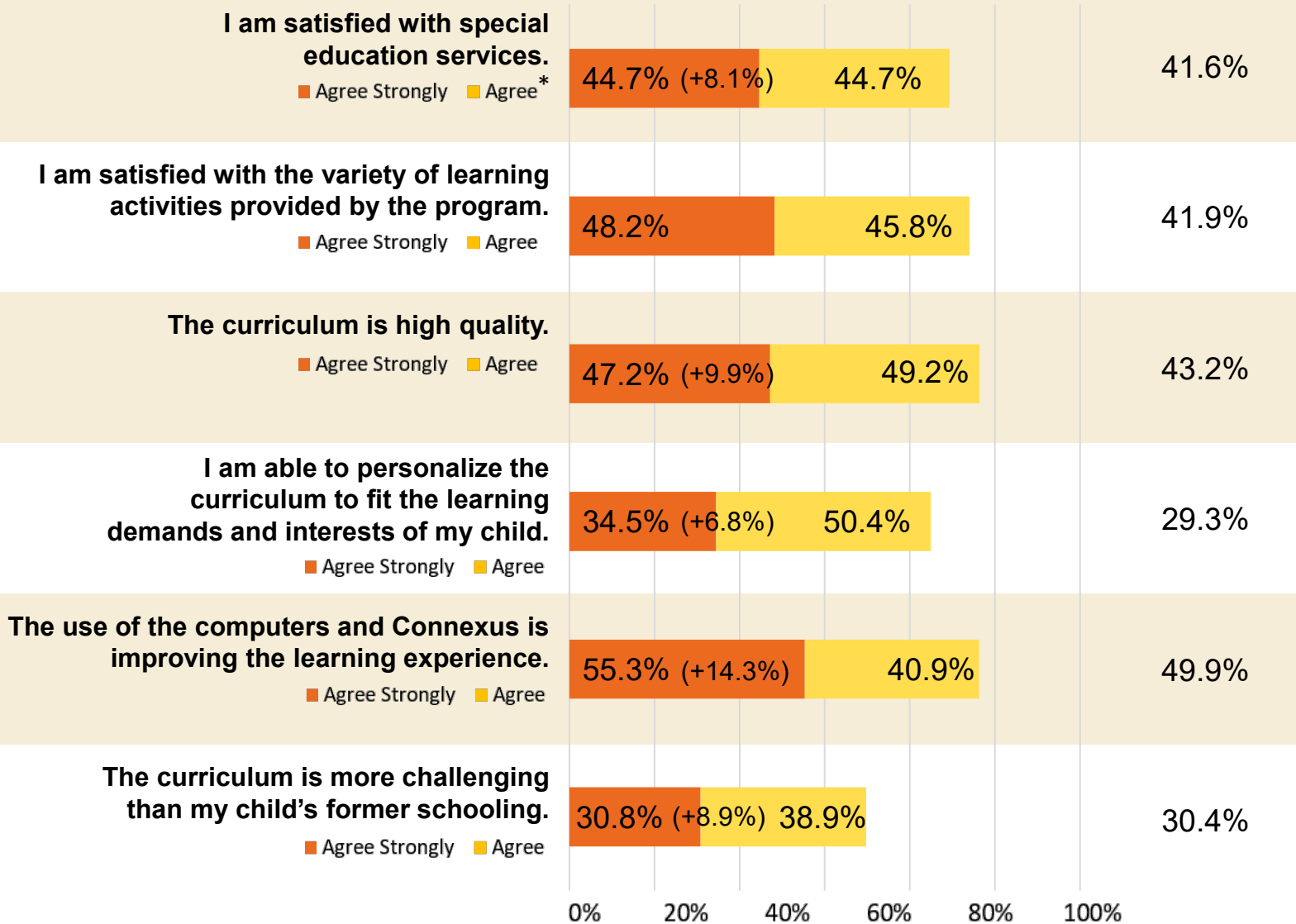
Parent Satisfaction Survey 2018-2019

Executive Summary



Academic Experience

Top CA Avg. Response (2018-2019)



* Top two response options.

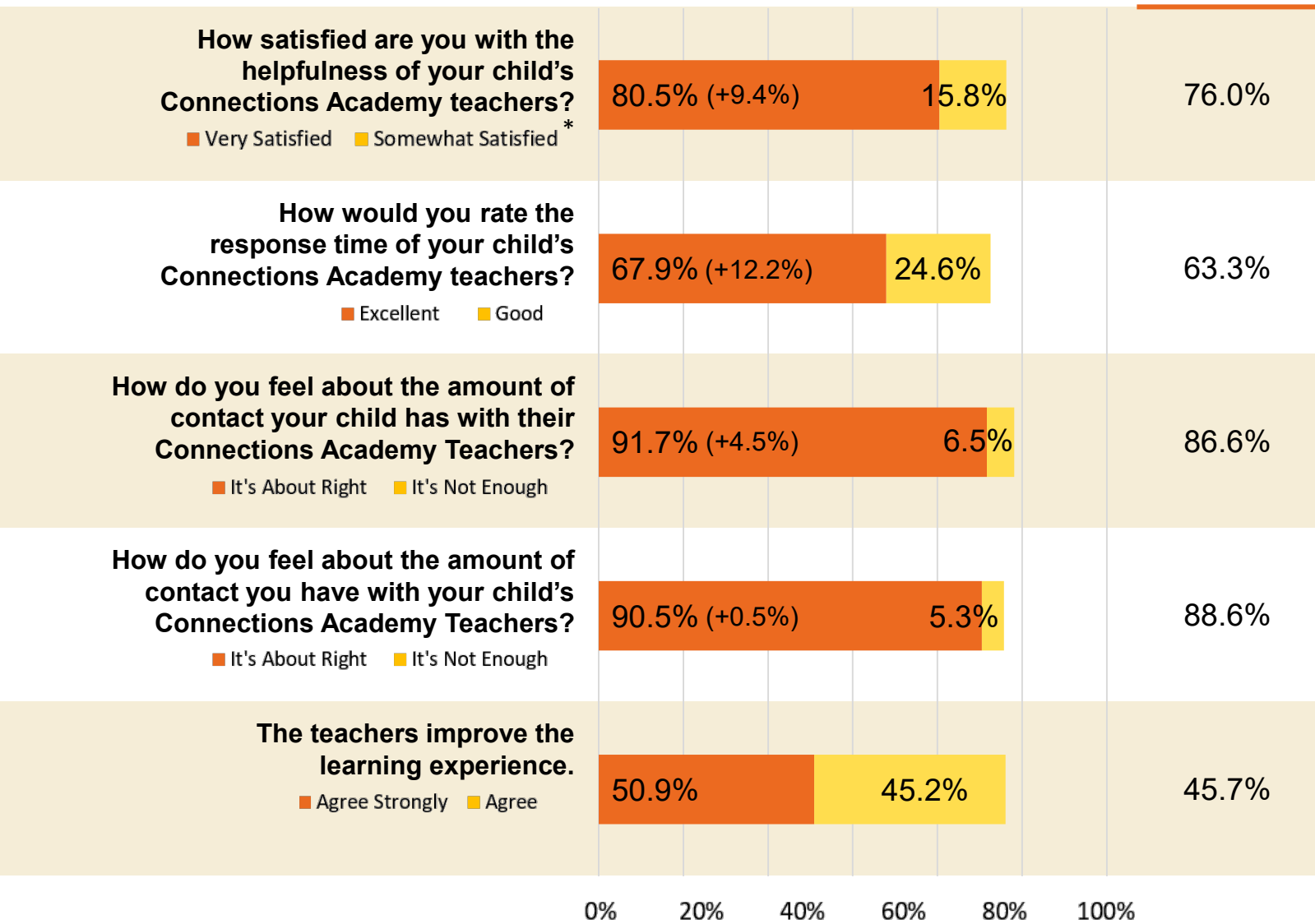
** (+/-x.x%) = Percentage point change from 17-18 to 18-19, e.g., 20.0% to 21.5% = (+1.5%)

*** White figures indicate a top scores lower than the Connections Academy average. 112 of 181



Teacher Availability and Performance

Top CA Avg. Response (2018-2019)



* Top two response options.

** (+/-x.x%) = Percentage point change from 17-18 to 18-19, e.g., 20.0% to 21.5% = (+1.5%)

*** White figures indicate a top scores lower than the Connections Academy average. 113 of 181

Addendum: Comparison of Top Two Responses



		2018-19			2017-18			CA TOTAL 2018-19		
		Top Response	2nd Response	Sum of Top Two Responses	Top Response	2nd Response	Sum of Top Two Responses	Top Response	2nd Response	Sum of Top Two Responses
Satisfaction with Connections Academy Program										
1-1	What overall grade would you give the CA Program	64.7%	25.1%	89.8%	57.9%	33.7%	91.6%	62.7%	28.2%	90.9%
1-2	Do you recommend CA to parents whose children are not enrolled in the program?	94.4%	5.6%		93.4%	6.6%		93.8%	6.2%	
1-3	Will your child continue in CA next school year?	54.2%	27.7%	81.8%	54.7%	22.4%	77.1%	53.4%	21.9%	75.4%
1-4	Compared to your child's previous school, how satisfied are you with the CA program?	72.6%	15.2%	87.8%	68.7%	17.8%	86.5%	67.1%	18.9%	85.9%
1-5	Overall, how satisfied is your child with the CA program?	68.3%	27.8%	96.1%	67.6%	29.1%	96.7%	65.8%	29.2%	95.0%
Support										
2-1	How would you rate fulfillment support?	66.8%	24.7%	91.5%	63.7%	27.6%	91.3%	65.9%	26.5%	92.5%
2-2	How would you rate placement support?	59.6%	31.0%	90.7%	54.6%	34.8%	89.4%	57.4%	32.3%	89.7%
2-3	How would you rate enrollment support?	67.9%	25.3%	93.2%	63.3%	28.6%	91.9%	62.5%	28.9%	91.4%
2-4	How would you rate technical support?	67.6%	24.4%	92.0%	61.9%	30.2%	92.2%	62.3%	29.6%	91.9%
Academic and Emotional Success										
3-1	My child's attitude towards learning has improved with CA.	40.6%	45.8%	86.4%	29.9%	49.1%	78.9%	36.7%	46.6%	83.3%
3-2	My child is able to learn at his/her own pace.	51.3%	39.2%	90.5%	41.4%	48.0%	89.4%	47.4%	41.5%	88.9%
3-3	My child is enjoying the program.	45.0%	47.0%	92.0%	34.0%	54.6%	88.6%	39.3%	50.6%	89.8%
3-4	My child is making good progress.	48.4%	44.5%	92.9%	35.9%	51.3%	87.1%	42.7%	49.4%	92.2%
Socialization and Interaction										
4-1	Have you and your child ever attended an event sponsored by CA, like a field trip or end of year party?	33.6%	66.4%		29.7%	70.3%		37.7%	62.3%	
4-2	Please rate the overall quality of your school's events you have attended.	47.5%	37.4%	84.8%	34.6%	46.5%	81.1%	46.1%	41.3%	87.4%
4-3	I am satisfied with the opportunities my child has for participation in extracurricular activities.	32.3%	50.1%	82.3%	24.8%	56.5%	81.4%	28.2%	55.6%	83.9%
4-4	The program provides opportunities for interaction with other families.	23.9%	55.9%	79.8%	16.8%	59.9%	76.6%	21.0%	57.5%	78.4%
Academic Experience										
5-1	I am satisfied with special education services.	44.7%	44.7%	89.3%	36.5%	50.2%	86.8%	41.6%	43.4%	84.9%
5-2	I am satisfied with the variety of learning activities provided by the program.	48.2%	45.8%	94.1%	41.4%	53.9%	95.2%	41.9%	51.6%	93.5%
5-3	The curriculum is high quality.	47.2%	49.2%	96.4%	37.3%	57.6%	95.0%	43.2%	52.2%	95.3%
5-4	I am able to personalize the curriculum to fit the learning demands and interests of my child.	34.5%	50.4%	84.9%	27.7%	55.2%	82.9%	29.3%	50.6%	79.9%
5-5	The use of the computer and Connexus® is improving the learning experience.	55.3%	40.9%	96.3%	41.0%	52.1%	93.1%	49.9%	45.1%	95.0%
5-6	The curriculum is more challenging than my child's former school.	30.8%	38.9%	69.7%	21.9%	41.8%	63.7%	30.4%	42.0%	72.4%
Teacher Availability and Performance										
6-1	How satisfied are you with the helpfulness of your child's CA teachers?	80.5%	15.8%	96.3%	71.1%	25.6%	96.7%	76.0%	19.3%	95.3%
6-2	How would you rate the response time of your child's CA teachers?	67.9%	24.6%	92.5%	55.7%	36.5%	92.2%	63.3%	27.1%	90.4%
6-3	How do you feel about the amount of contact your child has with their CA teachers?	91.7%	6.5%	98.1%	87.1%	11.8%	98.9%	86.6%	11.7%	98.4%
6-4	How do you feel about the amount of contact you have with your child's CA teachers?	90.5%	5.3%	95.8%	90.0%	8.2%	98.2%	88.6%	8.7%	97.2%
6-5	The teachers improve the learning experience.	50.9%	45.2%	96.1%	37.7%	55.0%	92.7%	45.7%	47.7%	93.4%

SCHOOL LEADER

PERFORMANCE REVIEW COMPETENCIES

COMPETENCY 1: ACHIEVEMENT FOCUS AND RESULTS ORIENTATION

- Holds self and others accountable for high academic achievement of all students.
- Sets challenging goals. Demonstrates persistence and overcomes obstacles to achieve goals.
- Creates a collective sense of urgency to close achievement gaps and prepare all students for college and career success.

COMPETENCY 2: INSTRUCTIONAL EFFICACY

- Uses data to help evaluate school effectiveness and staff accountability. Helps other school administrators in using data to differentiate instruction.
- Ensures school meets state standards by aligning curriculum, instructional strategies, and assessments.

COMPETENCY 3: MANAGING AND DEVELOPING PEOPLE

- Provides clear expectations for staff performance and communicates success and needed improvements regularly.
- Uses multiple methods to assess teacher and staff effectiveness and provides timely, targeted, and actionable feedback.
- Uses student and observation data and disaggregates school data to plan and target job-embedded professional development and support for teachers.
- Distributes and develops staff leadership and builds teacher teams able to advance teaching and learning.
- Exhibits effective recruitment, interview, and selection skills that lead to quality hiring decisions.

COMPETENCY 4: CULTURE AND RELATIONSHIP BUILDING

- Establishes collaborative relationships with stakeholders to achieve objectives.
- Creates a positive and safe environment for teachers, students, families, and, if applicable, the community.
- Resolves conflict in a direct but constructive manner, seeking "win-win" solutions.
- Embraces diverse viewpoints and solicits stakeholder input in decision-making.
- Communicates effectively with all stakeholders.
- Motivates, inspires, and moves other adults to feel ownership and take action.
- Regularly reflects, accurately assesses own strengths and growth areas, seeks feedback, and professional development to improve.

COMPETENCY 5: PROBLEM-SOLVING AND STRATEGIC CHANGE MANAGEMENT

- Collects, analyzes, and uses multiple forms of data to make decisions.
- Identifies problems, analyzes root causes, and develops effective strategies to resolve issues.
- Develops and implements effective action plans, anticipates risks to achieving goals, and adapts to changing circumstances.
- Builds buy-in from diverse stakeholders and overcomes resistance to advance school improvement.

School Improvement Plan – Guidelines and Process

I. School Level Narrative

School Building Information

Local Education Agency (LEA) Name

Reach Cyber Charter School

School Building Name

Reach Cyber Charter School

4-Digit School Building Code

8366

School Street Address

750 East Park Drive, Harrisburg, PA. 17111

A. School Improvement Committee

Committee Members and Positions in School/Community:

Name	Position/Role	Building/Group/Organization
Jane Swan	CEO	Reach Cyber Charter School (RCCS)
LeeAnn Ritchie	Lead Principal	RCCS
Joseph Hartford	Board Member	RCCS Board and Reclamere President
John McMurray	STEM Education Manager	RCCS
Rachel Graver	Director of Family Services	RCCS
Gregory McCurdy	Director of Special Education	RCCS
Michael Hinshaw	Assistant High School Principal	RCCS
Alica Swope	Assistant High School Principal	RCCS
Nancy Wagner	Assistant Middle School Principal	RCCS
Heather Berger	Assistant Elementary School Principal	RCCS
Kelley McConnell	High School Master Teacher	RCCS
Cody Smith	Middle School Master Teacher	RCCS

Jamie Miedel	Elementary School Master Teacher	RCCS
Sheila Perez	Assistant Special Education Director	RCCS
Eugene Pronio	High School studentt	Reach Cyber Charter School (RCCS)
Zamzam Ahmed	High School student	RCCS
Leigh Ann Kraemer-Naser	Parent and Community Coordinator for Reach	RCCS
Tara Rader	Parent and Community Coordinator for Reach	RCCS
BreeAnn Anderson	Parent	RCCS
Anthony Moldovan	Parent	RCCS
Lisa Kojeszewski-Ryan	Parent	RCCS
John Reese Jr.	Parent	RCCS
Karen Eppinger	Assistant Special Education Director	RCCS
Danielle Wright	Parent	RCCS

Outline efforts school leaders took to ensure that the committee is comprised of a diverse group of stakeholders who are involved and invested in LEAs, schools, programs, and outcomes for students (leadership, teachers, parents, students, community partners, LEA leadership or staff, governing board leadership or designee, elected officials advocacy organizations).

The School has used a diverse group of stakeholders who represent the teachers, support staff, parents, students, community partners, board members and administration. We have used the Title I committee who has been actively involved since year one as the foundation for the committee. All members have been invited via email, webmail, and/or phone calls.

Describe the role of the committee in developing this school improvement plan, as well as the intended role of the committee in the implementation and monitoring of the plan.

The steering committee meets quarterly. As part of the school improvement process, members of the committee participated in surveys and focus groups. They spent time reviewing the essential practices, identifying priorities, analyzing root causes, and providing input during the writing of the plan. Moving forward, the steering committee will meet to progress monitor on a quarterly basis.

B. School Level Vision for Learning

Long-term Vision and the Measures of Success

<p>Long-Term Vision for Students <i>What will students know and be able to demonstrate upon leaving the school?</i></p>	<p>Measures of Success <i>How will you know you are on track to achieving your vision or students?</i></p>
<p>Reach Cyber Charter School's vision is to inspire and nurture all students for future success!</p>	<p>Upon graduation, students swill be able to identify their college, career path or post secondary training interest.</p>
	<p>Upon graduation, students will know what it takes to be a strong and independent thinker.</p>
	<p>Upon graduation, students will demonstrate a career or post-secondary training plan.</p>

II. School Level Needs Assessment

A. Identified School Community Needs:

Describe how the LEA and school engaged in timely and meaningful consultation with a broad range of stakeholders (e.g., families, students, educators, community partners) and examined relevant data (e.g., student, educator, and community demographics; student achievement and growth; student and teacher attendance; student behavior; documents; classroom observations; surveys; focus groups; budget/allocation of finances) to understand the most pressing needs of students, educators, and/or other members of the school community and the potential root causes of those needs.

The steering committee meets quarterly. As part of the school improvement process, members of the committee participated in surveys and focus groups. They spent time reviewing the essential practices, identifying priorities, analyzing root causes, and providing input during the writing of the plan. Moving forward, the steering committee will meet to progress monitor on a quarterly basis.

B. Based on your data analysis, what are your data-supported strengths?

Strengths	Supporting Evidence from Needs Assessment
The data-supported strength includes organization of programmatic, human, and fiscal capital resources that are aligned with the school improvement plan and needs of the school community.	Evidence was found during the steering committee meetings and focus groups that demonstrated how the school has added new staff when needed to address enrollment increases and student needs. Wifi reimbursement and text readers are examples as to how support has been provided for the students' benefit.

C. Based on your data analysis, what are your data-supported challenges? (You will need to identify two or three of these challenges that will be prioritized and addressed in this plan.) Check each challenge that will be a priority in your plan.

Challenges	Supporting Evidence from Needs Assessment	Priority for Planning	Primary Root Cause
------------	---	-----------------------	--------------------

Align curriculum, assessments, and Instruction to PA standards.	Low state achievement scores (data from math, ELA and science). Root cause analysis showed a need for more clarity with power standards.	Choose an item. Yes	There is not a system in place to evaluate and review if the curriculum, assessment and instruction are aligned to the rigor of the PA standards.
Implement a Multi Tiered system of supports for academics and behavior.	Attendance, achievement and engagement data-risk rating evidence.	Choose an item. Yes	There is no system in place that supports the effective and efficient implementation of a MTSS framework.
		Choose an item.	

D. Established Priorities and Aligned Outcome Categories

Based on your prioritized challenges, develop, in specific detail, two to three high-leverage priority statements to focus your improvement plan. In drafting priority statements, your team will turn each prioritized challenge into an actionable statement that explains how the school plans to address the primary root cause of the challenge. Indicate which Outcome Category will be most directly impacted by focusing on the priority statement, by selecting the category that is best aligned to the priority statement from the drop-down menu under “Outcome Category.”

Priority Statements	Rationale	Outcome Category
1. Align curriculum, assessment and instruction to the PA standards.	If the school's instructional materials and assessments are aligned to the PA standards in every subject and grade level, and teachers deliver rigorous instruction and assessment, then students will improve math and ELA achievement.	Essential Practices Condition 1 - Focus on Continuous Improvement of Instruction
2. Implement a Multi Tiered system of supports for academics and behavior.	If RCCS implements a multi-tiered system of supports for academics and behavior and educators develop skills relative to differentiating instruction and providing all students, including students with complex support needs, with meaningful access to high expectations, rigor, and grade level standards/curriculum, then student engagement and performance will improve.	Essential Practices Condition 3 - Provide Student-Centered Support Systems
3.		Choose an item.

III. Measurable Goal Statements

Measurable Goals: Develop SMART Goals for each established Priority. To maintain focus on priorities, no greater than 2 measurable goals per priority is recommended.

Priority Statement #1: Align curriculum, assessments and instruction to PA standards.

Measurable Goals	Quarterly Benchmark #1	Quarterly Benchmark #2	Quarterly Benchmark #3
<p>100% of the teachers will develop and implement one higher order rigorous question for instruction as measured through weekly DDI (Data Driven Instruction) template.</p> <p>*DDI template allows teachers to record the question for the current week and reflect on the previous week's questions (implementation)</p>	<p>50% of teachers will develop and implement one higher order rigorous question for instruction by September 30, 2019</p>	<p>75% of teachers will develop and implement one higher order rigorous question for instruction by December 31, 2019</p>	<p>90% of teachers will develop and implement one higher order rigorous question for instruction by March 31, 2020</p>
<p>Students will meet or exceed 37.5% PSSA/Keystone ELA and 13.5% PSSA/Keystone Math</p> <p>*Baseline diagnostic measures all course standards. Interim assessment measure standards taught every 6-8 weeks only.</p>	<p>100% of students will show 5% growth from the baseline diagnostic to the first interim (October) assessment.</p>	<p>100% of students will show 5% growth from the baseline diagnostic to the second interim (December) assessment.</p>	<p>100% of students will show 5% growth from the baseline diagnostic to the third interim (March) assessment.</p>

Priority Statement #2: Implement a multi-tiered system of supports for academics and behavior

Measurable Goals	Quarterly Benchmark #1	Quarterly Benchmark #2	Quarterly Benchmark #3
<p>100% of teachers will make a minimum of five successful synchronous contacts per day (small group/individual LL, phone call, face to face) that include</p>	<p>50% of teachers will make a minimum of five successful synchronous</p>	<p>75% of teachers will make a minimum of five successful synchronous contacts</p>	<p>90% of teachers will make a minimum of five successful synchronous</p>

evidence of strategies implemented based on student need (behavior, attendance, academics, etc.)	contacts per day by September 30, 2019	per day by December 31, 2019	contacts per day by March 31, 2020.
100% of students will be engaged as measured by completion of monthly Curriculum Based Assessments, quarterly based interim assessments, and weekly lesson completion.	By September 30, 2019, 100% of students will have 1 CBA, 1 diagnostic assessment, and 10% lesson completion. *this will be prorated based on student start date	By December 31, 2019, 100% of students will have 4 CBAs, 1 diagnostic assessment and 2 interim assessments, and 35% lesson completion. *this will be prorated based on student start date	BY March 31, 2020, 100% of students will have 6 CBAs, 1 diagnostic assessment and 3 interim assessments, and 65% lesson completion. *this will be prorated based on student start date

Priority Statement #3: _____

Measurable Goals	Quarterly Benchmark #1	Quarterly Benchmark #2	Quarterly Benchmark #3

IV. Action Plans

A. Evidence-Based Strategies

Once needs have been identified, the school improvement committee (in consultation with other stakeholders) will select evidence-based strategies that align with your priority statements that the school community has the capacity to implement. By using rigorous and relevant evidence and assessing the local capacity to implement the strategy (e.g., funding, staff, staff skills, stakeholder support), schools are more likely to implement interventions successfully.

For each measurable goal, identify an evidence-based strategy that has a high likelihood of success in your school.

Priority Statement #1: __
Align curriculum, assessments and instruction to PA
standards._____

Measurable Goals	Evidence-Based Strategy
<p>100% of the teachers will develop and implement one higher order rigorous question for instruction as measured through weekly DDI (Data Driven Instruction) template.</p> <p>*DDI template allows teachers to record the question for the current week and reflect on the previous week's questions (implementation)</p>	<p>Teacher directed instruction will use open-ended questioning and will encourage elaboration. (Effective practices from Center on Innovation page 9, strength of evidence strong.)</p>
<p>Students will meet or exceed 37.5% PSSA/Keystone ELA and 13.5% PSSA/Keystone Math</p> <p>*Baseline diagnostic measures all course standards. Interim assessment measure standards taught every 6-8 weeks only.</p>	<p>Assess student learning frequently to determine progress toward standards based objectives using USA Test Prep. (Effective practices from Center on Innovation page 7, strength of evidence strong.)</p>

Priority Statement #2: __Implement a multi-tiered system of supports for academics and behavior _____

Measurable Goals	Evidence-Based Strategy
<p>100% of teachers will make a minimum of five successful synchronous contacts per day (small group/individual LL, phone call, face to face) that include evidence of strategies implemented based on student need (behavior, attendance, academics, etc.)</p>	<p>Provide a tiered system of instructional and behavioral supports and interventions. (Effective practices from Center on Innovation page 11, strength of evidence strong.)</p>
<p>100% of students will be engaged as measured by completion of monthly Curriculum Based Assessments, quarterly based interim assessments, and weekly lesson completion.</p>	<p>Implements a system wide monitoring process that utilizes collaborative instructional teams who meet regularly to review student data from screening, progress monitoring, and out assessment to identify next steps for instruction for student across</p>

	all tiers. (Effective practices from Center on Innovation page 11, strength of evidence strong.)
--	--

Priority Statement #3: _____

Measurable Goals	Evidence-Based Strategy

B. Action Plan Steps

An Action Plan template is provided to develop action steps to meet each measurable goal.

Each Action Plan has these critical components for each Priority/Measurable Goal:

- Action Steps – List what is to be accomplished in each step.
- Material/Resources/Supports Needed
- Person/Position Responsible
- Implementation Timeline
- Anticipated Outputs – what do we want to accomplish within each Action Step?
- Monitoring/Evaluation Plan
- If a professional development action step or component of this goal, complete Professional Development Plan information template.

Expenditures:

Describe how funding will be used to implement the Action Plans. Include a brief description of each expenditure, funding source (Title 1, General fund, IDEA, etc.), and costs for each needed expenditure.

Professional Learning Opportunities:

The following information is to be completed for professional development components for each of the Priority Goals:

- Goal Statement – General Description of Presentation
- Audience,
- Topics to be Included
- Evidence of Learning
- Anticipated Timeframe

- Lead Person/Position

School Level Action Plans

Priority #1 – Measurable Goal #1: _ Align curriculum, assesments and instruction to PA standards.

Evidence-based Action Steps: Describe the evidence-based action steps to be taken to achieve this goal.

Action Steps	Materials/Resources/Supports Needed	Person(s)/Position Responsible	Implementation Timeline
Teams will be created to unpack the standards in math and ELA.	Standards and curriculum.	All lead math and ELA teachers and all lead principals.	August 5-9, 2019.
Align the standards to the course being taught and determine the power standards that matter most.	Standards and curriculum.	All lead math and ELA teachers and all lead principals.	August 5-9, 2019.
Purchase USA Test Prep.	CSI money.	Administration.	July 1, 2019.
Training on USA Test Prep.	Computers and USA Test Prep.	USA Test Prep representative.	August 22-30, 2019.
Set-up and align USA Test Prep to the curriculum.	Computers, USA Test Prep, and curriculum.	All math and ELA teachers.	August 22-30, 2019.
Teachers will work within USA Test Prep tool to establish DOK, higher order thinking questions related to their content area.	Computers, USA Test Prep, and curriculum.	All math and ELA teachers.	August 22-30, 2019.
Teachers will begin implementing higher order questioning in their weekly lessons.	Computers, USA Test Prep, and Live Lesson.	All math and ELA teachers, Master teachers, Literacy Coaches.	Weekly September 2, 2019 - May 29, 2020.
Principals will monitor development and implementation of higher order questioning through weekly PLC.	DDI Template and PLC meeting.	Principals.	Weekly September 2, 2019 - May 29, 2020.

Anticipated Outputs:			
Aligned curriculum, assessment and instruction. Development and implementation of higher order questioning.			
Monitoring/Evaluation Plan:			
Principals will monitor and determine completion of alignment in August.			
Weekly monitoring of implementation of questioning will occur in PLCs with Principals.			

Expenditures: Describe briefly how funding will be used implement the action steps outlined for this goal.

Expenditure (Brief Description)	Funding Source	Cost
USA Test Prep	CSI	
USA Test Prep PD	CSI	
Payment for summer work to unpack the standards	CSI	

Professional Learning - Describe the Professional Development Plan to achieve this goal.	
Professional Learning Goal: Teachers will align the instruction to the curriculum using USA Test Prep as a framework for implementing higher order thinking questions into the student learning experience.	
Audience	The audience is the ELA and math teaching staff.
Topics to be Included	Topics to be included will be the grade level curriculum, USA Test Prep, DOK questioning.
Evidence of Learning	Teaching staff will develop and implement higher order questions within their curriculum.
Anticipated Timeframe	Enter Start Date:August 22, 2019 Anticipated Completion Date:May 29, 2020
Lead Person/Position	The lead person will be the Principal.

Professional Learning - Describe the Professional Learning Plan to achieve this goal.	
Professional Learning Goal 2:	
Audience	
Topics to be Included	
Evidence of Learning	
Anticipated Timeframe	Enter Start Date: Anticipated Completion Date:
Lead Person/Position	

Priority #1- Measurable Goal #2: _Students will meet or exceed expectations on the PSSA/Keystone in ELA & Math.

Evidence-based Action Steps: Describe the evidence-based action steps to be taken to achieve this goal.

Action Steps	Materials/Resources/Supports Needed	Person(s)/Position Responsible	Implementation Timeline
Students will participate in teacher created, quarterly based interim assessments using USA Test Prep.	USA Test Prep, Computers.	Teachers, students & principals.	Quarterly September 2, 2019 - May 29, 2020.
Teachers will use results to differentiate and inform instruction.	Interim assessment results by student, classroom and school.	All ELA & Math teachers, Master Teachers, Literacy Coaches, Director of Data & Student Assessment.	Quarterly September 2, 2019 - May 29, 2020.
Anticipated Outputs:			
Student growth in ELA and Math as determined by the PSSA/Keystone exams.			
Monitoring/Evaluation Plan:			
Student interim assessments will be monitored, tracked and reported through USA Test Prep, and evaluated by the Director of Data & Student Assessment.			

Expenditures: Describe briefly how funding will be used to implement the action steps outlined for this goal.

Expenditure (Brief Description)	Funding Source	Cost

Professional Learning - Describe the Professional Learning Plan to achieve this goal.

Professional Learning Goal 1:

Audience	
Topics to be Included	
Evidence of Learning	
Anticipated Timeframe	Enter Start Date: Anticipated Completion Date:
Lead Person/Position	

Professional Learning - Describe the Professional Learning Plan to achieve this goal.

Professional Learning Goal 2:

Audience	
Topics to be Included	
Evidence of Learning	
Anticipated Timeframe	Enter Start Date: Anticipated Completion Date:
Lead Person/Position	

Priority #2 – Measurable Goal #1: 100% of teachers will make a minimum of five successful synchronous contacts per day.

Evidence-based Action Steps: Describe the evidence-based action steps to be taken to achieve this goal.

Action Steps	Materials/Resources/Supports Needed	Person(s)/Position Responsible	Implementation Timeline
A Director of MTSS will be hired/appointed.	Resources include budget, hiring processes and application.	The CEO and the leadership team will b the responsible people.	TJuly 1. .
Contact expectations will be provided to teachers.	MTSS plan.	Director of MTSS with the support of the leadership team will be the responsible people.	August 22 - 30, 2019.
Teachers will receive professional development on contacts and logging.	LMS and computers.	Professional Development Coordinator.	August 22-30, 2019.
Teachers will follow-through on contact expectations,.	MTSS plan, phone, live lesson, LMS logs.	Teachers.	Daily, September 2, 2019 through June 5, 2020
.			
Anticipated Outputs:			
<p>Teachers will have a minimum of five successful synchronous contacts per day.</p> <p>Students will be more engaged in their learning.</p>			
Monitoring/Evaluation Plan:			
<p>Monitoring and evaluation of the plan will include weekly contact report from the LMS that will be reviewed by the Director of MTSS, Director of Data & Student Assessment and the Principals.</p>			

Expenditures: Describe briefly how funding will be used to implement the action steps outlined for this goal.

Expenditure (Brief Description)	Funding Source	Cost
Director of MTSS salary.	CSI and General School Funds	TBD

Professional Learning - Describe the Professional Learning Plan to achieve this goal.

Professional Learning Goal 1: Staff will be knowledgeable of the contact expectations and correct logging procedures.

Audience	The audience will include all instructional staff.
Topics to be Included	Topics to be included will be contact expectations and logging procedures.
Evidence of Learning	The evidence of learning will include data from contact reports and review of student logs.
Anticipated Timeframe	Enter Start Date: August 22, 2019 Anticipated Completion Date: August 30, 2019
Lead Person/Position	The lead person will be the Director of MTSS and the Professional Development Coordinator.

Professional Learning - Describe the Professional Learning Plan to achieve this goal.

Professional Learning Goal 2:

Audience	
Topics to be Included	

Evidence of Learning	
Anticipated Timeframe	Enter Start Date: Anticipated Completion Date:
Lead Person/Position	

Priority #2 – Measurable Goal #2: 100% of students will be engaged._____

Evidence-based Action Steps: Describe the evidence-based action steps to be taken to achieve this goal.

Action Steps	Materials/Resources/Supports Needed	Person(s)/Position Responsible	Implementation Timeline
Students will participate in monthly curriculum based assessments (a structured, teacher-led communication to ensure student understanding of the curriculum).	Curriculum, phones, Live Lesson.	Teachers & students.	Monthly September 2, 2019 - May 29, 2020.
Students will participate in teacher created, quarterly based interim assessments using USA Test Prep.	USA Test Prep, Computers.	Teachers, students & principals.	Quarterly September 2, 2019 - May 29, 2020.
Students will complete weekly lessons.	Curriculum, Computers, Course Materials, LMS.	Teachers & students.	Weekly September 2, 2019 - May 29, 2020.
Anticipated Outputs:			
<p>Students will complete CBAs as defined in the goal.</p> <p>Students will complete interim assessments.</p> <p>Students will complete weekly lessons.</p> <p>Student achievement will increase.</p>			
Monitoring/Evaluation Plan:			
<p>Student CBA and lesson completion will be tracked through the LMS tracking system and pulled by the Director of Data & Student Assessment on at least a quarterly basis.</p> <p>Student interim assessments will be monitored, tracked and reported through USA Test Prep, and evaluated by the Director of Data & Student</p>			

Assessment.

Expenditures: Describe briefly how funding will be used to implement the action steps outlined for this goal.

Expenditure (Brief Description)	Funding Source	Cost

Professional Learning - Describe the Professional Learning Plan to achieve this goal.

Professional Learning Goal 1:

Audience	
Topics to be Included	
Evidence of Learning	
Anticipated Timeframe	Enter Start Date: Anticipated Completion Date:
Lead Person/Position	

Professional Learning - Describe the Professional Learning Plan to achieve this goal.

Professional Learning Goal 2:	
Audience	
Topics to be Included	
Evidence of Learning	
Anticipated Timeframe	Enter Start Date: Anticipated Completion Date:
Lead Person/Position	

Priority #3 – Measurable Goal #1: ____

Evidence-based Action Steps: Describe the evidence-based action steps to be taken to achieve this goal.

Action Steps	Materials/Resources/Supports Needed	Person(s)/Position Responsible	Implementation Timeline
Anticipated Outputs:			
Monitoring/Evaluation Plan:			

Expenditures: Describe briefly how funding will be used to implement the action steps outlined for this goal.

Expenditure (Brief Description)	Funding Source	Cost

Professional Learning - Describe the Professional Learning Plan to achieve this goal.

Professional Learning Goal 1:

Audience	
Topics to be Included	
Evidence of Learning	
Anticipated Timeframe	Enter Start Date: Anticipated Completion Date:
Lead Person/Position	

Professional Learning - Describe the Professional Learning Plan to achieve this goal.

Professional Learning Goal 2:

Audience	
Topics to be Included	
Evidence of Learning	
Anticipated Timeframe	Enter Start Date: Anticipated Completion Date:
Lead Person/Position	

Priority #3 – Measurable Goal #2: _

Evidence-based Action Steps: Describe the evidence-based action steps to be taken to achieve this goal.

Action Steps	Materials/Resources/Supports Needed	Person(s)/Position Responsible	Implementation Timeline
Anticipated Outputs:			
Monitoring/Evaluation Plan:			

Expenditures: Describe briefly how funding will be used to implement the action steps outlined for this goal.

Expenditure (Brief Description)	Funding Source	Cost

Professional Learning - Describe the Professional Learning Plan to achieve this goal.

Professional Learning Goal 1:

Audience	
Topics to be Included	
Evidence of Learning	
Anticipated Timeframe	Enter Start Date: Anticipated Completion Date:
Lead Person/Position	

Professional Learning - Describe the Professional Learning Plan to achieve this goal.

Professional Learning Goal 2:

Audience	
Topics to be Included	
Evidence of Learning	
Anticipated Timeframe	Enter Start Date: Anticipated Completion Date:
Lead Person/Position	

V. Communications Plan for School Improvement

The success of a plan is how you communicate it to your staff, community, parents and students. Develop steps to communicate components of your plan to your various levels of stakeholders.

Communication Steps and Timelines:

Communication Strategies	Audience	Purpose of Message	Anticipated Timeline
The communication strategy is the quarterly benchmark report that will be delivered.	The audience includes the Steering Committee and full board (community).	The purpose of the message is to inform and receive feedback.	The anticipated timeline is the quarterly sessions in 2019-2020.
The communication strategy is the monthly progress report that will be delivered during staff huddle.	The audience is the staff members.	The purpose of the message is to inform and receive any feedback.	The anticipated timeline is monthly in 2019-2020.
The communication strategy will be the quarterly newsletter.	The audience includes parents and students.	The purpose of the message is to inform.	The anticipated timeline is quarterly in 2019-2020.

VI. Plan Submission

Affirmations

The Building Administrator, Superintendent/Chief Executive Officer and President of the School Board will affirm the following statements.

We affirm that our school has developed a School Improvement Plan based upon a thorough review of the essential practices to advance educational programs and processes and improve student achievement.

We affirm that the action plans that we will be implementing address our specific school needs, include strategies that provide educational opportunities and instructional strategies for all students and each of the student groups, increases the amount and quality of learning time, and provides equity in the curriculum which may include programs, activities, and courses necessary to provide a well-rounded education. These plans address the needs of all children in the school, but particularly the needs of those at risk of not meeting the challenging State academic standards.

We, the undersigned, hereby certify that the school level plan has been duly reviewed by the Building Administrator, Superintendent of Schools and formally approved by the district's Board of Education, per guidelines required by the Pennsylvania Department of Education.

We hereby affirm and assure the Secretary of Education that the school level plan:

- Addresses all the **required components** prescribed by the Pennsylvania Department of Education
- Meets **ESSA requirements**
- Reflects **evidence-based strategies that meet the three highest levels of evidence outlined in ESSA**
- Has a **high probability of improving student achievement**
- Has sufficient **LEA leadership and support to ensure successful implementation**

With this *Assurance of Quality & Accountability*, we, therefore, request that the Secretary of Education and the Pennsylvania Department of Education grant formal approval to implement the school level plan submitted by *Reach Cyber Charter School* for the 2019-2020 school year.

Board Approval: *Date of Board Meeting:* _____

Board President:

_____	_____	_____
<i>Name (printed)</i>	<i>Signature</i>	<i>Date</i>

Superintendent of Schools/Chief Executive Officer:

_____	_____	_____
<i>Name (printed)</i>	<i>Signature</i>	<i>Date</i>

Building Administrator:

_____	_____	_____
<i>Name (printed)</i>	<i>Signature</i>	<i>Date</i>

School Improvement Facilitator:

_____	_____	_____
<i>Name (printed)</i>	<i>Signature</i>	<i>Date</i>

Scan and insert the signed Assurances Page:

Reach Cyber Charter School
Financial Statements
And
Independent Auditor's Report
Year Ended June 30, 2018

**Reach Cyber Charter School
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Year Ended June 30, 2018**

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Independent Auditor's Report

To the Board of Trustees
Reach Cyber Charter School
Harrisburg, Pennsylvania

We have audited the accompanying financial statements of the governmental activities and the major fund of Reach Cyber 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 the major fund of Reach Cyber 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

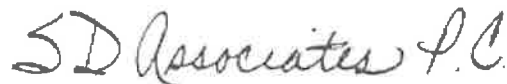
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Reach Cyber Charter School's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2019, on our consideration of Reach Cyber 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 Reach Cyber Charter School's internal control over financial reporting and compliance.



Certified Public Accountants
Elkins Park, Pennsylvania

May 2, 2019

Reach Cyber Charter School

Management's Discussion and Analysis

June 30, 2018

The Board of Trustees of Reach Cyber 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

- Total revenues increased by approximately \$16,704,000 due primarily to increased enrollment.
- At the close of the current fiscal year, the School reports an ending fund balance of \$5,081,189. This balance was the result of a \$3,021,292 surplus for the year ended June 30, 2018.
- The School's cash balance at June 30, 2018 was \$11,054,558 representing an increase of \$6,526,329 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 four components: Management's Discussion and Analysis (this section), the basic financial statements, supplementary information, and single audit requirements.

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.

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.

Reach Cyber Charter School Management's Discussion and Analysis June 30, 2018

Overview of the Financial Statements (Continued)

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 has only two fund types, governmental and fiduciary funds.

All 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. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Government-Wide Financial Analysis

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

	2018	2017
Assets		
Current assets	\$12,810,129	\$ 5,093,801
Noncurrent assets	204,240	104,105
	13,014,369	5,197,906
 Current Liabilities	 7,737,857	 3,042,821
 Net Position	 \$ 5,276,512	 \$ 2,155,085

As noted earlier, net assets may serve over time as a useful indicator of a school's financial position. In the case of the School, assets exceeded liabilities by \$5,276,512.

**Reach Cyber Charter School
Management's Discussion and Analysis
June 30, 2018**

Government-Wide Financial Analysis (Continued)

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 revenues of \$26,797,381 exceeded expenditures of \$23,675,954 by \$3,121,427.

	<u>2018</u>	<u>2017</u>
Revenues		
Program revenues		
Local educational agency assistance	\$ 25,956,836	\$ 9,944,211
Federal sources	838,015	215,796
General revenues		
Other	2,530	20
Total revenues	<u>26,797,381</u>	<u>10,160,027</u>
 Expenditures		
Instruction	17,361,619	5,852,184
Support services	6,272,152	2,136,693
Depreciation	42,183	16,065
Total expenditures	<u>23,675,954</u>	<u>8,004,942</u>
 Change in net position	3,121,427	2,155,085
Net position, beginning	<u>2,155,085</u>	<u>-</u>
 Net position, ending	<u>\$ 5,276,512</u>	<u>\$ 2,155,085</u>

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 \$5,081,189.

Budget Variations

Actual revenues were \$5,027,080 higher than the budget due to increases as follows:

Local educational agency assistance	\$ 4,853,535
Federal sources	171,015
Other revenues	2,530
	<u>\$ 5,027,080</u>

**Reach Cyber Charter School
Management's Discussion and Analysis
June 30, 2018**

Budget Variations (Continued)

Actual expenditures were \$5,089,801 higher than the budget due to increases as follows:

Instruction	\$ 2,211,095
Support services	2,703,388
Capital outlay	142,318
	<u>\$ 5,089,801</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 \$195,323 (net of accumulated depreciation). This investment in capital assets includes leasehold improvements and equipment and furniture.

Major capital asset purchases during the year included the following:

- Capital expenditures of \$142,318 for furniture and equipment

Additional information on the School's capital assets can be found in Note 4 of this report.

Long-Term Debt

The School does not have any long-term debt at this time.

Economic Factors and Next Year's Budgets and Rates

The School's primary source of revenue, the per student subsidy provided by the local school districts, will increase by approximately \$9,140,000 for fiscal year 2018-2019 due to increased enrollment.

Future Events That Will Financially Impact the School

Except as listed above, there are no known future events that will financially impact the School.

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 CEO, Reach Cyber Charter School, 750 East Park Drive, Suite 204, Harrisburg, PA 17111.

Reach Cyber Charter School
Statement of Net Position
June 30, 2018

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 11,054,558
Receivable from school districts, net of allowance	1,164,398
Federal subsidies receivable	575,283
Prepaid expenses	15,890
Property and equipment, net	195,323
Security deposit	8,917
Total assets	13,014,369
Liabilities	
Accounts payable and accrued expenses	1,904,843
Due to Connections Education, LLC	4,745,890
Due to school districts	1,087,124
Total liabilities	7,737,857
Net Position	
Invested in capital assets, net	195,323
Unrestricted	5,081,189
Total net position	\$ 5,276,512

See accompanying notes to financial statements.

**Reach Cyber Charter School
Statement of Activities
Year Ended June 30, 2018**

Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental Activities				
Instruction	\$ 17,361,619	\$ 19,068,167	\$ 838,015	2,544,563
Support services	6,272,152	6,888,669	-	616,517
Depreciation expense	42,183	-	-	(42,183)
Total governmental activities	<u>\$ 23,675,954</u>	<u>\$ 25,956,836</u>	<u>\$ 838,015</u>	3,118,897
General Revenues				
Other revenues				<u>2,530</u>
Change in net position				3,121,427
Net Position - Beginning of Year				<u>2,155,085</u>
Net Position - End of Year				<u>\$ 5,276,512</u>

See accompanying notes to financial statements.

**Reach Cyber Charter School
Balance Sheet-Governmental Fund
June 30, 2018**

	<u>General Fund</u>
Assets	
Cash and cash equivalents	\$ 11,054,558
Receivable from school districts, net of allowance	1,164,398
Federal subsidies receivable	575,283
Prepaid expenses	15,890
Security deposit	<u>8,917</u>
Total assets	<u>\$ 12,819,046</u>
Liabilities	
Accounts payable and accrued expenses	\$ 1,904,843
Due to Connections Education, LLC	4,745,890
Due to school districts	<u>1,087,124</u>
Total liabilities	<u>7,737,857</u>
Fund Balances	
Nonspendable	24,807
Unassigned	<u>5,056,382</u>
Total fund balances	<u>5,081,189</u>
Total liabilities and fund balances	<u>\$ 12,819,046</u>

See accompanying notes to financial statements.

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

Total Fund Balance for Governmental Funds	\$	5,081,189
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Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Equipment and furniture	253,571	
Accumulated depreciation and amortization	<u>(58,248)</u>	
		<u>195,323</u>

Total Net Position of Governmental Activities	\$	<u>5,276,512</u>
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Reach Cyber Charter School
Statement of Revenues, Expenditures, and Changes in Fund Balance-
Governmental Fund
Year Ended June 30, 2018

	General Fund
Revenues	
Local educational agency assistance	\$ 25,956,836
Federal sources	838,015
Other revenues	2,530
Total revenues	26,797,381
Expenditures	
Instruction	17,361,619
Support services	6,272,152
Capital outlay	142,318
Total expenditures	23,776,089
Net Change In Fund Balance	3,021,292
Fund Balance - Beginning of Year	2,059,897
Fund Balance - End of Year	\$ 5,081,189

See accompanying notes to financial statements.

**Reach Cyber 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**

Net Change in Fund Balances - Total Governmental Funds \$ 3,021,292

Capital outlays 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 exceeds depreciation in the current period.

Depreciation expense	(42,183)
Capital outlays	<u>142,318</u>

Change in Net Position of Governmental Activities \$ 3,121,427

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

Note 1 Background and Summary of Significant Accounting Policies

Reach Cyber 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 School was granted a charter which ends on June 30, 2019. The charter may be renewed for additional five year periods.

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School's accounting policies are described below.

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 government reports the following major governmental fund:

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

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

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

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

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.

The School implemented GASB No. 54, *Fund Balance Reporting and Governmental Type Definition*. 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 deposit as being nonspendable as these items are not expected to be converted to cash.

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

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

Method of Accounting (Continued)

- 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.
- 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. The School only has a general fund budget; therefore, the original budget filed and accepted by the Pennsylvania Department of Education is the final budget as well.

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.

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

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

Cash and Cash Equivalents

The School's cash is considered to be cash on hand and demand deposits.

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. Capital assets of the School are depreciated using the straight-line method over the useful lives of the assets; furniture and fixtures (6-7 years) and equipment (3-6 years).

Advertising Costs

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

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 2017 and 2016 are subject to examination by the IRS, generally for three years after they were filed.

Note 2 Cash

The School's cash and cash equivalents balance at June 30, 2018, was \$11,054,558. The actual amount of cash on deposit in the School's bank accounts at June 30, 2018 was \$11,080,160. 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	\$ 10,830,160
Insured amount	\$ 250,000

Custodial Credit Risk-Deposits

Custodial credit risk is the risk that in the event of a bank failure, the School's uninsured deposits may not be returned. The School does not have a policy for custodial credit risk.

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

Note 3 Receivables

Receivables as of June 30, 2018 consist primarily of subsidies from federal, state, and local authorities. Receivables are shown net of an allowance for uncollectible accounts of \$59,807.

Note 4 Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Balance, 7/1/17	Additions	Deletions	Balance, 6/30/18
Equipment and furniture	111,253	142,318	-	253,571
Less: accumulated depreciation	16,065	42,183	-	58,248
	\$ 95,188	\$ 100,135	\$ -	\$ 195,323

Depreciation expense was \$42,183 for the year ended June 30, 2018.

Note 5 Funding

The School received funding from various local school districts on a monthly basis based on enrollment. The rate of funding per student is determined on an annual basis.

Note 6 Lease Commitment

The School entered into a lease agreement with Connections Education, LLC (CE) to lease a facility in Harrisburg, Pennsylvania under an operating lease agreement that expires August 31, 2022, plus two three-year renewal options. In addition to the basic rentals, the School is subject to additional costs including taxes, occupancy, and maintenance. Rent expense was \$174,598 for the year ended June 30, 2018.

Future minimum lease payments are as follows as of June 30, 2018:

Year ended June 30,	
2019	\$ 185,262
2020	190,820
2021	196,544
2022	202,441
2023	33,909
	\$ 623,714

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

Note 7 Retirement Plan

The School provides pension benefits for all of its employees through the Reach Cyber Charter School 403(b) Plan. Employees are required to 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. School contributions to the plan for the year ended June 30, 2018 totaled \$258,677.

Note 8 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.

Note 9 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 10 Professional Services Agreement

The School entered into an agreement with Connections Educations, LLC (CE) for curriculum, school management services, instruction, technology and other services. The agreement expires on June 30, 2019.

Under the contract, CE will provide direct materials/services or procurement and payment of services for the following:

1. Instructional materials as approved by the board.
2. Administrative personnel, including health and other benefits, as approved
3. Educational support services for participating families.
4. Training and other professional development as approved by the Board.
5. Hardware and software as approved by the Board.
6. Technical support for any hardware and software provided under the contract.
7. Maintenance of student records.
8. Services to special needs students as required by law.
9. Administrative services including expenditures for a facility and capital, both
10. Financial, treasury and other reporting as required by law.
11. Student recruiting and community education

Reach Cyber Charter School
Notes to Financial Statements
June 30, 2018

Note 10 Professional Services Agreement (Continued)

12. General school management.

For all services, the School reimburses CE according to the terms of the contract based on documentation that is reviewed and approved by the Board. Total charges from CE amounted to \$14,318,385 for the year ended June 30, 2018.

Required Supplementary Information

**Reach Cyber Charter School
Governmental Fund Budgetary Comparison Schedule
Year Ended June 30, 2018**

	<u>Budgeted Amounts</u>		Actual	Variance With Budget
	Original	Final	Revenues/ Expenditures	
Revenues				
Local educational agency assistance	\$ 21,103,301	\$ 21,103,301	\$ 25,956,836	\$ 4,853,535
Federal sources	667,000	667,000	838,015	171,015
Other revenues	-	-	2,530	2,530
Total revenues	<u>21,770,301</u>	<u>21,770,301</u>	<u>26,797,381</u>	<u>5,027,080</u>
Expenditures				
Instruction	15,117,524	15,117,524	17,361,619	(2,244,095)
Support services	3,568,764	3,568,764	6,272,152	(2,703,388)
Capital outlay	-	-	142,318	(142,318)
Total expenditures	<u>18,686,288</u>	<u>18,686,288</u>	<u>23,776,089</u>	<u>(5,089,801)</u>
Net Change in Fund Balance	3,084,013	3,084,013	3,021,292	(62,721)
Fund Balance, Beginning	<u>2,059,897</u>	<u>2,059,897</u>	<u>2,059,897</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 5,143,910</u>	<u>\$ 5,143,910</u>	<u>\$ 5,081,189</u>	<u>\$ (62,721)</u>

See accompanying notes to financial statements.

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
Reach Cyber Charter School
Harrisburg, 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 Reach Cyber 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 May 2, 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.

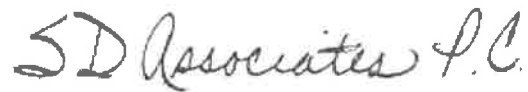
Compliance and Other Matters

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*.

We noted certain matters that we reported to management of Reach Cyber Charter School in a separate letter dated May 2, 2019.

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 of 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 cursive script that reads "SD Associates P.C.".

Certified Public Accountants
Elkins Park, Pennsylvania

May 2, 2019

Single Audit Requirements

Reach Cyber Charter School
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018

Federal Grantor/ Pass-Through Grantor	Federal CFDA Number	Pass- Through Grantor's Number	Grant Period	Program or Award	Accrued (Deferred) Revenue 7/1/2017	Total Received for the Year	Revenue Recognized	Federal Expenditures	Accrued (Deferred) Revenue 6/30/2018
U.S. Department of Education									
Pass-Through P.A. Department of Education									
Title I - Improving Basic Programs	84.010	013-181150	7/1/17-9/30/18	\$ 617,265	\$ -	\$ 224,114	\$ 617,265	\$ 617,265	\$ 393,151
Title I - Improving Basic Programs	84.010	013-171150	8/25/17-9/30/17	189,680	189,680	189,680	-	-	-
					189,680	413,794	617,265	617,265	393,151
Title II - Improving Teacher Quality	84.367	020-181150	7/1/17-9/30/18	72,867	-	30,496	72,867	72,867	42,371
Title II - Improving Teacher Quality	84.367	020-171150	8/25/17-9/30/17	26,904	26,904	26,904	-	-	-
					26,904	57,400	72,867	72,867	42,371
Title IV - Student Support and Academic Enrichment	84.424	144-181150	7/1/17-9/30/18	10,000	-	7,333	10,000	10,000	2,667
Pass-Through Capital Area Intermediate Unit									
Individuals with Disabilities Education Act Part B	84.027	N/A	7/1/17-6/30/18	135,991	-	135,991	135,991	135,991	-
Individuals with Disabilities Education Act Preschool	84.173	N/A	7/1/17-6/30/18	1,104	-	1,104	1,104	1,104	-
Total Special Education Cluster					-	137,095	137,095	137,095	-
Total U.S. Department of Education					\$ 216,584	\$ 615,622	\$ 837,227	\$ 837,227	\$ 438,189

See notes to schedule of expenditures of federal awards.

Reach Cyber Charter School
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2018

Note 1 Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Reach Cyber Charter School (the School) under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the School.

Note 2 Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

Note 3 Indirect Cost Rate

The School has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**Independent Auditor's Report on Compliance for
Each Major Program and on Internal Control Over
Compliance Required by the Uniform Guidance**

To the Board of Trustees
Reach Cyber Charter School
Harrisburg, Pennsylvania

Report on Compliance for Each Major Federal Program

We have audited Reach Cyber Charter School's (the School) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2018. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

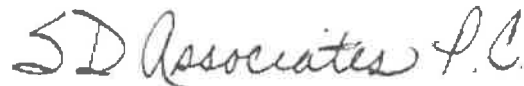
Report on Internal Control Over Compliance

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

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

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

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



Certified Public Accountants
Elkins Park, Pennsylvania

May 2, 2019

Reach Cyber Charter School Schedule of Findings and Questioned Costs Year Ended June 30, 2018

A. Summary of Audit Results

1. The Independent Auditor's Report expresses an unmodified opinion on the basic financial statements of Reach Cyber Charter School.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control over Financial Reporting.
3. No instances of noncompliance material to the financial statements of Reach Cyber Charter School which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies relating to the audit of major federal award programs is reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance.
5. The independent auditor's report on compliance for the major federal award programs for Reach Cyber Charter School expresses an unqualified opinion.
6. There were no audit findings, which were required to be reported in accordance with 2 CFR section 200.516(a).
7. The program tested as a major program was Title I, CFDA #84.010.
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. Reach Cyber Charter School did not qualify as a low-risk auditee.

B. Findings-Financial Statement Audit

None.

C. Findings and Questioned Costs-Major Federal Award Programs Audit

None.



May 2, 2019

To the Board of Trustees
Reach Cyber Charter School
Harrisburg, Pennsylvania

In planning and performing our audit of the financial statements of the governmental activities and the major fund of Reach Cyber Charter School as of and for the year ended June 30, 2018, in accordance with auditing standards generally accepted in the United States of America, we considered Reach Cyber Charter School's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Reach Cyber Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of Reach Cyber Charter School's internal control.

However, during our audit we became aware of one matter that is an opportunity for strengthening internal controls and operating efficiency. Our comments and recommendations regarding this matter is presented below. A separate report dated May 2, 2019 contains our report on Reach Cyber Charter School's internal control over financial reporting in accordance with Government Auditing Standards in which we did not identify any deficiencies in internal control over financial reporting that we consider to be significant deficiencies or material weaknesses. This letter does not affect our report dated May 2, 2019 on the financial statements of Reach Cyber Charter School.

The accounting/bookkeeping function is handled primarily by Connections Education, LLC (CE) pursuant to a service agreement. In addition, certain School expenditures are paid by CE and reimbursed by the School. Per discussions with management it was determined that access to the books and records maintained by CE has been limited, and the School has limited capacity to review all pass-through and fee-based expenditures billed each month by CE. We recommend that the School implement procedures for a comprehensive monthly review of the CE accounting/bookkeeping services.

We will review the status of these comments during our next audit engagement. We have already discussed these comments with School personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of management, the Board of Trustees, and others within the School, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

A handwritten signature in cursive script that reads 'SD Associates P.C.'.

SD Associates, P.C.
Elkins Park, Pennsylvania



May 2, 2019

To the Board of Trustees

Reach Cyber Charter School

We have audited the financial statements of the governmental activities and the major fund of Reach Cyber Charter School for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 9, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Reach Cyber Charter School are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2018. We noted no transactions entered into by Reach Cyber Charter School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the government wide financial statements were:

Management's estimate of depreciation and amortization is based on the estimated useful lives of the underlying assets. We evaluated the key factors and assumptions used to develop the depreciation and amortization expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for doubtful accounts is based on a historical analysis of collectability. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 2, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Reach Cyber Charter School's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Reach Cyber Charter School's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Governmental Fund Budgetary Comparison Schedule, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Board of Trustees and management of Reach Cyber Charter School and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



SD Associates, P.C.