CHICAGO TECH ACADEMY

YEARS ENDED JUNE 30, 2014 AND 2013

CHICAGO TECH ACADEMY

YEARS ENDED JUNE 30, 2014 AND 2013

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Independent Auditor's Report

Board of Directors
Chicago Tech Academy
Chicago, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of Chicago Tech Academy (the Organization), which comprise the statement of financial position as of June 30, 2014 and 2013 and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Chicago Tech Academy as of June 30, 2014 and 2013 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2014, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Ostrow Reisin Berk & Abrams, Ltd.

October 30, 2014

CHICAGO TECH ACADEMY

STATEMENT OF FINANCIAL POSITION

June 30,	**2014**	2013
ASSETS		
Current assets:		
Cash	**$ 1,113,639**	$ 876,192
Receivables:		
Chicago Public Schools	**311,852**	108,983
Contributions	**29,721**	24,010
Prepaid expenses	**30,910**	2,305
Total current assets	**1,486,122**	1,011,490
Property and equipment, net	**475,961**	563,693
Total assets	**$ 1,962,083**	$ 1,575,183
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	**$ 91,695**	$ 76,373
Accrued salaries	**230,552**	257,472
Capital leases, current portion	**84,626**	105,378
Total current liabilities	**406,873**	439,223
Long-term liability:		
Capital leases, net of current portion	**20,515**	90,742
Total liabilities	**427,388**	529,965
Net assets:		
Unrestricted	**1,503,195**	998,873
Temporarily restricted	**31,500**	46,345
Total net assets	**1,534,695**	1,045,218
Total liabilities and net assets	**$ 1,962,083**	$ 1,575,183

See notes to financial statements.

CHICAGO TECH ACADEMY

STATEMENT OF ACTIVITIES

Years ended June 30,	2014			2013		
	Unrestricted	**Temporarily Restricted**	**Total**	Unrestricted	Temporarily Restricted	Total
Revenue:						
Chicago Public Schools:						
Per-capita tuition	**$ 3,038,365**		**$ 3,038,365**	$ 2,803,397		$ 2,803,397
Special Education	**517,278**		**517,278**	302,118		302,118
Chapter I	**279,849**		**279,849**	228,390		228,390
Title I	**215,237**		**215,237**	132,317		132,317
Title II	**31,598**		**31,598**	31,920		31,920
Expansion funds					$ 25,345	25,345
Other	**750**		**750**	36,389		36,389
Contributed goods and services	**645,535**		**645,535**	689,934		689,934
Contributions and grants	**296,470**	**$ 39,000**	**335,470**	257,362	21,000	278,362
Contributed goods and services	**34,400**		**34,400**	125,350		125,350
Student fees	**55,319**		**55,319**	45,848		45,848
Miscellaneous	**6,475**		**6,475**	4,804		4,804
Net assets released from restrictions:						
Satisfaction of purpose or time restrictions	**53,845**	**(53,845)**		81,335	(81,335)	
Total revenue	**5,175,121**	**(14,845)**	**5,160,276**	4,739,164	(34,990)	4,704,174
Expenses:						
Program services	**4,034,772**		**4,034,772**	3,807,330		3,807,330
Supporting services:						
Management and general	**428,750**		**428,750**	349,525		349,525
Fundraising	**207,277**		**207,277**	175,872		175,872
Total expenses	**4,670,799**		**4,670,799**	4,332,727		4,332,727
Change in net assets	**504,322**	**(14,845)**	**489,477**	406,437	(34,990)	371,447
Net assets:						
Beginning of year	**998,873**	**46,345**	**1,045,218**	592,436	81,335	673,771
End of year	**$ 1,503,195**	**$ 31,500**	**$ 1,534,695**	$ 998,873	$ 46,345	$ 1,045,218

See notes to financial statements.

CHICAGO TECH ACADEMY

STATEMENT OF FUNCTIONAL EXPENSES

Years ended June 30,	2014				2013			
		Supporting Services				Supporting Services		
	Program services	**Management and general**	**Fundraising**	**Total**	Program services	Management and general	Fundraising	Total
Salaries	**$ 2,218,840**	**$ 201,714**	**$ 100,856**	**$ 2,521,410**	$ 2,066,167	$ 187,833	$ 93,917	$ 2,347,917
Payroll taxes and benefits	**462,909**	**42,083**	**21,041**	**526,033**	355,054	32,278	16,139	403,471
	2,681,749	**243,797**	**121,897**	**3,047,443**	2,421,221	220,111	110,056	2,751,388
Classroom supplies	**174,374**			**174,374**	139,538			139,538
Conference and meetings	**29,667**			**29,667**	29,003			29,003
Consulting fees	**42,000**	**75,687**		**117,687**	60,000	9,003		69,003
Contributed goods and services:								
Food service	**189,801**			**189,801**	263,000			263,000
Rent	**309,113**	**25,161**	**25,160**	**359,434**	309,113	25,161	25,160	359,434
Specialized services	**96,300**			**96,300**	67,500			67,500
Equipment rental and maintenance	**1,182**	**96**	**96**	**1,374**	1,663	136	135	1,934
Facility fee	**111,197**	**9,051**	**9,051**	**129,299**	183,944	14,972	14,972	213,888
Insurance	**34,904**	**3,009**	**2,207**	**40,120**	31,481	2,724	1,954	36,159
Interest expense	**4,470**			**4,470**	4,385	356	357	5,098
Miscellaneous	**3,500**	**5,394**	**2,811**	**11,705**	6,291	12,093	3,346	21,730
Other personnel costs	**19,080**			**19,080**	16,474			16,474
Outside services	**16,311**	**17,595**	**25,056**	**58,962**	10,895	18,511	6,545	35,951
Postage	**3,091**		**162**	**3,253**	4,536			4,536
Printing and copying	**28,400**	**1,577**	**1,578**	**31,555**	25,849			25,849
Professional development	**11,600**			**11,600**	12,963			12,963
Professional fees		**24,129**		**24,129**		25,882		25,882
Student uniforms	**2,666**			**2,666**	10,271			10,271
Substitute teachers	**36,555**			**36,555**	27,618			27,618
Supplies	**11,811**	**4,776**	**782**	**17,369**	19,104	7,351	122	26,577
Telephone	**1,564**	**128**	**127**	**1,819**	2,494	203	203	2,900
Total expenses before depreciation and amortization	**3,809,335**	**410,400**	**188,927**	**4,408,662**	3,647,343	336,503	162,850	4,146,696
Depreciation and amortization	**225,437**	**18,350**	**18,350**	**262,137**	159,987	13,022	13,022	186,031
Total expenses	**$ 4,034,772**	**$ 428,750**	**$ 207,277**	**$ 4,670,799**	$ 3,807,330	$ 349,525	$ 175,872	$ 4,332,727

See notes to financial statements.

CHICAGO TECH ACADEMY

STATEMENT OF CASH FLOWS

Years ended June 30,	**2014**	2013
Cash flows from operating activities:		
Change in net assets	**$ 489,477**	$ 371,447
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation and amortization	**262,137**	186,031
Donated property and equipment	**(34,400)**	(125,350)
(Increase) decrease in operating assets:		
Receivables	**(208,580)**	120,318
Prepaid expenses	**(28,605)**	4,744
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	**15,322**	65,573
Accrued salaries	**(26,920)**	119,047
Cash provided by operating activities	**468,431**	741,810
Cash flows from investing activity:		
Purchases of property and equipment	**(122,164)**	(164,839)
Cash used in investing activity	**(122,164)**	(164,839)
Cash flows from financing activity:		
Payments on capital leases	**(108,820)**	(91,932)
Cash used in financing activity	**(108,820)**	(91,932)
Increase in cash	**237,447**	485,039
Cash:		
Beginning of year	**876,192**	391,153
End of year	**$ 1,113,639**	$ 876,192
Supplemental disclosure of non-cash investing and financing activity:		
Property and equipment financed with capital leases	**$ 17,841**	$ 211,361
Supplemental disclosure of cash flow information:		
Interest paid	**$ 4,470**	$ 5,098

See notes to financial statements.

1. Organization and purpose

Chicago Tech Academy (the Organization) is an Illinois not-for-profit corporation established on June 21, 2007. The Organization operates a contract high school, Chicago Tech Academy High School, in the City of Chicago.

On July 1, 2009, the Organization entered into a Comprehensive Educational Services and Performance Agreement with the Board of Education of the City of Chicago (Chicago Public Schools) to operate a contract school serving grades nine through twelve under the Chicago Public Schools' system. The original agreement was for a term of five years ending on June 30, 2014. The agreement was renewed for a one-year term ending on June 30, 2015. During the years ended June 30, 2014 and 2013, the Organization served approximately 375 and 383 students, respectively, in grades nine through twelve.

The Organization is supported primarily through per-capita payments from Chicago Public Schools, grants from state and federal agencies, grants and contributions from private foundations and the general public. The Organization received approximately 59% and 60% of its support from per-capita payments from Chicago Public Schools for the years ended June 30, 2014 and 2013, respectively. Per-capita payments are determined annually by Chicago Public Schools and may be adjusted or vary from year-to-year depending upon the amount of appropriations authorized by the Illinois General Assembly and subsequent approval by Chicago Public Schools of its budget on an annual basis.

Under state law, Chicago Public Schools has oversight responsibility to verify that the Organization complies and meets the expectation of a public educational system. The Organization is expected to satisfy regulations and compliance requirements established by Chicago Public Schools.

2. Summary of significant accounting policies

The significant accounting policies of the Organization are summarized below:

Basis of accounting:

The Organization's financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of presentation:

The financial statement presentation follows the Financial Accounting Standards Board (FASB) Accounting Standards Codification (the Codification) for *Financial Statements of Not-for-Profit Organizations.* Under the Codification, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

> **Unrestricted** - Unrestricted net assets are available to finance the general operations of the Organization. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates and the purposes specified in its Articles of Incorporation.
>
> **Temporarily restricted** - Temporarily restricted net assets result (a) from contributions and other inflows of assets, the use of which by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by action of the Organization pursuant to those stipulations, (b) from other asset enhancements and diminishments subject to the same kinds of stipulations and (c) from reclassifications to (or from) other classes of net assets as a consequence of donor-imposed stipulations, their expiration by passage of time or their fulfillment and removal by actions of the Organization pursuant to those stipulations. See Note 6.
>
> **Permanently restricted** - Permanently restricted net assets (generally referred to as endowment funds) are assets that have donor-imposed restrictions that stipulate that the contributed resources be maintained permanently, but permit the entity to utilize or expend part or all of the income or other economic benefits derived from the donated assets. The Organization has no permanently restricted net assets as of June 30, 2014 and 2013.

2. Summary of significant accounting policies (continued)

Unrestricted and restricted revenue and support:

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions with restrictions that expire in the same reporting period in which the revenue is recognized are reported as increases in unrestricted net assets.

Receivables:

All receivables are due within one year. An allowance for uncollectible accounts is not provided as management of the Organization believes all amounts are fully collectible.

Property and equipment and related depreciation and amortization:

Property and equipment are stated at cost, if purchased or fair value at date of donation, if donated. Depreciation and amortization is provided for over useful lives, as summarized in the following table, using the straight-line method. Additions over $1,000 are capitalized while replacements, maintenance and repairs, which do not improve or extend the lives of the respective assets, are expensed as incurred.

Computers and computer equipment	5 years
Computer software	3 years
Furniture and equipment	7 years
Leasehold improvements	15 years

2. Summary of significant accounting policies (continued)

Contributed goods and services:

As required by the *Accounting for Contributions Received and Contributions Made* of the Codification, the Organization recognizes the fair value of contributed (donated) goods and services as revenue.

The Organization was the recipient of the following contributed goods and services from Chicago Public Schools:

Years ended June 30,	**2014**	2013
Food service	**$ 189,801**	$ 263,000
Rent - facility	**359,434**	359,434
Specialized services	**96,300**	67,500
Total	**$ 645,535**	$ 689,934

The Organization was the recipient of contributed computer software from other donors in the amounts of $34,400 and $125,350 for the years ended June 30, 2014 and 2013, respectively.

Expense allocation:

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Accordingly, actual results could differ from those estimates.

3. Tax status

The Organization is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. In addition, the Internal Revenue Service (IRS) has determined that the Organization is not a private foundation within the meaning of Section 509(a) of the Code.

The Organization has adopted the requirements for accounting for uncertain tax positions and management has determined that the Organization was not required to record a liability related to uncertain tax positions as of June 30, 2014 and 2013. Federal and state tax and/or information returns of the Organization are subject to examination by the IRS and state taxing authorities, generally for three years after the returns were filed. Management believes that the Organization is no longer subject to income tax examinations by taxing authorities for years ended prior to June 30, 2011.

4. Cash

The Organization maintains its cash in bank accounts which, at times, may exceed federally-insured limits. Cash in excess of these limits totaled approximately $654,000 and $487,000 as of June 30, 2014 and 2013, respectively. The Organization has not experienced any losses in such accounts. Management believes that the Organization is not exposed to any significant credit risk on cash.

5. Property and equipment

The components of property and equipment are as follows:

June 30,	**2014**	2013
Computers and computer equipment	**$ 448,399**	$ 506,087
Computer software	**307,034**	201,547
Furniture and equipment	**199,955**	158,265
Leasehold improvements	**19,511**	11,824
	974,899	877,723
Less accumulated depreciation and amortization	**(498,938)**	(314,030)
Property and equipment, net	**$ 475,961**	$ 563,693

6. Temporarily restricted net assets

Temporarily restricted net assets were available for the following purpose or time restrictions:

June 30,	2014	2013
Purpose restrictions:		
Chicago Public Schools - fiscal year 2014 Expansion grant		$ 25,345
Scholarships	**$ 2,500**	6,000
Time restrictions:		
Contributions receivable	**29,000**	15,000
Total temporarily restricted net assets	**$ 31,500**	$ 46,345

Net assets were released from donor restrictions by incurring expenses satisfying the following purpose restrictions specified by donors and by expiration of time restrictions:

Years ended June 30,	2014	2013
Purpose restrictions:		
Chicago Public Schools - fiscal year 2014 Expansion grant	**$ 25,345**	
Chicago Public Schools - fiscal year 2013 Expansion grant		$ 61,335
Scholarships	**3,500**	
Time restrictions:		
Contributions receivable	**25,000**	20,000
Total net assets released from restrictions	**$ 53,845**	$ 81,335

7. Facility

In accordance with the Organization’s Comprehensive Educational Services and Performance Agreement (Note 1), the Organization operates the school in a facility owned by Chicago Public Schools. Rent is not charged to the Organization by Chicago Public Schools. The Organization recognized contributed goods and services revenue and corresponding rent expense of $359,434 for each of the years ended June 30, 2014 and 2013. In addition, the Organization pays Chicago Public Schools a facility fee to cover utilities, repairs and maintenance charges. Facility fee expense was $129,299 and $213,888 for the years ended June 30, 2014 and 2013, respectively.

8. Capital leases

The Organization leases computers and computer equipment under capital leases. The following is an analysis of the leased assets included in property and equipment:

June 30,	**2014**	2013
Computers and equipment	**$ 255,685**	$ 316,617
Less accumulated amortization	**(154,479)**	(120,717)
Total	**$ 101,206**	$ 195,900

Future minimum lease payments are as follows:

Year ending June 30:	Amount
2015	$ 85,974
2016	19,595
2017	1,014
	106,583
Imputed interest	(1,442)
Total	$ 105,141

Amortization expense was $110,991 and $95,341 for the years ended June 30, 2014 and 2013, respectively and is included in depreciation and amortization expense.

9. Retirement plan

The Organization has a defined-contribution plan qualified under Section 401(k) of the Code covering all eligible employees. The plan allows for discretionary matching contributions and a discretionary profit-sharing contribution. During the years ended June 30, 2014 and 2013, the Organization authorized discretionary matching contributions equal to 50% of employee deferrals up to 2% of employee compensation. For the years ended June 30, 2014 and 2013, the Organization authorized discretionary profit-sharing contributions equal to 2% of employee compensation. Contributions to the plan totaled $42,939 and $11,905 for the years ended June 30, 2014 and 2013, respectively.

10. Commitments and contingencies

The Organization has received funds from state and federal grants in the current year which are subject to audits by granting agencies. Management believes that any adjustments that might arise from these audits would be insignificant to Organization operations.

The Organization has entered into an educational program and staff development services agreement for the 2014/2015 school year with High Tech High, a California non-profit organization operating several charter schools in San Diego, California. The Organization's commitment under this agreement totals $450,910, payable in five equal installments during the year ended June 30, 2015. Either party may terminate the agreement for cause in the event of a material breach by the other party, subject to sixty days prior written notice to the other party, a cure notice and the right to cure the material breach. The party receiving the cure notice shall have sixty days to take reasonable steps to cure the alleged breach.

11. Subsequent events

As stated in Note 1, the Organization entered into a Comprehensive Educational Services and Performance Agreement to operate a contract school for a one-year term ending on June 30, 2015. Subsequent to June 30, 2014, the Organization submitted a formal application to Chicago Public Schools to renew and extend the agreement beyond the year ending June 30, 2015.

Management of the Organization has reviewed and evaluated subsequent events from June 30, 2014, the financial statement date, through October 30, 2014, the date the financial statements were available to be issued. Other than information disclosed above, no events have occurred in this period that would be required to be recognized and/or disclosed in these financial statements as required by generally accepted accounting principles.

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*

Board of Directors
Chicago Tech Academy
Chicago, Illinois

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 Chicago Tech Academy (the Organization), which comprise the statement of financial position as of June 30, 2014 and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements and have issued our report thereon dated October 30, 2014.

Internal Control Over Financial Reporting

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

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

We noted certain other matters that we reported to management of the Organization in a separate letter dated October 30, 2014.

Purpose of this Report

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

Ostrow Reisin Berk & Abrams, Ltd.

October 30, 2014

Independent Auditor's Report on Compliance with Requirements of Applicable Laws and Regulations Prescribed by Administering Agency

Board of Directors
Chicago Tech Academy
Chicago, Illinois

We have audited the compliance of Chicago Tech Academy (the Organization) with the types of compliance requirements provided by its administering agency, the Chicago Public Schools, that are applicable to the Organization for the year ended June 30, 2014. The Chicago Public Schools provided the compliance requirements subject to audit to the Organization in a memorandum dated July 9, 2014 and a Comprehensive Educational Services and Performance Agreement dated July 1, 2009.

Management's Responsibility

Compliance with the requirements of laws, regulations, contracts and applicable grants is the responsibility of management.

Auditor's Responsibility

Our responsibility is to express an opinion on the Organization's compliance based on our audit. The applicable laws and regulations that were tested included the following:

- Open Meetings Act (5 ILCS 120/1.01 *et seq.*)
- Fingerprint-based Criminal Background Investigations and Checks of the Statewide Sex Offender Database and Statewide Child Murderer and Violent Offender Against Youth Database (105 ILCS 5/10-21.9 and 105 ILCS 5/34-18.5)
- Illinois School Student Records Act (105 ILCS 10/1 *et seq.*)
- Administering Medication (105 ILCS 5/10-22.21b)
- Hazardous Materials Training (105 ILCS 5/10-20.17a)
- School Safety Drill Act (105 ILCS 128/1 *et seq.*)
- Abused and Neglected Child Reporting Act (325 ILCS 5/1 *et seq.*)
- Eye Protection in School Act (105 ILCS 115/0.01 *et seq.*)
- Toxic Art Supplies in Schools Act (105 ILCS 135/1 *et seq.*)
- Infectious Disease Policies and Rules (105 ILCS 5/10-21.11)
- Physical Fitness Facility Medical Emergency Preparedness Act (210 ILCS 74/1 *et seq.*)

- Conformance with the following sections of the Comprehensive Educational Services and Performance Agreement:
  - Section 4: Enrollment
  - Section 4: Governance and Operation
  - Section 5: Maintenance of Corporate Status and Good Standing
  - Section 5: Facility
  - Section 6: Management and Financial Controls
  - Exhibit B: Insurance Requirements

We conducted our audit of compliance 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 an 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 occurred. An audit includes examining, on a test basis, evidence about the Organization'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. Our audit does not provide a legal determination of the Organization's compliance with those requirements.

Opinion

In our opinion, the Organization complied, in all material respects, with the Chicago Public Schools' requirements referred to above for the year ended June 30, 2014.

This report is intended for the information and use of the Board of Directors and management of Chicago Tech Academy and the Chicago Public Schools and is not intended to be and should not be used by anyone other than these specified parties.

Ostrow Reisin Berk & Abrams, Ltd.

October 30, 2014

CHICAGO TECH ACADEMY

SCHEDULE OF FINDINGS AND PRIOR YEAR FINDINGS

YEAR ENDED JUNE 30, 2014

There were no findings for the years ended June 30, 2014 and 2013.