

CHICAGO TECH ACADEMY

YEARS ENDED JUNE 30, 2015 AND 2014

CHICAGO TECH ACADEMY

YEARS ENDED JUNE 30, 2015 AND 2014

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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, 2015 and 2014 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.

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, 2015 and 2014 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 29, 2015, 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 29, 2015

CHICAGO TECH ACADEMY

STATEMENT OF FINANCIAL POSITION

June 30,	2015	2014
ASSETS		
Current assets:		
Cash	\$ 1,522,999	\$ 1,113,639
Receivables:		
Chicago Public Schools	173,365	311,852
Contributions	10,000	29,721
Prepaid expenses	48,795	30,910
Total current assets	1,755,159	1,486,122
Property and equipment, net	321,564	475,961
Total assets	\$ 2,076,723	\$ 1,962,083
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 46,120	\$ 91,695
Accrued salaries	226,240	230,552
Capital leases, current portion	44,522	84,626
Total current liabilities	316,882	406,873
Long-term liability:		
Capital leases, net of current portion	38,459	20,515
Total liabilities	355,341	427,388
Net assets:		
Unrestricted	1,708,882	1,503,195
Temporarily restricted	12,500	31,500
Total net assets	1,721,382	1,534,695
Total liabilities and net assets	\$ 2,076,723	\$ 1,962,083

See notes to financial statements.

CHICAGO TECH ACADEMY

STATEMENT OF ACTIVITIES

Years ended June 30,	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue:						
Chicago Public Schools:						
Per-capita tuition	\$ 3,244,260		\$ 3,244,260	\$ 3,038,365		\$ 3,038,365
Special Education	643,344		643,344	517,278		517,278
Chapter I	279,191		279,191	279,849		279,849
Title I	212,776		212,776	215,237		215,237
Title II	24,959		24,959	31,598		31,598
Facility subsidy	106,930		106,930			
Other	11,449		11,449	750		750
Contributed goods and services	635,208		635,208	645,535		645,535
Contributions and grants	338,821		338,821	296,470	\$ 39,000	335,470
Contributed goods and services				34,400		34,400
Student fees	61,695		61,695	55,319		55,319
Miscellaneous	10,114		10,114	6,475		6,475
Net assets released from restrictions:						
Satisfaction of purpose or time restrictions	19,000	\$ (19,000)		53,845	(53,845)	
Total revenue	5,587,747	(19,000)	5,568,747	5,175,121	(14,845)	5,160,276
Expenses:						
Program services	4,889,692		4,889,692	4,034,772		4,034,772
Supporting services:						
Management and general	241,632		241,632	428,750		428,750
Fundraising	250,736		250,736	207,277		207,277
Total expenses	5,382,060		5,382,060	4,670,799		4,670,799
Change in net assets	205,687	(19,000)	186,687	504,322	(14,845)	489,477
Net assets:						
Beginning of year	1,503,195	31,500	1,534,695	998,873	46,345	1,045,218
End of year	\$ 1,708,882	\$ 12,500	\$ 1,721,382	\$ 1,503,195	\$ 31,500	\$ 1,534,695

See notes to financial statements.

CHICAGO TECH ACADEMY

STATEMENT OF FUNCTIONAL EXPENSES

Years ended June 30,	2015				2014			
	Supporting Services				Supporting Services			
	Program services	Management and general	Fundraising	Total	Program services	Management and general	Fundraising	Total
Salaries	\$ 2,262,285	\$ 119,062	\$ 124,377	\$ 2,505,724	\$ 2,218,840	\$ 201,714	\$ 100,856	\$ 2,521,410
Payroll taxes and benefits	411,590	21,793	22,754	456,137	462,909	42,083	21,041	526,033
	2,673,875	140,855	147,131	2,961,861	2,681,749	243,797	121,897	3,047,443
Chicago Public Schools - administrative fee	119,429			119,429				
Classroom supplies	238,342			238,342	174,374			174,374
Conference and meetings	50,841	537	537	51,915	29,667			29,667
Consulting fees	490,430	291	292	491,013	42,000	75,687		117,687
Contributed goods and services:								
Food service	165,960			165,960	189,801			189,801
Rent	318,413	25,918	25,917	370,248	309,113	25,161	25,160	359,434
Specialized services	99,000			99,000	96,300			96,300
Equipment rental and maintenance	6,996	1,139		8,135	1,182	96	96	1,374
Facility fee	274,607	22,352	22,352	319,311	111,197	9,051	9,051	129,299
Insurance	49,378	2,666	2,728	54,772	34,904	3,009	2,207	40,120
Interest expense	4,209			4,209	4,470			4,470
Miscellaneous	1,427	789	355	2,571	3,500	5,394	2,811	11,705
Other personnel costs	25,486			25,486	19,080			19,080
Outside services	38,830	2,093	29,708	70,631	16,311	17,595	25,056	58,962
Postage	1,373	111	112	1,596	3,091		162	3,253
Printing and copying	25,635	1,424	1,633	28,692	28,400	1,577	1,578	31,555
Professional development	7,932			7,932	11,600			11,600
Professional fees		21,897		21,897		24,129		24,129
Student uniforms	19,139			19,139	2,666			2,666
Substitute teachers	47,651			47,651	36,555			36,555
Supplies	15,883	4,029	2,510	22,422	11,811	4,776	782	17,369
Telephone	1,224	144	72	1,440	1,564	128	127	1,819
	4,676,060	224,245	233,347	5,133,652	3,809,335	410,400	188,927	4,408,662
Total expenses before depreciation and amortization								
Depreciation and amortization	213,632	17,387	17,389	248,408	225,437	18,350	18,350	262,137
Total expenses	\$ 4,889,692	\$ 241,632	\$ 250,736	\$ 5,382,060	\$ 4,034,772	\$ 428,750	\$ 207,277	\$ 4,670,799

See notes to financial statements.

CHICAGO TECH ACADEMY

STATEMENT OF CASH FLOWS

Years ended June 30,	2015	2014
Cash flows from operating activities:		
Change in net assets	\$ 186,687	\$ 489,477
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation and amortization	248,408	262,137
Donated property and equipment		(34,400)
(Increase) decrease in operating assets:		
Receivables	158,208	(208,580)
Prepaid expenses	(17,885)	(28,605)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(45,575)	15,322
Accrued salaries	(4,312)	(26,920)
Cash provided by operating activities	525,531	468,431
Cash flows from investing activity:		
Purchases of property and equipment	(11,000)	(122,164)
Cash used in investing activity	(11,000)	(122,164)
Cash flows from financing activity:		
Payments on capital leases	(105,171)	(108,820)
Cash used in financing activity	(105,171)	(108,820)
Increase in cash	409,360	237,447
Cash:		
Beginning of year	1,113,639	876,192
End of year	\$ 1,522,999	\$ 1,113,639
Supplemental disclosure of non-cash investing and financing activity:		
Property and equipment financed with capital leases	\$ 83,011	\$ 17,841
Supplemental disclosure of cash flow information:		
Interest paid	\$ 4,209	\$ 4,470

See notes to financial statements.

CHICAGO TECH ACADEMY

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 year ended June 30, 2015, the agreement was extended for a three-year term ending on June 30, 2018. During the years ended June 30, 2015 and 2014, the Organization served approximately 350 and 375 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 58% and 59% of its support from per-capita payments from Chicago Public Schools for the years ended June 30, 2015 and 2014, 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.

CHICAGO TECH ACADEMY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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, 2015 and 2014.

CHICAGO TECH ACADEMY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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

CHICAGO TECH ACADEMY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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,	2015	2014
Food service	\$ 165,960	\$ 189,801
Rent - facility	370,248	359,434
Specialized services	99,000	96,300
Total	\$ 635,208	\$ 645,535

The Organization was the recipient of contributed computer software from other donors in the amount of \$34,400 for the year ended June 30, 2014.

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.

CHICAGO TECH ACADEMY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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 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, 2015 and 2014.

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 \$1,216,000 and \$654,000 as of June 30, 2015 and 2014, 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,	2015	2014
Computers and computer equipment	\$ 503,384	\$ 448,399
Computer software	307,034	307,034
Furniture and equipment	210,955	199,955
Leasehold improvements	19,511	19,511
	1,040,884	974,899
Less accumulated depreciation and amortization	(719,320)	(498,938)
Property and equipment, net	\$ 321,564	\$ 475,961

CHICAGO TECH ACADEMY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

6. Temporarily restricted net assets

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

June 30,	2015	2014
Purpose restrictions:		
Scholarships	\$ 2,500	\$ 2,500
Time restrictions:		
Contributions receivable	10,000	29,000
Total temporarily restricted net assets	\$ 12,500	\$ 31,500

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,	2015	2014
Purpose restrictions:		
Chicago Public Schools - fiscal year 2014 Expansion grant		\$ 25,345
Scholarships		3,500
Time restrictions:		
Contributions receivable	\$ 19,000	25,000
Total net assets released from restrictions	\$ 19,000	\$ 53,845

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 \$370,248 and \$359,434 for the years ended June 30, 2015 and 2014, respectively. In addition, the Organization pays Chicago Public Schools a facility fee to cover utilities, repairs and maintenance charges. Facility fee expense was \$319,311 and \$129,299 for the years ended June 30, 2015 and 2014, respectively.

CHICAGO TECH ACADEMY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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,	2015	2014
Computers and equipment	\$ 310,641	\$ 255,685
Less accumulated amortization	(224,396)	(154,479)
Total	\$ 86,245	\$ 101,206

Future minimum lease payments are as follows:

Year ending June 30:	Amount
2017	\$ 48,268
2018	31,122
2019	7,527
	86,917
Imputed interest	(3,936)
Total	\$ 82,981

Amortization expense was \$98,138 and \$110,991 for the years ended June 30, 2015 and 2014, 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, 2015 and 2014, the Organization authorized discretionary matching contributions equal to 50% of employee deferrals up to 2% of employee compensation. For the years ended June 30, 2015 and 2014, the Organization authorized discretionary profit-sharing contributions equal to 2% of employee compensation. Contributions to the plan totaled \$35,307 and \$42,939 for the years ended June 30, 2015 and 2014, respectively.

CHICAGO TECH ACADEMY

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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 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 for a fee of approximately \$450,000. The Organization has renewed the agreement for the 2015/2016 school year. The Organization's commitment under this agreement total approximately \$305,000, which is payable in five equal installments during the year ending June 30, 2016. 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

Management of the Organization has reviewed and evaluated subsequent events from June 30, 2015, the financial statement date, through October 29, 2015, the date the financial statements were available to be issued. 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, 2015 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 29, 2015.

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.

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*.

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 29, 2015

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, 2015. The Chicago Public Schools provided the compliance requirements subject to audit to the Organization in a memorandum dated September 18, 2015 and a Comprehensive Educational Services and Performance Agreement effective July 1, 2014 (which has been subsequently renewed effective July 1, 2015).

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, 2015.

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 29, 2015

CHICAGO TECH ACADEMY

SCHEDULE OF CURRENT YEAR FINDINGS AND PRIOR YEAR FINDINGS

YEAR ENDED JUNE 30, 2015

There were no findings for the years ended June 30, 2015 and 2014.