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January 6, 2015

Charter School Board  
Damar Charter School, Inc.  
d/b/a Damar Charter Academy  
5125 Decatur Blvd., Suite D  
Indianapolis, IN 46241

We have reviewed the Financial Statements and Independent Auditors' Report prepared by BKD, LLP, Independent Public Accountants, for the period July 1, 2013 to June 30, 2014. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Damar Charter School, Inc. d/b/a Damar Charter School Academy, as of June 30, 2014, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Financial Statements and Independent Auditors' Report are filed in our office as a matter of public record.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

**Damar Charter School, Inc.**  
**d/b/a Damar Charter Academy**  
Auditor's Report and Financial Statements  
June 30, 2014 and 2013

**Damar Charter School, Inc.**  
**d/b/a Damar Charter Academy**  
June 30, 2014 and 2013

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## Independent Auditor's Report on Financial Statements and Supplementary Information

Board of Directors  
Damar Charter School, Inc.  
d/b/a Damar Charter Academy  
Indianapolis, Indiana

We have audited the accompanying financial statements of Damar Charter School, Inc. d/b/a Damar Charter Academy, which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities 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. 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 Damar Charter School, Inc. d/b/a Damar Charter 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.

*Supplementary Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The statements of activities by fund listed in the table of contents are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the 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. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*BKD, LLP*

Indianapolis, Indiana  
December 11, 2014

**Damar Charter School, Inc.**  
**d/b/a Damar Charter Academy**  
**Statements of Financial Position**  
**June 30, 2014 and 2013**

**Assets**

	<b>2014</b>	<b>2013</b>
Cash	\$ 417,214	\$ 307,811
Tuition and other receivables, net of allowance - 2014 and 2013: \$583,128 and \$1,119,312, respectively	2,433	1,966
Grants receivable	31,413	95,139
Property and equipment, net	430,481	481,929
Total assets	\$ 881,541	\$ 886,845

**Liabilities and Net Assets**

**Liabilities**

Accounts payable - Damar Services, Inc.	\$ 305,529	\$ 317,285
Accrued expenses	2,736	-
Deferred rent expense	12,990	-
Note payable - Damar Services, Inc.	148,786	148,786
Total liabilities	470,041	466,071

**Net Assets**

Unrestricted	411,500	382,757
Temporarily restricted	-	38,017
Total net assets	411,500	420,774
Total liabilities and net assets	\$ 881,541	\$ 886,845

2013

Unrestricted	Temporarily Restricted	Total
\$ 10,500	\$ -	\$ 10,500
476,804	-	476,804
2,247,981	-	2,247,981
77,870	-	77,870
3,261	(3,261)	-
<u>2,816,416</u>	<u>(3,261)</u>	<u>2,813,155</u>
1,114,976	-	1,114,976
209,769	-	209,769
81,035	-	81,035
247,200	-	247,200
3,704	-	3,704
414,149	-	414,149
55,658	-	55,658
86,385	-	86,385
12,188	-	12,188
51,719	-	51,719
40,000	-	40,000
93,367	-	93,367
<u>2,410,150</u>	<u>-</u>	<u>2,410,150</u>
406,266	(3,261)	403,005
-	-	-
<u>(593,535)</u>	<u>-</u>	<u>(593,535)</u>
(187,269)	(3,261)	(190,530)
<u>570,026</u>	<u>41,278</u>	<u>611,304</u>
<u>\$ 382,757</u>	<u>\$ 38,017</u>	<u>\$ 420,774</u>

**Damar Charter School, Inc.  
d/b/a Damar Charter Academy**

**Statements of Cash Flows  
Years Ended June 30, 2014 and 2013**

	<b>2014</b>	<b>2013</b>
<b>Operating Activities</b>		
Change in net assets	\$ (9,274)	\$ (190,530)
Items not requiring (providing) cash		
Depreciation	127,552	86,385
Forgiveness of common school loan	-	(494,865)
Provision for bad debts	-	1,119,312
Changes in		
Accounts receivable	(467)	(179,653)
Grants receivable	63,726	39,819
Accounts payable	(11,756)	83,409
Accrued expenses	2,736	(10,916)
Deferred rent expense	12,990	-
Net cash provided by operating activities	185,507	452,961
<b>Investing Activity - purchase of property and equipment</b>	(76,104)	(369,655)
<b>Financing Activity - proceeds from note payable</b>	-	148,786
<b>Increase in Cash</b>	109,403	232,092
<b>Cash, Beginning of Year</b>	307,811	75,719
<b>Cash, End of Year</b>	\$ 417,214	\$ 307,811

# **Damar Charter School, Inc. d/b/a Damar Charter Academy**

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

### **Note 1: Nature of Operations and Summary of Significant Accounting Policies**

#### ***Nature of Operations***

On August 16, 2011, the Damar Charter School, Inc. d/b/a Damar Charter Academy (Academy) signed an agreement with The Mayor of Indianapolis to begin operations as a public charter school. The first day of school was August 17, 2011. The mission of the Academy is to provide students with autism and other developmental and intellectual challenges the opportunity to achieve to their highest academic potential while developing practical behavioral, communication and daily living skills toward improved community integration and success. The Academy utilizes best practice and research informed teaching and support strategies tailored specifically to each student as developed and reflected in an individual education plan.

Although open to all Indiana students, this Kindergarten through 12<sup>th</sup> grade public school predominantly has children with developmental disabilities or learning disabilities enrolled as students. The student population is a mix of Damar Service's residential clients and non-resident students. The Academy was formed as a 501(c)(3) under the Internal Revenue Service code.

Damar Services, Inc. (Damar Services) functions as the Academy's education management organization (EMO) under a management services agreement dated August 16, 2011 and which is coterminous with the Academy's charter. In addition to the contractual services provided under the EMO agreement, Damar Services voluntarily provides up to 20 additional staff every school day which facilitates additional support in the Academy's classrooms and increases the staff to student ratios. The additional staff provided by Damar Services is critical to the success of the Academy.

The Academy is governed by an independent board of directors whose members include five elected directors, two Damar Services board of directors and two Damar Services staff directors.

The Academy's revenues and other support are derived principally from tuition support from the State of Indiana. This revenue is based upon a formula from the Department of Education for the number of students enrolled in the Academy. Additionally, the Academy receives grants and contributions from donors for the support of its activities.

#### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

**Damar Charter School, Inc.**  
**d/b/a Damar Charter Academy**  
**Notes to Financial Statements**  
**June 30, 2014 and 2013**

**Cash**

At June 30, 2014, the Academy's cash accounts exceed federally insured limits by approximately \$157,000.

**Tuition Receivable**

The tuition receivable balance primarily represents the unpaid amounts due from the State of Indiana for tuition support. At June 30, 2013, the State of Indiana forgave the Common School Loan and accordingly, the Academy reduced the corresponding basic tuition grant receivable. However, the State of Indiana made no provision to reimburse for the special education portion of the receivable. The State has acknowledged that the special education receivable is owed, but does not have a funding solution outside of an Indiana General Assembly approval. As a result, the Academy reduced the remaining tuition grant receivable to zero.

The allowance for doubtful accounts is determined by management based on the Academy's historical losses, specific customer circumstances and general economic conditions. Periodically, management reviews accounts receivable and adjusts the allowance based on current circumstances and charges off uncollectible receivables when all attempts to collect have failed.

The allowance for doubtful accounts was \$583,128 and \$1,119,312 at June 30, 2014 and 2013, respectively, to recognize the State of Indiana may not pay the portion of 2013 tuition support that is due to the Academy.

**Property and Equipment**

Property and equipment are depreciated on a straight-line basis over the estimated useful life of each asset. The Academy provides for depreciation on the straight-line method at rates designed to depreciate the costs of assets over estimated useful lives as follows:

	<u>Years</u>
Equipment	3 - 5
Computers	3 - 5
Software	3 - 5

**Damar Charter School, Inc.**  
**d/b/a Damar Charter Academy**

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

***Long-Lived Asset Impairment***

The Academy evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended June 30, 2014 and 2013.

***Temporarily Restricted Net Assets***

Temporarily restricted net assets are those whose use by the Academy has been limited by donors to a specific time period or purpose.

***Contributions***

Gifts of cash and other assets received without donor stipulations are reported as unrestricted revenue and net assets. Gifts received with a donor stipulation that limits their use are reported as temporarily or permanently restricted revenue and net assets. When a donor stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Gifts that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as temporarily restricted and then released from restriction.

***Government Grants***

Support funded by grants is recognized as the Academy performs the contracted services or incurs outlays eligible for reimbursement under the grant agreements. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

***Income Taxes***

The Academy is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. However, the Academy is subject to federal income tax on any unrelated business taxable income. As the Academy was incorporated July 2010, all of its tax returns are subject to U.S. federal, state, and local or non-U.S. income tax examinations by tax authorities.

**Damar Charter School, Inc.  
d/b/a Damar Charter Academy**

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

***Functional Allocation of Expenses***

Certain costs have been allocated among the program and management and general categories based on the actual expenditures and cost allocations estimated by the Academy's personnel.

***Subsequent Events***

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

**Note 2: Property and Equipment**

Property and equipment at June 30 consists of:

	<b>2014</b>	<b>2013</b>
Equipment	\$ 514,820	\$ 439,590
Computers	123,629	122,754
Software	38,619	38,619
	677,068	600,963
Less accumulated depreciation and amortization	(246,587)	(119,034)
	\$ 430,481	\$ 481,929

**Note 3: Note Payable**

The Academy has a note payable to Damar Services that was issued in 2013 to cover costs of relocating to a new facility. At June 30, 2014 and 2013, the balance of the note was \$148,786. The note bears interest of 2%. The note is due and payable on the earlier of June 30, 2018 or on demand, which may be made by Damar Services at any time. Payments on the note are due annually at June 30 in the amount of \$25,000 beginning on June 30, 2014 and continuing on each successive June 30 thereafter until the maturity date of which the remaining unpaid principal and accrued interest are due. The note is secured by substantially all assets of the Academy. Subsequent to year end, the Academy made the annual principal and interest payment to Damar Services.

**Damar Charter School, Inc.  
d/b/a Damar Charter Academy**

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

**Note 4: Net Assets**

***Temporarily Restricted Net Assets***

Temporarily restricted net assets, which are attributable to the Walton Family Foundation Grant, at June 30 are available for the following purposes:

	<u>2014</u>	<u>2013</u>
Assistive classroom technologies	\$ -	\$ 26,000
Computer and related equipment	-	4,936
Classroom furniture	-	5,000
Assessments	-	1,021
Curriculum	-	1,060
	<u>\$ -</u>	<u>\$ 38,017</u>

***Net Assets Released From Restrictions***

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. These releases are attributable to expenses incurred for the Walton Family Foundation Grant.

	<u>2014</u>	<u>2013</u>
Assistive classroom technologies	\$ 26,000	\$ -
Computer and related equipment	4,936	-
Classroom furniture	5,000	-
Assessments	1,021	3,261
Curriculum	1,060	-
	<u>\$ 38,017</u>	<u>\$ 3,261</u>

**Note 5: Operating Leases**

***Rent and Lease Expense***

In November 2012, the Academy leased approximately 20,000 square feet of new space from Damar Services to replace the previous 16,000 square feet. The initial term of this lease is set to expire on June 30, 2018 and the rent calculates to an effective lease per square foot of approximately \$9.76. Actual cash paid for the building rent was \$172,225 and \$40,422 for 2014 and 2013, respectively. The first five months of the rent payments totaling \$67,371 were paid by Damar Services. An additional \$12,990 of rent was recorded to adhere to the straight-line method in 2014.

**Damar Charter School, Inc.**  
**d/b/a Damar Charter Academy**

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

Additionally, the Academy utilizes vehicles, which are leased or owned by Damar Services. Under this arrangement, Damar Services charges the Academy a predetermined amount each year. The amount charged to the Academy for 2014 and 2013 was \$77,020 and \$40,000, respectively. The Academy also rents certain equipment from Damar Services which totaled \$15,000 for 2014 and 2013.

The office equipment and vehicle leases are annual leases. Rental expense included in the statements of activities was \$201,732 and \$209,628 for 2014 and 2013, respectively.

Future minimum lease payments for the office space at June 30, 2014 is:

2015		\$ 177,469
2016		189,970
2017		205,340
2018		70,154
		\$ 642,933

**Note 6: Management Services Agreement**

On August 16, 2011, the Academy and Damar Services signed a Charter School Service Contract. In effect, this contract authorizes Damar Services to provide all educational services to the Academy to include curriculum, instruction, employees, physical facilities, financial and all other facets required to run a public school. Damar Services assumes responsibility for the administration, operation and performance of the Academy, including all administrative services reasonably necessary for the operation of a charter school, as set forth in the Charter School Service Contract. Termination clauses for both the Academy and Damar Services are included in the contract.

The Academy and Damar Services have a management services agreement under which Damar Services provides management services for the Academy. In 2014 and 2013, the Academy paid \$111,000 and \$100,000, respectively, to Damar Services under this agreement. This amount paid under the agreement increases by \$11,000 each year to \$133,000 in 2016 and remains at that level for the remainder of the service agreement period. The agreement continues through the termination or expiration of the Academy, unless otherwise cancelled under the contract terms.

**Damar Charter School, Inc.  
d/b/a Damar Charter Academy**

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

**Contracted Services Detail**

As part of the management services agreement, Damar Services provides a number of contractual services and facilities to the Academy, which are noted below:

	<u>2014</u>	<u>2013</u>
Building rent	\$ -	\$ 150,000
Vehicle lease	77,020	40,000
Cleaning services	6,000	39,000
Management agreement	111,000	100,000
Utilities	-	16,235
Other equipment leases	15,000	15,000
Ground maintenance	-	1,836
Security	2,448	2,448
Trash removal	-	1,836
	<u>\$ 211,468</u>	<u>\$ 366,355</u>

Additionally, the Academy reimburses Damar Services for a variety of expenses which include but are not limited to all employee costs, insurance, supplies, transportation, professional services and other miscellaneous items. The school Superintendent is the only Academy employee and is uncompensated.

Total charges from Damar Services for contracted services and other operating expenses for the fiscal years ended June 30, 2014 and 2013 was \$2,445,027 and \$2,300,848, respectively.

At June 30, 2014 and 2013, the Academy had accounts payable totaling \$305,529 and \$317,285, respectively, and a note payable of \$148,786 at June 30, 2014 and 2013, owed to Damar Services.

**Note 7: Functional Expenses**

Expenses by functional classifications are as follows:

	<u>2014</u>	<u>2012</u>
Program services	\$ 2,281,645	\$ 2,205,224
Management and general	220,851	204,926
	<u>\$ 2,502,496</u>	<u>\$ 2,410,150</u>

**Damar Charter School, Inc.  
d/b/a Damar Charter Academy**

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

**Note 8: Significant Estimates and Concentrations**

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

***Revenue, Grants and Other Support***

Approximately 85% and 80% of revenue was received in 2014 and 2013, respectively, from the State of Indiana under the State Basic Grant for tuition support. Additionally, 90% of the total contribution revenue for the year ended June 30, 2014 came from one donor.

***Current Economic Conditions***

In addition to serving as the Academy's EMO, Damar Services provides a significant number of students and staff to the school. Any reduction to the census at Damar Services may ultimately have an adverse effect on the Academy's enrollment and classroom staffing.

## **Supplementary Information**

**Damar Charter School, Inc.**  
**d/b/a Damar Charter Academy**  
**Statement of Activities by Fund**  
**Year Ended June 30, 2014**

	General Fund	Lunch Fund	Textbook Fund	Walton Foundation Grant	School Administration Fund	E-Rate	Title I Fund	Title II Fund	Federal Special Ed Fund	Facilities Grant Fund	Total
<b>Revenues, Gains and Other Support</b>											
Contributions	\$ 11,052	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,052
Grants	-	-	-	-	22,514	15,541	54,521	17,586	104,144	67,312	281,618
State basic grant	2,130,765	-	-	-	-	-	-	-	-	-	2,130,765
Other revenue	1,334	59,367	11,822	-	-	-	-	-	-	-	72,523
Transfers to (from) other funds	(95,606)	-	-	-	24,032	4,857	33,429	6,653	43,783	(17,128)	-
Total revenues, gains and other support	2,047,545	59,367	11,822	-	46,546	20,398	87,950	24,219	147,927	50,184	2,495,958
<b>Expenses</b>											
Salaries and wages	1,016,369	-	-	-	-	-	47,104	15,586	75,330	-	1,154,389
Employee benefits	272,906	-	-	-	-	-	-	-	3,000	-	275,906
Payroll taxes	80,918	-	-	-	-	-	-	-	-	-	80,918
Professional services	232,911	-	-	-	-	-	-	-	34,080	-	266,991
Office supplies	7,248	-	-	-	-	-	-	-	-	-	7,248
Occupancy	339,494	-	-	-	-	11,899	-	-	-	38,109	389,502
Conference and meetings	13,458	-	-	-	-	-	3,175	2,000	200	723	19,556
Depreciation	127,552	-	-	-	-	-	-	-	-	-	127,552
Insurance	31,336	-	-	-	-	-	-	-	-	-	31,336
Educational supplies	-	-	-	2,100	-	-	4,051	-	-	4,363	10,514
Student transportation	75,002	-	-	-	-	-	-	-	-	-	75,002
Miscellaneous and other	2,742	60,840	-	-	-	-	-	-	-	-	63,582
Total expenses	2,199,936	60,840	-	2,100	-	11,899	54,330	17,586	112,610	43,195	2,502,496
<b>Change in Net Assets Before Other Changes</b>	(152,391)	(1,473)	11,822	(2,100)	46,546	8,499	33,620	6,633	35,317	6,989	(6,538)
<b>Other Changes</b>											
Interest expense	(2,736)	-	-	-	-	-	-	-	-	-	(2,736)
<b>Change in Net Assets</b>	(155,127)	(1,473)	11,822	(2,100)	46,546	8,499	33,620	6,633	35,317	6,989	(9,274)
<b>Net Assets, Beginning of Year</b>	238,982	(3,156)	11,196	(33,090)	10,000	-	47,583	-	2,500	146,759	420,774
<b>Net Assets, End of Year</b>	\$ 83,855	\$ (4,629)	\$ 23,018	\$ (35,190)	\$ 56,546	\$ 8,499	\$ 81,203	\$ 6,633	\$ 37,817	\$ 153,748	\$ 411,500

**Damar Charter School, Inc.**  
**d/b/a Damar Charter Academy**  
**Statement of Activities by Fund**  
**Year Ended June 30, 2013**

	General Fund	Lunch Fund	Textbook Fund	Walton Foundation Grant	School Administration Fund	Title I Fund	Federal Special Ed Fund	Facilities Grant Fund	Total
<b>Revenues, Gains and Other Support</b>									
Contributions	\$ 500	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,500
Grants	-	-	-	-	-	69,901	149,840	257,063	476,804
State basic grant	2,247,981	-	-	-	-	-	-	-	2,247,981
Other revenue	1,766	64,908	11,196	-	-	-	-	-	77,870
Transfers to (from) other funds	35,837	-	-	(29,829)	-	44,083	(49,677)	(414)	-
Total revenues, gains and other support	2,286,084	64,908	11,196	(29,829)	10,000	113,984	100,163	256,649	2,813,155
<b>Expenses</b>									
Salaries and wages	996,450	-	-	-	-	53,526	65,000	-	1,114,976
Employee benefits	209,769	-	-	-	-	-	-	-	209,769
Payroll taxes	77,860	-	-	-	-	3,175	-	-	81,035
Professional services	214,537	-	-	-	-	-	32,663	2,690	249,890
Office supplies	3,704	-	-	-	-	-	-	-	3,704
Occupancy	359,774	-	-	-	-	-	54,375	-	414,149
Conference and meetings	37,272	-	-	-	-	9,700	-	5,996	52,968
Depreciation	86,385	-	-	-	-	-	-	-	86,385
Insurance	12,188	-	-	-	-	-	-	-	12,188
Educational supplies	1,629	-	-	3,261	-	-	-	-	51,719
Student transportation	40,000	-	-	-	-	-	-	46,829	40,000
Miscellaneous and other	24,623	68,744	-	-	-	-	-	-	93,367
Total expenses	2,064,191	68,744	-	3,261	-	66,401	97,663	109,890	2,410,150
<b>Change in Net Assets Before Other Changes</b>	221,893	(3,836)	11,196	(33,090)	10,000	47,583	2,500	146,759	403,005
<b>Other Changes</b>									
Debt forgiveness and bad debt write-off	(593,535)	-	-	-	-	-	-	-	(593,535)
<b>Change in Net Assets</b>	(371,642)	(3,836)	11,196	(33,090)	10,000	47,583	2,500	146,759	(190,330)
<b>Net Assets, Beginning of Year</b>	610,624	680	-	-	-	-	-	-	611,304
<b>Net Assets, End of Year</b>	\$ 238,982	\$ (3,156)	\$ 11,196	\$ (33,090)	\$ 10,000	\$ 47,583	\$ 2,500	\$ 146,759	\$ 420,774