



Audited Financial Statements and  
A-133 Audit Reports

June 30, 2015

# THE RENAISSANCE CHARTER SCHOOL

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees of  
The Renaissance Charter School

### **Report on the Financial Statements**

We have audited the accompanying financial statements of The Renaissance Charter School (the "School"), 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.

### **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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion 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 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 auditors' 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 organization'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 organization'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.

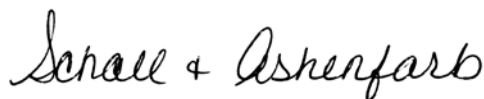
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Renaissance Charter School as of June 30, 2015, and the changes in its net assets and its cash flows for the year 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, 2015 on our consideration of the 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 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 School's internal control over financial reporting and compliance.



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Schall & Ashenfarb  
Certified Public Accountants, LLC

October 30, 2015

**THE RENAISSANCE CHARTER SCHOOL  
STATEMENT OF FINANCIAL POSITION  
AT JUNE 30, 2015**

**Assets**

Cash and cash equivalents	\$2,109,277
Restricted cash (Note 3)	75,009
Grant receivable - New York City (Note 4)	12
Government grants receivable	485,321
Pledges receivable	6,956
Prepaid expenses and other assets	91,419
Fixed assets, net (Note 5)	<u>194,113</u>
Total assets	<u><u>\$2,962,107</u></u>

**Liabilities and Net Assets**

**Liabilities:**

Accounts payable and accrued expenses	<u>\$1,849,937</u>
Total liabilities	<u>1,849,937</u>

**Net Assets:**

Unrestricted	<u>1,112,170</u>
Total net assets	<u>1,112,170</u>
Total liabilities and net assets	<u><u>\$2,962,107</u></u>

*The attached notes and auditors' report  
are an integral part of these financial statements.*

**THE RENAISSANCE CHARTER SCHOOL  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015**

**Unrestricted:**

**Public Support and Revenue:**

Public school district:	
Revenue - resident student enrollment	\$7,556,161
Revenue - students with special education services	1,221,206
Subtotal - public school district revenue	<u>8,777,367</u>
Federal grants	716,179
State and city grants	250,631
Food program grants	374,589
Contributions	38,592
Program fees	32,881
Interest and other income	9,810
Total public support and revenue	<u><u>10,200,049</u></u>

**Expenses:**

Program services:	
Regular education	6,527,773
Special education	1,914,572
Pre-kindergarten	211,365
Food program	689,625
Total program services	<u>9,343,335</u>
Supporting services:	
Management and general	1,136,485
Fundraising	126,392
Total supporting services	<u>1,262,877</u>
Total expenses	<u><u>10,606,212</u></u>

Change in net assets	(406,163)
Net assets - beginning	<u>1,518,333</u>
Net assets - ending	<u><u>\$1,112,170</u></u>

*The attached notes and auditors' report  
are an integral part of these financial statements.*

**THE RENAISSANCE CHARTER SCHOOL  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2015**

	Program Services				Supporting Services				
	Regular Education	Special Education	Pre-Kindergarten	Food Program	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
Salaries	\$3,935,120	\$1,216,744	\$134,018	\$262,118	\$5,548,000	\$633,510	\$86,883	\$720,393	\$6,268,393
Employee benefits and payroll taxes	974,741	301,391	33,197	64,927	1,374,256	156,922	21,521	178,443	1,552,699
Pension contributions	580,288	179,426	19,763	38,653	818,130	93,419	12,812	106,231	924,361
<b>Total personnel costs</b>	<b>5,490,149</b>	<b>1,697,561</b>	<b>186,978</b>	<b>365,698</b>	<b>7,740,386</b>	<b>883,851</b>	<b>121,216</b>	<b>1,005,067</b>	<b>8,745,453</b>
Professional fees	208,374	37,494		76,520	322,388	205,684		205,684	528,072
Repairs and maintenance				7,675	7,675			0	7,675
Curriculum and classroom expenses	594,808	107,028	16,402		718,238			0	718,238
Professional development	91,021	28,144	3,100	6,063	128,328	14,652	2,010	16,662	144,990
Equipment and furnishings	16,708	5,166	569	11,499	33,942	6,675	369	7,044	40,986
Office expenses	28,057	8,675	956	1,869	39,557	8,667	619	9,286	48,843
Food services				213,730	213,730			0	213,730
Technology	20,525	6,346	699	1,367	28,937	3,305	453	3,758	32,695
Marketing and recruitment					0	1,072		1,072	1,072
Insurance	41,408	12,803	1,410	2,758	58,379	6,667	914	7,581	65,960
Depreciation	36,723	11,355	1,251	2,446	51,775	5,912	811	6,723	58,498
<b>Total other than personnel costs</b>	<b>1,037,624</b>	<b>217,011</b>	<b>24,387</b>	<b>323,927</b>	<b>1,602,949</b>	<b>252,634</b>	<b>5,176</b>	<b>257,810</b>	<b>1,860,759</b>
<b>Total expenses</b>	<b>\$6,527,773</b>	<b>\$1,914,572</b>	<b>\$211,365</b>	<b>\$689,625</b>	<b>\$9,343,335</b>	<b>\$1,136,485</b>	<b>\$126,392</b>	<b>\$1,262,877</b>	<b>\$10,606,212</b>

*The attached notes and auditors' report  
are an integral part of these financial statements.*

**THE RENAISSANCE CHARTER SCHOOL  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2015**

<b>Cash Flows from Operating Activities:</b>	
Change in net assets	(\$406,163)
Adjustments to reconcile change in net assets to net cash used for operating activities:	
Depreciation	58,498
Changes in assets and liabilities:	
Restricted cash	58
Grant receivable - New York City	7,791
Government grants receivable	(184,581)
Pledges receivable	(1,956)
Prepaid expenses and other assets	(83,508)
Accounts payable and accrued expenses	440,083
Total adjustments	<u>236,385</u>
Net cash used for operating activities	<u>(169,778)</u>
<b>Cash Flows from Investing Activities:</b>	
Purchase of furniture and equipment	<u>(29,284)</u>
Net cash used for investing activities	<u>(29,284)</u>
Net decrease in cash and cash equivalents	(199,062)
Cash and cash equivalents - beginning	<u>2,308,339</u>
Cash and cash equivalents - ending	<u><u>\$2,109,277</u></u>
Supplemental disclosures:	
Interest paid	<u>\$0</u>
Taxes paid	<u>\$0</u>

*The attached notes and auditors' report  
are an integral part of these financial statements.*



**THE RENAISSANCE CHARTER SCHOOL  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**Note 1 - Organization and Nature of Activities**

The Renaissance Charter School (the "School") is a PK-12 public charter school located in Jackson Heights, Queens, New York. Our mission is to foster educated, responsible young leaders who through their own personal growth will spark a renaissance in New York. The School is a publicly funded, privately managed school, which is independent of the New York City Department of Education ("NYCDOE"), and subject to certain administrative requirements. The School was originally granted its charter in May 2000 and its most recent charter renewal expires on June 30, 2019. During the year ended June 30, 2015, the School started its first full day pre-kindergarten class.

The School is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements. They have not been designated as a private foundation.

**Note 2 - Significant Accounting Policies**

a. Basis of Presentation

The accompanying financial statements have been prepared using the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred rather than received or paid.

The School's net assets are classified based upon the existence or absence of donor-imposed restrictions as follows:

- *Unrestricted* – represent those resources for which there are no restrictions by donors as to their use.
- *Temporarily restricted* – represent those resources, the uses of which have been restricted by donors to specific purposes or the passage of time. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor. Temporarily restricted contributions, the requirements of which are met in the year of donation, are reported as unrestricted. The School did not have any temporary restricted net assets at June 30, 2015.
- *Permanently restricted* – accounts for activity restricted by donors that must remain intact in perpetuity. The School did not have any permanently restricted net assets at June 30, 2015.

b. Cash and Cash Equivalents

The School considers all liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

c. Concentration of Credit

Financial instruments which potentially subject the School to concentration of credit risk consist of cash, money market accounts, and a certificate of deposit which have been

placed with a financial institution that management deems to be creditworthy. From time-to-time, cash balances may be in excess of insurance levels. At year-end there was a significant uninsured balance; however, the School has not experienced any losses due to bank failure.

d. Capitalization Policy

Property and equipment that exceed pre-determined amounts and have a useful life of greater than one year are capitalized at cost or at the fair value at the date of gift. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets, as follows:

Furniture and equipment – *5 to 10 year life*

Building improvements – *10 year life*

e. Revenue – Public School District and Government Grants

The School receives grants from the New York State Education Department (“NYSED”) and NYCDOE to carry out its operations. Program revenues are recognized based on rates established by the School’s funding sources and the amount realizable on the accrual basis in the period during which services are provided.

The terms of each government grant are reviewed to determine if they contain traits more closely associated with contributions or exchange transactions. Management has determined that all existing government grants are exchange transactions because they are similar in nature to contracts for service. The difference between cash received and revenue earned is reflected as grants receivable or refundable advances.

f. Contributions

Contributions are recorded as revenue upon the earlier of the receipt of cash or when a pledge is considered unconditional in nature. Contributions are available for general use in support of the School’s mission, unless specifically restricted by the donor, in which case they are recorded in one of the restricted classes of net assets, depending on the nature of the restriction.

Contributions expected to be received within one year are recorded at net realizable value. Long-term pledges are recorded at fair value using a risk adjusted discount rate. Conditional contributions received are recognized as income when the conditions have been substantially met. All receivables at year-end are due to be collected within one year.

g. Donated Services

Donated services are recognized in circumstances where those services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided in-kind.

Board members and other individuals volunteer their time and perform a variety of tasks that assist the School. These services do not meet the criteria outlined above and have not been recorded in the financial statements.

h. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs

have been allocated among the programs and supporting services benefited.

i. 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

j. Contingencies

Government contracts are subject to audit by the grantor. Management does not believe that any audits, if they were to occur, would result in material disallowed costs, and has not established any reserves. Any disallowed costs would be recorded in the period notified.

k. Accounting for Uncertainty in Income Taxes

The School does not believe its financial statements include any material, uncertain tax positions. Tax returns for periods ending June 30, 2012 and later are subject to examination by applicable taxing authorities.

l. Subsequent Events

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through October 30, 2015, the date the financial statements were available to be issued.

**Note 3 - Restricted Cash**

An escrow account has been established to meet the requirement of the Board of Regents of the State of New York. The purpose of this account is to ensure sufficient funds are available for an orderly dissolution or transition process in the event of termination of the charter or school closure.

**Note 4 - Grant Receivable – New York City Department of Education**

Beginning grant receivable	\$7,803
Funding based on allowable FTE's	8,777,367
Advances received	<u>(8,785,158)</u>
Ending grant receivable	<u>\$12</u>

**Note 5 - Fixed Assets**

At June 30, 2015, fixed assets consisted of the following:

Furniture and equipment	\$430,776
Building improvements	<u>377,847</u>
	808,623
Less: accumulated depreciation	<u>(614,510)</u>
Furniture and equipment, net	<u>\$194,113</u>

**Note 6 – Significant Concentrations**

The School is dependent upon grants from NYSED and NYCDOE to carry out its operations. For the year ending June 30, 2015, approximately 86% of the School’s total public support and revenue was received from NYCDOE. If NYCDOE were to discontinue funding, this would have a severe economic impact on the School’s ability to operate.

**Note 7- Donated Space**

The School is co-located with PS 255Q, a district 75 program, in a New York City Department of Education facility and utilizes approximately 62,000 square feet at no charge. The School was unable to determine a value for this service.

**Note 8 - Multi-Employer Benefit Plan**

The School participates in two multi-employer plans that provide defined benefits to certain contract labor covered by collective bargaining agreements. During the year ended June 30, 2015, the School contributed a total of \$924,362 to both plans. The School’s participation in these plans for the annual period ended June 30, 2015 is outlined below. The “EIN” column provides the Employer Identification Number (“EIN”) of the plan. The Pension Protection Act (“PPA”) zone status is not applicable because they are government plans.

Teachers’ Retirement System of the City of New York Pension Plan as of June 30, 2015 consisted of the following:

<u>EIN</u>	<u>Plan End Date</u>	<u>PPA Zone Status</u>	<u>Collective Bargaining Agreement Expiration Date</u>	<u>Contribution</u>
90-0584726	6/30/15	N/A	10/31/2018	<u>\$902,618</u>

Board of Education Retirement System Pension Plan as of June 30, 2015 consisted of the following:

<u>EIN</u>	<u>Plan End Date</u>	<u>PPA Zone Status</u>	<u>Collective Bargaining Agreement Expiration Date</u>	<u>Contribution</u>
13-3370714	6/30/15	N/A	various	<u>\$21,743</u>

**THE RENAISSANCE CHARTER SCHOOL  
SCHEDULE OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2015**

Grantor	Federal CFDA #	Federal Expenditures
<b><u>US Department of Agriculture:</u></b>		
<u>Passed through New York State Education Department:</u>		
Child Nutrition Cluster:		
School Breakfast Program	10.553	\$42,431
National School Lunch Program	10.555	251,040
Total Child Nutrition Cluster		<u>293,471 *</u>
Child and Adult Care Food Program	10.558	<u>71,912</u>
Total - Passed through New York State Education Department		<u>365,383</u>
<b>Total US Department of Agriculture</b>		<b><u>365,383</u></b>
<b><u>US Department of Education:</u></b>		
<u>Direct:</u>		
Fund for the Improvement of Education	84.215	261,458 *
Total Direct		<u>261,458</u>
<u>Passed through New York State Education Department:</u>		
Charter Schools	84.282	165,663
Title I Grants to Local Educational Agencies	84.010	133,972
Improving Teacher Quality State Grants	84.367	36,218
Total - Passed through New York State Education Department		<u>335,853</u>
<b>Total US Department of Education</b>		<b><u>597,311</u></b>
<b><u>US Department of Health and Human Services:</u></b>		
<u>Direct:</u>		
Substance Abuse and Mental Health Services	93.243	44,171
Total Direct		<u>44,171</u>
<b>Total US Department of Health and Human Services</b>		<b><u>44,171</u></b>
<b>Total Federal Expenditures</b>		<b><u><u>\$1,006,865</u></u></b>

\*Indicates a major program

**THE RENAISSANCE CHARTER SCHOOL**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2015**

**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the School under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 - Grant Expenditures**

Expenditures reported on the Schedule of Expenditures of Federal Awards are presented on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organization*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. There were no grants subject to OMB's, *Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Pass-through entity identifying members are presented where available. No sub-recipients were used.



**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 of  
The Renaissance Charter School

**Report on the Financial Statements**

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 Renaissance Charter School (the "School"), 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 30, 2015.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, 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 our opinion 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 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.

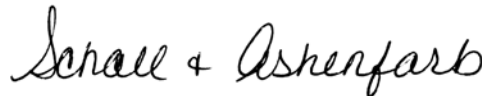
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during 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 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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Schall & Ashenfarb  
Certified Public Accountants, LLC

October 30, 2015





**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND  
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY OMB CIRCULAR A-133**

To the Board of Trustees of  
The Renaissance Charter School

**Report on Compliance for Each Major Federal Program**

We have audited The Renaissance Charter School's ("the School") compliance with the types of compliance requirements described in the OMB Circular A-133, *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, 2015. The School's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

**Management's Responsibility**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 with those requirements.

## **Opinion on Each Major Federal Program and Other Matters**

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 the major programs for the year ended June 30, 2015.

### **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 OMB Circular A-133, 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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance 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.

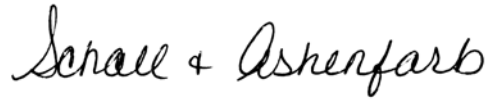
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

### **Report on Schedule of Expenditures of Federal Awards as Required by OMB Circular A-133**

We have audited the financial statements of the School as of and for the year ended June 30, 2015, and issued our report thereon dated October 30, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis, as required by OMB Circular A-133, and is 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 statement as a whole.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



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Schall & Ashenfarb  
Certified Public Accountants, LLC

February 24, 2016

**THE RENAISSANCE CHARTER SCHOOL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued: UNMODIFIED  
 Internal control over financial reporting:  
   Material weakness(es) identified?                   \_\_\_ Yes         X  No  
   Significant deficiency identified  
   Not considered to be material weaknesses?       \_\_\_ Yes         X  None reported  
 Noncompliance material to financial statements noted?   \_\_\_ Yes         X  No

**Federal Awards**

Internal control over major programs:  
   Material weakness(es) identified?                   \_\_\_ Yes         X  No  
   Significant deficiency identified  
   Not considered to be material weaknesses?       \_\_\_ Yes         X  No

Type of auditors' report issued on compliance for major programs: UNMODIFIED

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?                   \_\_\_ Yes         X  No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553/10.555	Child Nutrition Cluster
84.215	Fund for the Improvement of Education

Dollar threshold used to distinguish between Type A and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee?                   \_\_\_ Yes         X  No

**THE RENAISSANCE CHARTER SCHOOL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Section II – Financial Statement Findings**

Current Year:

None

Prior Year Follow-Up:

2014-001 – This matter has been corrected

2014-002 – This matter has been corrected

2014-003 – This matter has been corrected

**Section III – Federal Award Findings and Questioned Costs**

Current Year:

None

Prior Year Follow-Up:

2014-004 – This matter has been corrected