



Charter School for Applied Technologies

***Annual Report for
New York State Charter Schools***

Submitted: July 26, 2012

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School Information and Cover Page

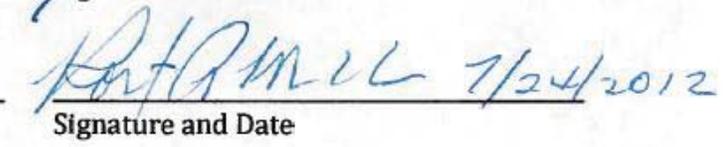
School Name: Charter School for Applied Technologies _____
School Leader: J. Efrain Martinez, Superintendent _____
Primary address: 2303 Kenmore Avenue, Buffalo, NY 14207 _____
School website: www.csat-k12.org _____
School email: _____
Telephone: 716-876-7505 _____ **Fax:** 716-876-9758 _____
BEDS # 142601-86-0031 _____
District/CSD of Location: Kenmore - Tonawanda UFSD _____
Charter authorizer: Board of Regents _____
Chair, Board of Trustees: Robert Mikulec _____
Date school first opened for instruction: September 2001 _____
2011-2012 Enrollment: 1,649 _____
2011-2012 Grades Served: K - 12 _____

Our signatures below attest that all of the information contained herein is truthful and accurate.

J. Efrain Martinez
Print Name, Head of Charter School


Signature and Date

Robert Mikulec
Print Name, President, Board of Trustees


Signature and Date

New York State School Report Card

Charter School for Applied Technologies' New York State School Report Card can be located by clicking on the following link:

<https://reportcards.nysed.gov/schools.php?year=2011&instid=800000051942>

This report captures school level enrollment and demographic information, staff qualifications, electronic student records, and attendance rates, as prescribed by New York State.

1. Progress Toward Goal Achievement

Appendix A: Progress Toward Goal Achievement

Academic Goals Table				
2011-12 Progress Toward Attainment of Academic Charter Goals				
Goal/Objective: Desired Level of Attainment	Actual Result: Observed Level of Attainment	Measured Used to Indicate Attainment of the Goal/Objective	Was the Goal/Objective Met? (Y/N)	Explanation if Not Met
90% of students will read on grade level by the end of 3rd grade as measured by The Fountas & Pinnell End of Year Benchmark	71% of students in third grade were on reading level based on The Fountas & Pinnell End of Year Benchmark	3rd Grade Fountas & Pinnell End of Year Benchmark	No	CSAT did adjust the end of year reading level expectations to align with the higher standards of the state. The rigor of content continues to be addressed through the application of 90 minute Reading blocks while providing daily Reading Intervention services to those students not meeting current grade level standards. CSAT will continue to provide five full-time intervention teachers to work with students in Kindergarten through grade 3 to close the gap with struggling readers.
Student Achievement on Grade 3-8 NYS Math Assessments will meet or exceed the state average	50.0%	NYS Gr. 3 Math Assessment	No	The students at CSAT struggle with The NYS Assessment Program. Teacher feedback stated that the embedded field test questions decreased student effort following questions that were out of their ability level. Moving forward into the 2012-13 school year, the teachers will be working with the students on all level of questions in order to provide consistent exposure and ease stress levels. Furthermore, the shedule allows for a double period of math everyday and there will be an additional part-time position to support teachers with the implementation of the common core.
	85.0%	NYS Gr. 4 Math Assessment	Yes	
	66.0%	NYS Gr. 5 Math Assessment	No	
	65.0%	NYS Gr. 6 Math Assessment	Yes	
	54.0%	NYS Gr. 7 Math Assessment	No	
	49.0%	NYS Gr. 8 Math Assessment	No	

Academic Goals Table				
2011-12 Progress Toward Attainment of Academic Charter Goals				
Goal/Objective: Desired Level of Attainment	Actual Result: Observed Level of Attainment	Measured Used to Indicate Attainment of the Goal/Objective	Was the Goal/Objective Met? (Y/N)	Explanation if Not Met
Student Achievement on all Grade 3-8 NYS ELA Assessments will meet or exceed the state average	36.0%	NYS Gr. 3 ELA Assessment	No	The students at CSAT struggle with The NYS Assessment Program. Teacher feedback stated that the embedded field test questions decreased student effort following questions that were out of their ability level. Moving forward into the 2012-13 school year, the teachers will be working with the students on all level of questions in order to provide consistent exposure and ease stress levels. Furthermore, there will be an additional part-time position to support teachers with the implementation of the common core. CSAT is also adding a Full-Time reading Intervention teacher to push into the Grade 7-8 ELA classrooms.
	56.0%	NYS Gr. 4 ELA Assessment	No	
	48.0%	NYS Gr. 5 ELA Assessment	No	
	37.0%	NYS Gr. 6 ELA Assessment	No	
	45.0%	NYS Gr. 7 ELA Assessment	No	
	34.0%	NYS Gr. 8 ELA Assessment	No	

Academic Goals Table				
2011-12 Progress Toward Attainment of Academic Charter Goals				
Goal/Objective: Desired Level of Attainment	Actual Result: Observed Level of Attainment	Measured Used to Indicate Attainment of the Goal/Objective	Was the Goal/Objective Met? (Y/N)	Explanation if Not Met
The graduation rate will meet or exceed the state average	N/A	Graduation Rate		This year, it is probable that CSAT will exceed the state average but the actual result is not yet available. CSAT has 1 student that will likely graduate in August.

2. Instructional Time

Appendix B: Instructional Time Table

This Table is required only of Board of Regents-authorized charter schools.

2011-2012 Instructional Time	
Total number of instructional days for the 2011-2012 school year	188
First and last day of the 2011-2012 school year	8/22/11 to 6/22/12
Length of school day (please note if schedule varies throughout the week or the year)	7.5 hrs.

3. Financial Information

Appendix C: Total Expenditures and Administrative Expenditures per Child

	Total Expense	FTE	Expense / FTE
Non Administrative Expenditures	19,506,750.14	1,649	11,829.44
Administrative Expenditures	2,919,404.30	1,649	1,770.41
Total Expenditures	22,426,154.44	1,649	13,599.85

Charter School for Applied Technologies

Appendix D: Unaudited Financial Statements

Charter School for Applied Technologies

BALANCE SHEET - 2011-2012

For the period ending: **6/30/2012**

Unaudited - For Management Purposes Only

		Current YTD	Previous Year YTD
ASSETS			
Current			
Cash			
	Operating Account	50,412.41	128,851.13
	Money Market	1,131,137.53	8,427,418.86
	M&T - Money Market	343,878.75	318,498.28
	Trust & Agency	102,943.03	108,509.90
	Commercial Sweep	5,554,074.17	-
	Dental Fund	48,378.55	76,388.71
	Student Activities	140,395.73	118,972.61
	Payroll	189,547.39	195,329.38
	Total Cash	7,560,767.56	9,373,968.87
	Accounts Receivable		
	Enrollment	83,991.11	225,456.81
	Grants	342,286.78	364,143.00
	Other	496,991.17	362,595.27
		923,269.06	952,195.08
	Prepaid Expenses	381,569.05	377,095.03
	Total Prepaid Expenses	381,569.05	377,095.03
Long Term			
Property and Equipment			
	Land	286,500.00	286,500.00
	Building	10,600,213.20	10,600,213.20
	Building Improvements	13,342,471.36	11,800,513.71
	Furniture & Equipment	2,869,402.32	2,497,351.76
	Less: Accumulated Depreciation	(6,603,172.98)	(5,704,550.43)
	Total Property and Equipment	20,495,413.90	19,480,028.24
Investments			
	Bond - Project Fund	-	-
	Bond - Bond Fund	115.46	257.34
	Bond - Other Fund	997.79	997.36
	Bond - Custodian Acct	250,532.36	269,811.25

Charter School for Applied Technologies

Charter School for Applied Technologies

BALANCE SHEET - 2011-2012

For the period ending: 6/30/2012

Unaudited - For Management Purposes Only

	Current YTD	Previous Year YTD
Bond - Repair Fund	50,000.00	50,000.00
Bond - Reserve Fund	1,914,937.50	1,914,937.50
Affiliate - EST, LLC	425,000.00	425,000.00
Total Investments Held in Trust	2,641,583.11	2,661,003.45
Deferred Financing		
Bond - Issuance Fees	1,492,192.41	1,492,192.41
Less Accumulated Amortization	(397,918.00)	(298,438.50)
Total Deferred Financing	1,094,274.41	1,193,753.91
TOTAL ASSETS	33,096,877.09	34,038,044.58
LIABILITIES		
Current		
Long Term Debt - current portion	170,000.00	160,000.00
Accounts Payable	234,924.44	685,905.12
Accrued Expenses	963,649.63	1,209,733.52
Deferred Revenue	7,389.29	49,469.35
Funds Held in Trust (Student Activity Acct)	102,078.33	99,678.33
Other Payables	83,187.60	207,366.12
Total Current Liabilities	1,561,229.29	2,412,152.44
Long Term		
Bond - Series 2005A	20,510,000.00	20,510,000.00
Bond - Series 2005B	390,000.00	560,000.00
Bond Discounts	(489,938.72)	(511,240.41)
Capital Lease	-	-
Total Long Term Liabilities	20,410,061.28	20,558,759.59
TOTAL LIABILITIES	21,971,290.57	22,970,912.03
NET ASSETS		
Change in Net Assets - CY	58,453.97	1,286,700.18
Unrestricted - PY	11,067,132.55	9,780,432.37
Restricted - PY	-	-
TOTAL NET ASSETS	11,125,586.52	11,067,132.55
TOTAL LIABILITIES AND NET ASSETS	33,096,877.09	34,038,044.58

Charter School for Applied Technologies

Charter School for Applied Technologies

INCOME STATEMENT - 2011-2012

For the period ending: 6/30/2012

Unaudited - For Management Purposes Only

	Current YTD	Previous Year YTD
REVENUE		
Enrollment - District Resident	19,348,975.17	18,699,000.51
Special Education	383,615.71	598,531.53
Federal & State Grants	962,150.78	978,778.00
Local Grants	287,225.36	132,614.01
Interest	28,360.32	34,588.56
Food Service	1,241,084.81	1,053,303.97
Other	101,100.19	141,232.40
Restricted	132,096.07	-
Total Revenue	22,484,608.41	21,638,048.98
EXPENSES:		
Salaries	9,844,782.11	8,843,138.48
Employee Benefits	3,742,728.48	3,356,823.97
Contracted Services	1,332,340.51	1,541,801.04
Depreciation & Amortization	1,047,644.38	972,317.68
Dues & Subscriptions	46,242.33	80,003.47
Equipment Rental	56,751.45	53,261.21
Insurance	134,587.81	104,825.86
Interest Expense	1,460,787.50	1,406,052.50
Maintenance Repairs	287,454.17	251,344.77
Marketing & Incentives	197,903.59	68,902.65
Minor Equipment	298,784.29	221,961.03
Occupancy	245,658.02	337,312.70
Other Expenses	144,992.58	70,648.85
Printing	110,715.71	86,496.07
Professional Fees	201,081.49	170,547.33
Staff Development	87,479.14	50,460.00
Student Testing & Assessments	5,622.78	25,613.27
Supplies & Materials	1,425,377.60	1,084,415.79
Telephone	41,236.27	39,763.18
Textbooks	73,339.84	52,915.20
Transportation	1,639,022.12	1,527,397.77
Travel	1,622.27	5,345.98
Total Expenses	22,426,154.44	20,351,348.80
CHANGE IN NET ASSETS	58,453.97	1,286,700.18

Charter School for Applied Technologies

Appendix E: FY 2013 Budget and Narrative

Charter School for Applied Technologies
Budget Summary - 2012-2013

BUDGET 2012-2013									
		Approved	%	K - 8		CHSAT		A & OH	
		5/8/2012	of Revenue	fte	1,166	fte	492	fte	
REVENUE									
Enrollment		1,658		fte	1,166	fte	492	fte	
District Revenue		19,318,195.00	86.9%		13,585,654.63		5,732,540.37		
Special Education		500,000.00	2.3%		351,628.47		148,371.53		
Food Service		1,162,000.00	5.2%					1,162,000.00	
Title I		840,350.00	3.8%		590,981.97		249,368.03		
Title II-A		41,703.00	0.2%		29,327.92		12,375.08		
Title II-D									
Title III-A		7,564.00			5,319.44		2,244.56		
Tower Grant		-	0.0%					-	
Dissemination Grant									
Interest Income		230,000.00	1.0%					230,000.00	
Other / E-Rate		120,000.00	0.5%		84,390.83		35,609.17		
Total Revenue		22,219,812.00			14,647,303.25		6,180,508.75	1,392,000.00	
EXPENSES									
	FTE (Full Time Staff Only)		199.00		111.00		49.00	39.00	
Personnel Salaries									
Direct Service Staff		6,734,346.13		93.00	4,814,700.40	41.00	1,919,645.73		
Support Staff		2,837,685.16		18.00	789,802.48	8.00	375,931.65	1,671,951.03	
Part Time Staffing		336,960.00						336,960.00	
Other		536,502.80						536,502.80	
		10,445,494.09	47.0%	111.00	5,604,502.88	49.00	2,295,577.38	39.00	
OTPS - Other Than Personnel Services									
Employee Benefits		4,537,936.13	20.4%		2,494,589.95		1,067,077.13	976,269.05	
Accounting / Auditing Fees		30,000.00			-		-	30,000.00	
Consultants		750,000.00			-		-	750,000.00	
Contracted Services		453,161.19			63,293.12		41,082.57	348,785.50	
Depreciation Expense		-			-		-	-	
Dues and Subscriptions		126,334.00			31,455.58		13,794.42	81,084.00	
Equipment Rental / Lease		102,716.00			9,000.00		11,000.00	82,716.00	
Field Trips		10,000.00			7,032.57		2,967.43	-	
Insurance		138,500.00			-		-	138,500.00	
Interest Expense		1,446,387.50	6.5%		-		-	1,446,387.50	
Legal		100,000.00			-		-	100,000.00	
Maintenance & Repairs		310,000.00			27,889.45		12,311.56	269,798.99	
Marketing		24,150.00			4,183.42		1,846.73	18,119.85	
Minor Equipment		124,075.00			6,700.00		3,300.00	114,075.00	
Occupancy		41,360.00			-		-	41,360.00	
Postage		27,120.00			13,944.72		6,155.78	7,019.50	
Printing		116,400.00			-		-	116,400.00	
Supplies & Materials		959,698.45			101,564.02		41,976.18	816,158.25	
Other Expenses		75,200.00			8,366.83		3,693.47	63,139.70	
Staff Development		26,000.00			670.00		330.00	25,000.00	
Telephone		46,600.00			15,000.00		10,000.00	21,600.00	
Testing and Assessments		15,000.00			10,548.85		4,451.15	-	
Textbooks and Educational Materials		75,000.00			52,245.42		22,754.58	-	
Transportation - Student		1,791,301.00	8.1%		1,667,472.56		13,353.44	110,475.00	
Travel		6,600.00			703.26		296.74	5,600.00	
Utilities		400,000.00			-		-	400,000.00	
Vehicle Rental / Lease		10,000.00			-		-	10,000.00	
Debt Service (Bond - Capitalized)		-			-		-	-	
Total Expenses		22,189,033.36	99.9%		10,119,162.64		3,551,968.56	8,517,902.17	
Change in Net Assets		30,778.64			4,528,140.61		2,628,540.19	(7,125,902.17)	



CHARTER SCHOOL FOR APPLIED TECHNOLOGIES
BUDGET – 2012-2013

PROPOSED: MAY 8, 2012 (APPROVED)

BUDGET – 2012-2013

- FINANCIAL PLAN
- BUDGET OFFSETS
- ENROLLMENT
- REVENUE / EXPENSES
- SUMMARY / CHANGE IN NET ASSETS

FINANCIAL PLAN

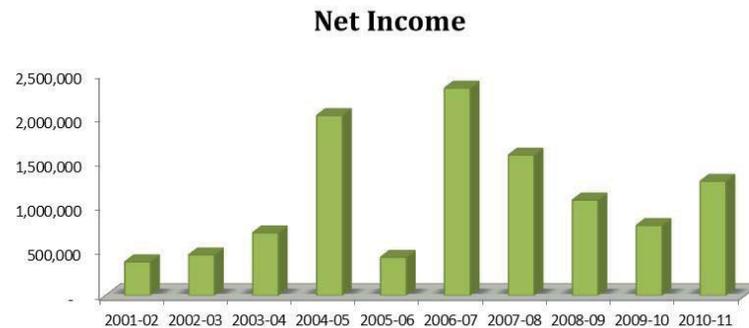
Efforts are made annually to support the continuation of CSAT's current operating program with growth of its Net and Current Assets. The following, along with the Risks and Uncertainties listed below, must be considered when reviewing its levels.

Support Current Operations

- Controlled growth of Net Income
- Increased Salaries
- Stable Enrollment
- Bond Principal Payments
- Competitive Grants
 - Matching / Sustainability

Risks and Uncertainties

- Union Negotiations
- Employee Benefits Costs
- Per Pupil Funding
- Transportation Costs



BUDGET OFFSETS

Pursuant to the Education Law – Sections 701, 711, 712, 751 and 752, our students are entitled to receive Textbooks and Software loan items from the public school districts. Allocations are based on prior year enrollment numbers. Funds cannot be rolled over from one year to the next.

Textbook Loan

\$58.25 per student X 1,664 prior year enrollment = \$96,928.00

■ Allowable Purchases

- Hard cover books
- Paperback books
- Courseware or other content-based instructional materials in electronic format
- Workbooks (consumables)
- Manuals and Newspapers with a general circulation and are printed and distributed at least bi-weekly

■ Unallowable Purchases

- Reference Materials such as encyclopedias, almanacs, atlases, and general or special dictionaries – except as assigned and utilized as textbooks
- Supplemental textbooks, novels, fiction
- Tests and testing materials
- Teacher editions of textbooks
- Review books and materials in kit form

BUDGET OFFSETS

Pursuant to the Education Law – Sections 701, 711, 712, 751 and 752, our students are entitled to receive Textbooks and Software loan items from the public school districts. Allocations are based on prior year enrollment numbers. Funds cannot be rolled over from one year to the next.

Computer Software

- \$14.98 per student
- Allocation: \$24,926.72

Allowable Purchases

- Subject oriented educational software

Unallowable

- Computers, blank disks, cassettes, tapes, cords, drives, and other similar items

Computer Hardware Loan

- \$24.20 per student
- Allocation: \$38,889.40

Eligible purchases include:

- Mini and micro computers
- Peripheral devices
- Telecommunication hardware

Library Materials

- \$6.00 per student
- Allocation: \$10,400.00

Allowable and Unallowable

- similar to those components of the Computer Software Loan

Textbook Loan	96,928.00
Computer Software	24,926.72
Computer Hardware	40,268.80
Library Materials	10,400.00
TOTAL - Budget Offsets	172,523.52

ENROLLMENT

Enrollment for two prior years, along with next year's projection is shown below. The Budget reflects 99% of the projected enrollment, in consideration for the inflow and outflow of students.

Grade	2010-2011			2011-2012			2012-2013	
	Projected	Budgeted	Actual	Projected	Budgeted	Actual	Projected	Budgeted
	@ Feb 2012							
K	125	125	135	125	123	135	125	124
1st	125	125	135	125	123	135	125	124
2nd	125	125	135	125	123	135	125	124
3rd	125	125	135	125	123	135	125	124
4th	135	125	134	135	132	135	135	134
5th	135	125	134	135	132	135	135	134
6th	135	125	134	135	132	135	135	134
7th	135	125	127	135	132	131	135	134
8th	135	125	127	135	132	128	135	134
9th	125	120	109	125	123	132	125	123
10th	125	120	110	125	123	118	125	123
11th	125	110	102	125	123	109	125	123
12th	100	95	90	125	123	101	125	123
	1,650	1,570	1,607	1,675	1,644	1,664	1,675	1,658



REVENUE



REVENUE

Per Pupil District Residence -

District	Per Pupil Rate		% of Δ	Enrollment		Projected Revenue	
	2011-2012	2012-2013		@ Feb 2012	Projected	FTE @ 98.9%	Total
Amherst	10,721	10,721	0.00%	6.739	7.000	7	75,047
Buffalo	12,005	12,005	0.00%	1,390.548	1,396.000	1,381	16,578,905
Cheektowaga	10,235	10,235	0.00%	18.250	18.000	18	184,230
Cheektowaga - Sloan	11,946	11,946	0.00%	0.665	1.000	1	11,946
Cleveland Hill	10,428	10,428	0.00%	14.521	15.000	15	156,420
Frontier	8,759	8,759	0.00%	1.484	2.000	2	17,518
Grand Island	9,915	9,915	0.00%	8.309	9.000	9	89,235
Hamburg	9,716	9,716	0.00%	1.000	1.000	1	9,716
Kenmore-Tonawanda	9,477	9,477	0.00%	163.697	165.000	163	1,544,751
Lackawanna	11,969	11,969	0.00%	4.500	5.000	5	59,845
Lancaster	8,442	8,442	0.00%	2.000	2.000	2	16,884
Lockport	9,915	9,915	0.00%	3.000	3.000	3	29,745
Maryvale	10,433	10,433	0.00%	5.207	5.000	5	52,165
Niagara Falls	10,925	10,925	0.00%	0.356	1.000	1	10,925
Niagara Wheatfield	10,443	10,443	0.00%	4.734	5.000	5	52,215
North Tonawanda	10,593	10,593	0.00%	13.585	14.000	14	148,302
Sweet Home	11,954	11,954	0.00%	7.691	8.000	8	95,632
Tonawanda	10,051	10,051	0.00%	10.915	11.000	11	110,561
West Seneca	10,179	10,179	0.00%	2.500	3.000	3	30,537
Williamsville	10,904	10,904	0.00%	3.282	4.000	4	43,616
				1,662.983	1,675.000	1,658	19,318,195

Please note, the preliminary Per Pupil rates shown above are as listed within the State Aid section of the New York State Education Department's website www.nysed.gov. These rates are 'frozen' at 2010-2011 levels.

REVENUE

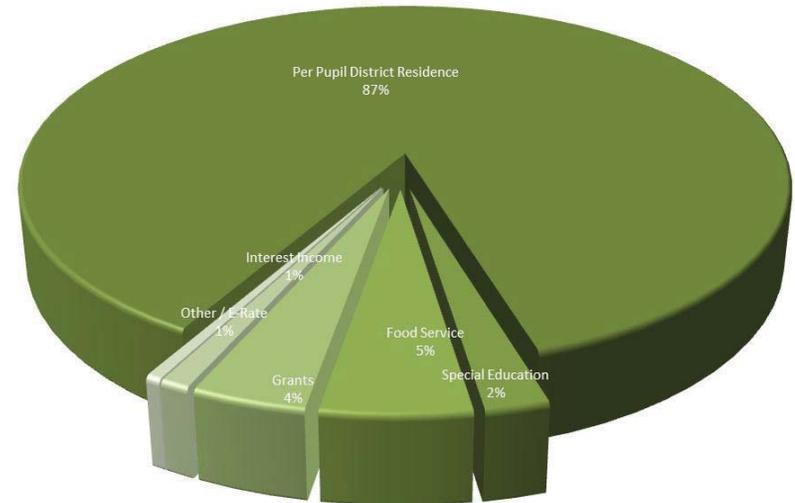


- **Title I - Part A** – Improving Academic Achievement for the Disadvantaged
- **Title II - Part A** – Teacher and Principal Recruitment and Training
- **Title III - Part A** – Language Instruction for Limited English Proficient and Immigrant
 - To apply, this grant requires an allocation of \$10k. Consorting is allowed.

REVENUE

TOTAL REVENUE

	TOTAL REVENUE	
	Proposed	%
		of revenue
Enrollment	1,658	
Per Pupil District Residence	19,318,195.00	86.9%
Special Education	500,000.00	2.3%
Food Service	1,162,000.00	5.2%
Title I - A	840,350.00	3.8%
Title II - A	41,703.00	0.2%
Title III - A	7,564.00	0.0%
Interest Income	230,000.00	1.0%
Other / E-Rate	120,000.00	0.5%
	22,219,812.00	100%



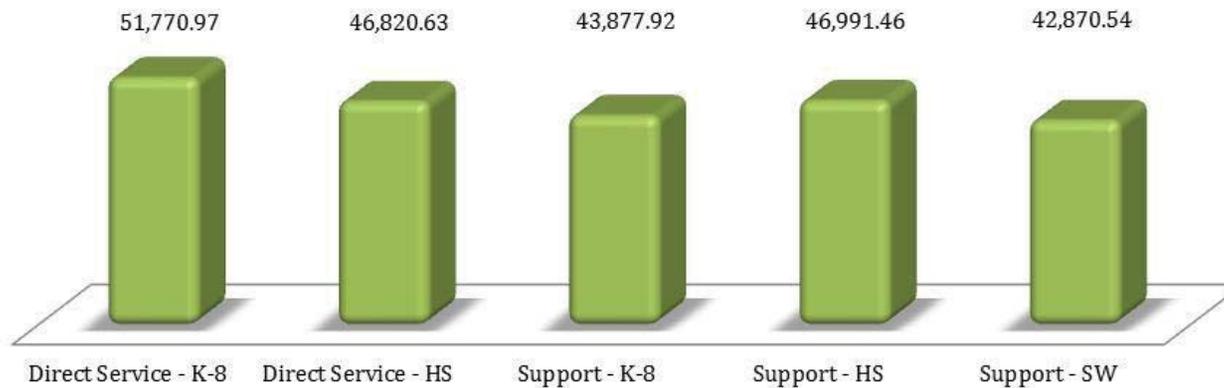
EXPENSES

Personnel Salaries

- Current base salaries were increased by 6%
- No additions or reductions are represented in staffing levels
- Substitute Teachers per diem rates remain as:
 - Certified Personnel - \$125.00
 - Uncertified Personnel - \$100.00

Total		
	FTE	Total Cost
Direct Service - K-8	93.00	4,814,700.40
Direct Service - HS	41.00	1,919,645.73
Support Staff - K-8	18.00	789,802.48
Support Staff - HS	8.00	375,931.65
School Wide Service	39.00	1,671,951.03
Other	-	536,502.80
Part Time	-	336,960.00
	199.00	10,445,494.09

Average Salaries *all personnel*



EXPENSES

Employee Benefits

On January 31, 2012, the school disseminated its first Total Compensation report to each full time employee. Employer costs were defined within the report. Much of the data gather from the Total Compensation report was used to define projected costs for 2012-2013.

Total		
	incr /rate	Total Cost
FICA-ER	7.65%	799,080.30
Health Insurance	4.96%	2,126,523.60
Dental Insurance	-	92,796.84
Life / AD&D	-	16,081.01
Disability	-	37,170.04
Retirement System - TRS	11.84%	906,160.26
Retirement System - ERS	18.50%	325,620.38
NYS Unemployment	-	124,505.10
Workers' Compensation	1.11	109,998.61
		4,537,936.14

EXPENSES

Interest Expense

On June 29, 2005, CSAT was in receipt of \$20,599,436.26 via our account at U.S. Bank, N.A., the Trustee. This Long Term Debt is secured by the granting to the Trustee, a mortgage lien and security interest in CSAT's real and personal property as well as certain revenues, subject to permitted encumbrances.

Interest Payments are made semi-annually (December and June).

Principal	Interest
<ul style="list-style-type: none"> • Series A <ul style="list-style-type: none"> ○ June 2016 - \$515,000 ○ June 2017 - \$550,000 ○ June 2018 - \$585,000 ○ June 2019 - \$625,000 ○ June 2020 - \$665,000 ○ Escalate thru 2035 • Series B <ul style="list-style-type: none"> ○ Payments thru June 2011 total \$710,000 ○ June 2012 - \$160,000 ○ June 2013 - \$170,000 ○ June 2014 - \$185,000 ○ June 2015 - \$205,000 	<div style="border: 2px solid green; border-radius: 50%; padding: 10px; width: fit-content; margin: 0 auto;"> <p>\$1,395,987.50</p> </div> <div style="border: 2px solid green; border-radius: 50%; padding: 10px; width: fit-content; margin: 0 auto;"> <p>\$ 50,400.00</p> </div>

EXPENSES

Transportation - Student

Pursuant to an untimely dissolution of a contract with Buffalo Public Schools, Charter School for Applied Technologies (CSAT) entered into an agreement with Student Transportation of America, Inc. (STA) for transportation services, to and from home to school, for Kindergarten to Grade 8 students residing in Buffalo, Lackawanna, and Tonawanda school districts.

Particulars

- 5 year agreement – August 7, 2009 thru August 5, 2014
- Minimum number of days: 191
- 26 Routes
 - Buffalo: 24 – an additional route was added August 2011
 - Lackawanna / Tonawanda: 2
- Year 4 – 2012-2013 - \$324.00 (Buffalo) - \$355.00 (Lack/Ton)
- CSAT to purchase all fuel to be utilized in the performance of this contract

		2011-2012	2012-2013	2013-2014	TOTAL
		full year projection			
Expenditures					
Capitalized					
	Equipment	-	-	-	-
	Fuel	183,120.82	200,000.00	200,000.00	583,120.82
	Legal	75,000.00	50,000.00	25,000.00	150,000.00
Transportation					-
	Buffalo	1,443,960.00	1,485,216.00	1,531,056.00	4,460,232.00
	Lack / Ton	131,790.00	135,610.00	139,812.00	407,212.00
					-
TOTAL EXPENSE		1,833,870.82	1,870,826.00	1,895,868.00	5,600,564.82

4. Charter Revisions

The Charter School for Applied Technologies' Board of Trustees did not propose any material or nonmaterial revisions during the 2011-2012 school year for approval by the Board of Regents. However, the school did apply for its second charter renewal.

5. Board of Trustees

Appendix F: Disclosure of Financial Interest Form

**Disclosure of Financial Interest by a New York Charter School Board of Trustees Member
Annual Report 2011-2012**

**Note: This Disclosure is a public record, but asterisked data fields will be redacted.*

1. Trustee Name (print) *Joseph A. Berti*
2. Charter School Name *Charter School for Applied Tech.*
3. Charter Authorizer Entity
4. Home Address*
5. Business Address
6. Daytime Phone*
7. E-Mail Address*
8. List all positions held on board (e.g., chair, treasurer, parent representative)

Trustee

9. Is the trustee an employee of the school? ___ Yes No

If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

10. Is the trustee an employee or agent of the management company or institutional partner of the charter school? ___ Yes No

If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

11. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write None. Please note that if you answered Yes to Question 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself

<i>Please write "None" if applicable. Do not leave this space blank.</i>			
<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>

12. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school that is doing business with the school through a management or services agreement, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **None**.

Organization conducting business with the school	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school and the nature of the interest	Steps Taken to Avoid Conflict of Interest
<i>Please write "None" if applicable. Do not leave this space blank.</i>				
<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>

Joseph A. Best

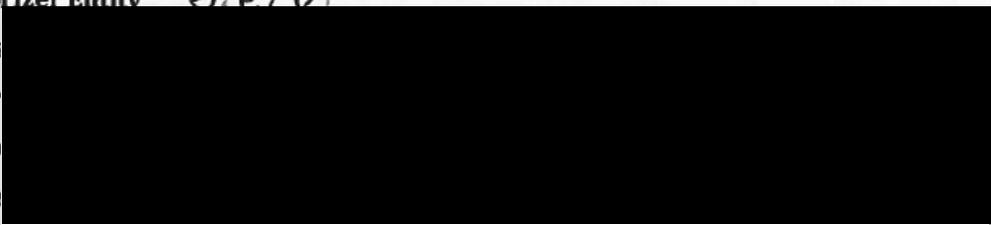
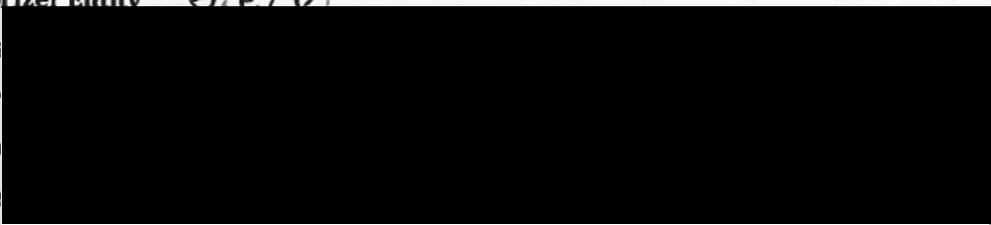
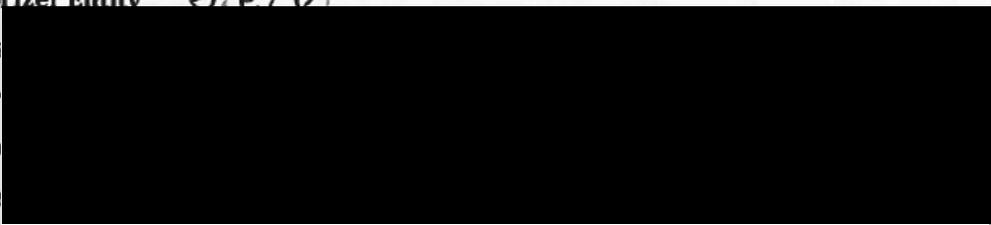
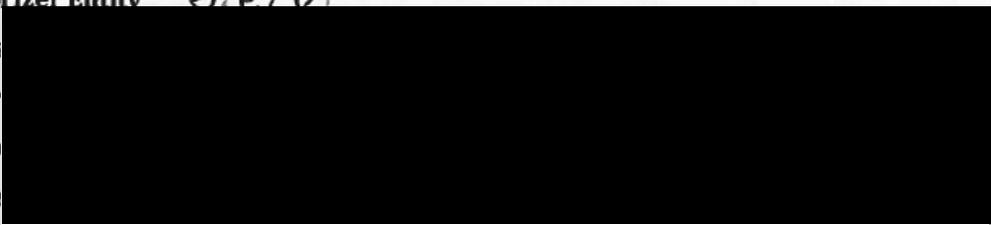
 Signature

7/12/12

 Date

**Disclosure of Financial Interest by a New York Charter School Board of Trustees Member
Annual Report 2011-2012**

**Note: This Disclosure is a public record, but asterisked data fields will be redacted.*

- 1. Trustee Name (print) JOHN R. CINQUINO
- 2. Charter School Name CHARTER SCHOOL FOR APPLIED TECHNOLOGIES
- 3. Charter Authorizer Entity S.E.D.
- 4. Home Address 
- 5. Business Address 
- 6. Daytime Phone 
- 7. E-Mail Address 
- 8. List all positions held on board (e.g., chair, treasurer, parent representative)
TREASURER / SECRETARY

9. Is the trustee an employee of the school? ___Yes No

If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

10. Is the trustee an employee or agent of the management company or institutional partner of the charter school? ___Yes No

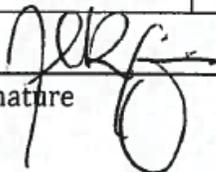
If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

11. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None**. Please note that if you answered **Yes** to Question 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
<p>Please write "None" if applicable. Do not leave this space blank.</p> <p style="font-size: 2em; font-weight: bold; margin: 0;">NONE</p>			

12. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school that is doing business with the school through a management or services agreement, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **None**.

Organization conducting business with the school	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school and the nature of the interest	Steps Taken to Avoid Conflict of Interest
FIRST NIAGARA BANK	BANK ACCOUNTS	N/A	JOHN McINERNEY - EMPLOYEE	DID NOT VOTE ON BANK SELECTION

Signature 

Date 7.6.12

Disclosure of Financial Interest by a New York Charter School Board of Trustees Member
Annual Report 2011-2012

**Note: This Disclosure is a public record, but asterisked data fields will be redacted.*

1. Trustee Name (print) MICHAEL A. KELLER
2. Charter School Name CHARTER SCHOOL FOR APPLIED TECHNOLOGIES
3. Charter Authorizer Entity _____
4. Home Address _____
5. Business Address _____
6. Daytime Phone _____
7. E-Mail Address _____
8. List all positions held on board (e.g., chair, treasurer, parent representative)

9. Is the trustee an employee of the school? ___Yes No

If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

10. Is the trustee an employee or agent of the management company or institutional partner of the charter school? ___Yes No

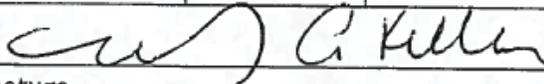
If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

11. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write None. Please note that if you answered Yes to Question 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
<i>Please write "None" if applicable. Do not leave this space blank.</i>			
NONE	NONE	NONE	NONE

12. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school and in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school that is doing business with the school through a management or services agreement, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write None.

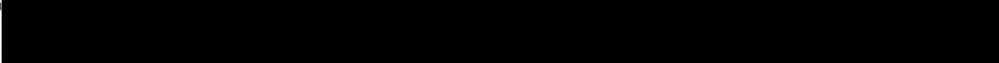
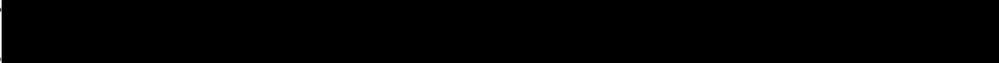
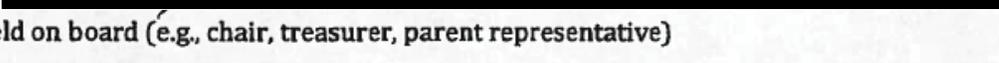
Organization conducting business with the school	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school and the nature of the interest	Steps Taken to Avoid Conflict of Interest
<i>Please write "None" if applicable. Do not leave this space blank.</i>				
NONE	NONE	NONE	NONE	NONE


 Signature

7/18/2012
 Date

**Disclosure of Financial Interest by a New York Charter School Board of Trustees Member
Annual Report 2011-2012**

**Note: This Disclosure is a public record, but asterisked data fields will be redacted.*

- 1. Trustee Name (print) Kaveo M. Kelley
- 2. Charter School Name Charter School for Applied Technologies
- 3. Charter Authorizer Entity SED
- 4. Home Address* 
- 5. Business Address* 
- 6. Daytime Phone* 
- 7. E-Mail Address* 

- 8. List all positions held on board (e.g., chair, treasurer, parent representative)
Trustee
Negotiations Chair

- 9. Is the trustee an employee of the school? Yes No

If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

- 10. Is the trustee an employee or agent of the management company or institutional partner of the charter school? Yes No

If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

11. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None**. Please note that if you answered **Yes** to Question 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
<p><i>Please write "None" if applicable. Do not leave this space blank.</i></p> <p><i>NONE</i></p>			

12. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school that is doing business with the school through a management or services agreement, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **None**.

Organization conducting business with the school	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school and the nature of the interest	Steps Taken to Avoid Conflict of Interest
<p><i>Please write "None" if applicable. Do not leave this space blank.</i></p> <p><i>NONE</i></p>				

Karen M. Kelley
 Signature

7/10/2012
 Date

**Disclosure of Financial Interest by a New York Charter School Board of Trustees Member
Annual Report 2011-2012**

**Note: This Disclosure is a public record, but asterisked data fields will be redacted.*

- 1. **Trustee Name (print)** Eaton Lattman _____
- 2. **Charter School Name** Charter School for Applied Technologies _____
- 3. **Charter Authorizer Entity SED** _____
- 4. **Home Address*** _____
- 5. **Business Address*** _____
- 6. **Daytime Phone*** _____
- 7. **E-Mail Address*** _____
- 8. **List all positions held on board (e.g., chair, treasurer, parent representative)**
Member, member development committee _____

9. Is the trustee an employee of the school? ___Yes ___x___No

If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

10. Is the trustee an employee or agent of the management company or institutional partner of the charter school? ___Yes ___x___No

If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

11. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None. Please note that if you answered **Yes** to Question 2-4 above, you need not disclose again your employment status, salary, etc.**

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
none	none		

Please write "None" if applicable. Do not leave this space blank.

12. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school and in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school that is doing business with the school through a management or services agreement, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **None.**

Organization conducting business with the school	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school and the nature of the interest	Steps Taken to Avoid Conflict of Interest
none	none			

Please write "None" if applicable. Do not leave this space blank.

Eaton Lettman

11 July 2012

Signature

Date

**Disclosure of Financial Interest by a New York Charter School Board of Trustees Member
Annual Report 2011-2012**

**Note: This Disclosure is a public record, but asterisked data fields will be redacted.*

- 1. **Trustee Name (print)** Rosalie A. Melisz_____
- 2. **Charter School Name** The Charter School for Applied Technologies_____
- 3. **Charter Authorizer Entity** SUNY Board of Regents_____
- 4. **Home Address** _____
- 5. **Business Address** _____
- 6. **Daytime Phone** _____
- 7. **E-Mail Address** _____
- 8. **List all positions held on board (e.g., chair, treasurer, parent representative)**
Board member: _____

9. **Is the trustee an employee of the school?** ___Yes ___No
If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

10. **Is the trustee an employee or agent of the management company or institutional partner of the charter school?** ___Yes ___No
If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

11. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None**. Please note that if you answered **Yes** to Question 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
None <i>Please write "None" if applicable. Do not leave this space blank.</i>			

12. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school that is doing business with the school through a management or services agreement, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **None**.

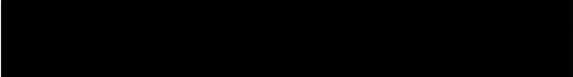
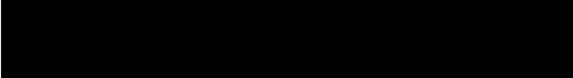
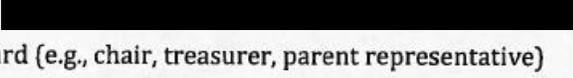
Organization conducting business with the school	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school and the nature of the interest	Steps Taken to Avoid Conflict of Interest
First Niagara Bank	banking	unknown	Rosalie A. Melisz-employee	Do not vote in banking matters involving my employer.

Rosalie A. Melisz
Signature

7/16/12
Date

**Disclosure of Financial Interest by a New York Charter School Board of Trustees Member
Annual Report 2011-2012**

**Note: This Disclosure is a public record, but asterisked data fields will be redacted.*

1. **Trustee Name (print)** Robert Mikulec_____
2. **Charter School Name** Charter School for Applied Technologies_____
3. **Charter Authorizer Entity** Board of Regents_____
4. **Home Address*** _____
5. **Business Address*** _____
6. **Daytime Phone*** _____
7. **E-Mail Address*** _____
8. **List all positions held on board (e.g., chair, treasurer, parent representative)**
Chair, Appeals Chair_____

9. Is the trustee an employee of the school? ___Yes _X_No

If **Yes**, please provide a description of the position you hold and your responsibilities, your salary and your start date.

10. Is the trustee an employee or agent of the management company or institutional partner of the charter school? ___Yes _X_No

If **Yes**, please provide a description of the position you hold and your responsibilities, your salary and your start date.

11. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None**. Please note that if you answered **Yes** to Question 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
<p><i>Please write "None" if applicable. Do not leave this space blank.</i></p> <p>NONE</p>			

12. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school that is doing business with the school through a management or services agreement, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **None**.

Organization conducting business with the school	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school and the nature of the interest	Steps Taken to Avoid Conflict of Interest
<p><i>Please write "None" if applicable. Do not leave this space blank.</i></p> <p>NONE</p>				

Robert M. Ull
 Signature

7/24/12
 Date

**Disclosure of Financial Interest by a New York Charter School Board of Trustees Member
Annual Report 2011-2012**

**Note: This Disclosure is a public record, but asterisked data fields will be redacted.*

1. **Trustee Name (print)** Cheryl Misiejuk
2. **Charter School Name:** Charter School For Applied Technologies
3. **Charter Authorizer Entity** _____
4. **Home Address** _____
5. **Business Address** _____
6. **Daytime Phone** _____
7. **E-Mail Address** _____
8. **List all positions held on board (e.g., chair, treasurer, parent representative)**
Parent Representative

9. Is the trustee an employee of the school? ___Yes __x__No

If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

10. Is the trustee an employee or agent of the management company or institutional partner of the charter school? ___Yes __x__No

If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

11. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None**. Please note that if you answered **Yes** to Question 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s) NONE	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
<i>Please write "None" if applicable. Do not leave this space blank.</i>			

12. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school that is doing business with the school through a management or services agreement, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **None**.

Organization conducting business with the school NONE	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school and the nature of the interest	Steps Taken to Avoid Conflict of Interest
<i>Please write "None" if applicable. Do not leave this space blank.</i>				

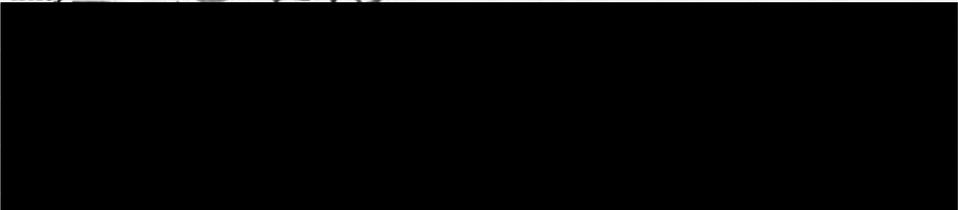
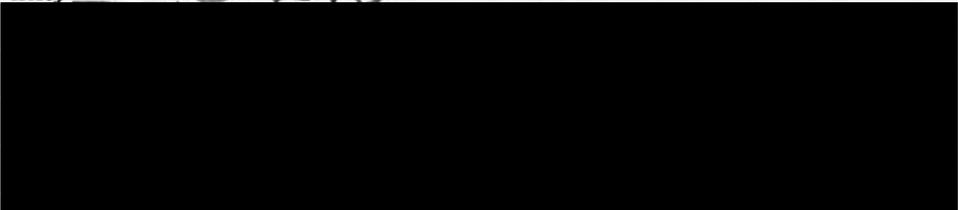
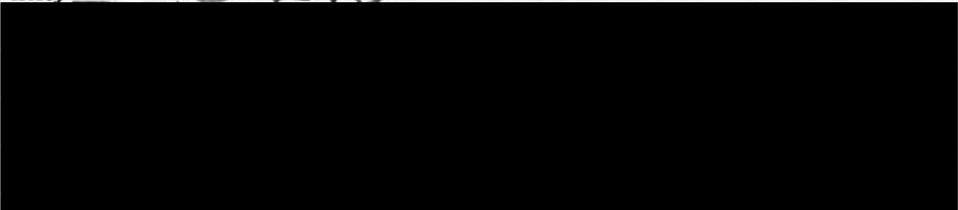
Chris Miseger
Signature

7/11/12

Date

**Disclosure of Financial Interest by a New York Charter School Board of Trustees Member
Annual Report 2011-2012**

**Note: This Disclosure is a public record, but asterisked data fields will be redacted.*

- 1. Trustee Name (print) DAVID S QUACKENBUSH
- 2. Charter School Name CHARTER SCHOOL for APPLIED TECHNOLOGIES
- 3. Charter Authorizer Entity S.E.D
- 4. Home Address* 
- 5. Business Address* 
- 6. Daytime Phone* 
- 7. E-Mail Address* 
- 8. List all positions held on board (e.g., chair, treasurer, parent representative)

9. Is the trustee an employee of the school? Yes No

If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

10. Is the trustee an employee or agent of the management company or institutional partner of the charter school? Yes No

If Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

11. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None**. Please note that if you answered **Yes** to Question 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
<p><i>Please write "None" if applicable. Do not leave this space blank.</i></p> <p style="font-size: 2em; font-weight: bold;">NONE</p>			

12. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school that is doing business with the school through a management or services agreement, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **None**.

Organization conducting business with the school	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school and the nature of the interest	Steps Taken to Avoid Conflict of Interest
<p><i>Please write "None" if applicable. Do not leave this space blank.</i></p> <p style="font-size: 2em; font-weight: bold;">NONE</p>				

Signature David Snatchewell Date 6/26/12

Appendix G: Board of Trustees Membership Table

Current Board Members				
Name	Position on the Board	Committee affiliation(s)	Area of expertise, and/or additional role at school (parent, staff member etc.)	Number of terms served and length of each, including date of election and expiration
Robert Mikulec	Chair	Construction	Business	4, 2 years, 9/12/13
John Cinquino	Treasurer	Finance	Finance	3, 3 years, 3/12/13
Michael Keller		Constr / Finance	Business	4, 2 years, 9/12/13
David Quackenbush		Constr / Negotia	Business	5, 1 year, 9/12/12
Karen Kelley		Negotiations	Business / Educa	5, 1 year, 9/12/12
Rose Melisz		Quality Assuranc	Legal	2, 2 years, 5/9/12
Cheryl Misiejuk		PTO	Parent	2, 2 years, 5/9/12
Ed Lattman			Education	1, 1 year, 9/12/12
Joseph A Berti			Business	0, 1 year, 9/12/12
Total Members joining the board the 2011-12 school year				1
Total Members departing the board during the 2011-12 school year				1

Length of Term. The founding trustees of the corporation are: John Cinquino, David Quackenbush, Robert Mikulec, Karen Kelley and Michael Keller (the “Founders”). The Founders have been segregated into three classes for the purpose of staggering term expiration dates. Upon the expiration of the term of any Founder, such Founder shall be deemed to be re-elected for a subsequent term of one to three years, which shall continue until his/her successor is elected and qualified to serve.

The remaining trustees shall serve for a term of one or two years, or until his/her successor is elected and qualified. If a non-Founder is elected to fill a vacancy created when a Founder no longer serves on the board, the term of such replacement shall be two years, and the terms of the then-sitting board shall be adjusted as necessary to accomplish the orderly transition of the board in a staggered manner.

6. Enrollment and Retention Targets

Charter School for Applied Technologies continues to comply with Education Law Article 56, §2854(2) and does not discriminate against any student on the basis of ethnicity, national origin, gender, disability or any other ground that would be unlawful. Admission of our students has not and continues to not be limited on the basis of intellectual ability, creed, gender, national origin, religion, or ancestry.

CSAT engaged in extensive efforts to inform families in its neighboring communities about its enrollment process and target dates for each new school year. Efforts continue to include various local advertisements, including bilingual newspapers, ads in Spanish, and in newspapers throughout the inner-city; open houses; CSAT website; and school tours. Additionally, CSAT opened a Family Support Center for families to receive assistance on completing applications and confirmation packets. CSAT hired a bilingual receptionist who also specializes in the translation of important documents to be available in multiple languages.

CSAT minimized the application form in accordance with the State Education Department guidelines. CSAT adapted the uniform application form within the allowable parameters; all data elements required to be submitted by the applicant are marked with an asterisk and the following statement is included on the application form:

Non-Discrimination Statement:

A charter school shall not discriminate against or limit the admission of any student on any unlawful basis, including the basis of ethnicity, national origin, gender, disability, intellectual ability, measures of achievement or aptitude, athletic ability, race, creed, religion or ancestry.

A school may not require any action by a student or family (such as an admission test, interview, essay, attendance at an information session, etc.) in order for an applicant to either receive or submit an application for admission to that school.

**CHARTER SCHOOL FOR
APPLIED TECHNOLOGIES
AND AFFILIATES**

FINANCIAL STATEMENTS

JUNE 30, 2012

CHARTER SCHOOL FOR APPLIED TECHNOLOGIES AND AFFILIATES

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JUNE 30, 2012

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Charter School for Applied Technologies

We have audited the accompanying consolidated balance sheets of Charter School for Applied Technologies and Affiliates (the Organization) as of June 30, 2012 and 2011, and the related consolidated statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2012 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, 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* and should be considered in assessing the results of our audit.

Our audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements as a whole. The accompanying additional information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The accompanying additional information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate 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.



October 29, 2012

CHARTER SCHOOL FOR APPLIED TECHNOLOGIES AND AFFILIATES

Consolidated Balance Sheets

June 30,	2012	2011
Assets		
Current Assets:		
Cash	\$ 8,068,053	\$ 9,691,684
Grants and other receivables (Note 2)	836,596	815,852
Prepaid expenses and other assets	395,708	377,351
	9,300,357	10,884,887
Property and equipment, net (Note 3)	20,401,608	19,480,028
Investments held in trust (Note 4)	2,216,583	2,236,003
Deferred financing costs, net	1,144,014	1,193,749
	\$ 33,062,562	\$ 33,794,667
Liabilities and Net Assets		
Current Liabilities:		
Current portion of long-term debt (Note 5)	\$ 170,000	\$ 160,000
Accounts payable and accrued expenses	1,897,555	2,111,197
Deferred revenue	83,729	49,469
	2,151,284	2,320,666
Long-term debt (Note 5)	20,410,061	20,558,756
Net assets:		
Unrestricted	10,501,217	10,915,245
	\$ 33,062,562	\$ 33,794,667

See accompanying notes.

CHARTER SCHOOL FOR APPLIED TECHNOLOGIES AND AFFILIATES

Consolidated Statements of Activities

For the years ended June 30,	2012	2011
Changes in unrestricted net assets:		
Support and revenue:		
Public school districts:		
Revenue-resident student enrollment	\$ 19,284,102	\$ 18,699,001
Revenue-students with disabilities	539,412	598,532
Federal grants	2,002,444	1,925,822
State grants	144,255	37,374
Food service and vending	145,302	130,345
Interest	29,183	35,423
Other income	556,236	349,763
Total unrestricted support and revenue	22,700,934	21,776,260
Expenses:		
Program expenses:		
Regular education	13,696,333	12,263,071
Special education	1,712,106	1,356,169
Other programs	4,111,313	3,468,387
Total program expenses	19,519,752	17,087,627
Supporting services:		
Management and general	3,595,210	3,289,242
Total expenses	23,114,962	20,376,869
Change in net assets	(414,028)	1,399,391
Net assets - beginning	10,915,245	9,515,854
Net assets - ending	\$ 10,501,217	\$ 10,915,245

CHARTER SCHOOL FOR APPLIED TECHNOLOGIES AND AFFILIATES

Consolidated Statements of Cash Flows

For the years ended June 30,	2012	2011
Operating activities:		
Change in net assets	\$ (414,028)	\$ 1,399,391
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation and amortization	1,095,159	972,318
Loss on disposal of property and equipment	12,841	-
Changes in operating assets and liabilities:		
Grants and other receivables	(20,744)	27,767
Prepaid expenses	(18,357)	(55,617)
Accounts payable and accrued expenses	(235,127)	183,521
Deferred revenue	34,260	(139,379)
Net operating activities	454,004	2,388,001
Investing activities:		
Property and equipment expenditures	(1,942,906)	(475,105)
Proceeds from sale of property and equipment	5,851	-
Withdrawals from (deposits to) investments held in trust	19,420	608
Net investing activities	(1,917,635)	(474,497)
Financing activities:		
Principal repayments on long-term debt	(160,000)	(145,000)
Net change in cash	(1,623,631)	1,768,504
Cash - beginning	9,691,684	7,923,180
Cash - ending	\$ 8,068,053	\$ 9,691,684

See accompanying notes.

Notes to Consolidated Financial Statements

1. Summary of Significant Accounting Policies:

Organization:

The consolidated financial statements of Charter School for Applied Technologies and Affiliates (the Organization) include the accounts of Charter School for Applied Technologies (the School), EST, LLC (the LLC), and eDoctrina Corporation (the Corporation), affiliated entities of which the School is the sole member or stockholder.

The School operates a charter school in Kenmore, New York approved by the Board of Regents of the State of New York. The School offers classes from kindergarten through grade 12. The School is chartered through 2015, after which time the charter may be renewed, upon application.

The LLC was formed to serve as a resource to other charter schools. The Corporation provides educational support products and services to public, private and charter schools. All significant inter-entity accounts and transactions have been eliminated in the accompanying financial statements.

Subsequent Events:

Management has evaluated events and transactions for potential recognition or disclosure in the financial statements through October 29, 2012, the date the financial statements were available to be issued.

Cash:

Cash in financial institutions potentially subjects the Organization to concentrations of credit risk, since it may exceed insured limits at various times throughout the year.

Receivables:

Receivables are stated at the amount that management expects to collect from outstanding balances. Balances that are still outstanding after reasonable collection efforts are written off through a charge to bad debts expense and a credit to accounts receivable. An allowance for doubtful accounts is considered unnecessary because all significant amounts deemed uncollectible are written off each year.

Property and Equipment:

Property and equipment is stated at cost net of accumulated depreciation. Depreciation is provided using the straight-line method over estimated useful lives. Maintenance and repairs are charged to operations as incurred; significant improvements are capitalized.

Investments:

Investments are held in trust pursuant to various security and guarantee agreements related to long-term debt. Investments are stated at fair value as determined by quoted prices in active markets, and primarily consist of U.S. Treasury obligations.

Bond Discount and Deferred Financing Costs:

Bond discount and issuance costs associated with the issuance of the 2005 Series bonds are amortized on a straight-line basis over the life of the bonds. Unamortized bond discount is presented as a reduction in the face amount of the bonds payable, whereas issuance costs are recorded as deferred financing costs. Amortization of bond discounts was \$21,305 for 2012 and 2011. Amortization of bond issuance costs was \$49,735 for 2012 and 2011.

Grants:

The Organization receives certain governmental and other grants to fund various programs. The awards and reimbursements are subject to compliance and financial audits by the funding sources. Management believes no significant adjustments are necessary to recognized amounts.

The Organization records grant awards accounted for as exchange transactions as deferred revenue until related services are performed. Special project grants are generally recorded as revenue when the grant is awarded.

Enrollment Fees:

The School is reimbursed by each student's resident school district annually, based on the product of the State approved operating expense of that district and the full time equivalent enrollment of the students in the School residing in the district. Approximately 87% of enrollment fees are received annually from the Board of Education for the City of Buffalo School District.

Income Taxes:

The School is a 501(c)(3) organization exempt from taxation under Section 501(a) of the Internal Revenue Code. The LLC is considered a disregarded entity for tax purposes. Consequently, all tax reporting for the LLC is consolidated with the activity of the Organization. The Corporation is taxed as a separate entity. Management believes it is no longer subject to examination by Federal and State taxing authorities for years prior to 2009.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cost Allocation:

The Organization's costs of providing its various programs and activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

2. Grants and Other Receivables:

	2012	2011
Grants	\$ 625,066	\$ 536,950
Enrollment fees	157,611	225,457
Other	53,919	53,445
	<u>\$ 836,596</u>	<u>\$ 815,852</u>

3. Property and Equipment:

	2012	2011
Land	\$ 286,500	\$ 286,500
Building and improvements	23,942,685	22,203,830
Furniture and equipment	2,772,956	2,371,802
Vehicles	99,896	99,896
Construction in progress	-	222,550
	<u>27,102,037</u>	<u>25,184,578</u>
Less accumulated depreciation	<u>6,700,429</u>	<u>5,704,550</u>
	<u>\$ 20,401,608</u>	<u>\$ 19,480,028</u>

Depreciation expense for the years ended June 30, 2012 and 2011 was \$1,024,120 and \$901,276.

4. Investments Held in Trust:

The following accounts are held by a trustee in compliance with the issuance of 2005 Series bonds, representing investments restricted for project construction, security reserves, principal reduction and interest payments.

	2012	2011
Reserve fund	\$ 1,914,938	\$ 1,914,938
Custodian and other funds	251,645	271,065
Repair fund	50,000	50,000
	<u>\$ 2,216,583</u>	<u>\$ 2,236,003</u>

5. Long-Term Debt:

	2012	2011
Erie County Industrial Development Agency Civic Facility Revenue Bonds (Charter School for Applied Technologies Project), Series 2005B (taxable) Bonds, beginning June 2006, payable in annual principal installments ranging from \$95,000 to \$205,000, plus interest at 9%, final payment due June 2015.	\$ 560,000	\$ 720,000
Erie County Industrial Development Agency Civic Facility Revenue Bonds (Charter School for Applied Technologies Project), Series 2005A (tax exempt) Bonds, principal payments beginning June 2016 in annual principal installments ranging from \$515,000 to \$1,790,000, plus interest from date of issuance at rates ranging from 6.250% to 6.875% due June 2035.	<u>20,510,000</u>	20,510,000
	<u>21,070,000</u>	21,230,000
Less current portion	170,000	160,000
Less unamortized bond discount	<u>489,939</u>	511,244
	<u>\$ 20,410,061</u>	<u>\$ 20,558,756</u>

In June 2005, the School entered into an installment sale agreement with the Erie County Industrial Development Agency (ECIDA), principally to finance the cost of acquiring, renovating, and equipping certain buildings to be used for expansion of the School, including the establishment of a high school and refinancing of existing debt. To finance the project, ECIDA authorized the sale of Civic Facility Revenue Bonds in the aggregate amount of \$21,940,000 under a trust indenture with a bank as trustee. The sale is secured by mortgage and security agreements granting the trustee a mortgage lien on and security interest in real and personal property as well as certain revenues, subject to permitted encumbrances. The bonds are further secured by the Reserve fund (Note 4).

Aggregate maturities of long-term debt subsequent to June 30, 2012 are:

2013	\$ 170,000
2014	185,000
2015	205,000
2016	515,000
2017	550,000
Thereafter	<u>19,445,000</u>
	<u>\$ 21,070,000</u>

Interest expense for the years ended June 30, 2012 and 2011 was \$1,460,788 and \$1,406,053.

6. Retirement Plans:

The School maintains a 403(b) profit sharing plan covering qualified employees. The plan does not require employer contributions.

The School participates in the New York State Teachers' Retirement System (TRS) and New York State and Local Employees' Retirement System (ERS) (the Systems), which are cost-sharing multiple employer, public employee retirement systems. The Systems offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability.

New York State Teachers' Retirement System:

TRS is administered by the New York State Teachers' Retirement Board and provides benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. TRS issues a publicly available financial report that contains financial statements and required supplementary information for the System. The report may be obtained from the New York State Teachers' Retirement System at www.nystrs.org.

New York State and Local Employees' Retirement System:

ERS provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute and provide benefits to employees. ERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from the New York State and Local Retirement System at www.osc.state.ny.us/retire.

Funding Policies:

No employee contribution is required for those hired prior to July 1976. The Systems require employee contributions of 3% of salary for the first 10 years of service for those employees who joined the Systems between July 1976 through December 2009. Participants hired on or after January 1, 2010 through March 31, 2012 are required to contribute 3% (ERS) or 3.5% (TRS) of compensation throughout their active membership in the Systems. Participants hired on or after April 1, 2012 are required to contribute 3% (ERS) or 3.5% (TRS) of compensation through March 31, 2013. Beginning April 1, 2013, these participants will contribute a percentage ranging from 3% to 6% per year, based on their level of compensation.

For ERS, the Comptroller annually certifies the rates used, expressed as a percentage of the wages of participants, to compute the contributions required to be made by the School to the pension accumulation fund. The rate is 15.7% and 11.3% for 2012 and 2011. Pursuant to Article 11 of the Education Law, rates are established annually for TRS by the New York State Teachers' Retirement Board at an actuarially determined rate. The rate is 11.11% of the annual covered payroll as of June 30, 2012, and 8.62% for the year ended June 30, 2011.

The contributions to the Systems for all plans for 2012 and 2011 were \$1,090,530 and \$793,932.

7. Lease Obligations:

The Organization leases certain equipment and property under terms of various operating leases. Rental expense for all operating leases amounted to \$93,533 and \$39,495 for the years ended June 30, 2012 and 2011.

Future minimum rentals to be paid for this lease are:

2013	\$	99,533
2014		80,439
2015		56,400
	\$	<u>236,372</u>

8. Cash Flows Information:

Net cash flows from operating activities reflect cash payments for interest of \$1,460,788 and \$1,473,838 for the years ended June 30, 2012 and 2011. Noncash investing and financing activities excluded from the statements of cash flows include net accounts payable incurred for equipment additions of \$210,559 and \$189,074 at June 30, 2012 and 2011.

CHARTER SCHOOL FOR APPLIED TECHNOLOGIES AND AFFILIATES

Additional Information
Consolidated Schedule of Expenses

For the year ended June 30, 2012 (with summarized comparative totals for 2011)

	2012				2011	
	Regular Education	Special Education	Other Programs	Management and General	Total	Total
Salaries	\$ 6,505,224	\$ 896,042	\$ 1,150,208	\$ 1,792,020	\$ 10,343,494	\$ 9,427,114
Employee benefits and taxes	2,838,092	388,671	395,947	704,639	4,327,349	3,449,215
Contracted services	234,382	81,743	55,384	359,678	731,187	684,209
Equipment rental	50,622	-	-	6,129	56,751	55,069
Interest	1,168,630	73,039	146,080	73,039	1,460,788	1,406,053
Professional fees	-	-	6,500	239,118	245,618	233,275
Maintenance and repairs	310,405	19,606	45,665	24,546	400,222	311,266
Occupancy	336,697	21,044	42,086	21,044	420,871	442,139
Printing	72,163	9,850	8,528	16,794	107,335	86,496
Supplies and materials	875,419	119,583	115,035	206,930	1,316,967	1,085,512
Other expenses	246,911	34,084	205,256	70,547	556,798	381,739
Staff development	86,178	2,154	4,309	15,081	107,722	50,535
Telephone	28,299	3,968	8,757	10,199	51,223	50,025
Textbooks	65,459	7,273	-	-	72,732	52,915
Transportation	-	-	1,808,107	-	1,808,107	1,678,823
Travel	1,724	291	9,935	688	12,638	10,166
	<u>12,820,205</u>	<u>1,657,348</u>	<u>4,001,797</u>	<u>3,540,452</u>	<u>22,019,802</u>	<u>19,404,551</u>
Depreciation and amortization	876,128	54,758	109,516	54,758	1,095,160	972,318
Total	<u>\$ 13,696,333</u>	<u>\$ 1,712,106</u>	<u>\$ 4,111,313</u>	<u>\$ 3,595,210</u>	<u>\$ 23,114,962</u>	<u>\$ 20,376,869</u>

CHARTER SCHOOL FOR APPLIED TECHNOLOGIES AND AFFILIATES

Additional Information
Schedule of Expenditures of Federal Awards

For the year ended June 30, 2012

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grantor Number</u>	<u>Expenditures</u>
<u>U.S. Department of Education</u>			
Passed through New York State Department of Education:			
Title I, Part A Cluster			
Title I Grants to Local Educational Agencies	84.010	0021-11-4050	\$ 121,491
Title I Grants to Local Educational Agencies	84.010	0021-12-4050	653,696
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	5021-12-4050	35,435
Total Title I, Part A Cluster			<u>810,622</u>
Improving Teacher Quality State Grants	84.367	0147-11-4050	17,908
Improving Teacher Quality State Grants	84.367	0147-12-4050	41,704
ARRA - State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	84.395	5500-12-0004	62,209
Total U.S. Department of Education			<u>932,443</u>
<u>U.S. Department of Agriculture</u>			
Passed through New York State Department of Education:			
Child Nutrition Cluster			
School Breakfast Program	10.553	N/A	305,968
National School Lunch Program	10.555	N/A	746,108
Total Child Nutrition Cluster			<u>1,052,076</u>
Passed through New York State Office of General Services:			
Child Nutrition Discretionary Grants Limited Availability	10.579	N/A	17,925
Total U.S. Department of Agriculture			<u>1,070,001</u>
Total Expenditures of Federal Awards			<u>\$ 2,002,444</u>

Notes to Schedule of Expenditures of Federal Awards

1. Summary of Significant Accounting Policies:

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs administered by Charter School for Applied Technologies and Affiliates (the Organization), an entity as defined in Note 1 to the Organization's financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through from other governmental agencies, are included on the Schedule of Expenditures of Federal Awards.

Basis of Accounting

The amounts reported as federal expenditures generally were obtained from the appropriate federal financial reports for the applicable programs and periods. The amounts reported in these federal financial reports are prepared from records maintained for each program, which are periodically reconciled with the Organization's financial reporting system. The federal expenditures are recorded on an accrual basis.

Non-monetary Federal Program

The Organization is the recipient of a federal award program that does not result in cash receipts or disbursements, termed a "non-monetary program." During the year ended June 30, 2012, the Organization used \$17,925 worth of commodities under the Child Nutrition Discretionary Grants Limited Availability program (CFDA Number 10.579).

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*

The Board of Trustees
Charter School for Applied Technologies

We have audited the consolidated financial statements of Charter School for Applied Technologies and Affiliates (the Organization) as of and for the year ended June 30, 2012, and have issued our report thereon dated October 29, 2012. 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.

Internal Control over Financial Reporting

Management of the Organization is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Organization's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

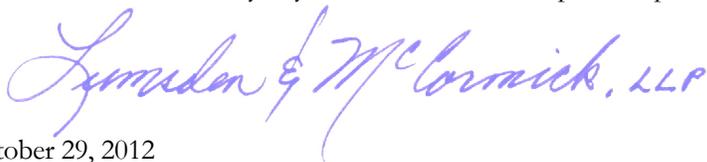
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination 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.

Our consideration of internal control over financial reporting 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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated 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*.

This report is intended solely for the information and use of management, the Board of Trustees, New York State Department of Education, federal awarding agencies and pass-through entities. It is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Lyman & McCormick, LLP". The signature is written in a cursive, flowing style.

October 29, 2012

Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133

The Board of Trustees
Charter School for Applied Technologies

Compliance

We have audited Charter School for Applied Technologies and Affiliates' (the Organization) 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 Organization's major federal programs for the year ended June 30, 2012. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Organization's management. Our responsibility is to express an opinion on the Organization's compliance based on our audit.

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 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 on the Organization's compliance with those requirements.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

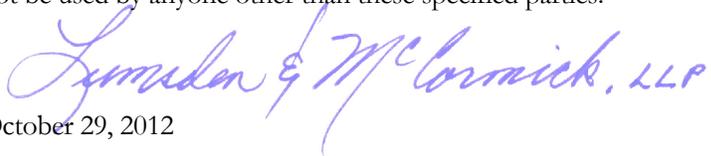
Internal Control over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Organization's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 Organization'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 noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Trustees, New York State Department of Education, federal awarding agencies and pass-through entities. It is not intended to be and should not be used by anyone other than these specified parties.


October 29, 2012

Schedule of Findings and Questioned Costs

For the year ended June 30, 2012

Section I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	<i>Unqualified</i>
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs:	<i>Unqualified</i>
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No
Identification of major programs:	

<u>Name of Federal Program or Cluster</u>	<u>CFDA#</u>	<u>Amount</u>
Title I, Part A Cluster		
Title I Grants to Local Educational Agencies	84.010	\$ 775,187
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	35,435
Total Title I, Part A Cluster		<u>810,622</u>
Child Nutrition Cluster		
School Breakfast Program	10.553	305,968
National School Lunch Program	10.555	746,108
Total Child Nutrition Cluster		<u>1,052,076</u>
		<u>\$ 1,862,698</u>

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	No

Schedule of Findings and Questioned Costs (con't)

For the year ended June 30, 2012

Section II. Financial Statement Findings

No matters were reported.

Section III. Federal Award Findings and Questioned Costs

No matters were reported.

Summary Schedule of Prior Audit Findings

June 30, 2012

<u>Reference Number</u>	<u>Discussion</u>	<u>Cost</u>	<u>Status of Finding</u>
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No findings were reported and as such no corrective action plan is needed.