

21st Century Cyber CS

Charter Annual Report

07/01/2014 - 06/30/2015

School Profile

Demographics

126 Wallace Ave.
Downingtown, PA 19335
(484)875-5400

Phase:	Phase 2
CEO Name:	Kim McCully
CEO E-mail address:	kmccully@21cccs.org

Governance and Staff

Leadership Changes

Leadership changes during the past year on the Board of Trustees and in the school administration:

Jerry Shiveley resigned from Montgomery County Intermediate Unit. John George filled the open Montgomery County Intermediate Unit Seat.

Gemma Baldon filled the first open parent representative seat.

Shawn Filby filled the third open parent representative seat.

Mark Klein from Council Rock School District resigned from the second Bucks County seat. Dr. Bridget O'Connell from Palisades School District will fill the second Bucks County seat.

Merle Horowitz from Marple Newtown School District resigned from the third Delaware County seat. Dr. Stephen Butz from Southeast Delco School District will fill the third Delaware County seat.

William Keilbaugh from the School District of Haverford Township resigned from the second Delaware County seat. Mr. James Wigo, Sr. from Rose Tree Media School District will fill the second Delaware County seat.

Jon Marsh resigned from the CEO/Director position at 21st Century Cyber Charter School. Kim McCully was named CEO in May, 2015.

Board of Trustees Meeting Schedule

Location	Date and Time
21CCCS 126 Wallace Avenue, Downingtown, PA 19335	9/9/2014 1:00 PM
PaTTAN KOP 200 Anderson Road, King of Prussia, PA 19406	11/11/2014 1:00 PM
21CCCS 126 Wallace Avenue, Downingtown, PA 19335	1/13/2015 1:00 PM
PaTTAN KOP 200 Anderson Road, King of Prussia, PA 19406	3/10/2015 1:00 PM
21CCCS 126 Wallace Avenue, Downingtown, PA 19335	5/12/2015 1:00 PM
21CCCS 126 Wallace Avenue, Downingtown, PA 19335	9/15/2015 1:00 PM
21CCCS 126 Wallace Avenue, Downingtown, PA 19335	11/17/2015 1:00 PM
PaTTAN KOP 200 Anderson Road, King of Prussia, PA 19406	1/12/2016 1:00 PM
21CCCS 126 Wallace Avenue, Downingtown, PA 19335	3/8/2016 1:00 PM
PaTTAN KOP 200 Anderson Road, King of Prussia, PA 19406	5/10/2016 1:00 PM

Professional Staff Member Roster

There are no professional staff members.

The professional staff member roster as recorded originally on the PDE-414 form

PDF file uploaded.

Quality of Teaching and Other Staff

Position Categories	All Employed per Category	Appropriately Certified	Promoted	Transferred	Terminated	Contracted for Following Year
Chief Executive Officer	3.00	3.00	0.00	0.00	2.00	1.00
Principal	3.00	3.00	1.00	0.00	1.00	1.00
Assistant Principal	0.00	0.00	0.00	0.00	0.00	0.00
Classroom Teacher (including Master Teachers)	38.00	38.00	1.00	0.00	5.00	33.00
Specialty Teacher (including Master Teachers)	0.00	0.00	0.00	0.00	0.00	0.00
Special Education Teacher (including Master Teachers)	6.00	6.00	0.00	0.00	0.00	6.00
Special Education Coordinator	1.00	1.00	0.00	1.00	1.00	0.00
Counselor	2.00	2.00	0.00	0.00	0.00	2.00
Psychologist	0.00	0.00	0.00	0.00	0.00	0.00
School Nurse	1.00	0.00	0.00	0.00	0.00	1.00
Totals	54.00	53.00	2.00	1.00	9.00	44.00

Further explanation:

This narrative is empty.

Fiscal Matters

Major Fundraising Activities

Major fundraising activities performed this year and planned for next year:

There were no major fund-raising activities during the 2014-15 school year and there are none planned for the 2015-16 school year.

Fiscal Solvency Policies

Changes to policies and procedures to ensure and monitor fiscal solvency:

In order to maintain steady cash flows, 21CCCS bills school districts on a monthly basis. Subsidy deductions, as allowed by PDE, are requested multiple times throughout the school year.

Parents are billed timely for any unreturned computer equipment and books.

21CCCS maintains checking and money market accounts at DNB First.

As part of the purchasing procedures put in place by the 21CCCS Board, purchases over \$4,000 require additional pre-approval by the CEO, and those in excess of \$10,000 and any long-term lease commitments are voted on by the Board of Trustees. All purchases are presented in an Expenditure Report to the Board for approval at each meeting.

Herbein + Company, Inc., independent auditors, have recommended that 21CCCS set aside in its fund balance in an amount equal to 3 months of expenditures (approximately \$1,500,000).

21CCCS has designated \$1,400,000 for this purpose under a program stabilization classification as of June 30, 2015. 21CCCS intends to comply with the recommendation over time and expects to add to this balance once the June 30, 2015 reporting has been finalized and the fund balances have been updated.

In accordance with GASB Statements No. 54 Fund Balance Reporting and Governmental Fund Type Definitions, the following fund balance classifications for June 30, 2015 were approved at the May 12, 2015 Board meeting:

Future Building Fund

Future Capital Equipment/Software/Furniture

Future Curriculum Development

New Initiatives

Future Program Stabilization

Fiscal Solvency Policies

Charter School documents that describe policies and procedures that have been established to ensure and monitor fiscal solvency (optional if described in the narrative)

Files uploaded:

- Business Office Procedures .docx

Accounting System

Changes to the accounting system the charter school uses:

21CCCS utilizes CSIU's Financial Accounting software in conjunction with the Chart of Accounts mandated by the PA LECS Comptroller's Office for budgeting, accounting, and financial reporting. All financial reporting conforms to Generally Accepted Accounting Principles (GAAP) as stated in the Independent Auditor's Report dated December 17, 2014 presented by Herbein & Company Inc. This change in accounting software was done in conjunction with the transfer of the financial management of 21CCCS from the Chester County Intermediate Unit to an in house business office.

Preliminary Statements of Revenues, Expenditures & Fund Balances

The completed and CEO signed Fiscal Template – Preliminary Statements of Revenues, Expenditures & Fund Balances

PDF file uploaded.

Financial Audits

Basics

Audit Firm: Herbein & Company, Inc
 Date of Last Audit: 06/30/2014
 Fiscal Year Last Audited: 2013-2014

Explanation of the Report

Detailed explanation of the report (if the previous year's report has been submitted.) Any audit report for a school year that precedes this annual report by more than 2 years is not acceptable and may be considered a material violation:

Audited financial statements for the year-ended June 30,2015 are currently not available. Herbein + Company, Inc. is expected to begin fieldwork on?the 2014-15 financial statements in August 2015. A completion date for the audit cannot be provided at this time.

Financial Audit Report

The Financial Audit Report, which should include the auditor's opinion and any findings resulting from the audit

PDF file uploaded.

Citations

Financial audit citations and the corresponding Charter School responses

Description	Response
-------------	----------

Federal Programs Consolidated Review

Basics

Title I Status: No
Date of Last Federal
Programs Consolidated
Review:
School Year Reviewed:

Federal Programs Consolidated Review Report

The Federal Programs Consolidated Review Report, which should include the Division's opinion and any findings resulting from the audit

No file has been uploaded.

Citations

Federal Programs Consolidated Review citations and the corresponding Charter School responses

Description	Response
--------------------	-----------------

Special Education

Chapter 711 Assurances

The LEA agrees to comply with all requirements of Special Education outlined in 22 PA Code Chapter 711 and other state and federal mandates. These include:

Implementation of a full range of services, programs and alternative placements available to the Charter School for placement and implementation of the special education programs in the Charter School.

Implementation of a child find system to locate, identify and evaluate young children and children who are thought to be a child with a disability eligible for special education residing within the Charter School's jurisdiction. Child find data is collected, maintained and used in decision-making. Child find process and procedures are evaluated for their effectiveness. The Charter School implements mechanisms to disseminate child find information to the public, organizations, agencies and individuals on at least an annual basis.

Assurances of students with disabilities are included in general education programs and extracurricular and non-academic programs and activities to the maximum extent appropriate in accordance with an Individualized Education Program.

Following the state and federal guidelines for participation of students with disabilities in state and Charter School-wide assessments including the determination of participation, the need for accommodations and the methods of assessing students for whom regular assessment is not appropriate.

Assurance of funds received through participation in the medical assistance reimbursement program, ACCESS, will be used to enhance or expand the current level of services and programs provided to students with disabilities in this local education agency.

Special Education Support Services

Support Service	Location	Teacher FTE
Supervisor of Special Education	21st Century Cyber Charter School	1

Special Education Contracted Services

Title	Amt. of Time per Week	Operator	Number of Students
Occupational Therapy	4.25 Hours	Outside Contractor	10 or fewer
Physical Therapy	1.5 Hours	Outside Contractor	10 or fewer
Psychological Counseling	1.25 Hours	Outside Contractor	10 or fewer
Speech and Language	6 Hours	Outside	10 or fewer

		Contractor	
Vision Therapy	1 Hours	Outside Contractor	10 or fewer

Special Education Cyclical Monitoring

Date of Last Special Education Cyclical Monitoring:
Link to Report (Optional):

02/11/2011
Not Provided

Special Education Cyclical Monitoring Report

The Special Education Cyclical Monitoring Report, which should include the Bureau's findings
PDF file uploaded.

Facilities

Fixed assets acquired by the Charter School during the past fiscal year

Fixed assets acquired by the Charter School during the past fiscal year:

Renovations to 126 Wallace Avenue were completed in 2014-2015. Total value of 126 Wallace Avenue is \$3,502,602, this includes the purchase price of \$1,420,600 included in the 2013-2014 Annual Report.

The total Charter School expenditures for fixed assets during the identified fiscal year:

\$2,082,002.00

Facility Plans and Other Capital Needs

The Charter School's plan for future facility development and the rationale for the various components of the plan:

At this time there is no plan for future facility development. We believe our recently acquired facility will suit our needs.

Memorandums of Understanding

Organization	Purpose
Downingtown Police Department	Establish procedures between 21st Century Cyber Charter School and the Downingtown Police Department to be followed when incidents occur on school property, at any school sponsored activity, or on a conveyance as described in the Safe Schools Act providing transportation to or from a school or school sponsored activity.

Charter School Annual Report Affirmations

Charter Annual Report Affirmation

I verify that all information and records in this charter school annual report are complete and accurate.

The Chief Executive Officer and the Board of Trustee President of the charter school must sign this verification.

Affirmed by Tom Newcome on 7/23/2015

President, Board of Trustees

Affirmed by Kim McCully on 7/20/2015

Chief Executive Officer

Charter School Law Affirmation

Pennsylvania's first Charter School Law was Act 22 of 1997, 24 P.S. § 17-1701-A et seq., which primarily became effective June 19, 1997, and has subsequently been amended.

The Charter School Law provides for the powers, requirements, and establishment of charter schools. The Charter School Law was passed to provide opportunities to teachers, parents, pupils and community members to establish and maintain schools that operate independently from the existing school district structure as a method to accomplish all of the following: (1) improve pupil learning; (2) increase learning opportunities for all pupils; (3) encourage the use of different and innovative teaching methods; (4) create new professional opportunities for teachers; (5) provide parents and pupils with expanded choices in types of educational opportunities that are available within the public school system; and (6) hold charter schools accountable for meeting measurable academic standards and provide the school with a method to establish accountability systems.

The charter school assures that it will comply with the requirements of the Charter School Law and any provision of law from which the charter school has not been exempted, including Federal laws and regulations governing children with disabilities. The charter school also assures that it will comply with the policies, regulations and procedures of the Pennsylvania Department of Education (Department). Additional information about charter schools is available on the Pennsylvania Department's website at: <http://www.education.state.pa.us>.

The Chief Executive Officer and Board of Trustees President of the charter school must sign this assurance.

Affirmed by Tom Newcome on 7/23/2015

President, Board of Trustees

Affirmed by Kim McCully on 7/20/2015

Chief Executive Officer

Ethics Act Affirmation

Pennsylvania's current Public Official and Employee Ethics Act (Ethics Act), Act 93 of 1998, Chapter 11, 65 Pa.C.S. § 1101 et seq., became effective December 14, 1998 and has subsequently been amended.

The Ethics Act provides that public office is a public trust and that any effort to realize personal financial gain through public office other than compensation provided by law is a violation of that trust. The Ethics Act was passed to strengthen the faith and confidence of the people of Pennsylvania in their government. The Pennsylvania State Ethics Commission (Commission) administers and enforces the provisions of the Ethics Acts and provides guidance regarding its requirements.

The regulations of the Commission set forth the procedures applicable to all proceedings before the Commission as well as for the administration of the Statement of Financial Interests filing requirements. See 51 Pa. Code § 11.1 et seq.

The charter school assures that it will comply with the requirements of the Ethics Act and with the policies, regulations and procedures of the Commission. Additional information about the Ethics Act is available on the Commission's website at: <http://www.ethics.state.pa.us>.

The Chief Executive Officer and Board of Trustees President of the charter school must sign this assurance.

Affirmed by Tom Newcome on 7/23/2015

President, Board of Trustees

Affirmed by Kim McCully on 7/20/2015

Chief Executive Officer

Charter Annual Background Check Affirmation

I certify that, as of this date, the above referenced LEA is in compliance with all applicable provisions of Sections 111 and 111.1 of the Public School Code of 1949.

Affirmed by Tom Newcome on 7/23/2015

President, Board of Trustees

Affirmed by Kim McCully on 7/20/2015

Chief Executive Officer

Charter Annual Administrative Certification Affirmation

All public school principals, including charter and cyber charter school principals, are subject to the applicable certification requirements of the Public School Code (24 P.S. § 11-1109) as well as any Act 45 continuing education and Pennsylvania Inspired Leaders (PIL) requirements. In keeping with the intent of section 1109, any person who devotes half or more of their time to supervision or administration in a public school, without an identified principal, is serving as the "principal" of the school regardless of the locally titled position (i.e., school director, head teacher, etc.). Such individuals must hold a valid administrative certificate and comply with all applicable Act 45 and PIL requirements. In addition, the public school should properly identify the individual as a principal in PIMS/PERMS regardless of the local title utilized.

The Charter School assures that the Public School Code (24 P.S. § 11-1109) as well as any Act 45 continuing education and Pennsylvania Inspired Leaders (PIL) requirements are met as outlined above.

Affirmed by Tom Newcome on 7/23/2015

President, Board of Trustees

Affirmed by Kim McCully on 7/20/2015

Chief Executive Officer