Financial Performance Response Evaluation Instrument

Charter Holder Name: Academy with Community Partners, Inc.
Charter Holder Entity ID: 79213
Date Submitted: March 31, 2014

Required for: Renewal
Audit Year: 2013
Evaluation Completed: April 2, 2014

Arizona State Board for Charter Schools (Board) staff completed the Financial Performance Response Evaluation Instrument to be used by the Board in its consideration of applicable requests made by the charter holder. "Not Acceptable" answers may adversely affect the Board's decision regarding a charter holder's request.

Measure	Acceptable	Not Acceptable	Not Applicable	Comments
1a. Going Concern			X	
1b. Unrestricted Days Liquidity		X		The financial performance response includes a letter dated March 24, 2014 from Charter School Capital (CSC) indicating the charter holder has prequalified for funding with CSC based on information contained in an application and other documents. According to the letter, "…based on initial information provided by the school, CSC anticipates it may offer a funding contract in the amount of $257,304.00. The funding provided by CSC provides flexibility for the school to address working capital needs that may arise from time-to-time and will be available through the term of our Agreement." The term of the agreement is not specified in the letter. The fiscal year 2013 audit appears to reference a similar arrangement that was in place during the year. According to the audit, during fiscal year 2013, the charter holder entered into an agreement with a company to sell the charter holder's April 1, 2013, May 1, 2013 and June 1, 2013 state equalization payments totaling $216,900. As of June 30, 2013, the charter holder had repaid the company $216,900. The financial performance response does not explain the reason(s) for the charter holder having fewer than 30 days of cash or other liquidity in fiscal year 2013.

Measure	Acceptable	Not Acceptable	Not Applicable	Comments
1c. Default			X	
2a. Net Income		X		The financial performance response includes a letter dated March 24, 2014 from Charter School Capital (CSC) indicating the charter holder has prequalified for funding with CSC (see "Unrestricted Days Liquidity"). The financial performance response does not explain the reason(s) for the charter holder's negative net income in fiscal year 2013 and does not explain the charter holder's efforts to attain positive net income in the current or subsequent fiscal year.
2b. Cash Flow		X		The financial performance response includes a letter dated March 24, 2014 from Charter School Capital (CSC) indicating the charter holder has prequalified for funding with CSC (see "Unrestricted Days Liquidity"). The financial performance response does not explain the reason(s) for the charter holder not meeting the measure's target in fiscal year 2013.
2c. Fixed Charge Coverage Ratio		X		The financial performance response includes a letter dated March 24, 2014 from Charter School Capital (CSC) indicating the charter holder has prequalified for funding with CSC (see "Unrestricted Days Liquidity"). The financial performance response does not explain the reason(s) for the charter holder not meeting the measure's target in fiscal year 2013.