Charter Renewal Report

Desert Heights Charter Schools

JUNE 12, 2017

AGENDA ITEM: Charter Renewal Application—Desert Heights Charter Schools

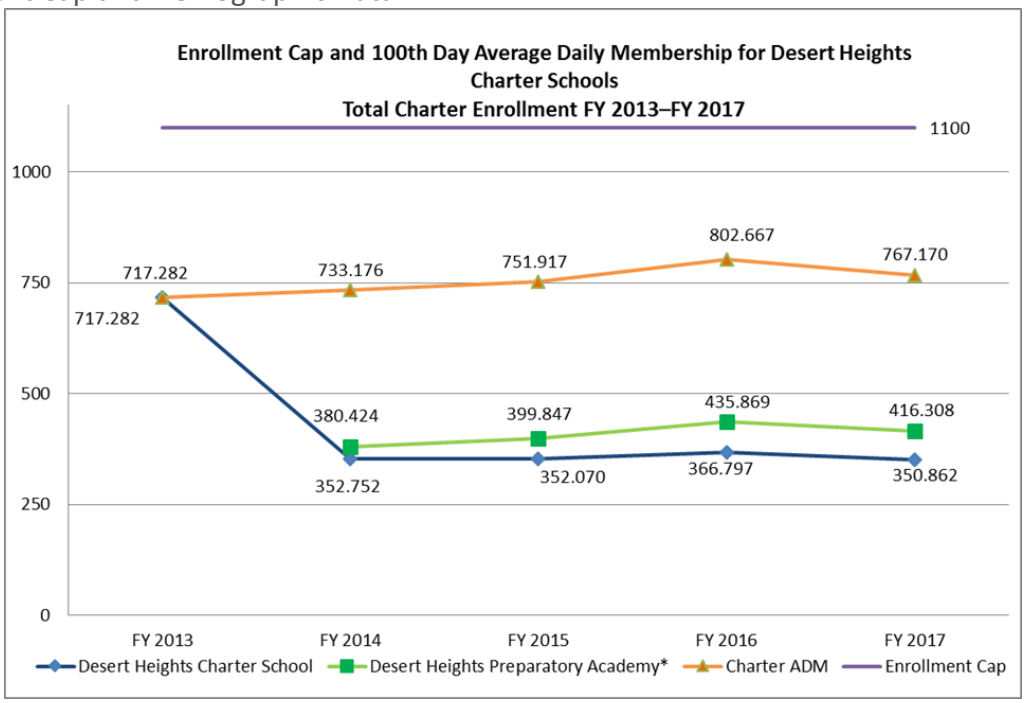
Request

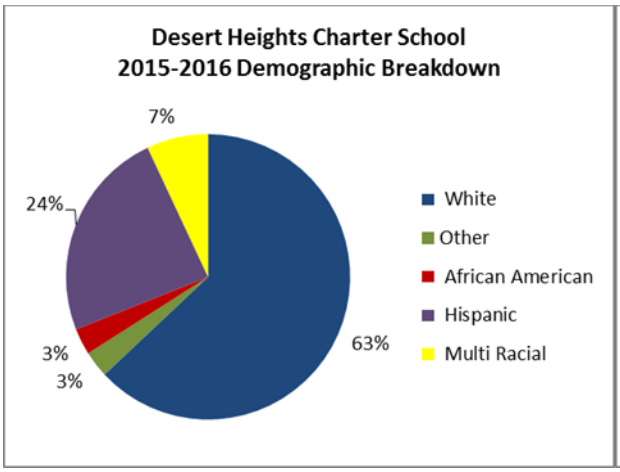
Desert Heights Charter Schools ("Charter Holder") submitted a charter renewal application package (Appendix A. Renewal Application) on March 16, 2017 to continue operation of Desert Heights Charter School serving grades K–4 in Glendale and Desert Heights Preparatory Academy serving grades 5–12 in Phoenix.

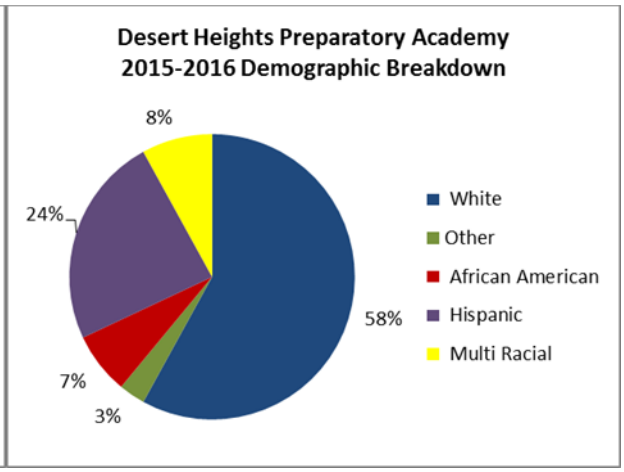
Profile

The Charter Holder was granted a charter in 2003, which is currently approved for grades K–12. The enrollment cap for the Charter Holder is 1100.

Enrollment Cap and Demographic Data







School Name	Category		
	Free and Reduced Lunch	**English Language Learners**	**Special Education**
Desert Heights Charter School	34%	*	6%
Desert Heights Preparatory Academy	25%	*	11%

If the percentage of students is 0% or 100% or the group includes less than 10 students, the percentage for that group is redacted.

Governance

The Charter Holder is governed by a corporate board. The corporate principals identified in the charter contract are aligned with the Arizona Corporation Commission. The corporate principals also act as the governing body and are responsible for the policy decisions of the school.

Member Name	Position
Darna Davis	Chairman/Director
Manuel Robles	Chairman/Director
Sherrie Blanton	Vice-President/Director
Margaret "Peggy" Martin	Secretary/Director

Performance Summary

The Charter Holder's performance for each of the Board's frameworks (Academic, Operational, and Financial) is summarized below. The Charter Holder's dashboards are included in Appendix B. Renewal Summary Review.

Academic Performance

The academic performance of schools operated by the Charter Holder for the 2012–2014, based on the Board's academic framework in effect at that time, is represented in the table below.

Academic Performance of schools operated by Desert Heights Charter Schools FY 2012 – FY 2014			
School Name	2012 Overall Rating	2013 Overall Rating	2014 Overall Rating
Desert Heights Charter School	57.35 / B	68.01 / B	56.56 / B
Desert Heights Preparatory Academy*			75 / B

*Desert Heights Preparatory Academy opened in FY 2014.

The Board's current academic framework uses two measures to calculate overall academic ratings: letter grades and state designations for school improvement. Due to a moratorium on letter grades until FY 2018, based on FY 2017 data, the Board has not calculated overall ratings for FY 2015 and 2016. As it relates to school improvement, neither of the schools operated by the Charter Holder has been designated for school improvement in FY 2017.

Operational Performance

The Charter Holder currently meets the Board's Operational Performance Expectations set forth in the Performance Framework adopted by the Board.

Financial Performance

The Charter Holder was required to submit a Financial Performance Response because it did not meet the Board's Financial Performance Expectations, as reflected in the table below which includes the Charter Holder's financial data and financial performance for the last three audited fiscal years.

Financial Data				
Statement of Financial Position	**2016**	**2015**	**2014**	**2013**
Cash	$580,978	$810,790	$4,088,374	$682,206
Unrestricted Cash	$347,145	$230,030	$393,996	
Other Liquidity	-	-	-	
Total Assets	$13,649,567	$13,845,167	$14,159,516	
Total Liabilities	$14,221,379	$14,325,407	$14,390,778	
Current Portion of Long-Term Debt & Capital Leases	$227,997	$210,371	$123,391	
Net Assets	($571,812)	($480,240)	($231,262)	
Statement of Activities	**2016**	**2015**	**2014**	
Revenue	$7,059,057	$6,539,885	$6,102,191	
Expenses	$7,150,629	$6,788,863	$6,143,418	
Net Income	($91,572)	($248,978)	($41,227)	
Change in Net Assets	($91,572)	($248,978)	($41,227)	
Financial Statements or Notes	**2016**	**2015**	**2014**	
Depreciation & Amortization Expense	$467,626	$295,035	$199,357	
Interest Expense	$1,067,544	$1,040,685	$416,475	
Lease Expense	$99,858	$48,049	$27,672	

Financial Performance				
	2016	**2015**	**2014**	**3-yr Cumulative**
Near-Term Indicators				
Going Concern	No	No	No	N/A
Unrestricted Days Liquidity	17.72	12.37	23.41	N/A
Default	No	No	No	N/A
Sustainability Indicators				
Net Income	($91,572)	($248,978)	($41,227)	N/A
Cash Flow	($229,812)	($3,277,584)	$3,406,168	($101,228)
Fixed Charge Coverage Ratio	1.11	0.87	1.06	N/A

The Charter Holder's Financial Performance Response has been provided in the meeting materials (Appendix C. Supplemented Financial Response). Staff's final evaluation of the Financial Performance Response resulted in three "Acceptable" and zero "Not Acceptable" determinations (Appendix D: Financial Response Evaluation)[1]. A "Not Acceptable" means the measure's response did not sufficiently address one or more of the questions identified in Appendix C of the Financial Performance Framework. An analysis of the Charter Holder's financial performance, focusing on those measures where the Charter Holder failed to meet the Board's target and using information from the Charter Holder's Financial Performance Response and related documents, is provided below.

Net Income

The Charter Holder attributed recent net losses to the bonds issued in FY 2014 to pay off the 2003 bonds, make improvements at the existing elementary school and purchase and improve the high school building. The Charter Holder explained, "The issuance of the bonds was based on obtaining certain average daily membership (ADM) targets which did not come to fruition making it difficult to accommodate the large increase in debt load."

[1] On May 2, 2017, Board staff emailed a copy of staff's initial evaluation and provided a deadline by which the Charter Holder could supplement its financial performance response to address areas evaluated as "Not Acceptable". By the deadline, the Charter Holder submitted supplemental information.

The Charter Holder has developed a plan to improve its financial condition over time so that it can accommodate the increased debt load in spite of not meeting the ADM that was projected when the bonds were issued. Under the plan, the Charter Holder will reduce expenses to better align with market conditions and increase revenue through higher transportation and athletic participation fees. For FY 2018, the Charter Holder projects these efforts, along with the additional revenue generated by an increase of approximately 70 students, will result in the Charter Holder achieving positive net income.[2]

Cash Flow

The Charter Holder received the bond proceeds during FY 2014, but did not finance most of the cost of acquiring or remodeling the new building until FY 2015 and FY 2016. This caused the large cash flow swings identified in the table for FY 2014 and FY 2015. The Charter Holder projects one more fiscal year of negative annual and cumulative cash flow before meeting the measure's target in FY 2018.

Unrestricted Days Liquidity (UDL)

The recent net losses required the Charter Holder to draw from the cash reserves it had built up over time, which affected the Charter Holder's UDL performance. As mentioned in the "Net Income" section above, the Charter Holder has developed a plan to improve its financial condition. After an anticipated decline in performance for FY 2017, the Charter Holder projects to exceed the UDL target for FY 2018.

Additional School Choices

Desert Heights Charter School

Desert Heights Charter School received a letter grade of "B" and an Overall Rating of "Does Not Meet" the Board's academic performance standard for FY 2014. The school is located in Glendale near the intersection of N. 57th Ave. and W. Beverly Ln. The following information identifies additional schools within a five-mile radius of the school and the academic performance of those schools. **Based on 2016 AzMERIT data, Desert Heights Charter School received the following passing scores:**

- **53% passing for ELA**
- **50% passing for Math**

Schools serving grades K-4 that received an A-F letter grade in FY 2014						
2014 Letter Grade	Within 5 miles of the school	Schools Above State Average ELA (35%)	Schools Above State Average Math (35%)	Schools with Higher ELA	Schools with Higher Math	Charter Schools
A	21	20	19	12	15	4
B	29	23	25	2	4	1
C	8	3	1	0	0	2

Desert Heights Preparatory Academy

Desert Heights Preparatory Academy received a letter grade of "B" and an Overall Rating of "Meets" the Board's academic performance standard for FY 2014. The school is located in Phoenix on the corner of N. 35th Ave. and W. Union Hills Dr. The following information identifies additional schools within a five-mile radius of the school and the academic performance of those schools. **Based on 2016 AzMERIT data, Desert Heights Preparatory Academy received the following passing scores:**

- **39% passing for ELA**
- **32% passing for Math**

[2] For FY 2017, the Charter Holder projects a net loss of approximately $170,000.

Schools serving grades K-5 that received an A-F letter grade in FY 2014						
2014 Letter Grade	Within 5 miles of the school	Schools Above State Average ELA (35%)	Schools Above State Average Math (35%)	Schools with Higher ELA	Schools with Higher Math	Charter Schools
A	26	24	24	23	25	8
B	29	23	22	20	24	2
C	9	3	2	2	4	1

Academic Systems Review

As part of the renewal process, Board staff conducted an Academic Systems Review ("ASR") at each of the schools operated by the Charter Holder to gather evidence that demonstrates that the school implements a comprehensive program of instruction and measures pupil progress toward pupil outcomes, as required in its charter contract. The Board has established criteria comprised of questions that guides the staff's visit. This report includes information regarding how the school develops and implements:

- a curriculum that improves student achievement.
- a system for monitoring the integration of the State academic standards.
- a system for monitoring and documenting student proficiency.
- a professional development plan that supports effective implementation of the curriculum.

The ASR site visits were conducted by Tammy Mandel, Education Program Manager, and Judy Thompson, Education Program Manager, on April 24 and April 25, 2017.

At the ASR site visits, two areas were found to be in non-compliance: Instructional Staff Education and Experience, and Mission Statement.

- Evidence was not provided at Desert Heights Preparatory Academy to indicate that parents/guardians had been notified of the availability of instructional staff résumés for review upon request. On May 5, 2017, the Charter Holder submitted a copy of the letter (dated July 30, 2016) sent home notifying parents of the availability of instructional staff résumés.
- The Charter Holder's mission statement on ASBCS Online was not in alignment with the operating mission statement in the Student & Parent Handbook. The Charter Holder filed a Charter Mission Amendment Request on April 28, 2017 to update the mission statement.

Classroom observations completed during the ASR site visits confirmed that the Charter Holder is adhering to the Program of Instruction on file in the contract.

Additionally, at the ASR site visits, the Charter Holder was able to provide documentation or describe processes in place to show that the school implements a curriculum that improves student achievement, a system for monitoring the integration of the State academic standards, a system for monitoring and documenting student proficiency, and a professional development plan that supports effective implementation of the curriculum.

Detailed information regarding the Academic Systems Review is provided in Appendix E: Academic Systems Review Reports.

Board Options

Option 1: The Board may approve the renewal. The following language is provided for consideration:

I move to approve the charter renewal application package and grant a renewal contract to Desert Heights Charter Schools.

Option 2: The Board may deny the renewal. The following language is provided for consideration:

Based upon a review of the information provided by the representatives of the Charter Holder and the contents of the application package which includes the academic performance, the fiscal compliance, and legal and contractual compliance of the Charter Holder over the charter term, I move to deny the request for charter renewal and to not grant a renewal contract for Desert Heights Charter Schools. Specifically, the Charter Holder, during the term of

the contract, failed to meet the obligations of the contract or failed to comply with state law when it: (Board member must specify reasons the Board found during its consideration.)

APPENDIX A

RENEWAL APPLICATION

Renewal Application

Downloads

Download all files
Note: Please be patient. This may take up to a few minutes to complete depending on the number of files included with this application.

Detailed Business Plan

Charter Holder's Organizational Membership

Download File — We wanted to provide this Certificate of Good Standing to illustrate that as a domestic nonprofit corporation organized under the laws of the State of Arizona we maintain a status of Good Standing with the Arizona Corporation Commission.
Download File — We added this document to illustrate that steps have been taken to ensure Officer/Director alignment between the ASBCS and the ACC. I have been removed as an Officer of the corporation with the ACC.
Download File — This document is intended to show that our efforts to align our Governing Board with the Governance requirements of the charter board has been deemed administratively complete.

Charter Holder's Financial Sustainability

Download File — Narrative - financial performance response
Download File — Historical financial compilation
Download File — Adm projections for 2014 bond series
Download File — ASBCS financial performance measures confirmed
Download File — FY 14 Audit
Download File — FY 15 Audit
Download File — FY 16 Audit
Download File — Source e-mail for Adm projections for 2014 bond series

Renewal Assurances

Renewal Assurance and Understanding
The Arizona State Board for Charter Schools is authorized, pursuant to Arizona Revised Statutes, Title 15, Chapter 1, Article 8, to execute a Charter Contract ("Charter") for the purpose of authorizing the renewal of established charter schools to provide a learning environment to improve pupil achievement and to provide additional academic choices for parents and pupils and to serve as alternatives to traditional public schools.

The Charter Holder shall operate its charter school(s) consistent with the terms of the Charter and all applicable laws; shall achieve pupil outcomes according to the educational standards established by law and the Charter; and shall be governed and managed in a financially prudent manner.

By signing below, the Charter Holder understands that:

- A Renewal Charter is for the purpose of continuing the operation of the charter school(s) approved for renewal by the Arizona State Board for Charter Schools.
- The program of instruction will continue to be implemented as described in the Charter.
- The Charter Holder is required to submit all amendment requests pursuant to the procedures or rules formulated by the Arizona State Board for Charter Schools.
- The Charter Holder shall not take action on or implement any modification to its Charter until approved by the Arizona State Board for Charter Schools.
- The Charter Holder acknowledges that its officers, directors, members, or partners are aware of their responsibilities in the operation of a charter school as described in Arizona statute and that the Charter Holder is subject to and will ensure compliance with all relevant federal, state and local laws and requirements.
- The Charter Holder acknowledges that if a Renewal Charter is granted, the Charter Holder must execute the Charter with the Arizona State Board for Charter Schools within twelve months of the date of approval of the Charter by the Arizona State Board for Charter Schools. A Charter that is not timely signed expires.

I certify all information contained in this application is complete and accurate, realizing that any misrepresentation could result in disqualification from the renewal process or revocation of the Charter. I understand that incomplete applications will not be considered.

I acknowledge that taking action or implementing changes prior to approval by the Arizona State Board for Charter Schools is a breach of the Charter and the Arizona State Board for Charter Schools may revoke or not renew the Charter.

Charter Representative Signature
Mark Jiles 03/16/2017

STATE OF ARIZONA

Office of the
CORPORATION COMMISSION

CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Ted Vogt, Executive Director of the Arizona Corporation Commission, do hereby certify that

****DESERT HEIGHTS CHARTER SCHOOLS****

a domestic nonprofit corporation organized under the laws of the State of Arizona, did incorporate on February 27 2003.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Nonprofit Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-3122, 10-3123, 10-3125, & 10-11622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 10th day of March, 2017, A. D.

Ted Vogt, Executive Director

By: 1614327

AZ Corp. Commission
05831466

RECEIVED

MAR 07 2017

ARIZONA CORP COMMISSION
CORPORATIONS DIVISION

DO NOT WRITE ABOVE THIS LINE; RESERVED FOR ACC USE ONLY.

OFFICER/DIRECTOR/SHAREHOLDER CHANGE

Read the Instructions C017i

1. **ENTITY NAME** – give the exact name of the corporation as currently shown in A.C.C. records: Desert Heights Charter Schools

2. **A.C.C. FILE NUMBER:** 10668948
Find A.C.C. file number on the upper corner of filed documents OR on our website at: http://www.azcc.gov/Divisions/Corporations

CHECK THE BOX NEXT TO EACH CHANGE BEING MADE AND COMPLETE THE REQUESTED INFORMATION FOR THAT CHANGE.

3. ☑ **OFFICER CHANGE** – FOR OFFICERS CURRENTLY SHOWN IN A.C.C. RECORDS - list the name of each officer being changed as it is currently shown in A.C.C. records, and below that provide any new information for that officer (new name and/or address), then check all boxes that apply to indicate the change being made for that officer. FOR NEW OFFICERS – list the name in the NEW Name blank, list the address, and check the appropriate box. If more space is needed, use another Officer/Director/Shareholder Change form.

Name currently shown in ACC records: Mark Jiles	Name currently shown in ACC records:
NEW Name:	NEW Name:
Address 1: 5821 W. Beverly Lane	Address 1:
Address 2 (optional): Glendale, AZ. 85306	Address 2 (optional):
City: Glendale State or Province: AZ Zip: 85306	City: State or Province: Zip:
Country: Maricopa	Country:
Date taking office (optional): Officer title:	Date taking office (optional)): Officer title:
☐ Address change ☐ Add as officer ☐ Name change ☑ Remove officer	☐ Address change ☐ Add as officer ☐ Name change ☐ Remove officer
Name currently shown in ACC records:	Name currently shown in ACC records:
NEW Name:	NEW Name:
Address 1:	Address 1:
Address 2 (optional):	Address 2 (optional):
City: State or Province: Zip:	City: State or Province: Zip:
Country:	Country:
Date taking office (optional): Officer title:	Date taking office (optional): Officer title:
☐ Address change ☐ Add as officer ☐ Name change ☐ Remove officer	☐ Address change ☐ Add as officer ☐ Name change ☐ Remove officer

Officers continued

Name currently shown in ACC records	Name currently shown in ACC records
NEW Name	NEW Name
Address 1	Address 1
Address 2 (optional)	Address 2 (optional)
City / State or Province / Zip	City / State or Province / Zip
Country	Country
Date taking office (optional) / Officer title	Date taking office (optional) / Officer title
☐ Address change ☐ Add as officer ☐ Name change ☐ Remove officer	☐ Address change ☐ Add as officer ☐ Name change ☐ Remove officer

4. ☐ **DIRECTOR CHANGE** – FOR DIRECTORS CURRENTLY SHOWN IN A.C.C. RECORDS - list the name of each director being changed as it is currently shown in A.C.C. records, and below that provide any new information for that director (new name and/or address), then check all boxes that apply to indicate the change being made for that director. FOR NEW DIRECTORS – list the name in the NEW Name blank, list the address, and check the appropriate box. If more space is needed, use another Officer/Director/Shareholder Change form.

Name currently shown in ACC records	Name currently shown in ACC records
NEW Name	NEW Name
Address 1	Address 1
Address 2 (optional)	Address 2 (optional)
City / State or Province / Zip	City / State or Province / Zip
Country	Country
Date taking office (optional) / Officer title	Date taking office (optional) / Officer title
☐ Address change ☐ Add as director ☐ Name change ☐ Remove director	☐ Address change ☐ Add as director ☐ Name change ☐ Remove director
Name currently shown in ACC records	Name currently shown in ACC records
NEW Name	NEW Name
Address 1	Address 1
Address 2 (optional)	Address 2 (optional)
City / State or Province / Zip	City / State or Province / Zip
Country	Country
Date taking office (optional) / Officer title	Date taking office (optional) / Officer title
☐ Address change ☐ Add as director ☐ Name change ☐ Remove director	☐ Address change ☐ Add as director ☐ Name change ☐ Remove director

Directors continued

Name currently shown in ACC records	Name currently shown in ACC records
NEW Name	NEW Name
Address 1	Address 1
Address 2 (optional)	Address 2 (optional)
City / State or Province / Zip	City / State or Province / Zip
Country	Country
Date taking office (optional) / Officer title	Date taking office (optional) / Officer title
☐ Address change ☐ Add as director ☐ Name change ☐ Remove director	☐ Address change ☐ Add as director ☐ Name change ☐ Remove director

5. ☐ **SHAREHOLDER CHANGE** – FOR SHAREHOLDERS CURRENTLY SHOWN IN A.C.C. RECORDS – list the name of each shareholder being changed as it is currently shown in A.C.C. records, and below that provide the new name, if any, for that shareholder, then check a box to indicate the change being made for that shareholder. FOR NEW SHAREHOLDERS – list the name in the NEW Name blank and check the appropriate box. If more space is needed, use another Officer/Director/Shareholder Change form.

Name currently shown in ACC records	Name currently shown in ACC records
NEW Name ☐ Name change ☐ Add as shareholder ☐ Remove shareholder	NEW Name ☐ Name change ☐ Add as shareholder ☐ Remove shareholder
Name currently shown in ACC records	Name currently shown in ACC records
NEW Name ☐ Name change ☐ Add as shareholder ☐ Remove shareholder	NEW Name ☐ Name change ☐ Add as shareholder ☐ Remove shareholder

SIGNATURE – *see Instructions C017i for who is authorized to make changes:*

By checking the box marked "I accept" below, I acknowledge *under penalty of perjury* that this document together with any attachments is submitted in compliance with Arizona law.

☒ I ACCEPT

Manuel A. Robles — Signature

Manuel A. Robles — Printed Name

3/7/17 — Date

REQUIRED – check only one:

☒ I am the **Chairman of the Board of Directors** of the corporation filing this document.	☐ I am a duly-authorized **Officer** of the corporation filing this document.	☐ I am a duly authorized **bankruptcy trustee**, receiver, or other court-appointed fiduciary for the corporation filing this document.

Filing Fee: None (regular processing)
Expedited processing – add $35.00 to filing fee.
All fees are nonrefundable - see Instructions.

Mail: Arizona Corporation Commission - Corporate Filings Section
1300 W. Washington St., Phoenix, Arizona 85007
Fax: 602-542-4100

Please be advised that A.C.C. forms reflect only the **minimum** provisions required by statute. You should seek private legal counsel for those matters that may pertain to the individual needs of your business.
All documents filed with the Arizona Corporation Commission are **public record** and are open for public inspection.
If you have questions after reading the Instructions, please call 602-542-3026 or (within Arizona only) 800-345-5819.

Mark Jiles

From: charterschoolboard@asbcs.az.gov on behalf of ASBCS System Administrator <charterschoolboard@asbcs.az.gov>
Sent: Tuesday, January 17, 2017 1:06 PM
To: Mark Jiles
Subject: Notification Administratively Complete

Arizona State Board for Charter Schools

Physical Address
1616 W. Adams Street, Suite 170
Phoenix, AZ 85007

Mailing Address
P.O. Box 18328
Phoenix, AZ 85009

Phone: (602) 364-3080
Fax: (602) 364-3089

January 17, 2017

Desert Heights Charter Schools

Mark Jiles, Charter Representative

5821 West Beverly Lane
glendale, AZ 85306

Dear Mark Jiles:

On 01/09/2017, the Arizona State Board for Charter Schools received a Charter Holder Governance Notification Request for Desert Heights Charter Schools. Staff has processed the request in accordance with the Board's policy. The notification request has been reviewed and deemed administratively complete.

The notification will now be reviewed for substantive completeness. You will be notified if any additional information is needed.

If you have any questions, please feel free to contact me.

Sincerely,

Bianca Ulibarri
Executive Assistant

APPENDIX B

RENEWAL SUMMARY REVIEW

Five-Year Interval Report

Back to reports list

Arizona State Board for Charter Schools

Renewal Summary Review

Interval Report Details

Hide Section

Report Date:	05/23/2017	**Report Type:**	Renewal

Charter Contract Information

Hide Section

Charter Corporate Name:	Desert Heights Charter Schools		
Charter CTDS:	07-86-21-000	**Charter Entity ID:**	81099
Charter Status:	Open	**Contract Effective Date:**	06/14/2013
Number of Schools:	2	**Contractual Days:**	
Charter Grade Configuration:	K-12	• **Desert Heights Charter School**: 180 • **Desert Heights Preparatory Academy**: 180	
FY Charter Opened:	2003	**Contract Expiration Date:**	06/17/2018
Charter Granted:	06/10/2013	**Charter Signed:**	06/14/2013
Corp. Type	Non Profit	**Charter Enrollment Cap**	1100

Charter Contact Information

Hide Section

Mailing Address:	5821 West Beverly Lane Glendale, AZ 85306	**Website:**	http://desertheightscharter.org
Phone:	602-896-2900	**Fax:**	602-467-9540

Mission Statement: We the faculty, staff, and administration of Desert Heights Charter School will work with parents and all other stakeholders on behalf of all students by way of collaborative, site-based decision making. We will establish and maintain a safe and orderly learning environment. We expect all students to achieve and surpass state learning objectives to the best of their ability. We will implement instructional strategies and methods of frequently monitoring student progress that are based on sound research. We will employ highly qualified and well-trained teachers and support staff. We are committed to maximizing students' opportunity to learn and time on task. We will establish and maintain strong home-school and community-school relationships.

Charter Representatives:	**Name:**	**Email:**	**FCC Expiration Date:**
1.)	Mr. Mark Jiles	Mark.Jiles@dhschools.org	09/13/2022

Academic Performance - Desert Heights Charter School

Hide Section

School Name:	Desert Heights Charter School	**School CTDS:**	07-86-21-101
School Entity ID:	78950	**Charter Entity ID:**	81099
School Status:	Open	**School Open Date:**	08/15/2002
Physical Address:	5821 West Beverly Lane Glendale, AZ 85306	**Website:**	http://desertheightscharter.org
Phone:	602-896-2900	**Fax:**	602-467-9540
Grade Levels Served:	K-11	**FY 2014 100th Day ADM:**	352.752

Academic Performance Per Fiscal Year

Hide Section

Desert Heights Charter School

	2012	2013	2014

		Traditional K-12 School (K-10)			Traditional K-12 School (K to 11)			Traditional Elementary School (K to 4)		
1. Growth		**Measure**	**Points Assigned**	**Weight**	**Measure**	**Points Assigned**	**Weight**	**Measure**	**Points Assigned**	**Weight**
1a. SGP	**Math**	41	50	10	51	75	10	32	25	12.5
	Reading	45	50	10	43	50	10	49	50	12.5
1b. SGP Bottom 25%	**Math**	42.5	50	10	54.5	75	10	49	50	12.5
	Reading	37	50	10	45	50	10	40	50	12.5
2. Proficiency		**Measure**	**Points Assigned**	**Weight**	**Measure**	**Points Assigned**	**Weight**	**Measure**	**Points Assigned**	**Weight**
2a. Percent Passing	**Math**	61 / 63.7	50	7.5	67.3 / 63.6	75	7.5	68 / 65.4	75	7.5
	Reading	84 / 77.7	75	7.5	84.9 / 78.7	75	7.5	86.9 / 76.7	75	7.5
2b. Composite School Comparison	**Math**	-4.3	50	5	0.1	75	5	-3.2	50	7.5
	Reading	4.6	75	5	3.3	75	5	4.5	75	7.5
2c. Subgroup ELL	**Math**	NR	0	0	NR	0	0	NR	0	0
	Reading	NR	0	0	NR	0	0	NR	0	0
2c. Subgroup FRL	**Math**	58 / 53.9	75	3.75	54.6 / 54.2	75	3.75	64.3 / 56.3	75	3.75
	Reading	79 / 70	75	3.75	77.5 / 72	75	3.75	80.4 / 68.7	75	3.75
2c. Subgroup SPED	**Math**	14 / 24.4	50	3.75	15.9 / 21.5	50	3.75	16.7 / 29.4	50	3.75
	Reading	37 / 37.3	50	3.75	45.2 / 37.5	75	3.75	41.7 / 38.2	75	3.75
3. State Accountability		**Measure**	**Points Assigned**	**Weight**	**Measure**	**Points Assigned**	**Weight**	**Measure**	**Points Assigned**	**Weight**
3a. State Accountability		B	75	5	B	75	5	B	75	5
4. Graduation		**Measure**	**Points Assigned**	**Weight**	**Measure**	**Points Assigned**	**Weight**	**Measure**	**Points Assigned**	**Weight**
4a. Graduation		NR	0	0	NR	0	0	N/A	N/A	N/A
Overall Rating		**Overall Rating**			**Overall Rating**			**Overall Rating**		
Scoring for Overall Rating 89 or higher: Exceeds Standard <89, but > or = to 63: Meets Standard <63, but > or = to 39: Does Not Meet Standard Less than 39: Falls Far Below Standard		57.35	85		68.01	85		56.56	100	

Save

Academic Performance - Desert Heights Preparatory Academy

Hide Section

School Name:	Desert Heights Preparatory Academy	**School CTDS:**	07-86-21-102
School Entity ID:	92249	**Charter Entity ID:**	81099
School Status:	Open	**School Open Date:**	07/31/2013
Physical Address:	3540 W Union Hills Dr Phoenix, AZ 85016	**Website:**	http://desertheightscharter.org
Phone:	(602)896-0888	**Fax:**	(602)547-4576
Grade Levels Served:	5-12	**FY 2014 100th Day ADM:**	380.424

Academic Performance Per Fiscal Year

Hide Section

Desert Heights Preparatory Academy

	2014	

		Traditional K-12 School (5 to 12)		
1. Growth		**Measure**	**Points Assigned**	**Weight**
1a. SGP	**Math**	59	75	10
	Reading	50.5	75	10
1b. SGP Bottom 25%	**Math**	54	75	10
	Reading	51	75	10
2. Proficiency		**Measure**	**Points Assigned**	**Weight**
2a. Percent Passing	**Math**	66.6 / 60.2	75	7.5
	Reading	83.3 / 78.2	75	7.5
2b. Composite School Comparison	**Math**	4.8	75	5
	Reading	2.7	75	5
2c. Subgroup ELL	**Math**	NR	0	0
	Reading	NR	0	0
2c. Subgroup FRL	**Math**	56.6 / 50.2	75	3.75
	Reading	80.6 / 71.3	75	3.75
2c. Subgroup SPED	**Math**	21.3 / 16.7	75	3.75
	Reading	48.9 / 35.7	75	3.75
3. State Accountability		**Measure**	**Points Assigned**	**Weight**
3a. State Accountability		B	75	5
4. Graduation		**Measure**	**Points Assigned**	**Weight**
4a. Graduation		NR	0	0
Overall Rating		**Overall Rating**		
Scoring for Overall Rating 89 or higher: Exceeds Standard <89, but > or = to 63: Meets Standard <63, but > or = to 39: Does Not Meet Standard Less than 39: Falls Far Below Standard		75		85

Save

Academic Performance - Desert Heights Charter School (MC) (Member Campus)

Hide Section

School Name:	Desert Heights Charter School (MC)	**School CTDS:**	07-86-21-101
School Entity ID:	78950	**Charter Entity ID:**	81099
School Status:	Closed	**School Open Date:**	08/15/2002
Physical Address:	16635 N. 51st Ave. Glendale, AZ 85306	**Website:**	http://desertheightscharter.org
Phone:	602-896-2900	**Fax:**	602-467-9540
Grade Levels Served:	7-9		

Financial Performance

Hide Section

Charter Corporate Name:	Desert Heights Charter Schools		
Charter CTDS:	07-86-21-000	**Charter Entity ID:**	81099
Charter Status:	Open	**Contract Effective Date:**	06/14/2013

Financial Performance

Hide Section

Desert Heights Charter Schools

	Fiscal Year 2015		Fiscal Year 2016	
Near-Term Measures				
Going Concern	No	Meets	No	Meets
Unrestricted Days Liquidity <30, but ≥15: Does Not Meet <15: Falls Far Below	12.37	Falls Far Below	17.72	Does Not Meet
Default	No	Meets	No	Meets
Sustainability Measures*				
Net Income ≤0: Does Not Meet	($248,978)	Does Not Meet	($91,572)	Does Not Meet
Fixed Charge Coverage Ratio <1.10: Does Not Meet	0.87	Does Not Meet	1.11	Meets
Cash Flow (3-Year Cumulative) Negative: Does Not Meet**	$319,187	Does Not Meet	($101,228)	Does Not Meet

Cash Flow Detail by FY	FY 2015	FY 2014	FY 2013	FY 2016	FY 2015	FY 2014
	($3,277,584)	$3,406,168	$190,603	($229,812)	($3,277,584)	$3,406,168

Does Not Meet Board's Financial Performance Expectations

* Negative numbers indicated by parentheses.
** Target effective beginning with FY16 audits.

Operational Performance

Hide Section

Charter Corporate Name: Desert Heights Charter Schools

Charter CTDS: 07-86-21-000 **Charter Entity ID:** 81099

Charter Status: Open **Contract Effective Date:** 06/14/2013

Operational Performance

Hide Section

Click on any of the measures below to see more information.

Measure	2015	2016	2017
1.a. Does the delivery of the education program and operation reflect the essential terms of the educational program as described in the charter contract?	**Meets**	**Meets**	**--**
Educational Program – Essential Terms	No issue identified	No issue identified	--
1.b. Does the charter holder adhere with applicable education requirements defined in state and federal law?	**Meets**	**Meets**	**--**
Services to Student with Disabilities	No issue identified	No issue identified	--
Instructional Days/Hours	No issue identified	No issue identified	--
Data for Achievement Profile	No issue identified	No issue identified	--
Mandated Programming (State/Federal Grants)	No issue identified	No issue identified	--
2.a. Do the charter holder's annual audit reporting packages reflect sound operations?	**Meets**	**Meets**	**--**
Timely Submission	Yes	Yes	Yes
Audit Opinion	Unqualified	Unqualified	Unqualified

Completed 1st Time CAPs	No issue identified	No issue identified	--
Second-Time/Repeat CAP	No issue identified	No issue identified	--
Serious Impact Findings	No issue identified	No issue identified	--
Minimal Impact Findings (3+ Years)	No issue identified	No issue identified	--
2.b. Is the charter holder administering student admission and attendance appropriately?	**Meets**	**Meets**	**--**
Estimated Count/Attendance Reporting	No issue identified	No issue identified	--
Tuition and Fees	No issue identified	No issue identified	--
Public School Tax Credits	No issue identified	No issue identified	--
Attendance Records	No issue identified	No issue identified	--
Enrollment Processes	No issue identified	No issue identified	--
2.c. Is the charter holder maintaining a safe environment consistent with state and local requirements?	**Meets**	**Meets**	**--**
Facility/Insurance Documentation	No issue identified	No issue identified	--
Fingerprinting	No issue identified	No issue identified	--
2.d. Is the charter holder transparent in its operations?	**Meets**	**Meets**	**--**
Academic Performance Notifications	No issue identified	No issue identified	--
Teacher Resumes	No issue identified	No issue identified	--
Open Meeting Law	No issue identified	No issue identified	--
Board Alignment	No issue identified	No issue identified	Inconsistency in Reporting
2.e. Is the charter holder complying with its obligations to the Board?	**Meets**	**Meets**	**--**
Timely Submissions	No issue identified	No issue identified	--
Limited Substantiated Complaints	No issue identified	No issue identified	--
Favorable Board Actions	No issue identified	No issue identified	--
2.f. Is the charter holder complying with reporting requirements of other entities to which the charter holder is accountable?	**Meets**	**Meets**	**--**
Arizona Corporation Commission	No issue identified	No issue identified	--
Arizona Department of Economic Security	No issue identified	No issue identified	--
Arizona Department of Education	No issue identified	No issue identified	--
Arizona Department of Revenue	No issue identified	No issue identified	--
Arizona State Retirement System	No issue identified	No issue identified	--
Equal Employment Opportunity Commission	No issue identified	No issue identified	--
Industrial Commission of Arizona	No issue identified	No issue identified	--
Internal Revenue Service	No issue identified	No issue identified	--

U.S. Department of Education	No issue identified	No issue identified	--
3. Is the charter holder complying with all other obligations?	**Meets**	**Meets**	**--**
OVERALL RATING	**Meets Operational Standard**	**Meets Operational Standard**	--
BOARD EXPECTATIONS	**--**	**--**	--

Last Updated: 2016-12-02 08:49:12

APPENDIX C

SUPPLEMENTED FINANCIAL RESPONSE

Andrea Leder

From: Michele Diamond <mdiamond@diamondfinancialsolutions.org>
Sent: Tuesday, May 09, 2017 9:07 PM
To: ASBCS Audits
Cc: Andrea Leder; Mark Jiles; Nancy Parra
Subject: Desert Heights Charter School Supplemental Response
Attachments: Exhibit 2-adm projections provided by registrar.xlsx; Exhibit 3 ASBCS Measures Confirmed 2.xlsx; Exhibit 4 board meeting minutes.pdf; Exhibit 5 Narrative -Renewal Financial Performance Response - Revised.pdf; Exhibit 1 Classroom Site Fund Carry Over Chart.xlsx; Exhibit 7 Renewal projections Cash.pdf; Exhibit 1 Classroom Site Fund Carry Over Chart.xlsx; Exhibit 6 Renewal Projections Accrual.xlsx.pdf; RE: Enrollment numbers

Dear Ms. Leder,

Thank you for the opportunity to provide supplemental materials to our original renewal response. Attached you will find the following documents:

Exhibit 1 – Classroom Site Fund Carry Over Chart that addresses FY 17-20 carry over balances

Exhibit 2 – Support for the adm (and corresponding revenue) in FY 18 indicated in the school's financial projections

Exhibit 3 – ASBCS Financial Framework Measures and how they are impacted by the school's financial projections

Exhibit 4 – board meeting minutes supporting the Desert Heights Board approving fee increases to generate additional revenue

Exhibit 5 – A revised financial framework response addressing the ASBCS' net income, unrestricted days liquidity and cumulative cash flow measures. Please use this narrative to replace our prior narrative. Although much of the narrative is similar, it will be simpler to use the attachment as a replacement rather than a supplement (please note all prior exhibits/attachments are still valid with same reference names/numbers and are not being resubmitted).

Exhibit 6 – Accrual Based financial projections containing assumptions for each line item

Exhibit 7 – Cash Based financial projections containing assumptions for each line item

Exhibit 8 – Entitled "Enrollment Numbers" - e-mail from registrar clarifying enrollment figures

Please don't hesitate to contact me if you have any questions.

Michele Diamond
Business Manager
Desert Heights Charter School
480-294-9981

DESERT HEIGHTS CHARTER SCHOOL
RENEWAL
FINANCIAL PERFORMANCE RESPONSE- Revised
Submitted May 9, 2017

Response for Sustainability Measures Not Met

Net Income:
According to the FY 16 audited financial statements, Desert Heights Charter School (DHCS) had a net loss for the year of ($91,572) which resulted in the school not meeting the net income measure of positive $1 established by the Arizona State Board for Charter Schools (ASBCS).

Relevant History

The trend of incurring a net loss began in FY 14 when the school began adding additional occupancy (rental) costs to accommodate an expansion of its high school (see Exhibit A line items N*et Income/loss* and *rent and occupancy costs)*. In FY 15, after the rental of the first high school facility did not work out, the school refinanced its existing education revenue bonds in order; 1) to pay off the prior 2003 series bonds 2) make improvements to its existing elementary campus 3) purchase and improve its high school building (see FY 15 audit page 11 Note 6 for information on 2014 bond series). As indicated in Exhibit A, interest expense increased from $329,071 to $1,040,685 (over 216%) from FY 14 to FY 15 due to the issuance of the 2014 series bonds (FY 15 audit page 12 note 6) and continued to increase in FY 16. In addition, depreciation expense increased significantly starting in FY 15 and continued in FY 16 as construction of the new facility was completed.

The issuance of the bonds was based on obtaining certain average daily membership (adm) targets which did not come to fruition making it difficult to accommodate the large increase in debt load. As indicated in attachment B, the bond interest payments and fees were based on an adm of 901 in FY 15 and 994 in FY 16. In reality, the school's adm was 753 and 803 consecutively.

Plan To Improve School's Financial Condition

The school has developed a plan to improve its financial condition over time so that it can accommodate the increased debt load in spite of not meeting the adm that was projected when the bonds were issued. This plan includes increasing revenue (see exhibit 4) and reducing expenses including but not limited to:

- Increasing Transportation Fees for additional revenue
- Increasing extra-curricular fees for additional revenue
- Increasing pre-school tuition for additional revenue
- Reducing teaching staff. ADM did not support staffing levels and salaries in FY 16 & 17 so reductions are being made in FY 18 to better adopt to market conditions

In addition, the school's enrollment has increased to 884 in FY 18 (see exhibit 2) which will also help to increase revenue.

Based on its financial plan and the increased adm, the school has developed financial projections (see Exhibit 6) that show that by FY 18 and thereafter, the school will have positive net income.

Cumulative Cash Flow (3 years):

DHCS did not meet the required cash flow measure in FY 16 because the cumulative cash balance over a three year period was $(229,812). Per the ASBCS' guidelines, cash flow over a three year period should be positive. The reason for this deficiency is primarily a result of timing of the bond refinancing. As you can see from the Cash Flow Statement in the FY 14 audit page 6, the school had an unusually large cash balance at year end because it received the proceeds from the bond in FY 14 but did not finance most of the cost of acquisition or remodel of the new building until FY 15 and FY 16 (see Cash Flow Statement in FY 15 Audit page 6, page 10 note 4 *Construction in Progress and Cash Flow Statement in FY 16 Audit page 6 showing $511,868 of purchased property and equipment of which $426,015 was from the bond*). This caused a large cash difference between FY 14 and FY 16 making it difficult mathematically to offset that difference and achieve a positive cumulative cash flow in the short term. As you can see in Exhibit 3, prior to FY 2015, the school historically had a positive cash flow. It is anticipated that the school will begin meeting this measure again starting in FY 18 (see Exhibit 3). At that point, the fiscal years representing the large changes in cash anomaly (FY 14- FY 15) will no longer be included in the measure's calculation and the school will have had an opportunity to benefit from its revenue enhancing and cost reduction efforts (as indicated in Exhibit 3, 6 & 7).

Response for Near-Term Measures Not Met

Unrestricted Days Liquidity:

According to the school's FY 16 ASBCS dashboard, the school had 17.72 days of unrestricted days liquidity instead of 30 days as required to meet the ASBCS financial performance framework. The reasons for this deficiency begin with the additional occupancy (rental) costs the school started to incur in FY 14 to accommodate an expansion of its high school (see Exhibit A line items N*et Income/loss* and *rent and occupancy costs)*. In FY 15, after the rental of the first high school facility did not work out, the school refinanced its existing education revenue bonds in order; 1) to pay off the prior 2003 series bonds 2) make improvements to its existing elementary campus 3) purchase and improve its high school building (see FY 15 audit page 11 Note 6 for information on 2014 bond series). As indicated in Exhibit A, interest expense increased from $329,071 to $1,040,685 (over 216%) from FY 14 to FY 15 due to the issuance of the 2014 series bonds (FY 15 audit page 12 note 6) and continued to increase in FY 16. In addition, depreciation expense increased significantly starting in FY 15 and continued in FY 16 as construction of the new facility was completed.

The issuance of the bonds were based on obtaining certain average daily membership (adm) targets which did not come to fruition making it difficult to accommodate the large increase in debt load. As indicated in attachment B, the bond interest payments and fees were based on an adm of 901 in FY 15 and 994 in FY 16. In reality, the school's adm was 753 and 803 consecutively.

The school began incurring net losses starting in FY 14 which required the school to draw from the cash reserves it had built up over time. This combined with increased interest and depreciation expenses the school incurred when it financed its high school building, caused the school's short term liquidity (as calculated by the measure which includes depreciation expense) to shrink. As indicated earlier, the school has developed a plan to adjust to the increased debt load by increasing revenue and decreasing expenses. As discussed in the net income section, the school is projected to have positive net income in FY 18 and thereafter. The positive net income (and associated cash) will improve the school's short term

liquidity position. As the school's projections show (see exhibit 3, 6 and 7), the school will have 30 days or more of unrestricted days liquidity beginning in FY 18.

Note: The low figure in FY 17's unrestricted days cash is in part due to the large classroom site fund carry over balance (see Exhibit 1 for CSF Carry Over Chart). The FY 17 projections assume **no additional or accrued payments for the remainder of the year (causing the large carryover amount). Should additional payments be made, this would reduce the carry over amount and improve the outcome of this measure.

Desert Heights Charter School
Classroom Site Fund Carry Over Detail

Fiscal Year	**16**	**17**	**18**	**19**	**20**
Carry Over Prior Year	147,369.68	214,904.00	371,418.83	271,418.83	121,418.83
Revenue	322,523.83	311,204.98	317,429.08	323,777.66	330,253.21
Expense to be recoded	254,989.51	154,690.15	317,429.08	323,777.66	330,253.21
Remaining from current year	67,534.32	156,514.83	-	-	-
Spend down of carry over		-	100,000.00	150,000.00	121,418.83
Total Carry Over Year End	214,904.00	371,418.83	271,418.83	121,418.83	-

Grade	Heads In SMS	ADM
K	67	33.5
1	90	90
2	91	91
3	74	74
4	71	71
5	66	66
6	61	61
7	85	85
8	78	78
9	74	74
10	36	36
11	53	53
12	37	37
Total Heads	883	849.5
Pending (see associated e-mail)		
Kinder	8	4
1st grade	1	1
Total Heads with Pending	892	854.5
Back out pending kinders	-8	
Total used for projections	884	

School Name	School Cod	Grade	Tuition Payer Code	SIS Numbe	Membership Start	EC	Membership End	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Charter School	101	KG	1	114906	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114918	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	115004	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114912	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114928	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114877	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114891	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114879	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114884	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114903	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114904	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114869	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114878	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	115008	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114929	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114998	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114922	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114873	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114899	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114974	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114924	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114874	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114883	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114977	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114988	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114872	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114871	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114881	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114911	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114905	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114886	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114930	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114996	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114948	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114923	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114991	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114875	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114989	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114868	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114894	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114888	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114889	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114934	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114910	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114876	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101	KG	1	114893	8/2/2017	E3	9/29/2017			0.5	N	20	0	0.5	0.5	0.5

Desert Heights Charter School	101 KG	1	114892	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114880	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114921	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114913	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114931	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114867	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114986	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114942	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114865	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114890	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114997	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114900	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114870	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114907	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114949	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114966	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114985	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114885	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	115016	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	114908	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
Desert Heights Charter School	101 KG	1	115001	8/2/2017 E3	9/29/2017	0.5	N	20	0	0.5	0.5	0.5
										33.5		
										67		

School Name	School Cod	Grade	Tuition Pay	SIS	Membersh	EC	Membershi	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Charter School	101	1	1	114647	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114615	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114616	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114746	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114617	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114618	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114622	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114623	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114624	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114795	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114796	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114739	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114652	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114653	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114743	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114654	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114656	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114748	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114657	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114658	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114802	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114732	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114777	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114659	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114660	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114661	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114662	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114635	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114663	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114776	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114801	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114857	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114835	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114834	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114667	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114668	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114799	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114650	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114669	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114631	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114898	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114759	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114670	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114775	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114672	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114738	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1

Desert Heights Charter School	101	1	1	114733	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114798	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114736	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114673	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114731	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114584	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114675	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114665	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114778	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114676	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114677	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114678	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114679	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114959	8/2/2017	E6	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114832	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	115003	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114680	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114681	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114682	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114987	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114741	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114747	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114684	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114686	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114995	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114804	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114689	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114646	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114737	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114690	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114800	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114734	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114691	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114740	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114803	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114692	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114845	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114694	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114611	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114695	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114696	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114642	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114697	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	1	1	114698	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1

School Name	School Cod	Grade	Tuition Pay	SIS Numbe	Membersh	EC	Membership End	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Charter School	101	2	1	114184	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114156	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114126	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114839	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114840	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114090	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114548	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114604	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113966	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114027	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113994	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114049	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114123	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114157	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114025	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114040	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113992	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114172	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114185	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114633	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113975	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114140	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113967	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114047	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114702	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114530	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114527	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113968	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114023	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113995	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113981	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114125	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114048	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114037	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114568	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114812	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114080	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114744	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113985	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114024	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114599	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113999	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114031	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113977	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114831	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114053	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1

Desert Heights Charter School	101	2	1	114516	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114507	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114141	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113978	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113996	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114947	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114851	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114935	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114030	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114043	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114002	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114046	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114158	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114144	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114029	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113972	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114549	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114570	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114932	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114648	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114958	8/2/2017	E6	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114160	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114135	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114186	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114529	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114745	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114026	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114553	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114022	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114112	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114003	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114833	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114148	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114965	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114052	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114625	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	113991	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114159	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114101	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114813	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114699	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114089	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114638	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114034	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	2	1	114091	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1

School Name	School Cod	Grade	Tuition Pay	SIS Numbe	Membersh	EC	Membership End	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Charter School	101	3	1	113804	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114841	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113776	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113626	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	112913	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113712	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113755	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114957	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113857	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113714	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113632	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113472	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114709	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	112793	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113691	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113690	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114849	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114750	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113770	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113142	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113836	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113471	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114990	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113868	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113694	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113841	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114707	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113703	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113584	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114587	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113475	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113276	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114760	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113961	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114952	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	112946	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113558	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113567	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113895	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113887	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113476	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114102	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114594	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114182	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114805	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113759	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1

Desert Heights Charter School	101	3	1	113842	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113599	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113477	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113708	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113747	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113192	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113096	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113828	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114708	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114111	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113774	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	112929	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113779	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114943	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113897	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113844	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113873	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114860	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114133	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113813	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113843	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113744	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113906	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113881	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113709	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	112786	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	113746	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	3	1	114749	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1

School Name	School Cod	Grade	Tuition Pay	SIS Numbe	Membersh	EC	Membership End	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Charter School	101	4	1	113391	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113529	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113488	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113378	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114162	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	112952	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114809	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114173	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113405	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113805	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113335	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114632	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114754	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114807	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113400	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114712	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113035	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114810	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114526	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113390	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113316	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113371	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114797	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114566	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	112262	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113386	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113907	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113526	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113960	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113361	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113369	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114146	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113640	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113460	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113432	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	112413	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113031	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113334	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113498	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113531	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114946	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114752	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114517	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113612	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114595	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114537	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1

Desert Heights Charter School	101	4	1	113657	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113380	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113317	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113309	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113341	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114976	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	112273	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114944	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113901	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113377	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114814	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113524	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113330	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113139	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113506	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113337	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113329	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113697	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113501	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	115019	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113398	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	112789	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	114626	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113533	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Charter School	101	4	1	113503	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
												71		

School Name	School Cod	Grade	Tuition Pay	SIS Numbe	Membersh	EC	Membership End	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Prep Academy	102	5	1	114993	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114984	8/2/2017	E6	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114837	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114838	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113085	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113105	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	112417	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	112783	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113129	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	112780	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114791	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113008	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113806	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113185	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114730	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113756	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114634	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113053	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	112880	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	112613	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	112782	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113152	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113044	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114811	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	112138	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113357	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113404	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113797	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113761	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113055	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113080	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113012	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113493	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114519	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114601	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113542	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114183	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114758	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113639	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114866	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114755	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113026	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	115017	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113177	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113004	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114585	8/2/2017	E2	9/29/2017			1	N	40	0	1	1	1

Desert Heights Prep Academy	102	5	1	114846	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113147	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113673	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113104	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113748	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114136	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	112994	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113727	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	115000	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114960	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114975	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	112519	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114639	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	112983	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113959	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	112774	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114756	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114936	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	114830	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	5	1	113003	8/2/2017	E2	9/29/2017	1	N	40	0	1	1	1

School Name	School Cod	Grade	Tuition Pay	SIS Numbe	Membersh	EC	Membership End	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Prep Academy	102	6	1	112992	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114166	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112713	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112421	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112884	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112797	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114967	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114761	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114075	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112522	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112622	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	113045	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112530	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112710	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112770	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112418	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112377	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114723	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	113387	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114050	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112796	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114983	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112734	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	115005	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112456	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114788	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	113829	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112842	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114950	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112615	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112730	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112795	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	113998	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112840	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	113195	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	113213	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114821	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112834	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112732	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114536	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114538	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112838	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	113926	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114863	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112917	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114940	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1

Desert Heights Prep Academy	102	6	1	112839	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	113807	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	113554	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112832	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112865	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114827	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112527	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	113256	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112728	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	112419	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114170	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114087	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	113877	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114729	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	6	1	114552	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1

School Name	School Cod	Grade	Tuition Payer Code	SIS Number	Membersh	EC	Membership End	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Prep Academy	102	7	1	114150	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112212	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114855	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112374	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114979	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114844	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112064	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112492	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112121	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114721	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114819	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114765	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	115006	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114963	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114970	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112117	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114767	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114982	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112376	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112378	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114954	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	113762	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	115007	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114920	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114856	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	113835	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112383	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112111	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114044	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112422	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112384	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114727	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114864	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112108	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112740	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112436	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114598	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112387	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114781	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114725	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112619	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112388	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114057	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112202	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114895	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112392	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1

Desert Heights Prep Academy	102	7	1	113117	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	113938	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112261	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114608	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114155	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112501	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112394	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112099	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112101	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112396	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114916	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	113830	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112771	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114152	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	113168	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114728	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112455	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114169	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112811	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112751	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112752	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112993	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112495	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114961	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114188	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112400	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	113826	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112151	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114502	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	113631	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	113537	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112556	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114917	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114822	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	113997	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112743	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	112745	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	114068	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	7	1	115018	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1

School Name	School Cod	Grade	Tuition Pay	SIS Numbe	Membersh	EC	Membership End	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Prep Academy	102	8	1	113724	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	112079	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111950	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	112354	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	112927	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113135	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	112967	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114981	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114843	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114956	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113945	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	112252	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113753	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111956	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113671	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113670	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111957	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114939	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111959	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111961	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114539	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	112038	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	112052	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113882	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114082	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113751	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113888	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114576	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	112753	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114018	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114764	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114561	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114787	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114558	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114541	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113196	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114717	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114770	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111977	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111978	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113880	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113802	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111998	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114189	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114782	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114543	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1

Desert Heights Prep Academy	102	8	1	112918	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111981	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114964	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	112069	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	112887	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113553	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114715	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114914	8/2/2017	E6	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113932	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113157	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114720	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113731	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114187	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111986	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111987	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114980	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114086	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113630	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	112218	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111989	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113808	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113538	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113728	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	112442	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	113784	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114937	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111994	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114109	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114077	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114045	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	114629	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	8	1	111825	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1

School Name	School Cod	Tuition Pay	Perm ID	Grade	Enter Date	Enter Code	Membership End	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Prep Academy	102	1	113661	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114992	9	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113681	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113682	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111739	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	115010	9	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114768	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114897	9	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112047	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114823	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111877	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114927	9	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114069	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113148	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114771	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112248	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113381	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113957	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112147	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112309	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114953	9	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114719	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114972	9	8/2/2017	E6	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114076	9	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111759	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113839	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114994	9	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114951	9	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112685	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112537	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111764	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114131	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	115002	9	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	115011	9	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114896	9	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112683	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114559	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112310	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114784	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114113	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112618	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111771	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114058	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112459	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112263	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114597	9	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1

Desert Heights Prep Academy	102	1	114938	9	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111780	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112654	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111772	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114852	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114915	9	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114509	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114971	9	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114955	9	8/2/2017	E6	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114941	9	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111580	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114038	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114973	9	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112688	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114059	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112825	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111791	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113766	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111713	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111714	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114919	9	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113732	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114999	9	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112502	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113263	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114779	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111785	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114560	9	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1

74

School Name	School Cod	Tuition Pay	Perm ID	Grade	Enter Date	Enter Code	Membership End	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Prep Academy	102	1	113613	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112812	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111514	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112462	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111625	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112497	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114785	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114769	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111526	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114978	10	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111532	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113383	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111705	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114724	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111533	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114789	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114848	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111706	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111249	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114556	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113306	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114829	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111542	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111578	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111357	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114901	10	8/2/2017	E6	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114039	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113730	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113184	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113812	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114945	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114718	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114714	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113777	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112476	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112609	10	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1

School Name	School Cod	Tuition Pay	Perm ID	Grade	Enter Date	Enter Code	Membership End	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Prep Academy	102	1	112004	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112928	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111590	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113862	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111231	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114726	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113520	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111234	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114054	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114067	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114060	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111890	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114716	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114820	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113889	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114071	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111257	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114070	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113539	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111265	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113790	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	115015	11	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	115009	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113509	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112760	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113120	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113308	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112068	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114962	11	8/2/2017	E6	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111282	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113018	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111723	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113962	11	8/2/2017	E4	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114762	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113346	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113160	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	115012	11	8/2/2017	E3	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111441	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112849	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111292	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113885	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113585	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113353	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111294	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112280	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113522	11	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1

Desert Heights Prep Academy	102	1	114786	11	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111481	11	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111487	11	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113484	11	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111914	11	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114926	11	8/2/2017	E3	9/29/2017	1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114933	11	8/2/2017	E1	9/29/2017	1	N	40	0	1	1	1

53

School Name	School Cod	Tuition Pay	Perm ID	Grade	Enter Date	Enter Code	Membership End	LC	Track	FTE	Homeboun	Mbr Days	Abs Days	ADM	Adjusted A	ADA
Desert Heights Prep Academy	102	1	114763	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113081	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112269	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113325	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114793	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113486	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114836	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112324	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114847	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	110992	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113198	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111867	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	110997	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113466	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	110767	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111731	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114861	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113020	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112972	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113305	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112855	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113119	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112975	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112699	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111019	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113019	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113159	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114550	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113005	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	114794	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113769	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	113853	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	112964	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111048	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111049	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111050	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1
Desert Heights Prep Academy	102	1	111177	12	8/2/2017	E1	9/29/2017			1	N	40	0	1	1	1

Desert Heights Charter School
Unrestricted Days Liquidity Projected Measure

	2015	2016	2017	2018	2019	2020
Cash/Cash Equivalents	364,822	562,049	481,299	977,442	1,663,363	2,622,700
Cash held by Trustee	445,968	18,929				
Cash held by Trustee						
Less Restricted Cash CSF*	-134,792	-214,904	(371,419)	(221,419)	(71,419)	
Less Other Restricted Cash	-445,968	-18,929				
Lines of Credit						
Total Unrestricted Cash	230,030	347,145	109,880	756,023	1,591,944	2,622,700
Total Expenses	**6,788,863**	**6,850,864**	**6,696,908**	**6,828,334**	**6,975,946**	**7,036,488**
Daily Expense	18,600	18,769	18,348	18,707.77	19,112.18	19,278.05
Unrestricted Days Cash**	$ 12.37	$ 18.50	6	40	83	136

Desert Heights Charter School
Cumulative Cash Flow Projected Measure

FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 2020
$ 682,206.00	$ 4,088,374.00	$ 810,790.00	$ 580,977.89	$ 481,298.69	$ 977,442.04	$ 1,663,363.33	$ 2,622,700.33
	$ 3,406,168.00	$ (3,277,584.00)	$ (229,812.11)	$ (99,679.20)	$ 496,143.35	$ 685,921.29	$ 959,337.00

Meeting Minutes for Desert Heights Charter Schools
Regular Governing Board Meeting
March 28, 2017
5:00 p.m.

A Regular Board Meeting of the Governing Board for the Desert Heights Charter Schools, was held on March 28, 2017, at Desert Heights Preparatory Academy, Bldg. 600, 3540 W. Union Hills Drive, Glendale, Arizona. The meeting was called to order at 5:06 p.m.

Present were Manuel Robles, Sherrie Blanton, Darna Davis, and Margaret Martin.

1. Public Comment

   Per Board Policy, time has been set aside for public comment, an opportunity for people to express their views or concerns on matters of board governance to the entire board in a public setting.

   There was no public comment.

2. Consent Agenda - Meeting minutes for the February 27, 2017 and March 7, 2017 meetings were approved.

3. The Board received operational update reports from Mark Jiles.

   Enrollment for the next year is on track.
   The most recent financials are also on track.
   Desert Heights Preparatory will be adding dual credit classes in Math, English and Spanish. They are continuing to look for other opportunities for dual credits as well.
   The Charter renewal is progressing and should be complete soon.
   The school will be utilizing a program called Synovia next year to track buses and students on buses.

4. Discussion, consideration, and possible action regarding teacher compensation for teachers who cover a class for an absent teacher.

   It was proposed that teachers and/or staff who cover class for an absent teacher be provided with additional compensation if the coverage occurs during lunch or prep time. After discussion and upon motion by Margaret Martin, seconded by Sherrie Blanton, the Board unanimously approved the policy regarding reimbursement for class coverage.

5. Discussion, consideration, and/or possible action regarding fee increases.

   It was proposed that the transportation fee be increased $25 per student, per month. After discussion and upon motion by Margaret Martin, seconded by Darna Davis, the Board unanimously approved the transportation fee increase.

   It was proposed that the Preschool fee and before care and after care tuition each be increased $5.00. After discussion and upon motion by Margaret Martin, seconded by Darna Davis, the Board unanimously approved the $5.00 increase for the preschool per program/per week beginning in January 2018.

It was proposed that the Athletic Participation fee be increased $50.00 per student, per sport. After discussion and upon motion by Margaret Martin, seconded by Sherri Blanton, the Board unanimously approved a $25.00 increase in the Athletic Participation fee.

6. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 7:00 p.m.

Desert Heights Charter Schools
INTERNAL UNAUDITED

	2016	**2017**	**2018**	**2019**	**2020**	
Current Year ADM	803	763	831	856	882	
Prior Year ADM	752	803	763	831	856	
Change	51	(40)	68	25	26	
% Change	6.35%	-5.24%	8.18%	2.91%	2.91%	
Student Counts		812	884	911	938	FY17-18 student counts provided by registrar. See Exhibit X for support. 3% increase FY19-20
ADM	803	763	831	856	882	FY 18-20 ADM calculated at 94% of head count
	$ 6,409.82	$ 6,412.55	$ 6,540.80	$ 6,671.61	$ 6,805.04	2% increase in State Aid per student
	FY16	**FY17**	**FY18**	**FY19**	**FY20**	
	Actual	**Forecast**	**Forecast**	**Forecast**	**Forecast**	
Income						
Federal Income	300,105.63	281,501.30	287,500.00	297,500.00	307,500.00	Estimated
301 Proposition	322,524.62	311,204.98	317,429.08	323,777.66	330,253.21	FY 17 per CSF Report. 2% increase thereafter
Prop 123	0.00	17,918.23				Actual
3110 State Equalization	5,032,935.07	4,892,771.93	5,435,139.87	5,710,157.94	5,999,091.94	ADM per student times ADM count
Prop 202-IIF	34,180.12	29,710.47	35,000.00	35,000.00	35,000.00	Estimated
State Income	5,503,786.21	5,251,605.61	5,787,568.95	6,068,935.61	6,364,345.15	2% increase in State Aid per year
Local Income	92,424.01	144,682.08	271,982.08	271,982.08	271,982.08	$127,300 in increased income for program fee increases FY18
Preschool Income	862,976.43	848,640.77	936,036.43	954,757.16	973,852.30	$73,060 in increased income for Preschool tuition FY18. 2% Increase FY19-20
Total Income	**6,759,292.28**	**6,526,429.76**	**7,283,087.46**	**7,593,174.84**	**7,917,679.53**	
Expenses						
Salaries & Wages Instructional	2,226,249.72	2,193,927.95	2,088,055.06	2,128,022.85	2,191,895.28	Decrease in FY 18 due to cost reduction measures. ADM did not support staffing levels and salaries in FY 16 & 17. (FY18). Includes $317,429 of CSF salary expense. (FY19) Includes 323,777.66 of CSF salary expense. (FY20) includes 330,253.21 of CSF salary expense.
Classroom Site Fund Salaries-Prior Yr			100,000.00	150,000.00	106,475.55	
Salaries & Wages Non Instructional	1,147,576.57	1,175,171.75	1,235,043.54	1,259,744.41	1,284,939.30	Includes one additional staff person
Benefits	481,096.89	419,785.11	479,233.80	495,287.42	501,663.42	14% of Salaries
Purchased Services	223,688.52	249,882.38	254,880.03	259,977.63	265,177.18	2% Increase

All projections are based on assumptions that may or may not come to fruition. For more information on the assumptions used for these projections, please contact Diamond Financial Solutions

Desert Heights Charter Schools
INTERNAL UNAUDITED

Supplies Instructional	17,493.40	80,735.82	88,953.51	88,954.56	93,324.56	2% Inflation Increase plus % increase commensurate to change in ADM
Supplies Non Instructional	237,181.02	147,790.78	150,746.60	153,761.53	156,836.76	2% Increase
Repairs & Maintenance	77,975.65	80,207.31	81,811.46	83,447.69	85,116.64	2% Increase
Interest & Fees	1,139,016.96	1,113,262.22	1,105,708.24	1,095,882.41	1,072,888.05	Bond Interest per Amort Schedule-All other costs 2% increase
Depreciation	465,441.89	387,888.00	395,645.76	395,645.76	395,645.76	Assumes net 0 change after FY 17. Building improvements and FFE not expected in next two years since school newly remodeled.
Preschool Expenses	835,143.66	848,256.24	848,256.24	865,221.36	882,525.79	2% Increase FY19-20
Total Expenses*	**6,850,864.28**	**6,696,907.57**	**6,828,334.23**	**6,975,945.61**	**7,036,488.29**	
Net Income	**-91,572.00**	**-170,477.81**	**454,753.22**	**617,229.23**	**881,191.25**	
* Please note that FY 16 revenue and expenses do not match the audited figures due to internal coding differences						

All projections are based on assumptions that may or may not come to fruition. For more information on the assumptions used for these projections, please contact Diamond Financial Solutions

Desert Heights Charter Schools
INTERNAL UNAUDITED

	2016	**2017**	**2018**	**2019**	**2020**	
Current Year ADM	803	763	831	856	882	
Prior Year ADM	752	803	763	831	856	
Change	51	(40)	68	25	26	
% Change	6.35%	-5.24%	8.18%	2.91%	2.91%	
Student Counts		812	884	911	938	FY17-18 student counts provided by registrar. See Exhibit X for support. 3% increase FY19-20
ADM	803	763	831	856	882	FY 18-20 ADM calculated at 94% of head count
	$ 6,409.82	$ 6,412.55	$ 6,540.80	$ 6,671.61	$ 6,805.04	2% increase in State Aid per student
	FY16	**FY17**	**FY18**	**FY19**	**FY20**	
	Actual	**Forecast**	**Forecast**	**Forecast**	**Forecast**	
Cash In						
Federal	300,105.63	271,541.28	287,500.00	297,500.00	307,500.00	Estimated
301 Proposition	322,524.62	311,204.98	317,429.08	323,777.66	330,253.21	FY 17 per CSF Report. 2% increase thereafter
Prop 123	0.00	17,918.23				Actual
3110 State Equalization	5,032,935.07	4,892,771.93	5,435,139.87	5,710,157.94	5,999,091.94	ADM per student times ADM count
Prop 202-IIF	34,180.12	29,710.47	35,000.00	35,000.00	35,000.00	Estimated
State	5,503,786.21	5,251,605.61	5,787,568.95	6,068,935.61	6,364,345.15	2% increase in State Aid per year
Local	92,424.01	144,682.08	271,982.08	271,982.08	271,982.08	$127,300 in increased income for program fee increases FY18
Preschool	862,976.43	848,640.77	936,036.43	954,757.16	973,852.30	$73,060 in increased income for Preschool tuition FY18. 2% Increase FY19-20
Total Income	**6,759,292.28**	**6,516,469.74**	**7,283,087.46**	**7,593,174.84**	**7,917,679.53**	
Cash Out						
Salaries & Wages Instructional	2,226,249.72	2,238,527.79	2,088,055.06	2,128,022.85	2,191,895.28	Decrease in FY 18 due to cost reduction measures. ADM did not support staffing levels and salaries in FY 16 & 17. (FY18). Includes $317,429 of CSF salary expense. (FY19) Includes 323,777.66 of CSF salary expense. (FY20) includes 330,253.21 of CSF salary expense.
Classroom Site Fund Salaries-Prior Yr			100,000.00	150,000.00	106,475.55	per CSF carry over chart
Salaries & Wages Non Instructional	1,147,576.57	1,175,171.75	1,235,043.54	1,259,744.41	1,284,939.30	Includes one additional staff person
Benefits	481,096.89	416,416.93	479,233.80	495,287.42	501,663.42	14% of Salaries
Purchased Services	212,082.52	249,882.38	254,880.03	259,977.63	265,177.18	2% Increase

All projections are based on assumptions that may or may not come to fruition. For more information on the assumptions used for these projections, please contact Diamond Financial Solutions

Desert Heights Charter Schools
INTERNAL UNAUDITED

Supplies Instructional	17,493.40	80,735.82	88,953.51	88,954.56	93,324.56	2% Inflation Increase plus % increase commensurate to change in ADM
Supplies Non Instructional	137,181.02	147,790.78	150,746.60	153,761.53	156,836.76	2% Increase beginning FY 18
Repairs & Maintenance	77,975.65	80,207.31	81,811.46	83,447.69	85,116.64	2% Increase beginning FY 18
Interest & Fees	1,139,016.96	1,113,655.97	1,105,708.24	1,095,882.41	1,072,888.05	Bond Interest per Amort Schedule-All other costs 2% increase
Depreciation	0.00	0.00	0.00	0.00	0.00	Assumes net 0 change after FY 17. Building improvements and FFE not expected in next two years since school newly remodeled.
Fixed Asset Purchases	511,868.00	0.00	105,000.00	105,000.00	105,000.00	Assumes net 0 change after FY 17. Building improvements and FFE not expected in next two years since school newly remodeled.
Bond Debt Principal	168,389.00	177,499.96	191,666.64	201,666.70	212,500.00	per amortization schedule
Capital Lease Payments	35,031.00	88,004.00	57,589.00	20,287.00	0.00	per amortization schedule
Preschool Expenses	835,143.66	848,256.24	848,256.24	865,221.36	882,525.79	2% Increase FY19-20
Total Expenses	**6,989,104.39**	**6,616,148.93**	**6,786,944.11**	**6,907,253.55**	**6,958,342.53**	
Net change in Cash	**-229,812.11**	**-99,679.20**	**496,143.34**	**685,921.29**	**959,337.01**	
Beginning Cash	**810,790.00**	**580,977.89**	**481,298.69**	**977,442.04**	**1,663,363.33**	
Ending Cash	**580,977.89**	**481,298.69**	**977,442.04**	**1,663,363.33**	**2,622,700.33**	

All projections are based on assumptions that may or may not come to fruition. For more information on the assumptions used for these projections, please contact Diamond Financial Solutions

From: Cynthia Jordan
To: Michele Diamond
Cc: Mark Jiles
Subject: RE: Enrollment numbers
Date: Friday, May 05, 2017 12:26:33 PM

Michele,

When reviewing the spreadsheet, I noticed 2 students (below) that were not included in the spreadsheet but are enrolled. There is a support ticket open with ADE to resolve the issue, but to clarify these are students who were enrolled in 2016-2017 withdraw and are returning for 2017-2018. Our system is having trouble recognizing the roll over, into the new year but wanted you to be aware they are enrolled. Please add those to your count.

114614 in 1st grade
112308 in 9th grade

Additionally, I can tell you that we have 884 heads enrolled for next school year plus we have 8 early entry Kindergarten students pending testing results. I am not sure if you are counting heads or ADM, so wanted to provide as much as I can to assist.

We have 67 KG students enrolled = 33.5 ADM plus 8 early entries = 4 ADM
We have 817 1-12th grade students enrolled =817 ADM

Here is a better visual.

Grade	Heads		ADM	
KG	67		33.5	
KG Pending Results	8	EE	4	Of these 8 preschool students 5 are in our DH preschool program so we are confident about their results.
1-12th grade	817		817	
	892		854.5	

Please let me know if there is anything else I can assist with.

Cynthia Jordan
Desert Heights Preparatory Academy
3540 W. Union Hills Dr.
Glendale, Arizona 85308
602-896-2900 option 4, 2
cynthia.jordan@dhschools.org

From: Michele Diamond [mailto:mdiamond@diamondfinancialsolutions.org]
Sent: Friday, May 5, 2017 10:05 AM
To: Cynthia Jordan <cynthia.jordan@dhschools.org>
Cc: Mark Jiles <Mark.Jiles@dhschools.org>
Subject: RE: Enrollment numbers

Thank you Cynthia. Question – On your Excel spreadsheet entitled "Desert Heights Charter Schools Enrollment for 2017-2018",

the total, when I add up all of the lines with an SIS number for each grade level is 849.5. However, we were told the enrollment would be 892. Can you clarify why the difference? And do you have a report that would support the 892 number?

Thank you.

Michele Diamond
CEO/Founder
Diamond Financial Solutions
4711 E. Falcon Drive Suite 222
Mesa, AZ 85215
Phone: 480-584-5414 (Office)
Phone: 480-294-9981 (Direct)
Fax: 480-264-2696
Website: diamondfinancialsolutions.org
PLEASE NOTE MY NEW E-MAIL ADDRESS

From: Cynthia Jordan [mailto:cynthia.jordan@dhschools.org]
Sent: Friday, May 5, 2017 8:31 AM
To: Mark Jiles; Michele Diamond
Subject: RE: Enrollment numbers

Hello Michele,

I have attached 3 reports for your review.

Desert Heights Charter Schools Enrollment for 2017-2018
ADM675 DHCS K-4th
ADM675 DHPA 5-12

I have provided a detailed report of all enrolled students K-12th. Please keep in mind when viewing the ADM675 summary reports that 9-12th grades will show (0) membership until their schedule is built. The schedule is built over the summer and once they are plugged in the data will show on the summary reports. The ADM675 is a summary of average daily membership through the 40th day at both schools.

Please let me know if there is anything else I can provide to assist.

Cynthia Jordan
Desert Heights Preparatory Academy
3540 W. Union Hills Dr.
Glendale, Arizona 85308
602-896-2900 option 4, 2
cynthia.jordan@dhschools.org

From: Mark Jiles
Sent: Friday, May 5, 2017 5:51 AM
To: Michele Diamond <mdiamond@diamondfinancialsolutions.org>
Cc: Cynthia Jordan <cynthia.jordan@dhschools.org>
Subject: Re: Enrollment numbers

Good morning Michele,

My high school Registrar is working on the enrollment support document and should get it to you today. If upon receipt you find that something other than what is sent is needed, please let us know. Thank you and have a great day.

Sent from my iPhone

On May 4, 2017, at 5:31 PM, Michele Diamond <mdiamond@diamondfinancialsolutions.org> wrote:

Thank yoy

On May 4, 2017 2:39 PM, Mark Jiles <Mark.Jiles@dhschools.org> wrote:

Prep projected enrollment for next year below

Thank you!

Mark Jiles

From: Cynthia Jordan
Sent: Thursday, May 4, 2017 11:50 AM
To: DHPA Admin Staff <DHPAAdminStaff@dhschools.org>
Subject: RE: Enrollment numbers

Enrollment numbers for today.

Revised 5.4.17									
Grade	2016-2017	2017-2018	Retention	Retention %	New	Cap	Difference	Wait list	Incomplete Packets for 2017-2018
5	58	66	59	0.89	7	75	9	0	0
6	72	61	59	0.97	2	75	14	0	0
7	76	85	73	92.20	12	90	5	0	0
8	63	78	72	95.90	6	90	12	0	0
9	35	75	56	86.10	19	70	-5	0	0
10	48	36	34	100.00	2	35	-1	0	0
11	36	53	48	97.90	5	70	17	0	1
12	25	37	37	100.00	0	35	-2	0	0
Total	413	491	438	0.95	53	540	49	0	0

Thank you,

Cynthia Jordan

From: Cynthia Jordan
Sent: Thursday, April 20, 2017 9:51 AM
To: DHPA Admin Staff <DHPAAdminStaff@dhschools.org>
Subject: RE: Enrollment numbers

I forgot to update the recent changes to HS for 2016-2017 so this one is the up to date copy.

Revised 4.20.17

Grade	2016-2017	2017-2018	Retention	Retention %	New	Cap	Difference	Wait list	Incomplete Packets for 2017-2018
5	60	66	59	0.89	7	75	9	0	0
6	72	63	59	0.94	4	75	12	0	0
7	76	74	73	92.20	1	90	16	0	0
8	63	78	72	95.90	6	90	12	0	0
9	35	75	56	86.10	19	70	-5	0	0
10	48	36	34	100.00	2	35	-1	0	0
11	36	52	48	97.90	4	70	18	0	1
12	25	37	37	100.00	0	35	-2	0	0
Total	415	481	438	0.95	43	540	59	0	0

Thank you,

Cynthia Jordan

From: Cynthia Jordan
Sent: Thursday, April 20, 2017 9:37 AM
To: DHPA Admin Staff <DHPAAdminStaff@dhschools.org>
Subject: Enrollment numbers

Here is our count for today

Revised 4.20.17									
Grade	2016-2017	2017-2018	Retention	Retention %	New	Cap	Difference	Wait list	Incomplete Packets for 2017-2018
5	60	66	59	0.89	7	75	9	0	0
6	72	63	59	0.94	4	75	12	0	0
7	76	74	73	92.20	1	90	16	0	0
8	63	78	72	95.90	6	90	12	0	0
9	35	75	56	86.10	19	70	-5	0	0
10	47	36	34	100.00	2	35	-1	0	0
11	37	52	48	97.90	4	70	18	0	*waiting on advisory meeting scheduled for 4/21 (1)
12	25	37	37	100.00	0	35	-2	0	0
Total	415	481	438	0.95	43	540	59	0	0

Cynthia Jordan

Desert Heights Preparatory Academy

3540 W. Union Hills Dr.

Glendale, Arizona 85308

602-896-2900 option 4, 2

cynthia.jordan@dhschools.org

DESERT HEIGHTS CHARTER SCHOOL
RENEWAL
FINANCIAL PERFORMANCE RESPONSE

Uploaded March 8, 2017

Response for Sustainability Measures Not Met

Net Income:
According to the FY 16 audited financial statements, Desert Heights Charter School (DHCS) had a net loss for the year of ($91,572) which resulted in the school not meeting the net income measure of positive $1 established by the Arizona State Board for Charter Schools (ASBCS).

Relevant History

The trend of incurring a net loss began in FY 14 when the school began adding additional occupancy (rental) costs to accommodate an expansion of its high school (see Exhibit A line items N*et Income/loss* and *rent and occupancy costs)*. In FY 15, after the rental of the first high school facility did not work out, the school refinanced its existing education revenue bonds in order; 1) to pay off the prior 2003 series bonds 2) make improvements to its existing elementary campus 3) purchase and improve its high school building (see FY 15 audit page 11 Note 6 for information on 2014 bond series). As indicated in Exhibit A, interest expense increased from $329,071 to $1,040,685 (over 216%) from FY 14 to FY 15 due to the issuance of the 2014 series bonds (FY 15 audit page 12 note 6) and continued to increase in FY 16. In addition, depreciation expense increased significantly starting in FY 15 and continuing in FY 16 as construction of the new facility was completed.

The issuance of the bonds were based on obtaining certain average daily membership (adm) targets which did not come to fruition making it difficult to accommodate the large increase in debt load. As indicated in attachment B, the bond interest payments and fees were based on an adm of 901 in FY 15 and 994 in FY 16. In reality, the school's adm was 753 and 803 consecutively.

Changes that Impacted FY 16 and Beyond

In spite of the school continuing to not meet the original adm projections as anticipated, the charter school reduced its expenses relative to the revenue (see Exhibit A) from 11.47% of revenue in FY 15 to 4.57% in FY 16. Although the school continued to have a loss in FY 16, the loss was significantly less than in the prior year signifying an improving trend. The school is reviewing possible additional measures to continue to improve its financial condition (beyond increasing adm) including but not limited to:

- Leveraging more rental income
- Increasing extra-curricular activity fees for additional revenue
- Increasing pre-school tuition for additional revenue
- Reducing administrative expenses
- Increasing class size allowing a reduction in teaching staff

Cumulative Cash Flow (3 years):

DHCS did not meet the required cash flow measure in FY 16 because the cumulative cash balance over a three year period was $(229,812). Per the ASBCS' guidelines, cash flow over a three year period should be positive. The reason for this deficiency is primarily a result of timing of the bond refinancing. As you can see from the Cash Flow Statement in the FY 14 audit page 6, the school had an unusually large cash balance at year end because it received the proceeds from the bond in FY 14 but did not finance most of the cost of acquisition or remodel of the new building until FY 15 (see Cash Flow Statement in FY 15

Audit page 6, page 10 note 4 *Construction in Progress*). This caused a large cash difference between FY 14 and FY 15 making it difficult mathematically to offset that difference and achieve a positive cumulative cash flow in the short term.

As you can see in Exhibit C *Cum Cash Flow* tab (ASBCS measures confirmed), prior to FY 2015, the school historically had a positive cash flow. As such, it is anticipated that the school will begin meeting this measure again starting in FY 18. At that point, the fiscal years representing this anomaly (FY 14 & FY 15) will no longer be included in the measure's calculation and the school will have had an opportunity to benefit from its revenue enhancing and cost reduction efforts.

Response for Near-Term Measures Not Met

Unrestricted Days Liquidity:

According to the school's FY 16 ASBCS dashboard, the school had 17.72 days of unrestricted days liquidity instead of 30 days as required to meet the ASBCS financial performance framework. The reasons for this deficiency are closely tied to the Net Income measure discussed above (see page 2).

The school began incurring net losses starting in FY 14 which required the school to draw from the cash reserves it had built up over time. This combined with increased interest and depreciation expenses the school incurred when it financed its high school building, caused the school's short term liquidity (as calculated by the measure which includes depreciation expense) to shrink. As the school adjusts over time to the increased debt load by increasing revenue and decreasing expenses, the resulting net income (and associated cash) will improve the school's short term liquidity position.

DESERT HEIGHTS CHARTER SCHOOL
HISTORICAL FINANCIAL COMPILATION
FISCAL YEARS 2012-2016

	FY 12	FY 13	% change	FY 14	% change	FY 15	% change	FY 16	% change	FY 17
ADM	678.74	717.28	5.68%	733.18	2.22%	752.83	2.68%	802.67	6.62%	772.36
Revenue	5,378,868.00	5,966,765.00	10.93%	6,102,191.00	2.27%	6,539,885.00	7.17%	7,059,057.00	7.94%	
Expenses				6,143,418.00		6,788,863.00	10.51%	7,150,629.00	5.33%	
Net Income				(41,227.00)		(248,978.00)	503.92%	(91,572.00)	-63.22%	
Income										
State Equalization	3,806,540.00	4,254,513.00	11.77%	4,419,663.00	3.88%	4,584,028.00	3.72%	5,147,082.00	12.28%	
Classroom Site Fund	174,505.00	199,653.00	14.41%	263,695.00	32.08%	273,646.00	3.77%	322,524.00	17.86%	
Instructional Improvement	27,004.00	26,882.00	-0.45%	29,499.00	9.74%	29,920.00	1.43%	34,181.00	14.24%	
Federal & State Grants	265,075.00	252,031.00	-4.92%	264,125.00	4.80%	329,652.00	24.81%	308,058.00	-6.55%	
NSLP	136,792.00	149,506.00	9.29%	100,823.00	-32.56%	92,076.00	-8.68%	93,027.00	1.03%	
Food Service Sales	154,439.00	110,763.00	-28.28%		-100.00%					
Preschool Tuition	392,019.00	556,949.00	42.07%	516,353.00	-7.29%	480,205.00	-7.00%	502,016.00	4.54%	
Before & After School Svcs	286,277.00	118,723.00	-58.53%	154,567.00	30.19%	194,916.00	26.10%	203,607.00	4.46%	
Contribution	19,344.00	41,770.00	115.93%	56,525.00	35.32%	84,924.00	50.24%	3,898.00	-95.41%	
Rental Income						2,925.00		12,670.00	333.16%	
School Activities	58,522.00	119,359.00	103.96%	168,064.00	40.81%	202,952.00	20.76%	221,564.00	9.17%	
Supply Sales		15,315.00		19,888.00	29.86%	23,519.00	18.26%	51,435.00	118.70%	
Extracurricular activities contributions								80,754.00		
Transportation Fees	20,567.00	19,528.00	-5.05%	26,429.00	35.34%	33,113.00	25.29%	42,440.00	28.17%	
Interest	35.00	48,002.00	137048.57%		-100.00%	28.00		17.00	-39.29%	
Fundraising						34,353.00		-	-100.00%	
Miscellaneous	37,020.00	53,771.00	45.25%	82,560.00	53.54%	173,628.00	110.31%	35,784.00	-79.39%	
adjustment	729.00		-100.00%							
Total Revenue	5,378,868.00	5,966,765.00	10.93%	6,102,191.00	2.27%	6,539,885.00	7.17%	7,059,057.00	7.94%	
Expenses										
Charter School										
Salaries & Benefits		3,355,730.00		3,396,864.00	1.23%	3,625,309.00	6.73%	3,847,154.00	6.12%	
Purchased Services		596,055.00		634,860.00	6.51%	601,165.00	-5.31%	435,653.00	-27.53%	
Rent & Occupancy Costs		421,613.00		547,876.00	29.95%	269,634.00	-50.79%	217,395.00	-19.37%	

Supplies		320,536.00		248,901.00	-22.35%	141,609.00	-43.11%	234,520.00	65.61%	
Interest		339,053.00		329,071.00	-2.94%	1,040,685.00	216.25%	1,067,544.00	2.58%	
Miscellaneous		49,405.00		61,530.00	24.54%	66,980.00	8.86%	47,832.00	-28.59%	
Depreciation		225,293.00		199,021.00	-11.66%	294,374.00	47.91%	465,442.00	58.11%	
Total	4,623,731.00	5,307,685.00	14.79%	5,418,123.00	2.08%	6,039,756.00	11.47%	6,315,540.00	4.57%	
Preschool										
Salaries & Benefits		409,131.00		489,679.00	19.69%	513,592.00	4.88%	573,846.00	11.73%	
Purchased Services		10,822.00		30,522.00	182.04%	129,991.00	325.89%	139,148.00	7.04%	
Rent & Occupancy Costs		33,119.00		34,307.00	3.59%	26,225.00	-23.56%	30,204.00	15.17%	
Supplies		51,816.00		83,047.00	60.27%	78,489.00	-5.49%	85,317.00	8.70%	
Interest		88,722.00		87,404.00	-1.49%	-	-100.00%			
Miscellaneous		4,064.00			-100.00%	149.00		4,390.00	2846.31%	
Depreciation		333.00		336.00	0.90%	661.00	96.73%	2,184.00	230.41%	
Total	550,059.00	598,007.00	8.72%	725,295.00	21.29%	749,107.00	3.28%	835,089.00	11.48%	
Check	5,173,790.00	5,905,692.00	14.15%	6,143,418.00	4.03%	6,788,863.00	10.51%	7,150,629.00	5.33%	
Net Income	205,078.00	61,073.00	-70.22%	(41,227.00)	-167.50%	(248,978.00)	503.92%	(91,572.00)	-63.22%	

Source:
FY 12-16 audited financial statements

DeserHeights Charter School

Five Year History-Five Year Forecast

12,950,000

	Actual 2009-2010	Actual 2010-2011	Actual 2011-2012	Actual 2012-13	Projection 2013-14	Projection 2014-15	Projection 2015-16	Projection 2016-17	Projection 2017-18	Projection 2018-19
k-12	520	630	723	760	800	901	994	1,075	1,143	1,186
Income										
ARRA ED JOBS Fund		125,662								
Food Service Income	193,400	283,971	295,406	260,267		0	0	0	0	0
Activities	66,536	84,648	149,777	195,638	204,648	231,934	255,874	276,725	294,230	305,299
athletics				37,628	75,000	85,000	93,774	101,415	107,830	111,887
Transportation Fee		0	20,567	19,528	35,000	39,667	43,761	47,327	50,321	52,214
Tax Donations	32,804	37,384	24,549	25,648	25,150	28,503	31,445	34,008	36,159	37,519
Summer School		1,913	30,925	21,060	21,060	21,060	21,060	21,060	21,060	21,060
Day Care	187,852	208,198	162,825	201,338	203,351	205,385	207,439	209,513	211,608	213,724
Preschool	249,014	280,644	196,963	199,733	201,730	203,748	205,785	207,843	209,921	212,021
Before and after school Care	198,574	176,918	174,233	155,878	157,437	159,011	160,601	162,207	163,829	165,468
Kindergarten	0	131,987	107,874	100,628						
State Equalization	3,072,963	3,261,712	3,806,540	4,218,356	4,381,728	5,008,431	5,571,365	6,059,928	6,444,859	6,689,807
301 Proposition	146,017	137,613	174,214	182,586	298,960	338,821	373,794	404,254	429,826	445,996
Prop 202	12,890	21,586	17,400	26,881	28,119	31,868	35,158	38,022	40,428	41,949
Title I	163,574	114,331	133,291	153,745	135,600	153,680	169,543	183,358	194,957	202,291
Title II-A	6,912	7,737	4,051	4,495	2,827	3,204	3,535	3,823	4,064	4,217
1220 IDEA Part B	121,425	53,245	91,784	93,703	90,306	102,347	112,911	122,112	129,836	134,721
one Time Grants	5,357	5,898	1,929	1,299	1,937	2,195	2,422	2,619	2,785	2,890
E-Grant	5,029	0	5,200	3,285	5,450	6,177	6,814	7,369	7,836	8,130
Total Income	4,462,347	4,933,447	5,397,528	5,901,696	5,868,303	6,621,031	7,295,280	7,881,585	8,349,549	8,649,192
	4,462,347	4,933,447	5,397,528							
Expense										
payroll	2,571,226	3,035,635	3,360,963	3,771,976	3,733,827	4,080,851	4,470,164	4,809,834	5,095,721	5,278,142
	57.6%	61.5%	62.3%	63.9%	63.6%	61.6%	61.3%	61.0%	61.0%	61.0%
Total Professional Services	518,270	447,988	310,277	372,257	395,959	383,484	407,197	427,615	448,375	461,333
Total Facility	225,721	462,731	489,501	569,963	599,351	433,871	459,476	488,186	519,467	551,436
Total Bussing	5,040	19,938	26,005	25,663	40,000	45,333	51,378	55,564	59,079	61,302
Supplies	257,973	247,769	258,797	235,942	241,025	266,708	301,534	322,289	339,804	351,083
Food Service	129,028	190,937	154,817	182,063	0	0	0	0	0	0

Total Expense	3,707,258	4,404,997	4,600,360	5,157,863	5,010,163	5,210,247	5,689,748	6,103,488	6,462,447	6,703,296
Net Operating Income	755,089	528,450	797,168	743,833	858,141	1,410,784	1,605,532	1,778,097	1,887,102	1,945,896
Other Income/Expense										
6800 · Other Costs										
(Gain) loss Sale of Assets		21,290	0	50,903						
Capital Asset Purchases				50,563						
Prior Year		14,023	(11,539)	4,909						
Tax and Licenses	10,364	2,432	2,547	6,034	6,336	6,653	6,985	7,335	7,702	8,087
Interest Misc	(370)	17,869	3,703	1,312	1,378	1,446	1,519	1,595	1,674	1,758
Contingencies		0	0	0	88,025	99,315	145,906	157,632	208,739	216,230
Bank & Credit Cards Charges	8,467	12,207	3,374	2,740	2,877	3,021	3,172	3,331	3,497	3,672
Bond Interest	406,279	399,184	392,031	385,747	385,000	911,700	902,700	893,100	882,900	872,100
Bond Fees	9,825	10,054	9,825	13,378	13,378	13,378	13,378	13,378	13,378	13,378
Mortgage Interest		39,950	37,104	40,716						
Real Estate Taxes	13,362	27,779	13,362	12,930						
	447,927	517,009	450,407	569,232	496,993	1,035,514	1,073,660	1,076,370	1,117,890	1,115,225
Net Income Without Depreciation	307,162	11,441	346,761	174,600	361,147	375,271	531,872	701,727	769,212	830,672
	6.9%	0.2%	6.4%	3.0%	6.2%	5.7%	7.3%	8.9%	9.2%	9.6%
Capital assets-expensed		35,313								
Bond Interest	406,279	399,184	392,031	385,747	385,000	911,700	902,700	893,100	882,900	872,100
Cash Available	713,441	445,938	738,793	560,347	746,147	1,286,971	1,434,572	1,594,827	1,652,112	1,702,772
Bond Payment	480,468	480,468	480,468	480,468	480,468	1,061,700	1,062,700	1,063,100	1,062,900	1,062,100
Debt service Ratio	1.48	0.93	1.54	1.17	1.55	1.21	1.35	1.50	1.55	1.60
Facility Expense -student	1,358	1,497	1,342	1,382	1,350	1,660	1,531	1,443	1,384	1,360
% Income-facility	15.8%	19.1%	18.0%	17.8%	18.4%	22.6%	20.9%	19.7%	19.0%	18.7%

DFS Accounting

Subject: FW: Desert Heights Charter School - Updated Due Diligence List
Attachments: sch I-1.xlsx

From: Bob Brown [mailto:rbrown@csiaz.net]
Sent: Wednesday, December 11, 2013 12:49 PM
To: Nancy Glasmann <Nancy.Glasmann@dhschools.org>; Mark Jiles <Mark.Jiles@dhschools.org>
Subject: FW: Desert Heights Charter School - Updated Due Diligence List

From: Bob Brown
Sent: Wednesday, December 11, 2013 12:35 PM
To: Gillotte, JoAnn
Cc: Gelm, William J.; DWard@doughertymarkets.com; Bob Brown
Subject: RE: Desert Heights Charter School - Updated Due Diligence List

Attached is the five year forecast.

Please let me know what else may be needed. The school is responding to the schedule partially and I will chase down any missing pieces.

Thanks

Bob Brown.

From: Gillotte, JoAnn [mailto:jgillotte@buchalter.com]
Sent: Friday, November 8, 2013 3:25 PM
To: Bob Brown
Subject: Desert Heights Charter School - Updated Due Diligence List

Mr. Brown:

Will asked that I update our due diligence list and forward to you. After he receives the final items from you (or a response indicating that they do not exist), he may have follow up questions, or request additional documentation.

Please let me know if you have any questions with regard to the attached list.

Thank you.

JoAnn Gillotte
Legal Assistant
BuchalterNemer, A Professional Corporation
16435 North Scottsdale Road, Suite 440 | Scottsdale, AZ 85254-1754
Direct Dial: (480) 383-1864 | Switchboard: (480) 383-1800
Email: jgillotte@buchalter.com | www.buchalter.com

Notice To Recipient: This e-mail is meant for only the intended recipient of the transmission, and may be a communication privileged by law. If you received this e-mail in error, any review, use, dissemination, distribution, or copying of this e-mail is strictly prohibited. Please notify us immediately of the error by return e-mail and please delete this message and any and all duplicates of this message from your system. Thank you in advance for your cooperation. For additional policies governing this e-mail, please see http://www.buchalter.com/bt/index.php?option=com_content&task=view&id=151&Itemid=129.

IRS Circular 230 Disclosure: In order to comply with requirements imposed by the Internal Revenue Service, we inform you that any U.S. tax advice contained in this communication (including any attachments) is not intended to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing, or recommending to another party any transaction or matter addressed herein.

	2016	2015
Cash/Cash Equivalents	562,049	364,822
Cash held by Trustee	18,929	445,968
Cash held by Trustee		
Less Restricted Cash CSF*	-214,904	-134,792
Less Other Restricted Cash	-18,929	-445,968
Lines of Credit		
Total Unrestricted Cash	347,145	230,030
Total Expenses	**7,150,629**	**6,788,863**
Daily Expense	19,591	18,600
Unrestricted Days Cash**	$ 17.72	$ 12.37

FY 13	FY 14	FY 15	FY 16
$ 682,206.00	$ 4,088,374.00	$ 810,790.00	$ 580,978.00
	$ 3,406,168.00	$ (3,277,584.00)	$ (229,812.00)

DESERT HEIGHTS CHARTER SCHOOLS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS

FOR THE YEAR ENDED JUNE 30, 2014

DESERT HEIGHTS CHARTER SCHOOLS
TABLE OF CONTENTS
JUNE 30, 2014

Independent Auditor's Report	2
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Activities	5
Statement of Cash Flows	6
Notes to Financial Statements	7
INTERNAL CONTROL AND COMPLIANCE	
Independent Auditor's 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*	16
Internal Control Deficiency	18
Status of Prior Year Findings of Noncompliance with Laws and Regulations and Internal Control Deficiencies	19
SUPPLEMENTAL SCHEDULES	
Debt Service Coverage Ratio	20
Days Cash on Hand	21

THIS PAGE INTENTIONALLY LEFT BLANK

Lorenzo, PLC
Certified Public Accountant

Anthony Lorenzo, CPA
Member of American Institute of Certified Public Accountants
Member of Arizona State Society of Certified Public Accountants

Independent Auditor's Report

Board of Directors
Desert Heights Charter Schools

Report on the Financial Statements

We have audited the accompanying financial statements of Desert Heights Charter Schools (School), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

1450 W. Guadalupe Rd., Suite 111 • Gilbert, AZ 85233 • Ph: 480.644.1097 • Fax: 480.644.9405

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Desert Heights Charter Schools as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of debt service coverage ratio and days cash on hand (as required by the Industrial Development Authority of the County of Pima) on pages 20 and 21, respectively, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2014, on our consideration of Desert Heights Charter Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Desert Heights Charter Schools' internal control over financial reporting and compliance.

Lorenzo, PLC

Lorenzo, PLC
Gilbert, Arizona
November 14, 2014

DESERT HEIGHTS CHARTER SCHOOLS
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2014

ASSETS	
Current Assets:	
Cash and cash equivalents	
(including restricted cash of $216,438)	$ 502,549
Restricted cash held by trustee	3,585,825
Due from State of Arizona	12,520
Prepaid expenses	65,133
Total Current Assets	4,166,027
Non-current assets:	
Property and equipment, net of	
accumulated depreciation	9,993,489
Total Assets	$ 14,159,516
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accounts payable	$ 279,777
Accrued payroll and related expenses	277,659
Deferred revenue	11,916
Capital leases payable-current portion	12,596
Notes payable to IDA-current portion	110,795
Total Current Liabilities	692,743
Non-current liabilities:	
Capital leases payable-less current portion	24,285
Notes payable to IDA-less current portion	13,673,750
Total Liabilities	14,390,778
Net Assets:	
Unrestricted	(231,262)
Total Net (Deficit)	(231,262)
Total Liabilities and Net Assets	$ 14,159,516

See accompanying notes to financial statements

DESERT HEIGHTS CHARTER SCHOOLS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014

UNRESTRICTED	
Revenues:	
State equalization assistance	$ 4,419,663
Classroom site funds	263,695
Instructional improvement funds	29,499
Federal and State grants	264,125
Food service sales	100,823
Preschool tuition	516,353
Before and after school services	154,567
Contributions	56,525
School activities	168,064
Supply sales	19,888
Transportation fees	26,429
Miscellaneous	82,560
Total Revenue	6,102,191
Expenses:	
Program Services	
Charter School:	
Salaries and benefits	3,305,761
Purchased services	521,754
Rent and occupancy costs	547,876
Supplies	240,316
Interest	329,071
Miscellaneous	61,132
Depreciation	199,021
Preschool:	
Salaries and benefits	489,679
Purchased services	30,522
Rent and occupancy costs	34,307
Supplies	83,047
Interest	87,404
Depreciation	336
Management and General	
Salaries and benefits	91,103
Purchased services	113,106
Supplies	8,585
Miscellaneous	398
Total Expenses	6,143,418
(Decrease) in net assets	(41,227)
Net (deficit), beginning of year	(190,035)
Net (deficit), end of year	$ (231,262)

See accompanying notes to financial statements

DESERT HEIGHTS CHARTER SCHOOLS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2014

Cash flows from operating activities:	
(Decrease) in net assets	$ (41,227)
Adjustments to reconcile changes in net assets to net	
Cash provided/(used) by operating activities:	
Depreciation and amortization	199,357
Decrease in due from State	30,264
Decrease in refundable down payments	37,267
(Increase) in prepaid expenses	(32,964)
Increase in accounts payable	151,517
Increase in accrued payroll related expenses	3,067
(Decrease) in Interest payable	(57,681)
Increase in deferred revenue	225
Net cash provided by operating activities	289,825
Cash flows from investing activities:	
Purchase of property and equipment	(1,151,852)
Net cash (used) by investing activities	(1,151,852)
Cash flows from financing activities:	
Repayments on capital leases payable	(12,169)
Repayments on notes payable	(470,000)
Proceeds from notes payable to IDA	4,841,828
Repayments on notes payable to IDA	(91,464)
Net cash provided by financing activities	4,268,195
Net increase in cash and cash equivalents	3,406,168
Cash and cash equivalents, beginning of year	682,206
Cash and cash equivalents, end of year	$ 4,088,374
Supplemental data:	
Noncash capital and financing activities:	
Land and Buildings refinanced and acquired through notes payable to IDA	$ 9,273,083
Interest paid	$ 474,156

See accompanying notes to financial statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Desert Heights Charter Schools is an Arizona not-for-profit organization, established in February 2003, to operate a charter school. Desert Heights Charter Schools (School) mission is to provide a school environment for students that will foster academic excellence, develop characteristics of good citizenship and promote a sense of self-worth. The School also operates a preschool, Desert Heights Preschool. With close participation of its families, the School will build skills that are essential for continued learning and productive lives. The School operates under a charter contract with the Arizona State Board for Charter Schools. The School provides educational services in Phoenix, Arizona to approximately 792 students in grades kindergarten through twelfth, and is funded primarily through its sponsor, based on student membership.

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Financial Statement Presentation – The School presents these financial statements in accordance with the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*. This codification establishes standards for general purpose external financial statements provided by a not-for-profit organization. Those financial statements include a statement of financial position, a statement of activities, and a statement of cash flows.

Under this codification, net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly net assets of the School and changes therein are classified and reported as unrestricted, temporarily, or permanently restricted net assets. Unrestricted net assets are not subject to donor imposed restrictions. Temporarily restricted net assets are subject to donor imposed restrictions that may or will be met either by actions of the School and/or the passage of time. Permanently restricted net assets are subject to donor imposed restrictions that will be maintained permanently by the School. Generally, the donors of permanently restricted assets allow the School to use all or part of the income earned on related investments for general or specific purposes.

Donor Imposed Restrictions – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the School reports that support as unrestricted. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Concentration of Credit Risk – The School places its cash with high quality financial institutions. At times, such cash may be in excess of FDIC insurance limits.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Property and Equipment – Land, buildings, and improvements with a cost of $3,000 or more and vehicles, furniture, and equipment with both a cost of $300 or more and an estimated useful life of one year or more are capitalized. Assets are stated at cost. Assets donated are recorded at their estimated fair market value as of the date received. Amortization of buildings and improvements and depreciation of furniture and equipment are provided on a straight–line basis over the useful lives of the respective assets, ranging from 5 to 40 years.

Cash and Cash Equivalents – For purposes of the statement of cash flows, all highly liquid investments with an initial maturity of three months or less when purchased are considered cash equivalents.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Donated Services – The School receives donated services throughout the year from unpaid volunteers. In accordance with FASB ASC 958-605-25-16, if donated services received (1) create or enhance nonfinancial assets or (2) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the School, the donated services are recognized as contributions. No amounts have been reflected in the financial statements for donated services since they do not meet the criteria for recognition.

Fair Value – Generally accepted accounting principles require disclosure of an estimate of fair value of certain financial instruments. The School's significant financial instruments are cash and other short term assets and liabilities. For these financial instruments, carrying values approximate fair value.

Income Tax Status – The School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under A.R.S. §43-1201, and is not classified as a private foundation. Accordingly, there are no income taxes reflected on the Statement of Financial Position or the Statement of Activities.

Uncertain Tax Positions – The School accounts for uncertain tax positions, if any, in accordance with FASB Accounting Standards Codification Section 740. In accordance with these professional standards the School recognizes tax positions only to the extent that Management believes it is "more likely than not" that its tax positions will be sustained upon IRS examination. Management believes that it has no uncertain tax positions for the year ended June 30, 2014.

NOTE 2 – CASH AND CASH EQUIVALENTS

The School maintains all of its cash with one financial institution. At June 30, 2014, the carrying amount of deposits was $502,549 and the bank balance was $220,531. As of June 30, 2014, the entire bank balance was covered by federal depository insurance.

Restricted Cash - Classroom Site Fund – The Arizona Department of Education (ADE) administers and allocates Classroom Site Fund (CSF) funds to the School based on student count and other factors specified by statute. The School must allocate funding from CSF according to the following statutory parameters: 20% of funds used for teacher base salary increases; 40% of funds for performance based compensation increases; 40% for other classroom-related expenses or compensation increases.

At June 30, 2014, the School had restricted cash totaling $216,438. Of the $216,438 restricted cash balance, $97,885 has been accrued as a liability on the statement of financial positions and is included as an expense on the statement activities. The $216,438 is restricted as follows:

Base	$	11,838
Performance		158,962
Other		45,638
Total	$	216,438

Restricted Cash Held by Trustee – As of June 30, 2014, the School maintained restricted cash held by trustee totaling $3,585,825. The cash held by trustee includes $10,000 for operating reserves to cover any short term interruptions in revenue; $3,064 to pay taxes and insurance; $3,404,984 to pay for future building renovation costs; $167,777 for future interest payments. The cash held by trustee is uninsured and uncollateralized.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2014 consisted of the following:

Land	$ 2,450,000
Building and improvements	6,831,846
Issuance costs related to building acquired by note payable to IDA	1,306,627
Furniture and equipment	1,017,253
Construction in progress	64,085
Property and equipment, total	11,669,811
Less: Accumulated depreciation and amortization	1,676,322
Property and equipment, net	$ 9,993,489

Amortization and depreciation expense was $22,380 and $176,977, respectively, for the year ended June 30, 2014.

NOTE 4 – COMMITMENTS AND CONTINGENT LIABILITIES

Compliance – The School's compliance with certain laws and regulations is subject to review by their Sponsor and the State of Arizona, Office of the Auditor General and Department of Education. Such reviews could result in an adjustment of state equalization assistance.

Litigation – The School is contingently liable for claims and judgments resulting from lawsuits incidental to the normal operation of a school. In the opinion of the School's management, the School's insurance coverage is adequate to cover claims relating to normal operations and decisions that might adversely impact the School would not have a material effect on the financial statements.

Operating Lease – The School leases copiers and modular buildings under the provisions of long-term lease agreements classified as operating leases for accounting purposes. Rental expenses under the terms of the operating leases were $27,672 for the year ended June 30, 2014. As of June 30, 2014, the total remaining payments under noncancelable operating leases were as follows:

NOTE 4 – COMMITMENTS AND CONTINGENT LIABILITIES (CONT'D)

Fiscal year ending June 30:		
2015	$	48,049
2016		48,049
2017		27,049
2018		27,049
2019		20,287
Total	$	170,483

Construction In Progress – During the year ended June 30, 2014, the School began renovations at one of their school sites. The total cost of construction completed at June 30, 2014 was $64,085, and the total expected construction cost was $4,260,625.

NOTE 5 – RETIREMENT PLAN

The School offers a 401(k) retirement plan classified as a defined contribution plan. All employees are eligible to participate in the plan upon their date of hire and may enroll in the plan on the first day of any month. The School may make a matching contribution equal to a uniform percentage of employee salary deferrals, which will be determined each year. For the year ended June 30, 2014, the discretionary matching contribution was $0.50 for every $1.00 contributed by eligible employees, up to 6% of the eligible employee's salary. Employee contributions are 100% vested and employer contributions vest at 20% per year over 5 years. For the years ended June 30, 2014, 2013 and 2012, the School made the required matching contributions of $31,959, $29,340, and $23,705, respectively.

NOTE 6 – NOTES PAYABLE TO IDA

Education Revenue Bonds - The Industrial Development Authority of the County of Pima (IDA) issued tax-exempt Education Facility Revenue Bonds (Bonds) under an Indenture of Trust dated as of May 29, 2014. The proceeds of the bonds were loaned to the School for the purpose of financing the costs of acquiring, constructing, renovating and/or equipping educational facilities; repaying the School's prior bond dated August 1, 2003; paying the issuance costs of the bonds; paying capitalized interest; and establishing reserves to be used in the event of expenses exceeding those budgeted in the Indenture.

NOTE 6 – NOTES PAYABLE TO IDA (CONT'D)

Loan Agreement - The School is obligated to the IDA under its respective Loan Agreement and promissory notes to make payments sufficient to pay the principal, premium, and interest on its loans; and to pay its share of ongoing costs.

The School has pledged substantially all of its revenues in order to meet its obligations under the Loan Agreement and promissory notes. The primary revenues of the School are state equalization assistance, which are statutorily owed by the State to the School based on student enrollment. The School has irrevocably directed the State to make its monthly state equalization payments directly to the trustee of the bonds so long as any of its obligations under the Loan Agreement remain outstanding and unsatisfied. The trustee of the bonds calculates and retains the amount due under the Loan Agreement and remits the remaining state equalization payments to the School. The Loan Agreement and promissory notes remain in force until either all payments required by the promissory notes have been paid or there are sufficient monies in the reserve funds to redeem all outstanding bonds.

Reserve Funds – The reserve funds are held in trust solely for the benefit of the bondholders. The School does not have a legal, equitable, or reversionary right to the reserve funds. In the event of default of the loan agreement by the School, amounts held in the reserve funds and any proceeds from the sale of collateral will be used to satisfy/repay the promissory note.

If at any time the amount in the reserve funds exceeds the aggregate principal amount of bonds outstanding plus any redemption premium, the reserve funds will be used to redeem all outstanding bonds and, accordingly, the School's obligation under the Loan Agreement and promissory notes ceases. Therefore, the School's initial contributions to the reserve funds are accounted for as prepayments of its promissory notes payable to the IDA. However, the School remains contingently liable for all payments required by the Loan Agreement and promissory notes if the reserve funds are used in the event of default or to pay expenses that exceed that budgeted by the Indenture.

Promissory note payable to the IDA in monthly installments through May 2044 ranging from $54,660 to $101,879 including interest rates ranging from 6.00% to 7.25%; collateralized by cash held by trustee, land and buildings.	$ 14,984,545
Total	14,984,545
Less amount held in reserve funds	(1,200,000)
Total, net of reserve funds	13,784,545
Less current portion	(110,795)
Note payable, long-term	$ 13,673,750

Interest expense under the promissory note for the year ended June 30, 2014 totaled $46,934.

NOTE 6 – NOTES PAYABLE TO IDA (CONT'D)

The aggregate maturities of the note payable to the IDA and deposit commitments to the operating reserve as of June 30, 2014 are as follows:

	Maturities	Operating Reserve
Fiscal year ending June 30:		
2015	$ 110,795	$ 260,000
2016	167,500	593,000
2017	178,750	-
2018	192,500	-
2019	202,500	-
Thereafter	14,132,500	-
	$ 14,984,545	$ 853,000

Deferred Charges – Expenses related to the issuance of the revenue bonds issued by the IDA are classified as deferred charges and amortized over the life of the building acquired by the bond proceeds using the straight-line method. At June 30, 2013 deferred charges totaled $559,645 from the prior bonds issued August 1, 2003 and deferred charges related to the bonds issued May 29, 2014 totaled $746,982. Deferred charges at June 30, 2014 totaled $1,306,627 (Note 3) and are included in property and equipment on the statement of financial position. Accumulated amortization and amortization expense of deferred issuance costs as of and for the fiscal year ended June 30, 2014 totaled $243,442 and $22,380, respectively.

NOTE 7 – CAPITAL LEASES PAYABLE

The School has acquired equipment under the provisions of a long-term lease agreement classified as a capital lease for accounting purposes as the net present value of the minimum lease payments are greater than 90.0% of the assets fair market value. Accordingly, the original cost of the leased assets totaling $62,000 has been capitalized as fixed assets. Accumulated depreciation related to the leased assets totaled $25,833 as of June 30, 2014. Depreciation expense for the year ended June 30, 2014 totaled $12,400 and is included in depreciation and amortization expense. The future minimum lease payments under the lease, together with the present value of the net minimum lease payments at June 30, 2014, are as follows:

NOTE 7 – CAPITAL LEASES PAYABLE (CONT'D)

Fiscal year ending June 30:		
2015	$	16,764
2016		16,764
2017		10,472
Total minimum lease payments		44,000
Less amount representing interest		(7,119)
Present value of net minimum capital lease payments		36,881
Less current portion		(12,596)
Capital lease payable, long-term	$	24,285

NOTE 8 – CONCENTRATIONS

The School receives a substantial amount of its support from the state government agencies of Arizona. If the State and its agencies significantly reduced the level of support provided to the School it would have a material effect on the School's operations. Management is aware of the concentration and its potential impact. If any reduction did occur, management would take action as appropriate to limit the effect on its programs.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 14, 2014 and the financial statements were available to be issued on November 14, 2014.

THIS PAGE INTENTIONALLY LEFT BLANK

Lorenzo, PLC
Certified Public Accountant

Anthony Lorenzo, CPA

Member of American Institute of Certified Public Accountants
Member of Arizona State Society of Certified Public Accountants

Independent Auditor's 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*

Board of Directors
Desert Heights Charter Schools

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Desert Heights Charter Schools (School), which comprise the balance sheet as of June 30, 2014, and the related statements of operations and members' equity, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 14, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Desert Heights Charter Schools' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Desert Heights Charter Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency, described in the accompanying schedule as finding 2014 C-1 that we consider to be a significant deficiency.

1450 W. Guadalupe Rd., Suite 111 • Gilbert, AZ 85233 • Ph: 480.644.1097 • Fax: 480.644.9405

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Desert Heights Charter Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lorenzo, PLC

Lorenzo, PLC
Gilbert, Arizona
November 14, 2014

DESERT HEIGHTS CHARTER SCHOOLS
INTERNAL CONTROL DEFICIENCY
JUNE 30, 2014

YEAR-END ACCRUALS
REFERENCE: 2014 C-1

CONDITION
The School recorded accrued payroll and payroll expenses as of and for the fiscal year ended June 30, 2014, that had not been earned as of June 30, 2014. Additionally, interest expense related to the July payment on the note payable was paid prior to June 30 and recorded as expense, rather than an asset as prepaid interest.

CRITERIA
In accordance with generally accepted accounting principles (GAAP) and management's assertion that the financial statements are accurate, expenses should be recorded in the period the event causing the obligation has occurred.

EFFECT
The School's accrued payroll balance and payroll expenses were overstated as of and for the year ended June 30, 2014 by $34,180. Interest expense was overstated, and the prepaid asset was understated, by $46,933.

CAUSE
The School's intent was to show the classroom site funds monies remaining at June 30, 2014, whose use is restricted for performance based compensation, as an obligation.

RECOMMENDATION AND BENEFIT
Management and its consultants should establish procedures to only accrue and record expenditures at fiscal year-end that have occurred/been earned as of that point in time. This will help ensure that the financial statements are accurate and assets/liabilities are recorded at the proper value.

CLIENT RESPONSE
We concur with the condition.

Individual responsible for implementation of corrective action plan:
Mark Jiles, Bob Brown, Nancy Parra

Corrective action plan:
Communication between upper management and consultant will take place monthly to ensure that we are properly accruing and recording expenditures for fiscal year-end July 201. Expenses will be recorded in the period the event causing the obligation has occurred. Monthly correspondence is intended to ensure that the financial statements are accurate, and assets/liabilities are recorded at proper value. Additionally, support for the amounts that the consultant journals into QuickBooks will be kept with a copy of the journal entry. Upper management/District Personnel will initial and date the journal entry to verify approval.

Estimated completion date:
July 2015

DESERT HEIGHTS CHARTER SCHOOLS
STATUS OF PRIOR YEAR FINDINGS OF NONCOMPLIANCE WITH LAWS AND REGULATIONS AND INTERNAL CONTROL DEFICIENCIES
JUNE 30, 2014

We have reviewed our prior report dated November 4, 2013 and the School corrected its internal control deficiency identified as 2013 C-1. The School had no findings of noncompliance.

DESERT HEIGHTS CHARTER SCHOOLS
DEBT SERVICE COVERAGE RATIO
JUNE 30, 2014

Series 2014 Bonds	$ 15,000,000
Series 2014 Debt Service (Maximum- fiscal year 2032-33)	$ 1,224,600
Pledged Revenues	
State Assistance	$ 4,712,857
Federal/State Grants	264,125
Food services sales	100,823
Preschool Tuition	516,353
Before and after school services	154,567
School activities	168,064
Supply sales	19,888
Transportation fees	26,429
Miscellaneous	82,560
Total Pledged Revenues (tax credit funds excluded)	6,045,666
General Operating Expenses	
Program Services (tax credit funds excluded)	5,873,701
Management and General	213,192
Total Operating Expenses	6,086,893
Net Income	(41,227)
Add: Depreciation and Amortization	199,357
Debt Service Interest	395,648
Net Income Available for Debt Service	$ 553,778
Divided by Debt Service	$ 1,224,600
Debt Service Coverage Ratio	0.45

DESERT HEIGHTS CHARTER SCHOOLS
DAYS CASH ON HAND
JUNE 30, 2014

Operating Expenses	$	6,086,893
Divided by 365 days		365
Daily Figure	$	16,676
Cash on hand:		
Cash & cash equivalents	$	502,549
Instructional improvement receivable		12,520
Total Cash on Hand	$	515,069
Days Cash on Hand		31

DESERT HEIGHTS CHARTER SCHOOLS

AGREED-UPON PROCEDURES REPORT
ON THE
ARIZONA STATE BOARD FOR CHARTER SCHOOLS
LEGAL COMPLIANCE QUESTIONNAIRE

FOR THE YEAR ENDED JUNE 30, 2014

TABLE OF CONTENTS

Independent Accountant's Report on Applying Agreed-Upon Procedures	i
Legal Compliance Questionnaire	1

Lorenzo, PLC
Certified Public Accountant

Anthony Lorenzo, CPA

Member of American Institute of Certified Public Accountants
Member of Arizona State Society of Certified Public Accountants

Independent Accountant's Report on Applying Agreed-Upon Procedures

Desert Heights Charter Schools
Board of Directors

We have performed the procedures enumerated in the accompanying Legal Compliance Questionnaire, which were agreed to by Desert Heights Charter Schools (School) and the Arizona State Board for Charter Schools (ASBCS), solely to assist you and the ASBCS in evaluating the School's compliance with the requirements of the Arizona State Board for Charter Schools Legal Compliance Questionnaire for the year ended June 30, 2014. Our findings related to the procedures are contained therein. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described in the Legal Compliance Questionnaire for the purpose for which this report has been requested or for any other purpose.

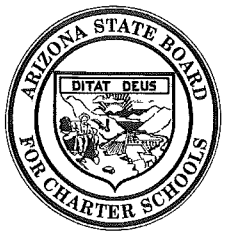
We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the School's compliance with the requirements of the Legal Compliance Questionnaire. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended for the information and use of the Board of Directors and management of Desert Heights Charter Schools, and is not intended to be and should not be used by anyone other than these specific parties.

Lorenzo, PLC

Lorenzo, PLC
Gilbert, AZ
November 14, 2014

1450 W. Guadalupe Rd., Suite 111 • Gilbert, AZ 85233 • Ph: 480.644.1097 • Fax: 480.644.9405



Arizona State Board for Charter Schools

Legal Compliance Questionnaire

Desert Heights Charter School, CTDS 07-86-21,

Fiscal Year Ended June 30, 2014

Table of Contents

Topic	Page
INSTRUCTIONS	2
PERSONNEL	4
REQUIRED FILINGS	5
SPECIAL EDUCATION	6
CLASSROOM SITE FUND	6
STUDENT ATTENDANCE REPORTING	7
OPEN MEETING LAW	12
INSURANCE REQUIREMENTS	12
TUITION	12
RECORDS MANAGEMENT	13
SIGNATURE PAGE	13

INSTRUCTIONS

NOTE: This questionnaire should only be used for charters that are exempt from the Uniform System of Financial Records for Arizona Charter Schools (charters that HAVE an exception). If a charter is subject to procurement requirements pursuant to A.R.S. §§15-189.02 and 41-2535(A), this questionnaire should be used in conjunction with the Procurement Compliance Questionnaire (see audit guidelines dated May 12, 2014) which is available on the Arizona State Board for Charter Schools' website http://asbcs.az.gov.

In order to determine whether a charter that is exempt from the requirements of the Uniform System of Financial Records for Arizona Charter Schools (USFRCS) is complying with applicable legal requirements, the auditors must complete the following Legal Compliance Questionnaire in accordance with both the agreed upon procedures (instructions contained herein) and the attestation standards established by the American Institute of Certified Public Accountants. (Note: This questionnaire is not comprehensive of all legal requirements for charter schools. As such, this document should not be the sole reference to determine all laws and regulations that are applicable to charter schools).

The following prescribed minimum agreed upon procedures, as well as those identified throughout the questionnaire, must be used for completing the Legal Compliance Questionnaire in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The State Board for Charter Schools may reject questionnaires not meeting these standards.

- Sufficient, appropriate evidence must be obtained annually for each question to satisfactorily determine whether the charter complies with the legal requirements, and the evidence must be included in the documentation.

- Evidence may be obtained through test work, observation, examination, and client assertion. However, client assertion alone is not adequate evidence to support "Yes" answers to the questionnaire.

- Population size should be considered in determining the number of items to test, and the items selected should be representative of the population.

- The number of items tested must be sufficient to determine whether a deficiency was the result of an isolated incident or a recurring problem. Therefore, testing one transaction, record, or item is not sufficient.

- The sample size should be expanded if the audit firm cannot clearly determine whether the charter complies with the legal requirements of the question.

- If sufficient evidence has been obtained and documented during the current audit, that evidence may be referenced to answer questions.

- All "No" and "N/A" answers must be adequately explained in the comments column or in an attachment. Findings must be described in sufficient detail to enable the State Board for Charter Schools to describe the finding in a letter. The description should include the number of items tested and the number of exceptions noted.

- A "Yes" answer indicates that the audit firm has determined that the charter complies with the legal requirements of the question and a "No" answer indicates the charter does not comply. However, the final determination of compliance on each question, as well as overall compliance with legal requirements, is made by the State Board for Charter Schools based on the evidence presented in the questionnaire, audit reports, resulting documentation, and any other sources.

The resulting documentation supporting the audit firm's answers to the Legal Compliance Questionnaire must be made available on request for review by the State Board for Charter Schools. To facilitate this review, the audit firm may wish to include in the documentation a copy of the questionnaire containing references to procedures performed for each question.

Legal Compliance Questionnaire[1]

Questions/Subject Area	Yes/No	Comments
Personnel		
1. Did the school have valid fingerprint clearance cards (FCC) for 100% of the required personnel as of the testing date? **A.R.S. §15-183 (C)(5) and A.R.S. §15-512(H)**	YES	
(QUESTIONS #2a THROUGH 2c ONLY APPLY TO NEW HIRES REQUIRED PURSUANT TO A.R.S. §15-183(C)(5) TO HAVE VALID FCCS AND DO NOT APPLY IF AN INDIVIDUAL'S FCC HAS EXPIRED.) 2. For each individual referenced in #1 that did not have a valid FCC, please provide the following information (provide supplemental pages, if necessary) (See agency guidance available on the Board's website prior to completing these questions)**A.R.S. §15-183(C)(5)**: a. Was an application for a FCC on file with the Department of Public Safety (DPS) as of the testing date?	N/A	See 1 above.
b. Did DPS receive the application prior to the hire date?	N/A	See 1 above.
c. Prior to placement, did the school do all of the following? i) Document the necessity for hiring/placing the individual prior to receiving a FCC?	N/A	See 1 above.
ii) Obtain statewide criminal history information on the individual?	N/A	See 1 above.
iii) Obtain references from the applicant's current and previous employers?	N/A	See 1 above.
3. Did the charter school maintain up-to-date fingerprints of all Governing Body members as of the testing date? **Charter Contract**[2]	YES	
4. Were all other personnel fingerprint checked as of the testing date? **A.R.S. §15-183 (C)(5) and A.R.S. §15-512**	YES	
5. Did the charter school inform the parents and guardians of pupils enrolled in the school of the availability of resume information for all employees who provide instruction to pupils? **A.R.S. §15-183 (F)**	YES	

[1] For the purposes of this questionnaire, please note that "Governing Body" means the group of persons required by A.R.S. §15-183(E)(8) that is responsible for policy decisions of the charter school. The term "Governing Board" means the group of persons that the charter holder has assigned the responsibility addressed by the question. The applicable group of persons may be the Governing Body or the officers, directors, members or partners of the charter holder. The applicable group of persons may vary depending on the issue addressed by the question.

[2] Specific contract cites could not be provided as term references vary per contract year.

	Yes/No	Comments
Required Filings		
1. Is the school in good standing with the following regulatory bodies: a. Internal Revenue Service **U.S.C. Title 26**		
i. For payroll taxes, income taxes (if applicable) and applicable tax forms required to be filed during the audited fiscal year?	YES	
ii. The school did not have any payroll or income taxes payable from a prior year(s) as of audited fiscal year end (June 30th) is a true statement.	YES	
iii. If the response to 1.a.i, 1.a.ii, or both is "no", does the school have a payment plan in place with the Internal Revenue Service?	N/A	See i and ii above.
iv. If the answer to Question 1.a.iii is "yes", has the school made all of the required payments under the payment plan as of audited fiscal year end (June 30th)?	N/A	See iii above.
b. Arizona Department of Revenue **A.R.S. §43-401 and §43-1111**		
i. For payroll taxes, state income taxes (if applicable) and applicable tax forms required to be filed during the audited fiscal year?	YES	
ii. The school did not have any payroll or income taxes payable from a prior year(s) as of audited fiscal year end (June 30th) is a true statement.	YES	
iii. If the response to 1.b.i, 1.b.ii, or both is "no", does the school have a payment plan in place with the Arizona Department of Revenue?	N/A	See i and ii above.
iv. If the answer to Question 1.b.iii is "yes", has the school made all of the required payments under the payment plan as of audited fiscal year end (June 30th)?	N/A	See iii above.
c. Arizona Department of Economic Security **A.R.S. § 23-721 et seq.**		
i. State unemployment contributions requirements for the audited fiscal year?	YES	
ii. The school did not have any state unemployment contributions payable from a prior year(s) as of audited fiscal year end (June 30th) is a true statement.	YES	
iii. If the response to 1.c.i, 1.c.ii, or both is "no", does the school have a payment plan in place with the Arizona Department of Economic Security?	N/A	See i and ii above.
iv. If the answer to Question 1.c.iii is "yes", has the school made all of the required payments under the payment plan as of audited fiscal year end (June 30th)?	N/A	See iii above.
d. Corporation Commission (e.g., annual report)? **Charter Contract**	YES	

2. Was a copy of the adopted budget submitted electronically to the Superintendent of Public Instruction no later than July 18th? **A.R.S. §15-905 (E) and §15-183 (E)(6)**	YES	
3. Was the Annual Financial Report (AFR) sent to the Superintendent of Public Instruction by October 15th? **A.R.S. §15-183 (E) (6) and 15-904 (A)**	YES	
Special Education		
1. Is the staff the school uses to provide special education services (internal or contracted) certified in special education?	YES	
2. Does the school conduct 45 day screenings on all new students? **AAC R7-2-401**	YES	
3. Are evaluations and IEPs on file for special education students? **34 CFR 300.341-350 and 300.531-536**	YES	
Classroom Site Fund - A.R.S. §15-977 & OAG Memorandum No. 44		
1. Did the school properly allocate Classroom Site Fund receipts among the following projects: 1011—Base Salary (20%), 1012—Performance Pay (40%), and 1013—Other (40%)?	YES	
2. For Project 1011, were expenses only for teacher base salary increases and employment-related expenses?	YES	
3. For Project 1012, were expenses only for performance-based teacher compensation increases and employment-related expenses?	YES	
4. For Project 1013, were expenses only for class size reduction, teacher compensation increases, AIMS intervention programs, teacher development, dropout prevention programs, and teacher liability insurance premiums?	YES	
5. Did the school use Classroom Site Fund monies to supplement rather than supplant, existing funding from all other sources? (See USFRCS Memorandum No. 44 for guidance on the Classroom Site Fund.)	YES	
6. If the school had monies remaining at year-end, were they properly carried forward in the three Classroom Site Projects (1011, 1012, and 1013) to help ensure that the restrictions placed on the original allocation of revenues is applied in future years?	YES	
7. Did the school have sufficient cash at year-end to cover the carry over monies, and what was the Classroom Site Fund cash carryover balance at year-end?	YES	Carryover was $216,438 at year-end.

Student Attendance Reporting		
If test work performed in questions 3-15 and 18 of this section discloses a net overstatement or understatement of membership and/or absence days, based on A.R.S. and ADE's membership and attendance guidelines, report the net overstatement or understatement in the "Comments" column next to each applicable question.		
	Yes/No	**Comments**
1. Was school in session for at least 180 days or did the Governing Board adopt a calendar with an equivalent number of minutes of instruction per school year based on a different number of days of instruction? **A.R.S. § 15-341.01**	YES	
2. Did the school ensure that **[A.R.S. §§15-808(I)(1) and 15-901(A)(1)]**: (**Note:** Instructional hours do not include periods of the day in which an instructional program or course of study is not being offered, including, but not limited to, lunch, recesses, home room periods, study hall periods, and early release or late start hours.)		
a. Kindergarten was in session for at least 356 hours or 346 hours for Arizona Online Instruction (AOI) Programs?	YES	
b. Grades 1 through 3 were in session for at least 712 hours?	YES	
c. Grades 4 through 6 were in session for at least 890 hours?	YES	
d. Grades 7 and 8 were in session for at least 1,000 hours or 1,068 hours for AOI Programs?	YES	
e. Grades 9 through 12, other than AOI Programs, were in session at least 720 hours?	YES	
f. Grades 9 through 12, other than AOI Programs, include at least four subjects, each of which if taught each school day for the minimum number of days required in a school year, would meet a minimum of 123 hours a year?	YES	
g. Grades 9 through 12 of AOI Programs include at least four courses throughout the year that meet at least 900 hours during the school year?	N/A	No AOI program.
For Student Attendance Reporting questions 3-15, the audit firm must select and test the specified number of transactions (records, entries, withdrawals, or days) as shown in the sample size instructions before each section. These samples should include 3 or more grade levels and 3 or more campuses, where applicable. The listed sample sizes represent the minimum level of required test work. The audit firm should use its judgment in determining whether a larger sample is needed. All student attendance records tested in questions 3-15 and 18 should be selected from the 100th day reporting period. **In the parentheses provided in questions 3-15, write the actual number of transactions tested. If all transactions were tested, indicate such in the "Comments" column.**		
For questions 3-5 select at least 3 student attendance records.		

3. If the school had an early (pre-)kindergarten program, based upon review of (_-_) early (pre-) kindergarten students' attendance records, did the school only calculate and submit membership/absence information for this program if the program was designed to advance students to the first grade at the end of the of the school year? **A.R.S. §15-901(A)(1)(a)(i) and USFRCS Memorandum No. 33**	N/A	No early KG program.
4. Based upon review of (_3_) students' attendance records in kindergarten programs, if the instructional time for the year was between 356 and 692 hours, were students not in attendance for at least three-quarters of the day counted as being absent or, if the instructional time for the year was 692 hours or more, were students not in attendance at least one-half of the day counted as being absent? **A.R.S. §§15-901(A)(1)(a)(i) and 15-901(A)(5)(a)(i)**	YES	
5. If the school had an early first grade program, based upon review of (_-_) early first grade students' attendance records, did the school calculate and submit membership/absence information for this program as it would for kindergarten? **A.R.S. §§15-901(A)(1)(b)(i) and 15-901(A)(5)(a)(i), and USFRCS Memorandum No. 33**	N/A	No early 1st grade program.
For questions 6 and 7, use the following sample sizes:		
SCHOOLWIDE ADM / **Student Attendance Records** **<1,000** / **5** **1,000-5,000** / **10** **>5,000** / **15** 6. Based on review of (_-_) students' attendance records at elementary and junior high schools in which attendance was based on half days, were students in attendance for less than one-half the day counted as being absent for one full day; were students in attendance for at least one-half day, but less than three-quarters of a day, counted as being absent for one-half day; and were students in attendance for at least three-quarters of a day counted in attendance for a day? **A.R.S. §15-901(A)(5)(b)(ii)**	N/A	Based on quarter days.

7. Based upon review of (5) students' attendance records at elementary and junior high schools where attendance was based on quarter days, were students in attendance for more than three-quarters of the day counted in attendance for a day and students in attendance for three-quarters of the day or less counted in attendance for each quarter of the day in attendance? **A.R.S. §15-901(A)(5)(b)(i)**	YES	
For questions 8 through 12, use the following sample sizes:		
SCHOOLWIDE ADM / **Student Attendance Records** **<1,000** — **3** **1,000-5,000** — **5** **>5,000** — **7** 8. For schools approved to report minutes of attendance, based upon review of the attendance records for a 1 month period for (-) students whose attendance was reported in minutes, did the school report minutes of attendance only for actual classroom instruction attended by the students?	N/A	Based on absences.
9. Based upon review of (3) high school students' attendance records, whose attendance was reported in terms of absences, for all absence days reported in a 1 month period, did the school report absences in accordance with the method(s) provided by ADE?	YES	
10. Based upon review of (-) high school students' attendance records, did the school prorate the membership of the students enrolled in less than four subjects?	N/A	No part-time students.
11. For schools offering an AOI Program, based upon a review of (-) AOI students' attendance records for 4 weeks: a. Was the guardian-approved or school computer-generated daily log describing the amount of time spent by the student on academic tasks maintained by the participating AOI School? **A.R.S. §15-808(E)**	N/A	No AOI program.

b. Did the hours reported to ADE agree to the guardian-approved or school computer-generated daily log?	N/A	See 11a above.
c. Were all students who participated in an AOI Program, residents of this state? **A.R.S. §15-808**	N/A	See 11a above.
12. Based upon review of (1) students' attendance records (all grades) for students withdrawn for having ten consecutive unexcused absences, was the student only counted in membership through the last day of actual attendance or excused absence? **A.R.S. §15-901(A)(1)**	YES	All transactions tested
For questions 13 and 14, use the following sample sizes:		
SCHOOLWIDE **ADM** / **Entries/Withdrawals** **<1,000** / **5** **1,000-5,000** / **10** **>5,000** / **15**		
13. Based upon review of (5) entries: (**Note:** Enrollment forms are not required for continuing students at the same school.)		
a. Were entry dates entered into the school's computerized attendance system within 5 working days after the actual date of entry and was documentation maintained to support the date of data entry?	YES	
b. Did the entry date in the computerized attendance system agree to the entry form?	YES	
c. Did the teacher's attendance registers, if used, and other documentation support the entry date in the computerized attendance system?	YES	
d. Did membership begin on the first day of actual attendance or, for continuing/pre-enrolled students, the first day that classroom instruction was offered, provided that the students actually attend within the first 10 days of school?	YES	
e. Did the school obtain and maintain verifiable documentation of Arizona residency upon enrollment? **A.R.S. §15-802(B)(1)**	YES	
f. If a student was not an Arizona resident, was the student excluded from the school's student count and state aid calculations? **A.R.S. §15-823(J)**	N/A	See 13e above.

14. Based upon review of (5) withdrawals:		
a. Were the withdrawal dates entered into the school's computerized attendance system within 5 working days after the actual day of withdrawal and was documentation maintained to support the date of data entry? (**Note:** "Day of withdrawal" for determining timely data entry means: a. the later of the student's withdrawal date or the day the school is notified the student will not be returning; or b. the 10th day of unexcused absence for students withdrawn for having ten consecutive unexcused absences.)	YES	
b. Did the withdrawal date in the attendance system agree to the withdrawal form? (**Note:** If the computerized attendance system requires the school to input the day following the withdrawal date for a student to be counted in membership through the last day of actual attendance or excused absence, the withdrawal date on the system should be the school day following the withdrawal date on the form.)	NO	One of five students tested did not have a withdrawal date on the form.
c. Did the teachers' attendance registers, if used, and other supporting documentation agree to the withdrawal date in the computerized attendance system?	YES	
d. Was an Official Notice of Pupil Withdrawal form prepared and retained for each withdrawal and signed by a school administrator? **A.R.S. §15-827**	YES	
For question 15, use the following sample sizes: **SCHOOLWIDE** **ADM** — **Days** **<1,000** — **3** **1,000-5,000** — **5** **>5,000** — **7**		
15. Based upon review of (3) days for various campuses, grades, and classes in the computerized attendance system, did the student absences from each day agree to the teachers' attendance registers, absence slips, or other supporting documentation, if used?	YES	

16. Did the school have adequate electronic or manual controls in place to ensure that any changes to the original record of student attendance data were properly authorized and documented, including the names or identification numbers of the persons making and authorizing the changes?	YES	
17. Was the school's membership/absence information submitted to ADE electronically at least once every 20 school days for membership and 60 days for absence information through the last day of instruction (with the first 20 and 60 day periods beginning on the first day of school or the opening of SAIS for current fiscal year data submission, whichever is later)? **A.R.S. §§15-901(A)(1) and 15-1042(H)**	YES	
18. Based upon review of the school's 40th and 100th day information uploaded to ADE (ADMS 75-1), did the membership and absences agree to the school's computerized attendance system records? (**Note:** For an AOI program, review year-end attendance information.)	YES	
	Yes/No	**Comments**
Open Meeting Law A.R.S. § 38-431.01 and § 38-431.02 (See also Attorney General Opinion I00-009)		
1. Did the school conspicuously post a statement on its website stating where all public notices of its meetings will be posted, including the physical and electronic locations?	YES	
2. Did the school post all public meeting notices on its website?	YES	
3. Did the school maintain a record of notices that includes a copy of each notice that was posted and information regarding the date, time and place of posting?	YES	
4. Were notices and agenda of public meetings posted at least 24 hours before the meeting?	YES	
5. Were written minutes prepared or a recording made of Governing Body meetings?	YES	
Insurance Requirements A.R.S. §15-183(M)		
Does the school have the required insurance for liability and property loss?	YES	
Tuition A.R.S. §15-185 (B)(6) (See also Attorney General Opinion I98-007)		
Did the school refrain from charging fees that may be considered tuition other than as provided for in A.R.S. §15-185(B)(6) [nonresidents]?	YES	

Records Management		
1. Did the school retain records in accordance with the *General Retention Schedules for Education – K-12* published by the Arizona State Library, Archives and Public Records (based on the testing conducted during the course of the audit)? (www.azlibrary.gov/records/general.aspx)	YES	
2. Was adequate documentation retained to support amounts in the financial statements (if the school is not the primary reporting entity - was adequate documentation retained to support revenue and expenses in the charter school)?	YES	

This Questionnaire was completed in accordance with the minimum standards as set forth in the instructions on pages 2 and 3.

Lorenzo, PLC	November 14, 2014
Audit Firm	Date
Anthony Lorenzo	Managing Member
Preparer's Signature (Audit Firm Representative)	Title

DESERT HEIGHTS CHARTER SCHOOLS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS

FOR THE YEAR ENDED JUNE 30, 2015

DESERT HEIGHTS CHARTER SCHOOLS
TABLE OF CONTENTS
JUNE 30, 2015

Independent Auditor's Report	2
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Activities	5
Statement of Cash Flows	6
Notes to Financial Statements	7
INTERNAL CONTROL AND COMPLIANCE	
Independent Auditor's 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*	14
Internal Control Deficiencies	16
Status of Prior Year Findings of Noncompliance with Laws and Regulations and Internal Control Deficiencies	18
SUPPLEMENTAL SCHEDULES	
Debt Service Coverage Ratio	19

THIS PAGE INTENTIONALLY LEFT BLANK

Lorenzo, PLC
Certified Public Accountant

Anthony Lorenzo, CPA
Member of American Institute of Certified Public Accountants
Member of Arizona State Society of Certified Public Accountants

Independent Auditor's Report

Board of Directors
Desert Heights Charter Schools

Report on the Financial Statements

We have audited the accompanying financial statements of Desert Heights Charter Schools (School), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

1450 W. Guadalupe Rd., Suite 111 • Gilbert, AZ 85233 • Ph: 480.644.1097 • Fax: 480.644.9405

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Desert Heights Charter Schools as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of debt service coverage ratio (as required by the Industrial Development Authority of the County of Pima) on page 19 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2015, on our consideration of Desert Heights Charter Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Desert Heights Charter Schools' internal control over financial reporting and compliance.

Lorenzo, PLC

Lorenzo, PLC
Gilbert, Arizona
November 16, 2015

DESERT HEIGHTS CHARTER SCHOOL
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015

ASSETS	
Current Assets:	
Cash and cash equivalents	
Cash and cash equivalents	
(including restricted cash of $241,600)	$ 364,822
Restricted cash held by trustee	445,968
Due from State of Arizona	73,765
Prepaid expenses	106,401
Total Current Assets	990,956
Non-current assets:	
Property and equipment, net of accumulated depreciation	12,854,211
Total Assets	$ 13,845,167
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accounts payable	$ 255,310
Accrued payroll and related expenses	246,933
Deferred revenue	3,200
Capital leases payable-current portion	42,871
Notes payable to IDA-current portion	167,500
Total Current Liabilities	715,814
Non-current liabilities:	
Capital leases payable-less current portion	103,402
Notes payable to IDA-less current portion	13,506,191
Total Liabilities	14,325,407
Net Assets:	
Unrestricted	(480,240)
Total Net (Deficit)	(480,240)
Total Liabilities and Net Assets	$ 13,845,167

See accompanying notes to financial statements

DESERT HEIGHTS CHARTER SCHOOL
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015

UNRESTRICTED	
Revenues:	
State equalization assistance	$ 4,584,028
Classroom site funds	273,646
Instructional improvement funds	29,920
Federal and State grants	329,652
National school lunch program (federal)	92,076
Preschool tuition	480,205
Before and after school services	194,916
Contributions	84,924
Rental income	2,925
School activities	202,952
Supply sales	23,519
Transportation fees	33,113
Interest	28
Fundraising	34,353
Miscellaneous	173,628
Total Revenue	6,539,885
Expenses:	
Program Services	
Salaries and benefits	3,003,590
Purchased services	338,804
Rent and occupancy costs	269,634
Supplies	130,455
Interest	1,040,685
Miscellaneous	63,685
Depreciation	294,374
Preschool	
Salaries and benefits	513,592
Purchased services	129,991
Rent and occupancy costs	26,225
Supplies	78,489
Miscellaneous	149
Depreciation	661
Management and General	
Salaries and benefits	621,719
Purchased services	262,361
Supplies	11,154
Miscellaneous	3,295
Total Expenses	6,788,863
(Decrease) in Net Assets	(248,978)
Net (deficit), beginning of year	(231,262)
Net (deficit), end of year	$ (480,240)

See accompanying notes to financial statements

DESERT HEIGHTS CHARTER SCHOOL
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2015

Cash flows from operating activities:	
(Decrease) in net assets	$ (248,978)
Adjustments to reconcile changes in net assets to net Cash provided/(used) by operating activities:	
Depreciation and amortization	295,035
(Increase) in due from State	(61,245)
(Increase) in prepaid expenses	(41,268)
(Decrease) in accounts payable	(24,467)
(Decrease) in accrued payroll and related expenses	(30,726)
(Decrease) in deferred revenue	(8,716)
Net cash (used) by operating activities	(120,365)
Cash flows from investing activities:	
Purchase of property and equipment	(3,155,757)
Net cash (used) by investing activities	(3,155,757)
Cash flows from financing activities:	
Proceeds from capital leases payable	109,392
Repayments on notes payable to IDA	(110,854)
Net cash (used) by financing activities	(1,462)
Net (decrease) in cash and cash equivalents	(3,277,584)
Cash and cash equivalents, beginning of year	4,088,374
Cash and cash equivalents, end of year	$ 810,790
Supplemental data:	
Interest paid	$ 1,040,685

See accompanying notes to financial statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Desert Heights Charter Schools is an Arizona not-for-profit organization, established in February 2003, to operate a charter school. Desert Heights Charter Schools (School) mission is to provide a school environment for students that will foster academic excellence, develop characteristics of good citizenship and promote a sense of self-worth. The School also operates a preschool, Desert Heights Preschool. With close participation of its families, the School will build skills that are essential for continued learning and productive lives. The School operates under a charter contract with the Arizona State Board for Charter Schools. The School provides educational services in Phoenix, Arizona to approximately 797 students in grades kindergarten through twelfth, and is funded primarily through its sponsor, based on student membership.

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Financial Statement Presentation – The School presents these financial statements in accordance with the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*. This codification establishes standards for general purpose external financial statements provided by a not-for-profit organization. Those financial statements include a statement of financial position, a statement of activities, and a statement of cash flows.

Under this codification, net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly net assets of the School and changes therein are classified and reported as unrestricted, temporarily, or permanently restricted net assets. Unrestricted net assets are not subject to donor imposed restrictions. Temporarily restricted net assets are subject to donor imposed restrictions that may or will be met either by actions of the School and/or the passage of time. Permanently restricted net assets are subject to donor imposed restrictions that will be maintained permanently by the School. Generally, the donors of permanently restricted assets allow the School to use all or part of the income earned on related investments for general or specific purposes.

Donor Imposed Restrictions – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the School reports that support as unrestricted. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Concentration of Credit Risk – The School places its cash with high quality financial institutions. At times, such cash may be in excess of FDIC insurance limits.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Property and Equipment – Land, buildings, and improvements with a cost of $3,000 or more and vehicles, furniture, and equipment with both a cost of $300 or more and an estimated useful life of one year or more are capitalized. Assets are stated at cost. Assets donated are recorded at their estimated fair market value as of the date received. Amortization of buildings and improvements and depreciation of furniture and equipment are provided on a straight–line basis over the useful lives of the respective assets, ranging from 5 to 40 years.

Cash and Cash Equivalents – For purposes of the statement of cash flows, all highly liquid investments with an initial maturity of three months or less when purchased are considered cash equivalents.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Donated Services – The School receives donated services throughout the year from unpaid volunteers. In accordance with FASB ASC 958-605-25-16, if donated services received (1) create or enhance nonfinancial assets or (2) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the School, the donated services are recognized as contributions. No amounts have been reflected in the financial statements for donated services since they do not meet the criteria for recognition.

Fair Value – Generally accepted accounting principles require disclosure of an estimate of fair value of certain financial instruments. The School's significant financial instruments are cash and other short term assets and liabilities. For these financial instruments, carrying values approximate fair value.

Income Tax Status – The School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under A.R.S. §43-1201, and is not classified as a private foundation. Accordingly, there are no income taxes reflected on the Statement of Financial Position or the Statement of Activities.

Uncertain Tax Positions – The School accounts for uncertain tax positions, if any, in accordance with FASB Accounting Standards Codification Section 740. In accordance with these professional standards the School recognizes tax positions only to the extent that Management believes it is "more likely than not" that its tax positions will be sustained upon IRS examination. Management believes that it has no uncertain tax positions for the year ended June 30, 2015.

NOTE 2 – CASH AND CASH EQUIVALENTS

The School maintains all of its cash with one financial institution. At June 30, 2015, the carrying amount of deposits was $364,822 and the bank balance was $106,393. As of June 30, 2015, the entire bank balance was covered by federal depository insurance.

Restricted Cash - Classroom Site Fund – The Arizona Department of Education (ADE) administers and allocates Classroom Site Fund (CSF) funds to the School based on student count and other factors specified by statute. The School must allocate funding from CSF according to the following statutory parameters: 20% of funds used for teacher base salary increases; 40% of funds for performance based compensation increases; 40% for other classroom-related expenses or compensation increases.

At June 30, 2015, the School had restricted cash totaling $241,600. Of the $241,600 restricted cash balance, $106,808 has been accrued as a liability on the statement of financial positions and is included as an expense on the statement activities. The $241,600 is restricted by statute as follows:

Base	$ -
Performance	186,216
Other	55,384
Total	$ 241,600

Restricted Cash Held by Trustee – As of June 30, 2015, the School maintained restricted cash held by trustee totaling $445,968 to pay for future building renovation costs. The cash held by trustee is uninsured and uncollateralized.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2015 consisted of the following:

Land	$ 2,450,000
Building and improvements	6,338,194
Issuance costs related to building acquired by note payable to IDA	1,306,627
Furniture and equipment	856,844
Construction in progress	3,875,233
Property and equipment, total	14,826,898
Less: Accumulated depreciation and amortization	1,972,687
Property and equipment, net	$ 12,854,211

Amortization and depreciation expense was $54,116 and $240,919, respectively, for the year ended June 30, 2015.

NOTE 4 – COMMITMENTS AND CONTINGENT LIABILITIES

Compliance – The School's compliance with certain laws and regulations is subject to review by their Sponsor and the State of Arizona, Office of the Auditor General and Department of Education. Such reviews could result in an adjustment of state equalization assistance.

Litigation – The School is contingently liable for claims and judgments resulting from lawsuits incidental to the normal operation of a school. In the opinion of the School's management, the School's insurance coverage is adequate to cover claims relating to normal operations and decisions that might adversely impact the School would not have a material effect on the financial statements.

Operating Lease – The School leases copiers and modular buildings under the provisions of long-term lease agreements classified as operating leases for accounting purposes. Rental expenses under the terms of the operating leases were $48,049 for the year ended June 30, 2015. As of June 30, 2015, the total remaining payments under noncancelable operating leases were as follows:

Fiscal year ending June 30:	
2016	$ 48,049
2017	27,049
2018	27,049
2019	20,287
Total	$ 122,434

Construction In Progress – During the year ended June 30, 2014, the School began renovations at school sites. The total cost of construction is expected to be $4,301,248. As of June 30, 2015 renovations of $3,875,233 were completed and paid, and $426,015 remained to be completed.

NOTE 5 – RETIREMENT PLAN

The School offers a 401(k) retirement plan classified as a defined contribution plan. All employees are eligible to participate in the plan upon their date of hire and may enroll in the plan on the first day of any month. The School may make a matching contribution equal to a uniform percentage of employee salary deferrals, which will be determined each year. For the year ended June 30, 2015, the discretionary matching contribution was $0.50 for every $1.00 contributed by eligible employees, up to 6% of the eligible employee's salary. Employee contributions are 100% vested and employer contributions vest at 20% per year over 5 years. For the years ended June 30, 2015, 2014 and 2013, the School made the required matching contributions of $17,972 $31,959, and $29,340, respectively.

NOTE 6 – NOTES PAYABLE TO IDA

Education Revenue Bonds - The Industrial Development Authority of the County of Pima (IDA) issued tax-exempt Education Facility Revenue Bonds (Bonds) under an Indenture of Trust dated as of May 29, 2015. The proceeds of the bonds were loaned to the School for the purpose of financing the costs of acquiring, constructing, renovating and/or equipping educational facilities; repaying the School's prior bond dated August 1, 2003; paying the issuance costs of the bonds; paying capitalized interest; and establishing reserves to be used in the event of expenses exceeding those budgeted in the Indenture.

Loan Agreement - The School is obligated to the IDA under its respective Loan Agreement and promissory notes to make payments sufficient to pay the principal, premium, and interest on its loans; and to pay its share of ongoing costs.

The School has pledged substantially all of its revenues in order to meet its obligations under the Loan Agreement and promissory notes. The primary revenues of the School are state equalization assistance, which are statutorily owed by the State to the School based on student enrollment. The School has irrevocably directed the State to make its monthly state equalization payments directly to the trustee of the bonds so long as any of its obligations under the Loan Agreement remain outstanding and unsatisfied. The trustee of the bonds calculates and retains the amount due under the Loan Agreement and remits the remaining state equalization payments to the School. The Loan Agreement and promissory notes remain in force until either all payments required by the promissory notes have been paid or there are sufficient monies in the reserve funds to redeem all outstanding bonds.

Reserve Funds – The reserve funds are held in trust solely for the benefit of the bondholders. The School does not have a legal, equitable, or reversionary right to the reserve funds. In the event of default of the loan agreement by the School, amounts held in the reserve funds and any proceeds from the sale of collateral will be used to satisfy/repay the promissory note.

If at any time the amount in the reserve funds exceeds the aggregate principal amount of bonds outstanding plus any redemption premium, the reserve funds will be used to redeem all outstanding bonds and, accordingly, the School's obligation under the Loan Agreement and

NOTE 6 – NOTES PAYABLE TO IDA (CONT'D)

promissory notes ceases. Therefore, the School's initial contributions to the reserve funds are accounted for as prepayments of its promissory notes payable to the IDA. However, the School remains contingently liable for all payments required by the Loan Agreement and promissory notes if the reserve funds are used in the event of default or to pay expenses that exceed that budgeted by the Indenture.

Promissory note payable to the IDA in monthly installments through May 2044 ranging from $54,660 to $101,879 including interest rates ranging from 6.00% to 7.25%; collateralized by cash held by trustee, land and buildings.	$ 14,873,750
Total	14,873,750
Less amount held in reserve funds	1,200,059
Total, net of reserve funds	13,673,691
Less current portion	167,500
Note payable, long-term	$ 13,506,191

Interest expense under the promissory note for the year ended June 30, 2015 totaled $1,040,685.

The aggregate maturities of the note payable to the IDA and deposit commitments to the operating reserve as of June 30, 2015 are as follows:

Fiscal year ending June 30:	Maturities	Operating Reserve
2016	$ 167,500	$ 593,000
2017	178,750	-
2018	192,500	-
2019	202,500	-
2020	213,750	-
Thereafter	13,918,750	-
	$ 14,873,750	$ 593,000

Deferred Charges – Expenses related to the issuance of the revenue bonds issued by the IDA are classified as deferred charges and amortized over the life of the building acquired by the bond proceeds using the straight-line method. Deferred charges include $559,645 from the prior bonds issued August 1, 2003 and deferred charges related to the bonds issued May 29, 2015 totaled $746,982 for a total of $1,306,627. These deferred charges are included in property and equipment (Note-3) on the statement of financial position. Accumulated amortization and amortization expense of deferred issuance costs as of and for the fiscal year ended June 30, 2015 totaled $297,558 and $54,116, respectively.

NOTE 7 – CAPITAL LEASES PAYABLE

The School has acquired equipment under the provisions of a long-term lease agreement classified as a capital lease for accounting purposes as the net present value of the minimum lease payments are greater than 90.0% of the assets fair market value, or the lease contained a bargain purchase option. Accordingly, the original cost of the leased assets totaling $186,148 has been capitalized as fixed assets. Accumulated depreciation related to the leased assets totaled $38,233 as of June 30, 2015. Depreciation expense for the year ended June 30, 2015 totaled $12,400 and is included in depreciation and amortization expense. The future minimum lease payments under the lease, together with the present value of the net minimum lease payments at June 30, 2015, are as follows:

Fiscal year ending June 30:		
2016	$	51,740
2017		46,151
2018		34,976
2019		31,733
Total minimum lease payments		164,600
Less amount representing interest		(18,327)
Present value of net minimum capital lease payments		146,273
Less current portion		(42,871)
Capital lease payable, long-term	$	103,402

NOTE 8 – CONCENTRATIONS

The School receives a substantial amount of its support from the state government agencies of Arizona. If the State and its agencies significantly reduced the level of support provided to the School it would have a material effect on the School's operations. Management is aware of the concentration and its potential impact. If any reduction did occur, management would take action as appropriate to limit the effect on its programs.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 13, 2015 and the financial statements were available to be issued on November 16, 2015.

Lorenzo, PLC
Certified Public Accountant

Anthony Lorenzo, CPA

Member of American Institute of Certified Public Accountants
Member of Arizona State Society of Certified Public Accountants

Independent Auditor's 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*

Board of Directors
Desert Heights Charter School

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Desert Heights Charter School (School), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 16, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Desert Heights Charter School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Desert Heights Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule as 2015 C-1 and 2015 C-2 that we consider to be significant deficiencies.

1450 W. Guadalupe Rd., Suite 111 • Gilbert, AZ 85233 • Ph: 480.644.1097 • Fax: 480.644.9405

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Desert Heights Charter School's financial statements are free from 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*.

Desert Heights Charter School's Response to Findings

Desert Heights Charter School's response to the findings identified in our audit is described in the accompanying schedule. Desert Heights Charter School's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lorenzo, PLC

Lorenzo, PLC
Gilbert, Arizona
November 16, 2015

DESERT HEIGHTS CHARTER SCHOOL
INTERNAL CONTROL DEFICIENCY
JUNE 30, 2015

CAPITAL ASSETS
REFERENCE: 2015 C-1

CONDITION
The School's capital asset and depreciation schedule was not accurate, resulting in land being overstated by $1,400,000; and buildings and improvements/construction in progress being understated by $1,400,000.

CRITERIA
In accordance with generally accepted accounting principles (GAAP) and management's assertion that the financial statements are accurate and presented at the proper value, all fixed assets should be recorded and properly depreciated.

EFFECT
The School's future depreciation expense would be understated and the asset balance overstated,

CAUSE:
The School was in the middle of a construction project, and the loan for the project included refinancing existing loans on land and buildings. At this same time, the School was converting its accounting record database into two databases in order for each charter school site to be internally accounted for separately.

RECOMMENDATION AND BENEFIT
The School should assign an individual to review the capital asset/depreciation schedule to verify it reconciles back to the prior year and that any changes are supported and accurate. This schedule should then be agreed to the accounting records database by category. This will help ensure that the financial statements are accurate and presented at the proper value.

CLIENT RESPONSE
We concur with the condition.

Individual responsible for implementation of corrective action plan:
Mark Jiles and Bob Brown

Corrective action plan:
Communication between upper management and business manager will take place to ensure that the asset and depreciation schedules are properly recorded.

Estimated completion date:
The plan will be implemented effective immediately, with the schedule to be completed in June 2016.

DESERT HEIGHTS CHARTER SCHOOL
INTERNAL CONTROL DEFICIENCY
JUNE 30, 2015

CLASSROOM SITE FUND
REFERENCE: 2015 C-2

CONDITION
While the School is in compliance, it did not have a schedule, or other control, in place that identifies the funding sources of each employees' salary so that they can track the Project 1011 and Project 1013 funds to monitor they are in compliance with the supplement, not supplant, requirement related to classroom site fund monies.

CRITERIA
In accordance with Arizona Revised Statutes 15-977, all payments for Classroom Site Fund should be supplemental to existing funding from other sources.

EFFECT
Without a control mechanism in place, the School may not be aware supplanting occurred.

CAUSE
Unknown.

RECOMMENDATION AND BENEFIT
The School should establish a control mechanism that helps it monitor the funding sources of each employees' salary so that they can track the Project 1011 and Project 1013 funds to ensure they are in compliance with the supplement, not supplant, requirement related to classroom site fund monies.

CLIENT RESPONSE/CORRECTIVE ACTION
We concur with the condition.

Individual responsible for corrective action:
Mark Jiles, Bob Brown and Nancy Parra

Corrective action plan:
Communication between upper management, controller and consultant will take place to ensure that we are properly recording all documentation regarding funding source for employee salaries and 1013 funds. This is to ensure that supplanting does not occur.

Implementation date:
The plan will be implemented effective immediately, with the schedule to be completed in June 2016.

DESERT HEIGHTS CHARTER SCHOOL
STATUS OF PRIOR YEAR FINDINGS OF NONCOMPLIANCE WITH LAWS AND REGULATIONS AND INTERNAL CONTROL DEFICIENCIES
JUNE 30, 2015

We have reviewed our prior report dated November 14, 2014 and the School has corrected its internal control deficiency identified as 2014 C-1. The School had no findings of noncompliance.

DESERT HEIGHTS CHARTER SCHOOLS
DEBT SERVICE COVERAGE RATIO
JUNE 30, 2015

Series 2014 Bonds	$ 15,000,000
Series 2014 Debt Service (Maximum- fiscal year 2032-33)	$ 1,224,600
Pledged Revenues	
State Assistance	$ 4,887,594
Federal/State Grants	329,652
National school lunch program (federal)	92,076
Preschool Tuition	480,205
Before and after school services	194,916
Rental income	2,925
School activities	202,952
Supply sales	23,519
Transportation fees	33,113
Interest	28
Fundraising	34,353
Miscellaneous	173,628
Total Pledged Revenues (tax credit funds excluded)	6,454,961
General Operating Expenses	
Program Services (tax credit funds excluded)	5,805,410
Management and General	898,529
Total Operating Expenses	6,703,939
Net Income	(248,978)
Add: Depreciation and Amortization	295,035
Debt Service Interest	1,040,685
Net Income Available for Debt Service	$ 1,086,742
Divided by Debt Service	$ 1,224,600
Debt Service Coverage Ratio	0.89

DESERT HEIGHTS CHARTER SCHOOLS

AGREED-UPON PROCEDURES REPORT
ON THE
ARIZONA STATE BOARD FOR CHARTER SCHOOLS
LEGAL COMPLIANCE QUESTIONNAIRE

FOR THE YEAR ENDED JUNE 30, 2015

TABLE OF CONTENTS

Independent Accountant's Report on Applying Agreed-Upon Procedures	i
Legal Compliance Questionnaire	1

Lorenzo, PLC
Certified Public Accountant

Anthony Lorenzo, CPA

Member of American Institute of Certified Public Accountants
Member of Arizona State Society of Certified Public Accountants

Independent Accountant's Report on Applying Agreed-Upon Procedures

Desert Heights Charter Schools
Board of Directors

We have performed the procedures enumerated in the accompanying Legal Compliance Questionnaire, which were agreed to by Desert Heights Charter Schools (School) and the Arizona State Board for Charter Schools (ASBCS), solely to assist you and the ASBCS in evaluating the School's compliance with the requirements of the Arizona State Board for Charter Schools Legal Compliance Questionnaire for the year ended June 30, 2015. Our findings related to the procedures are contained therein. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described in the Legal Compliance Questionnaire for the purpose for which this report has been requested or for any other purpose.

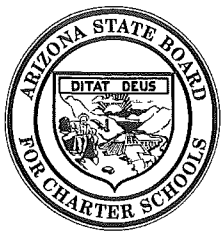
We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the School's compliance with the requirements of the Legal Compliance Questionnaire. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended for the information and use of the Board of Directors and management of Desert Heights Charter Schools, and the Arizona State Board for Charter Schools, and is not intended to be and should not be used by anyone other than these specific parties.

Lorenzo, PLC

Lorenzo, PLC
Gilbert, Arizona
November 16, 2015

1450 W. Guadalupe Rd., Suite 111 • Gilbert, AZ 85233 • Ph: 480.644.1097 • Fax: 480.644.9405



Arizona State Board for Charter Schools

Legal Compliance Questionnaire

DESERT HEIGHTS CHARTER SCHOOLS

(CTDS 07-86-21)

Fiscal Year Ended June 30, 2015

Table of Contents

Topic	Page
INSTRUCTIONS	2
PERSONNEL	4
REQUIRED FILINGS	5
SPECIAL EDUCATION	6
CLASSROOM SITE FUND	6
STUDENT ATTENDANCE REPORTING	7
OPEN MEETING LAW	12
INSURANCE REQUIREMENTS	13
TUITION	13
RECORDS MANAGEMENT	13
SIGNATURE PAGE	13

INSTRUCTIONS

NOTE: This questionnaire should only be used for charters that are exempt from the Uniform System of Financial Records for Arizona Charter Schools (charters that HAVE an exception). If a charter is subject to procurement requirements pursuant to A.R.S. §§15-189.02 and 41-2535(A), this questionnaire should be used in conjunction with the Procurement Compliance Questionnaire (see audit guidelines) which is available on the Arizona State Board for Charter Schools' website https://asbcs.az.gov.

In order to determine whether a charter that is exempt from the requirements of the Uniform System of Financial Records for Arizona Charter Schools (USFRCS) is complying with applicable legal requirements, the auditors must complete the following Legal Compliance Questionnaire in accordance with both the agreed upon procedures (instructions contained herein) and the attestation standards established by the American Institute of Certified Public Accountants. (Note: This questionnaire is not comprehensive of all legal requirements for charter schools. As such, this document should not be the sole reference to determine all laws and regulations that are applicable to charter schools).

The following prescribed minimum agreed upon procedures, as well as those identified throughout the questionnaire, must be used for completing the Legal Compliance Questionnaire in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The State Board for Charter Schools may reject questionnaires not meeting these standards.

- Sufficient, appropriate evidence must be obtained annually for each question to satisfactorily determine whether the charter complies with the legal requirements, and the evidence must be included in the documentation.

- Evidence may be obtained through test work, observation, examination, and client assertion. However, client assertion alone is not adequate evidence to support "Yes" answers to the questionnaire.

- Population size should be considered in determining the number of items to test, and the items selected should be representative of the population.

- The number of items tested must be sufficient to determine whether a deficiency was the result of an isolated incident or a recurring problem. Therefore, testing one transaction, record, or item is not sufficient.

- The sample size should be expanded if the audit firm cannot clearly determine whether the charter complies with the legal requirements of the question.

- If sufficient evidence has been obtained and documented during the current audit, that evidence may be referenced to answer questions.

- All "No" and "N/A" answers must be adequately explained in the comments column or in an attachment. Findings must be described in sufficient detail to enable the State Board for Charter Schools to describe the finding in a letter. The description should include the number of items tested and the number of exceptions noted.

- A "Yes" answer indicates that the audit firm has determined that the charter complies with the legal requirements of the question and a "No" answer indicates the charter does not comply. However, the final determination of compliance on each question, as well as overall compliance with legal requirements, is made by the State Board for Charter Schools based on the evidence presented in the questionnaire, audit reports, resulting documentation, and any other sources.

The resulting documentation supporting the audit firm's answers to the Legal Compliance Questionnaire must be made available on request for review by the State Board for Charter Schools. To facilitate this review, the audit firm may wish to include in the documentation a copy of the questionnaire containing references to procedures performed for each question.

Legal Compliance Questionnaire[1]

Questions/Subject Area	Yes/No	Comments
Personnel		
1. Did the school have valid fingerprint clearance cards (FCC) for 100% of the required personnel as of the testing date? **A.R.S. §15-183 (C)(5) and A.R.S. §15-512(H)**	YES	
(QUESTIONS #2a THROUGH 2c ONLY APPLY TO NEW HIRES REQUIRED PURSUANT TO A.R.S. §15-183(C)(5) TO HAVE VALID FCCS AND DO NOT APPLY IF AN INDIVIDUAL'S FCC HAS EXPIRED.) 2. For each individual referenced in #1 that did not have a valid FCC, please provide the following information (provide supplemental pages, if necessary) (See agency guidance available on the Board's website prior to completing these questions)**A.R.S. §15-183(C)(5)**: a. Was an application for a FCC on file with the Department of Public Safety (DPS) as of the testing date?	N/A	See 1 above
b. Did DPS receive the application prior to the hire date?	N/A	See 1 above
c. Prior to placement, did the school do all of the following? i) Document the necessity for hiring/placing the individual prior to receiving a FCC?	N/A	See 1 above
ii) Obtain statewide criminal history information on the individual?	N/A	See 1 above
iii) Obtain references from the applicant's current and previous employers?	N/A	See 1 above
3. Did the charter school maintain up-to-date fingerprints of all Governing Body members as of the testing date? **Charter Contract**[2]	YES	
4. Were all other personnel fingerprint checked as of the testing date? **A.R.S. §15-183 (C)(5) and A.R.S. §15-512**	YES	
5. Did the charter school inform the parents and guardians of pupils enrolled in the school of the availability of resume information for all employees who provide instruction to pupils? **A.R.S. §15-183 (F)**	YES	

[1] For the purposes of this questionnaire, please note that "Governing Body" means the group of persons required by A.R.S. §15-183(E)(8) that is responsible for policy decisions of the charter school. The term "Governing Board" means the group of persons that the charter holder has assigned the responsibility addressed by the question. The applicable group of persons may be the Governing Body or the officers, directors, members or partners of the charter holder. The applicable group of persons may vary depending on the issue addressed by the question.

[2] Specific contract cites could not be provided as term references vary per contract year.

	Yes/No	Comments
Required Filings		
1. Is the school in good standing with the following regulatory bodies: a. Internal Revenue Service **U.S.C. Title 26**		
i. For payroll taxes, income taxes (if applicable) and applicable tax forms required to be filed during the audited fiscal year?	YES	
ii. The school did not have any payroll or income taxes payable from a prior year(s) as of audited fiscal year end (June 30th) is a true statement.	YES	
iii. If the response to 1.a.i, 1.a.ii, or both is "no", does the school have a payment plan in place with the Internal Revenue Service?	N/A	See i and ii above.
iv. If the answer to Question 1.a.iii is "yes", has the school made all of the required payments under the payment plan as of audited fiscal year end (June 30th)?	N/A	See iii above.
b. Arizona Department of Revenue **A.R.S. §43-401 and §43-1111**		
i. For payroll taxes, state income taxes (if applicable) and applicable tax forms required to be filed during the audited fiscal year?	YES	
ii. The school did not have any payroll or income taxes payable from a prior year(s) as of audited fiscal year end (June 30th) is a true statement.	YES	
iii. If the response to 1.b.i, 1.b.ii, or both is "no", does the school have a payment plan in place with the Arizona Department of Revenue?	N/A	See i and ii above.
iv. If the answer to Question 1.b.iii is "yes", has the school made all of the required payments under the payment plan as of audited fiscal year end (June 30th)?	N/A	See iii above
c. Arizona Department of Economic Security **A.R.S. § 23-721 et seq.**		
i. State unemployment contributions requirements for the audited fiscal year?	YES	
ii. The school did not have any state unemployment contributions payable from a prior year(s) as of audited fiscal year end (June 30th) is a true statement.	YES	
iii. If the response to 1.c.i, 1.c.ii, or both is "no", does the school have a payment plan in place with the Arizona Department of Economic Security?	N/A	See i and ii above.
iv. If the answer to Question 1.c.iii is "yes", has the school made all of the required payments under the payment plan as of audited fiscal year end (June 30th)?	N/A	See iii above.
d. Corporation Commission (e.g., annual report)? **Charter Contract**	YES	

2. Was a copy of the adopted budget submitted electronically to the Superintendent of Public Instruction no later than July 18th? **A.R.S. §15-905 (E) and §15-183 (E)(6)**	YES	
3. Was the Annual Financial Report (AFR) sent to the Superintendent of Public Instruction by October 15th? **A.R.S. §15-183 (E) (6) and 15-904 (A)**	YES	
Special Education		
1. Is the staff the school uses to provide special education services (internal or contracted) certified in special education?	YES	
2. Does the school conduct 45 day screenings on all new students? **AAC R7-2-401**	YES	
3. Are evaluations and IEPs on file for special education students? **34 CFR 300.341-350 and 300.531-536**	YES	
Classroom Site Fund - A.R.S. §15-977 & OAG Memorandum No. 44		
1. Did the school properly allocate Classroom Site Fund receipts among the following projects: 1011—Base Salary (20%), 1012—Performance Pay (40%), and 1013—Other (40%)?	YES	
2. For Project 1011, were expenses only for teacher base salary increases and employment-related expenses?	YES	
3. For Project 1012, were expenses only for performance-based teacher compensation increases and employment-related expenses?	YES	
4. For Project 1013, were expenses only for class size reduction, teacher compensation increases, AIMS intervention programs, teacher development, dropout prevention programs, and teacher liability insurance premiums?	YES	
5. Did the school use Classroom Site Fund monies to supplement rather than supplant, existing funding from all other sources? (See USFRCS Memorandum No. 44 for guidance on the Classroom Site Fund.)	YES	
6. If the school had monies remaining at year-end, were they properly carried forward in the three Classroom Site Projects (1011, 1012, and 1013) to help ensure that the restrictions placed on the original allocation of revenues is applied in future years?	YES	
7. Did the school have sufficient cash at year-end to cover the carry over monies, and what was the Classroom Site Fund cash carryover balance at year-end?	YES	Cash carryover balance was $241,600.

Student Attendance Reporting		
If test work performed in questions 3-16 and 19 of this section discloses a net overstatement or understatement of membership and/or absence days, based on A.R.S. and ADE's membership and attendance guidelines, report the net overstatement or understatement in the "Comments" column next to each applicable question.		
	Yes/No	**Comments**
1. Was school in session for at least 180 days or did the Governing Board adopt a calendar with an equivalent number of minutes of instruction per school year based on a different number of days of instruction? **A.R.S. § 15-341.01**	YES	
2. Did the school ensure that **[A.R.S. §§15-808(I)(1) and 15-901(A)(1)]**: (**Note:** Instructional hours do not include periods of the day in which an instructional program or course of study is not being offered, including, but not limited to, lunch, recesses, home room periods, study hall periods, and early release or late start hours.) **ADE's External Guidelines GE-17 and GE-18**		
a. Preschool children with disabilities were enrolled in a program that met at least 360 minutes a week that meets at least 216 hours over the minimum number of days?	N/A	No such students serviced
b. Kindergarten was in session for at least 356 hours or 346 hours for Arizona Online Instruction (AOI) Programs?	YES	
c. Grades 1 through 3 were in session for at least 712 hours?	YES	
d. Grades 4 through 6 were in session for at least 890 hours?	YES	
e. Grades 7 and 8 were in session for at least 1,000 hours or 1,068 hours for AOI Programs?	YES	
f. Grades 9 through 12, other than AOI Programs, were in session at least 720 hours?	YES	
g. Grades 9 through 12, other than AOI Programs, include at least four subjects, each of which if taught each school day for the minimum number of days required in a school year, would meet a minimum of 123 hours a year?	YES	
h. Grades 9 through 12 of AOI Programs include at least four courses throughout the year that meet at least 900 hours during the school year?	N/A	The School does not operate an AOI program

For Student Attendance Reporting questions 3-16, the audit firm must select and test the specified number of transactions (records, entries, withdrawals, or days) as shown in the sample size instructions before each section. These samples should include 3 or more grade levels and 3 or more campuses, where applicable. The listed sample sizes represent the minimum level of required test work. The audit firm should use its judgment in determining whether a larger sample is needed. All student attendance records tested in questions 3-10 and 16 should be selected from the 100th day reporting period.

In the parentheses provided in questions 3-16, write the actual number of transactions tested. If all transactions were tested, indicate such in the "Comments" column.

For questions 3-5 select at least 3 student attendance records. 3. If the school had an early (pre-)kindergarten program, based upon review of (_-_) early (pre-) kindergarten students' attendance records, did the school only calculate and submit membership/absence information for this program for students with disabilities? **A.R.S. §15-901(A)(1)(a)(i) and USFRCS Memorandum No. 33**	N/A	School does not offer an early (pre-) kinder or 1st grade program.
4. Based upon review of (_3_) students' attendance records in kindergarten programs, if the instructional time for the year was between 356 and 692 hours, were students not in attendance for at least three-quarters of the day counted as being absent or, if the instructional time for the year was 692 hours or more, were students not in attendance at least one-half of the day counted as being absent? **A.R.S. §§15-901(A)(1)(a)(i) and 15-901(A)(5)(a)(i)**	YES	
5. If the school had an early first grade program, based upon review of (_-_) early first grade students' attendance records, did the school calculate and submit membership/absence information for this program as it would for kindergarten? **A.R.S. §§15-901(A)(1)(a)(i) and 15-901(A)(5)(a)(i), and USFRCS Memorandum No. 33**	N/A	See #3 above.
For questions 6 and 7, use the following sample sizes:		
SCHOOLWIDE ADM / **Student Attendance Records** **<1,000** / **5** **1,000-5,000** / **10** **>5,000** / **15** 6. Based upon review of (_-_) students' attendance records at elementary and junior high schools in which attendance was based on half days, were students in attendance for less than one-half the day counted as being absent for one full day; were students in attendance for at least one-half day, but less than three-quarters of a day, counted as being absent for one-half day; and were students in attendance for at least three-quarters of a day counted in attendance for a day? **A.R.S. §15-901(A)(5)(b)(ii)**	N/A	See #7.

7. Based upon review of (5) students' attendance records at elementary and junior high schools where attendance was based on quarter days, were students in attendance for more than three-quarters of the day counted in attendance for a day and students in attendance for three-quarters of the day or less counted in attendance for each quarter of the day in attendance? **A.R.S. §15-901(A)(5)(b)(i)**	YES	
For questions 8 through 13, use the following sample sizes:		
SCHOOLWIDE ADM / **Student Attendance Records** **<1,000** — **3** **1,000-5,000** — **5** **>5,000** — **7** 8. For schools approved to report minutes of attendance, based upon review of the attendance records for a 1 month period for (-) students whose attendance was reported in minutes, did the school report minutes of attendance only for actual classroom instruction attended by the students?	N/A	See question 9 below
9. Based upon review of (3) high school students' attendance records, whose attendance was reported in terms of absences, for all absence days reported in a 1 month period, did the school report absences in accordance with the method(s) provided by ADE?	YES	
10. Based upon review of (-) high school students' attendance records, did the school prorate the membership of the students enrolled in less than four subjects?	N/A	All students are full-time
11. For schools offering an AOI Program, based upon a review of (-) AOI students' attendance records for 4 weeks: **(ADE's Policies and Procedures Manual, SF-0003)** a. Was the guardian-approved or school computer-generated daily log describing the amount of time spent by the student on academic tasks maintained by the participating AOI School? **A.R.S. §15-808(E)**	N/A	The School does not operate an AOI program

b. Did the hours reported to ADE agree to the guardian-approved or school computer-generated daily log?	N/A	See 11a above
c. Were all students who participated in an AOI Program, residents of this state? **A.R.S. §15-808(B)**	N/A	See 11a above
d. Was the student's Intended Full Time Equivalency Enrollment Statement maintained?	N/A	See 11a above
12. Based on review of the student's attendance records in question 11, did the school follow its procedures, to re-determine the actual FTE for each student enrolled in an AOI Program, following a student's withdrawal or after the end of the school year?	N/A	The School does not operate an AOI program
13. Based upon review of (3) students' attendance records (all grades) for students withdrawn for having ten consecutive unexcused absences, was the student only counted in membership through the last day of actual attendance or excused absence? **A.R.S. §15-901(A)(1)**	YES	
For questions 14 and 15, use the following sample sizes:		
SCHOOLWIDE **ADM** / **Entries/Withdrawals** **<1,000** / **5** **1,000-5,000** / **10** **>5,000** / **15**		
14. Based upon review of (5) entries: (**Note:** Enrollment forms are not required for continuing students at the same school.)		
a. Were entry dates entered into the school's computerized attendance system within 5 working days after the actual date of entry and was documentation maintained to support the date of data entry?	YES	
b. Did the entry date in the computerized attendance system agree to the entry form?	YES	
c. Did the teacher's attendance registers, if used, and other documentation support the entry date in the computerized attendance system?	YES	
d. Did membership begin on the first day of actual attendance or, for continuing/pre-enrolled students, the first day that classroom instruction was offered, provided that the students actually attend within the first 10 days of school?	YES	

e. Did the school obtain and maintain verifiable documentation of Arizona residency upon enrollment? **A.R.S. §15-802(B)(1) and ADE's Arizona Residency Documentation Guidelines**	YES	
f. If a student was not an Arizona resident, was the student excluded from the school's student count and state aid calculations? **A.R.S. §15-823(J)**	N/A	See e above
g. If the school admitted students who were nonresidents of Arizona, was tuition charged, as applicable? **A.R.S. §15-823**	N/A	See e above
15. Based upon review of (5) withdrawals:		
a. Were the withdrawal dates entered into the school's computerized attendance system within 5 working days after the actual day of withdrawal and was documentation maintained to support the date of data entry? (**Note:** "Day of withdrawal" for determining timely data entry means: a. the later of the student's withdrawal date or the day the school is notified the student will not be returning; or b. the 10th day of unexcused absence for students withdrawn for having ten consecutive unexcused absences.)	YES	
b. Did the withdrawal date in the computerized attendance system agree to the withdrawal form? **(Note:** If the computerized attendance system requires the school to input the day following the withdrawal date for a student to be counted in membership through the last day of actual attendance or excused absence, the withdrawal date on the system should be the school day following the withdrawal date on the form.)	YES	
c. Did the teachers' attendance registers, if used, and other supporting documentation agree to the withdrawal date in the computerized attendance system?	YES	
d. Was an Official Notice of Pupil Withdrawal form prepared and retained for each withdrawal and signed by a school administrator? **A.R.S. §15-827**	YES	
For question 16, use the following sample sizes: **SCHOOLWIDE ADM** / **Days** **<1,000** / **3** **1,000-5,000** / **5** **>5,000** / **7**		

16. Based upon review of (3) days for various campuses, grades, and classes in the computerized attendance system, did the student absences from each day agree to the teachers' attendance registers, absence slips, or other supporting documentation, if used?	YES	
17. Did the school have adequate electronic or manual controls in place to ensure that any changes to the original record of student attendance data were properly authorized and documented, including the names or identification numbers of the persons making and authorizing the changes?	YES	
18. Was the school's membership/absence information submitted to ADE electronically at least once every 20 school days for membership and 60 days for absence information through the last day of instruction (with the first 20 and 60 day periods beginning on the first day of school or the opening of SAIS for current fiscal year data submission, whichever is later)? **A.R.S. §§15-901(A)(1) and 15-1042(H)**	YES	
19. Based upon review of the school's 40th and 100th day information uploaded to ADE (ADMS 75-1), did the membership and absences agree to the school's computerized attendance system records? (**Note:** For an AOI program, review year-end attendance information.)	YES	
	Yes/No	**Comments**
Open Meeting Law A.R.S. § 38-431.01 and § 38-431.02 (See also Attorney General Opinion I00-009)		
1. Did the school conspicuously post a statement on its website stating where all public notices of its meetings will be posted, including the physical and electronic locations?	YES	
2. Did the school post all public meeting notices on its website?	YES	
3. Did the school maintain a record of notices that includes a copy of each notice that was posted and information regarding the date, time and place of posting?	YES	
4. Were notices and agenda of public meetings posted at least 24 hours before the meeting?	YES	
5. Were written minutes prepared or a recording made of Governing Body meetings?	YES	

Insurance Requirements A.R.S. §15-183(M)		
Does the school have the required insurance for liability and property loss?	YES	
Tuition A.R.S. §15-185 (B)(6) (See also Attorney General Opinion I98-007)		
Did the school refrain from charging fees that may be considered tuition other than as provided for in A.R.S. §15-185(B)(6) [nonresidents]?	YES	
Records Management		
1. Did the school retain records in accordance with the *General Retention Schedules for Education – K-12* published by the Arizona State Library, Archives and Public Records (based on the testing conducted during the course of the audit)? (www.azlibrary.gov/records/general.aspx)	YES	
2. Was adequate documentation retained to support amounts in the financial statements (if the school is not the primary reporting entity - was adequate documentation retained to support revenue and expenses in the charter school)?	YES	

This Questionnaire was completed in accordance with the minimum standards as set forth in the instructions on pages 2 and 3.

Lorenzo, PLC	November 16, 2015
Audit Firm	Date
Anthony Lorenzo	Managing Member
Preparer's Signature (Audit Firm Representative)	Title

DESERT HEIGHTS CHARTER SCHOOLS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS

FOR THE YEAR ENDED JUNE 30, 2016

DESERT HEIGHTS CHARTER SCHOOLS
TABLE OF CONTENTS
JUNE 30, 2016

Independent Auditor's Report	2
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Activities	5
Statement of Cash Flows	6
Notes to Financial Statements	7
INTERNAL CONTROL AND COMPLIANCE	
Independent Auditor's 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*	14
Internal Control Deficiencies	16
Status of Prior Year Findings of Noncompliance with Laws and Regulations and Internal Control Deficiencies	18
SUPPLEMENTAL SCHEDULES	
Debt Service Coverage Ratio	19

THIS PAGE INTENTIONALLY LEFT BLANK

Lorenzo, PLC
Certified Public Accountant

Anthony Lorenzo, CPA

Member of American Institute of Certified Public Accountants
Member of Arizona State Society of Certified Public Accountants

Independent Auditor's Report

Board of Directors
Desert Heights Charter Schools

Report on the Financial Statements

We have audited the accompanying financial statements of Desert Heights Charter Schools (School), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

1450 W. Guadalupe Rd., Suite 111 • Gilbert, AZ 85233 • Ph: 480.644.1097 • Fax: 480.644.9405

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Desert Heights Charter Schools as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of debt service coverage ratio (as required by the Industrial Development Authority of the County of Pima) on page 19 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2016, on our consideration of Desert Heights Charter Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Desert Heights Charter Schools' internal control over financial reporting and compliance.

Lorenzo, PLC

Lorenzo, PLC
Gilbert, Arizona
November 10, 2016

DESERT HEIGHTS CHARTER SCHOOL
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2016

ASSETS	
Current Assets:	
Cash and cash equivalents	
(including restricted cash of $418,303)	$ 562,049
Restricted cash held by trustee	18,929
Due from State of Arizona	52,498
Prepaid expenses	117,638
Total Current Assets	751,114
Non-current assets:	
Property and equipment, net of	
accumulated depreciation	12,898,453
Total Assets	$ 13,649,567
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accounts payable	$ 171,286
Accrued payroll and related expenses	430,349
Deferred revenue	3,200
Capital leases payable-current portion	49,247
Notes payable to IDA-current portion	178,750
Total Current Liabilities	832,832
Non-current liabilities:	
Capital leases payable-less current portion	61,995
Notes payable to IDA-less current portion	13,326,552
Total Liabilities	14,221,379
Net Assets:	
Unrestricted	(571,812)
Total Net (Deficit)	(571,812)
Total Liabilities and Net Assets	$ 13,649,567

See accompanying notes to financial statements

DESERT HEIGHTS CHARTER SCHOOL
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016

UNRESTRICTED	
Revenues:	
State equalization assistance	$ 5,147,082
Classroom site funds	322,524
Instructional improvement funds	34,181
Federal and State grants	308,058
National school lunch program (federal)	93,027
Preschool tuition	502,016
Before and after school services	203,607
Contributions	3,898
Rental income	12,670
School activities	221,564
Supply sales	51,435
Extracurricular activities contributions	80,754
Transportation fees	42,440
Interest	17
Miscellaneous	35,784
Total Revenue	7,059,057
Expenses:	
Program Services	
Salaries and benefits	3,623,586
Purchased services	229,099
Rent and occupancy costs	217,395
Supplies	228,920
Interest	1,052,233
Miscellaneous	36,760
Depreciation	465,442
Preschool	
Salaries and benefits	573,846
Purchased services	139,148
Rent and occupancy costs	30,204
Supplies	85,317
Miscellaneous	4,390
Depreciation	2,184
Management and General	
Salaries and benefits	223,568
Purchased services	206,554
Supplies	5,600
Interest	15,311
Miscellaneous	11,072
Total Expenses	7,150,629
(Decrease) in net assets	(91,572)
Net (deficit), beginning of year	(480,240)
Net (deficit), end of year	$ (571,812)

See accompanying notes to financial statements

DESERT HEIGHTS CHARTER SCHOOL
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2016

Cash flows from operating activities:	
(Decrease) in net assets	$ (91,572)
Adjustments to reconcile changes in net assets to net Cash provided/(used) by operating activities:	
Depreciation and amortization	467,626
Decrease in due from State	21,267
(Increase) in prepaid expenses	(11,237)
(Decrease) in accounts payable	(84,024)
Increase in accrued payroll and related expenses	183,416
Net cash provided by operating activities	485,476
Cash flows from investing activities:	
Purchase of property and equipment	(511,868)
Net cash (used) by investing activities	(511,868)
Cash flows from financing activities:	
Repayments on capital leases payable	(35,031)
Repayments on notes payable to IDA	(168,389)
Net cash (used) by financing activities	(203,420)
Net (decrease) in cash and cash equivalents	(229,812)
Cash and cash equivalents, beginning of year	810,790
Cash and cash equivalents, end of year	$ 580,978
Supplemental data:	
Interest paid	$ 1,067,544

See accompanying notes to financial statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Desert Heights Charter Schools is an Arizona not-for-profit organization, established in February 2003, to operate a charter school. Desert Heights Charter Schools (School) mission is to provide a school environment for students that will foster academic excellence, develop characteristics of good citizenship and promote a sense of self-worth. The School also operates a preschool, Desert Heights Preschool. With close participation of its families, the School will build skills that are essential for continued learning and productive lives. The School operates under a charter contract with the Arizona State Board for Charter Schools. The School provides educational services in Phoenix, Arizona to approximately 798 students in grades kindergarten through twelfth, and is funded primarily through its sponsor, based on student membership.

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Financial Statement Presentation – The School presents these financial statements in accordance with the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-205, *Not-for-Profit Entities, Presentation of Financial Statements*. This codification establishes standards for general purpose external financial statements provided by a not-for-profit organization. Those financial statements include a statement of financial position, a statement of activities, and a statement of cash flows.

Under this codification, net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly net assets of the School and changes therein are classified and reported as unrestricted, temporarily, or permanently restricted net assets. Unrestricted net assets are not subject to donor imposed restrictions. Temporarily restricted net assets are subject to donor imposed restrictions that may or will be met either by actions of the School and/or the passage of time. Permanently restricted net assets are subject to donor imposed restrictions that will be maintained permanently by the School. Generally, the donors of permanently restricted assets allow the School to use all or part of the income earned on related investments for general or specific purposes.

Donor Imposed Restrictions – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the School reports that support as unrestricted. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Concentration of Credit Risk – The School places its cash with high quality financial institutions. At times, such cash may be in excess of FDIC insurance limits.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Property and Equipment – Land, buildings, and improvements with a cost of $3,000 or more and vehicles, furniture, and equipment with both a cost of $300 or more and an estimated useful life of one year or more are capitalized. Assets are stated at cost. Assets donated are recorded at their estimated fair market value as of the date received. Amortization of buildings and improvements and depreciation of furniture and equipment are provided on a straight–line basis over the useful lives of the respective assets, ranging from 5 to 40 years.

Cash and Cash Equivalents – For purposes of the statement of cash flows, all highly liquid investments with an initial maturity of three months or less when purchased are considered cash equivalents.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Donated Services – The School receives donated services throughout the year from unpaid volunteers. In accordance with FASB ASC 958-605-25-16, if donated services received (1) create or enhance nonfinancial assets or (2) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the School, the donated services are recognized as contributions. No amounts have been reflected in the financial statements for donated services since they do not meet the criteria for recognition.

Fair Value – Generally accepted accounting principles require disclosure of an estimate of fair value of certain financial instruments. The School's significant financial instruments are cash and other short term assets and liabilities. For these financial instruments, carrying values approximate fair value.

Income Tax Status – The School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under A.R.S. §43-1201, and is not classified as a private foundation. Accordingly, there are no income taxes reflected on the Statement of Financial Position or the Statement of Activities.

Uncertain Tax Positions – The School accounts for uncertain tax positions, if any, in accordance with FASB Accounting Standards Codification Section 740. In accordance with these professional standards the School recognizes tax positions only to the extent that Management believes it is "more likely than not" that its tax positions will be sustained upon IRS examination. Management believes that it has no uncertain tax positions for the year ended June 30, 2016.

NOTE 2 – CASH AND CASH EQUIVALENTS

The School maintains all of its cash with one financial institution. At June 30, 2016, the carrying amount of deposits was $562,049 and the bank balance was $133,220. As of June 30, 2016, the entire bank balance was covered by federal depository insurance.

Restricted Cash - Classroom Site Fund – The Arizona Department of Education (ADE) administers and allocates Classroom Site Fund (CSF) funds to the School based on student count and other factors specified by statute. The School must allocate funding from CSF according to the following statutory parameters: 20% of funds used for teacher base salary increases; 40% of funds for performance based compensation increases; 40% for other classroom-related expenses or compensation increases.

At June 30, 2016, the School had restricted cash totaling $418,303. Of the $418,303 restricted cash balance, $203,399 has been accrued as a liability on the statement of financial positions and is included as an expense on the statement activities. The $418,303 is restricted by statute as follows:

Base	$ -
Performance	280,767
Other	137,536
Total	$ 418,303

Restricted Cash Held by Trustee – As of June 30, 2016, the School maintained restricted cash held by trustee totaling $18,929 to pay for tax and insurance costs. The cash held by trustee is uninsured and uncollateralized.

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2016 consisted of the following:

Land	$ 2,450,000
Building and improvements	10,643,814
Issuance costs related to building acquired by note payable to IDA	1,306,627
Furniture and equipment	933,329
Property and equipment, total	15,333,770
Less: Accumulated depreciation and amortization	2,435,317
Property and equipment, net	$ 12,898,453

Amortization and depreciation expense was $64,086 and $403,540, respectively, for the year ended June 30, 2016.

NOTE 4 – COMMITMENTS AND CONTINGENT LIABILITIES

Compliance – The School's compliance with certain laws and regulations is subject to review by their Sponsor and the State of Arizona, Office of the Auditor General and Department of Education. Such reviews could result in an adjustment of state equalization assistance.

Litigation – The School is contingently liable for claims and judgments resulting from lawsuits incidental to the normal operation of a school. In the opinion of the School's management, the School's insurance coverage is adequate to cover claims relating to normal operations and decisions that might adversely impact the School would not have a material effect on the financial statements.

Operating Lease – The School leases copiers and modular buildings under the provisions of long-term lease agreements classified as operating leases for accounting purposes. Rental expenses under the terms of the operating leases were $99,858 for the year ended June 30, 2016. As of June 30, 2016, the total remaining payments under noncancelable operating leases were as follows:

Fiscal year ending June 30:	
2017	$ 88,004
2018	57,589
2019	20,287
Total	$ 165,880

NOTE 5 – RETIREMENT PLAN

The School offers a 401(k) retirement plan classified as a defined contribution plan. All employees are eligible to participate in the plan upon their date of hire and may enroll in the plan on the first day of any month. The School may make a matching contribution equal to a uniform percentage of employee salary deferrals, which will be determined each year. For the year ended June 30, 2016, the discretionary matching contribution was $0.50 for every $1.00 contributed by eligible employees, up to 6% of the eligible employee's salary. Employee contributions are 100% vested and employer contributions vest at 20% per year over 5 years. For the years ended June 30, 2016, 2015 and 2014, the School made the required matching contributions of $9,918 $17,971, and $31,959, respectively.

NOTE 6 – NOTES PAYABLE TO IDA

Education Revenue Bonds - The Industrial Development Authority of the County of Pima (IDA) issued tax-exempt Education Facility Revenue Bonds (Bonds) under an Indenture of Trust dated May 29, 2015. The proceeds of the bonds were loaned to the School for the purpose of financing the costs of acquiring, constructing, renovating and/or equipping educational facilities; repaying the School's prior bond dated August 1, 2003; paying the issuance costs of the bonds; paying capitalized interest; and establishing reserves to be used in the event of expenses exceeding those budgeted in the Indenture.

Loan Agreement - The School is obligated to the IDA under its respective Loan Agreement and promissory notes to make payments sufficient to pay the principal, premium, and interest on its loans; and to pay its share of ongoing costs.

The School has pledged substantially all of its revenues in order to meet its obligations under the Loan Agreement and promissory notes. The primary revenues of the School are state equalization assistance, which are statutorily owed by the State to the School based on student enrollment. The School has irrevocably directed the State to make its monthly state equalization payments directly to the trustee of the bonds so long as any of its obligations under the Loan Agreement remain outstanding and unsatisfied. The trustee of the bonds calculates and retains the amount due under the Loan Agreement and remits the remaining state equalization payments to the School. The Loan Agreement and promissory notes remain in force until either all payments required by the promissory notes have been paid or there are sufficient monies in the reserve funds to redeem all outstanding bonds.

Reserve Funds – The reserve funds are held in trust solely for the benefit of the bondholders. The School does not have a legal, equitable, or reversionary right to the reserve funds. In the event of default of the loan agreement by the School, amounts held in the reserve funds and any proceeds from the sale of collateral will be used to satisfy/repay the promissory note.

If at any time the amount in the reserve funds exceeds the aggregate principal amount of bonds outstanding plus any redemption premium, the reserve funds will be used to redeem all outstanding bonds and, accordingly, the School's obligation under the Loan Agreement and

NOTE 6 – NOTES PAYABLE TO IDA (CONT'D)

promissory notes ceases. Therefore, the School's initial contributions to the reserve funds are accounted for as prepayments of its promissory notes payable to the IDA. However, the School remains contingently liable for all payments required by the Loan Agreement and promissory notes if the reserve funds are used in the event of default or to pay expenses that exceed that budgeted by the Indenture.

Promissory note payable to the IDA in monthly installments through May 2044 ranging from $54,660 to $101,879 including interest rates ranging from 6.00% to 7.25%; collateralized by cash held by trustee, land and buildings.	$ 14,706,250
Total	14,706,250
Less amount held in reserve funds	1,200,948
Total, net of reserve funds	13,505,302
Less current portion	178,750
Note payable, long-term	$ 13,326,552

Interest expense under the promissory note for the year ended June 30, 2016 totaled $1,047,750.

The aggregate maturities of the note payable to the IDA and deposit commitments to the operating reserve as of June 30, 2016 are as follows:

Fiscal year ending June 30:	Maturities
2017	$ 178,750
2018	192,500
2019	202,500
2020	213,750
2021	227,500
Thereafter	13,691,250
	$ 14,706,250

Deferred Charges – Expenses related to the issuance of the revenue bonds issued by the IDA are classified as deferred charges and amortized over the life of the building acquired by the bond proceeds using the straight-line method. Deferred charges include $559,645 from the prior bonds issued August 1, 2003 and deferred charges related to the bonds issued May 29, 2015 totaled $746,982 for a total of $1,306,627. These deferred charges are included in property and equipment (Note-3) on the statement of financial position. Accumulated amortization and amortization expense of deferred issuance costs as of and for the fiscal year ended June 30, 2016 totaled $361,644 and $64,086, respectively.

NOTE 7 – CAPITAL LEASES PAYABLE

The School has acquired equipment under the provisions of a long-term lease agreement classified as a capital lease for accounting purposes as the net present value of the minimum lease payments are greater than 90.0% of the assets fair market value, or the lease contained a bargain purchase option. Accordingly, the original cost of the leased assets totaling $186,148 has been capitalized as fixed assets. Accumulated depreciation related to the leased assets totaled $75,463 as of June 30, 2016. Depreciation expense for the year ended June 30, 2016 totaled $37,230 and is included in depreciation and amortization expense. The future minimum lease payments under the lease, together with the present value of the net minimum lease payments at June 30, 2016, are as follows:

Fiscal year ending June 30:		
2017	$	55,693
2018		34,976
2019		29,503
Total minimum lease payments		120,172
Less amount representing interest		(8,930)
Present value of net minimum capital lease payments		111,242
Less current portion		(49,247)
Capital lease payable, long-term	$	61,995

NOTE 8 – CONCENTRATIONS

The School receives a substantial amount of its support from the state government agencies of Arizona. If the State and its agencies significantly reduced the level of support provided to the School it would have a material effect on the School's operations. Management is aware of the concentration and its potential impact. If any reduction did occur, management would take action as appropriate to limit the effect on its programs.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 10, 2016 and the financial statements were available to be issued on November 10, 2016.

Lorenzo, PLC
Certified Public Accountant

Anthony Lorenzo, CPA

Member of American Institute of Certified Public Accountants
Member of Arizona State Society of Certified Public Accountants

Independent Auditor's 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*

Board of Directors
Desert Heights Charter School

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Desert Heights Charter School (School), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 10, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Desert Heights Charter School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Desert Heights Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule as 2016 C-1 and 2016 C-2 that we consider to be significant deficiencies.

1450 W. Guadalupe Rd., Suite 111 • Gilbert, AZ 85233 • Ph: 480.644.1097 • Fax: 480.644.9405

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Desert Heights Charter School's financial statements are free from 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.*

Desert Heights Charter School's Response to Findings

Desert Heights Charter School's response to the findings identified in our audit is described in the accompanying schedule. Desert Heights Charter School's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lorenzo, PLC

Lorenzo, PLC
Gilbert, Arizona
November 10, 2016

DESERT HEIGHTS CHARTER SCHOOL
INTERNAL CONTROL DEFICIENCY
JUNE 30, 2016

ACCRUED PAYROLL
REFERENCE: 2016 C-1

CONDITION
The School did not record the proper accrued payroll balance and payroll expenses as of and for the fiscal year ended June 30, 2016.

CRITERIA
In accordance with generally accepted accounting principles (GAAP) and management's assertion that the financial statements are accurate, expenses should be recorded in the period the event causing the obligation occurred.

EFFECT
The School's accrued payroll balance and payroll expenses were understated as of and for the fiscal year ended June 30, 2016 by $116,707.

CAUSE
The school's financial consultant was unable to complete certain year-end procedures due to a serious illness. The school has retained another financial consultant and does not anticipate this will be a problem moving forward.

RECOMMENDATION AND BENEFIT
Management and its consultants should establish procedures to accrue and record payroll expenditures at fiscal year-end that have been earned as of June 30. This will help ensure that the financial statements are accurate and that liabilities are recorded at the proper value.

CLIENT RESPONSE/CORRECTIVE ACTION
We concur with the condition.

Individual responsible for corrective action:
Michele Diamond, Financial Consultant

Corrective action plan:
The school's financial consultant was unable to complete certain year-end procedures due to a serious illness. The school's new financial consultant has already established procedures to ensure all year-end procedures are performed and all liabilities are properly recorded.

Implementation date:
Immediately, November 2016

DESERT HEIGHTS CHARTER SCHOOL
INTERNAL CONTROL DEFICIENCY
JUNE 30, 2016

CLASSROOM SITE FUND
REFERENCE: 2016 C-2

CONDITION
While the School is in compliance, it did not have a schedule or other control in place that identifies the funding sources of each employees' salary related to Project 1013, so that they can track the Project 1013 funds to monitor they are in compliance with the supplement, not supplant, requirement related to classroom site fund monies.

CRITERIA
In accordance with Arizona Revised Statutes 15-977, all payments for Classroom Site Fund should be supplemental to existing funding from other sources.

EFFECT
Without a control mechanism in place, the School may not be aware supplanting occurred.

CAUSE
Unknown.

RECOMMENDATION AND BENEFIT
The School should establish a control mechanism that helps it monitor the funding sources of each employees' salary so that they can track Project 1013 funds to ensure they are in compliance with the supplement, not supplant, requirement related to classroom site fund monies.

CLIENT RESPONSE/CORRECTIVE ACTION
We concur with the condition.

Individual responsible for corrective action:
Mark Jiles, Michele Diamond and Nancy Parra

Corrective action plan:
Communication between upper management, controller and consultant will take place to ensure that we are properly recording all documentation regarding funding source for employee salaries and 1013 funds. This is to ensure that supplanting does not occur.

Implementation date:
The plan will be implemented effective immediately, with the schedule to be completed in June 2017.

DESERT HEIGHTS CHARTER SCHOOL
STATUS OF PRIOR YEAR FINDINGS OF NONCOMPLIANCE WITH LAWS AND REGULATIONS AND INTERNAL CONTROL DEFICIENCIES
JUNE 30, 2016

We have reviewed our prior report dated November 16, 2015 and the School has corrected its internal control deficiency identified as 2015 C-1. The deficiency identified as 2015 C-2 has been partially corrected and the repeated deficiency is identified as 2016 C-2. The School had no findings of noncompliance.

DESERT HEIGHTS CHARTER SCHOOLS
DEBT SERVICE COVERAGE RATIO
JUNE 30, 2016

Series 2014 Bonds	$ 15,000,000
Series 2014 Debt Service (Maximum- fiscal year 2032-33)	$ 1,224,600
Pledged Revenues	
State Assistance	$ 5,503,787
Federal/State Grants	308,058
National school lunch program (federal)	93,027
Preschool Tuition	502,016
Before and after school services	203,607
Contributions	3,898
Rental income	12,670
School activities	221,564
Supply sales	51,435
Transportation fees	42,440
Interest	17
Miscellaneous	35,784
Total Pledged Revenues (tax credit funds excluded)	6,978,303
General Operating Expenses	
Program Services (tax credit funds excluded)	6,607,770
Management and General	462,105
Total Operating Expenses	7,069,875
Net Income	(91,572)
Add: Depreciation and Amortization	467,626
Debt Service Interest	1,047,750
Net Income Available for Debt Service	$ 1,423,804
Divided by Debt Service	$ 1,224,600
Debt Service Coverage Ratio	1.16

DESERT HEIGHTS CHARTER SCHOOLS

AGREED-UPON PROCEDURES REPORT
ON THE
ARIZONA STATE BOARD FOR CHARTER SCHOOLS
LEGAL COMPLIANCE QUESTIONNAIRE

FOR THE YEAR ENDED JUNE 30, 2016

TABLE OF CONTENTS

Independent Accountant's Report on Applying Agreed-Upon Procedures	i
Legal Compliance Questionnaire	1
Legal Compliance Questionnaire Comments	15

Lorenzo, PLC
Certified Public Accountant

Anthony Lorenzo, CPA

Member of American Institute of Certified Public Accountants
Member of Arizona State Society of Certified Public Accountants

Independent Accountant's Report on Applying Agreed-Upon Procedures

Desert Heights Charter Schools
Board of Directors

We have performed the procedures enumerated in the accompanying Legal Compliance Questionnaire, which were agreed to by Desert Heights Charter Schools (School) and the Arizona State Board for Charter Schools (ASBCS), solely to assist you and the ASBCS in evaluating the School's compliance with the requirements of the Arizona State Board for Charter Schools Legal Compliance Questionnaire for the year ended June 30, 2016. Our findings related to the procedures are contained therein. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described in the Legal Compliance Questionnaire for the purpose for which this report has been requested or for any other purpose.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the School's compliance with the requirements of the Legal Compliance Questionnaire. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended for the information and use of the Board of Directors and management of Desert Heights Charter Schools, and the Arizona State Board for Charter Schools, and is not intended to be and should not be used by anyone other than these specific parties.

Lorenzo, PLC

Lorenzo, PLC
Gilbert, Arizona
November 11, 2016

1450 W. Guadalupe Rd., Suite 111 • Gilbert, AZ 85233 • Ph: 480.644.1097 • Fax: 480.644.9405

Arizona State Board for Charter Schools

Legal Compliance Questionnaire

DESERT HEIGHTS CHARTER SCHOOLS

(CTDS 07-86-21)

Fiscal Year Ended June 30, 2016

Table of Contents

Topic	Page
INSTRUCTIONS	2
PERSONNEL	4
REQUIRED FILINGS	5
SPECIAL EDUCATION	6
CLASSROOM SITE FUND	6
STUDENT ATTENDANCE REPORTING	7
OPEN MEETING LAW	13
INSURANCE REQUIREMENTS	13
TUITION	13
RECORDS MANAGEMENT	14
SIGNATURE PAGE	14

INSTRUCTIONS

NOTE: This questionnaire should only be used for charters that are exempt from the Uniform System of Financial Records for Arizona Charter Schools (charters that HAVE an exception). If a charter is subject to procurement requirements pursuant to A.R.S. §§15-189.02 and 41-2535(A), this questionnaire should be used in conjunction with the Procurement Compliance Questionnaire (see audit guidelines) which is available on the Arizona State Board for Charter Schools' website https://asbcs.az.gov.

In order to determine whether a charter that is exempt from the requirements of the Uniform System of Financial Records for Arizona Charter Schools (USFRCS) is complying with applicable legal requirements, the auditors must complete the following Legal Compliance Questionnaire in accordance with both the agreed upon procedures (instructions contained herein) and the attestation standards established by the American Institute of Certified Public Accountants. (Note: This questionnaire is not comprehensive of all legal requirements for charter schools. As such, this document should not be the sole reference to determine all laws and regulations that are applicable to charter schools).

The following prescribed minimum agreed upon procedures, as well as those identified throughout the questionnaire, must be used for completing the Legal Compliance Questionnaire in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The State Board for Charter Schools may reject questionnaires not meeting these standards.

- Sufficient, appropriate evidence must be obtained annually for each question to satisfactorily determine whether the charter complies with the legal requirements, and the evidence must be included in the documentation.

- Evidence may be obtained through test work, observation, examination, and client assertion. However, client assertion alone is not adequate evidence to support "Yes" answers to the questionnaire.

- Population size should be considered in determining the number of items to test, and the items selected should be representative of the population.

- The number of items tested must be sufficient to determine whether a deficiency was the result of an isolated incident or a recurring problem. Therefore, testing one transaction, record, or item is not sufficient.

- The sample size should be expanded if the audit firm cannot clearly determine whether the charter complies with the legal requirements of the question.

- If sufficient evidence has been obtained and documented during the current audit, that evidence may be referenced to answer questions.

- All "No" and "N/A" answers must be adequately explained in the comments column or in an attachment. Findings must be described in sufficient detail to enable the State Board for Charter Schools to describe the finding in a letter. The description should include the number of items tested and the number of exceptions noted.

- A "Yes" answer indicates that the audit firm has determined that the charter complies with the legal requirements of the question and a "No" answer indicates the charter does not comply. However, the final determination of compliance on each question, as well as overall compliance with legal requirements, is made by the State Board for Charter Schools based on the evidence presented in the questionnaire, audit reports, resulting documentation, and any other sources.

The resulting documentation supporting the audit firm's answers to the Legal Compliance Questionnaire must be made available on request for review by the State Board for Charter Schools. To facilitate this review, the audit firm may wish to include in the documentation a copy of the questionnaire containing references to procedures performed for each question.

Legal Compliance Questionnaire[1]

Questions/Subject Area	Yes/No	Comments
Personnel		
1. Did the school have valid fingerprint clearance cards (FCC) for 100% of the required personnel as of the testing date? **A.R.S. §15-183 (C)(5) and A.R.S. §15-512(H)**	YES	
(QUESTIONS #2a THROUGH 2c ONLY APPLY TO NEW HIRES REQUIRED PURSUANT TO **A.R.S. §15-183(C)(5)** TO HAVE VALID FCCS AND DO NOT APPLY IF AN INDIVIDUAL'S FCC HAS EXPIRED.) 2. For each individual referenced in #1 that did not have a valid FCC, please provide the following information (provide supplemental pages, if necessary) (See agency guidance available on the Board's website prior to completing these questions)**A.R.S. §15-183(C)(5)**: a. Was an application for a FCC on file with the Department of Public Safety (DPS) as of the testing date?	N/A	See 1. above
b. Did DPS receive the application prior to the hire date?	N/A	See 1. above
c. Prior to placement, did the school do all of the following? i) Document the necessity for hiring/placing the individual prior to receiving a FCC?	N/A	See 1. above
ii) Obtain statewide criminal history information on the individual?	N/A	See 1. above
iii) Obtain references from the applicant's current and previous employers?	N/A	See 1. above
3. Did the charter school maintain up-to-date fingerprints of all Governing Body members as of the testing date? **Charter Contract**[2]	YES	
4. Were all other personnel fingerprint checked as of the testing date? **A.R.S. §15-183 (C)(5) and A.R.S. §15-512**	YES	
5. Did the charter school inform the parents and guardians of pupils enrolled in the school of the availability of resume information for all employees who provide instruction to pupils? **A.R.S. §15-183 (F)**	YES	

[1] For the purposes of this questionnaire, please note that "Governing Body" means the group of persons required by A.R.S. §15-183(E)(8) that is responsible for policy decisions of the charter school. The term "Governing Board" means the group of persons that the charter holder has assigned the responsibility addressed by the question. The applicable group of persons may be the Governing Body or the officers, directors, members or partners of the charter holder. The applicable group of persons may vary depending on the issue addressed by the question.

[2] Specific contract cites could not be provided as term references vary per contract year.

	Yes/No	Comments
Required Filings		
1. Is the school in good standing with the following regulatory bodies: a. Internal Revenue Service **U.S.C. Title 26**		
i. For payroll taxes, income taxes (if applicable) and applicable tax forms required to be filed during the audited fiscal year?	YES	
ii. The school did not have any payroll or income taxes payable from a prior year(s) as of audited fiscal year end (June 30th) is a true statement.	YES	
iii. If the response to 1.a.i, 1.a.ii, or both is "no", does the school have a payment plan in place with the Internal Revenue Service?	N/A	See i and ii above.
iv. If the answer to Question 1.a.iii is "yes", has the school made all of the required payments under the payment plan as of audited fiscal year end (June 30th)?	N/A	See iii above.
b. Arizona Department of Revenue **A.R.S. §43-401 and §43-1111**		
i. For payroll taxes, state income taxes (if applicable) and applicable tax forms required to be filed during the audited fiscal year?	YES	
ii. The school did not have any payroll or income taxes payable from a prior year(s) as of audited fiscal year end (June 30th) is a true statement.	YES	
iii. If the response to 1.b.i, 1.b.ii, or both is "no", does the school have a payment plan in place with the Arizona Department of Revenue?	N/A	See i and ii above.
iv. If the answer to Question 1.b.iii is "yes", has the school made all of the required payments under the payment plan as of audited fiscal year end (June 30th)?	N/A	See iii above.
c. Arizona Department of Economic Security **A.R.S. § 23-721 et seq.**		
i. State unemployment contributions requirements for the audited fiscal year?	YES	
ii. The school did not have any state unemployment contributions payable from a prior year(s) as of audited fiscal year end (June 30th) is a true statement.	YES	
iii. If the response to 1.c.i, 1.c.ii, or both is "no", does the school have a payment plan in place with the Arizona Department of Economic Security?	N/A	See i and ii above.
iv. If the answer to Question 1.c.iii is "yes", has the school made all of the required payments under the payment plan as of audited fiscal year end (June 30th)?	N/A	See iii above.
d. Corporation Commission (e.g., annual report)? **Charter Contract**	YES	

2. Was a copy of the adopted budget submitted electronically to the Superintendent of Public Instruction no later than July 18th? **A.R.S. §15-905 (E) and §15-183 (E)(6)**	YES	
3. Was the Annual Financial Report (AFR) sent to the Superintendent of Public Instruction by October 15th? **A.R.S. §15-183 (E) (6) and 15-904 (A)**	NO	The AFR was not sent until October 18th.
Special Education		
1. Is the staff the school uses to provide special education services (internal or contracted) certified in special education?	YES	
2. Does the school conduct 45 day screenings on all new students? **AAC R7-2-401**	YES	
3. Are evaluations and IEPs on file for special education students? **34 CFR 300.341-350 and 300.531-536**	YES	
Classroom Site Fund - A.R.S. §15-977 & OAG Memorandum No. 44		
1. Did the school properly allocate Classroom Site Fund receipts among the following projects: 1011—Base Salary (20%), 1012—Performance Pay (40%), and 1013—Other (40%)?	YES	
2. For Project 1011, were expenses only for teacher base salary increases and employment-related expenses?	YES	
3. For Project 1012, were expenses only for performance-based teacher compensation increases and employment-related expenses?	YES	
4. For Project 1013, were expenses only for class size reduction, teacher compensation increases, AIMS intervention programs, teacher development, dropout prevention programs, and teacher liability insurance premiums?	YES	
5. Did the school use Classroom Site Fund monies to supplement rather than supplant, existing funding from all other sources? (See USFRCS Memorandum No. 44 for guidance on the Classroom Site Fund.)	YES	
6. If the school had monies remaining at year-end, were they properly carried forward in the three Classroom Site Projects (1011, 1012, and 1013) to help ensure that the restrictions placed on the original allocation of revenues is applied in future years?	YES	
7. Did the school have sufficient cash at year-end to cover the carry over monies, and what was the Classroom Site Fund cash carryover balance at year-end?	YES	Cash carryover balance was $418,303

Student Attendance Reporting		
If test work performed in this section discloses a net overstatement or understatement of membership and/or absence days, based on A.R.S. and ADE's membership and attendance guidelines, report the net overstatement or understatement in the "Comments" column next to each applicable question.		
	Yes/No	**Comments**
1. Was school in session for at least 180 days or did the Governing Board adopt a calendar with an equivalent number of minutes of instruction per school year based on a different number of days of instruction? **A.R.S. § 15-341.01**	YES	
2. Did the school ensure that **[A.R.S. §§15-808(J)(1) and 15-901(A)(1)]:** (**Note:** Instructional hours do not include periods of the day in which an instructional program or course of study is not being offered, including, but not limited to, lunch, recesses, home room periods, study hall periods, and early release or late start hours.) **ADE's External Guidelines GE-17 and GE-18**		
a. Preschool children with disabilities were enrolled in a program that met at least 360 minutes a week that meets at least 216 hours over the minimum number of days?	N/A	No such students served.
b. Kindergarten was in session for at least 356 hours or 346 hours for Arizona Online Instruction (AOI) Programs?	YES	
c. Grades 1 through 3 were in session for at least 712 hours?	YES	
d. Grades 4 through 6 were in session for at least 890 hours?	YES	
e. Grades 7 and 8 were in session for at least 1,000 hours or 1,068 hours for AOI Programs?	YES	
f. Grades 9 through 12, other than AOI Programs, were in session at least 720 hours?	YES	
g. Grades 9 through 12, other than AOI Programs, include at least four subjects, each of which if taught each school day for the minimum number of days required in a school year, would meet a minimum of 123 hours a year?	YES	
h. Grades 9 through 12 of AOI Programs include at least four courses throughout the year that meet at least 900 hours during the school year?	N/A	The School does not offer an AOI program
For Student Attendance Reporting questions, the audit firm must select and test the specified number of transactions (records, entries, withdrawals, or days) as shown in the sample size instructions before each section. These samples should include 3 or more grade levels and 3 or more campuses, where applicable. The listed sample sizes represent the minimum level of required test work. The audit firm should use its judgment in determining whether a larger sample is needed. All student attendance records tested should be selected from the 100th day reporting period. **In the parentheses provided within the questions, write the actual number of transactions tested. If all transactions were tested, indicate such in the "Comments" column.**		
For questions 3-5 select at least 3 student attendance records.		

3. If the school had an early (pre-)_kindergarten program, based upon review of (__-__) early (pre-) kindergarten students' attendance records, did the school only calculate and submit membership/absence information for this program for students with disabilities? **A.R.S. §15-901(A)(1)(a)(i) and USFRCS Memorandum No. 33**	N/A	No such program offered.
4. Based upon review of (__3__) students' attendance records in kindergarten programs, if the instructional time for the year was between 356 and 692 hours, were students not in attendance for at least three-quarters of the day counted as being absent or, if the instructional time for the year was 692 hours or more, were students not in attendance at least one-half of the day counted as being absent? **A.R.S. §§15-901(A)(1)(a)(i) and 15-901(A)(5)(a)(i)**	YES	
5. If the school had an early first grade program, based upon review of (__-__) early first grade students' attendance records, did the school calculate and submit membership/absence information for this program as it would for kindergarten? **A.R.S. §§15-901(A)(1)(a)(i) and 15-901(A)(5)(a)(i), and USFRCS Memorandum No. 33**	N/A	No such program offered.
For questions 6 and 7, use the following sample sizes:		
SCHOOLWIDE ADM / **Student Attendance Records** **<1,000** / **5** **1,000-5,000** / **10** **>5,000** / **15** 6. Based upon review of (__-__) students' attendance records at elementary and junior high schools in which attendance was based on half days, were students in attendance for less than one-half the day counted as being absent for one full day; were students in attendance for at least one-half day, but less than three-quarters of a day, counted as being absent for one-half day; and were students in attendance for at least three-quarters of a day counted in attendance for a day? **A.R.S. §15-901(A)(5)(b)(ii)**	N/A	See #7 below

7. Based upon review of (5) students' attendance records at elementary and junior high schools where attendance was based on quarter days, were students in attendance for more than three-quarters of the day counted in attendance for a day and students in attendance for three-quarters of the day or less counted in attendance for each quarter of the day in attendance? **A.R.S. §15-901(A)(5)(b)(i)**	NO	See page 15, #1
For questions 8 through 15, use the following sample sizes:		
SCHOOLWIDE **ADM** — **Student Attendance Records** **<1,000** — **3** **1,000-5,000** — **5** **>5,000** — **7** 8. For schools approved to report minutes of attendance, based upon review of the attendance records for a 1 month period for (-) students whose attendance was reported in minutes, did the school report minutes of attendance only for actual classroom instruction attended by the students?	N/A	See #9 below
9. Based upon review of (3) high school students' attendance records, whose attendance was reported in terms of absences, for all absence days reported in a 1 month period, did the school report absences in accordance with the method(s) provided by ADE?	NO	See page 15, #2
10. Based upon review of (-) high school students' attendance records, did the school prorate the membership of the students enrolled in less than four subjects?	N/A	No students were enrolled in less than four subjects.
11. For students enrolled in a program provided by a JTED in a facility owned and operated by a school: a. For schools-Based on a review of (-) students' attendance records, did the school report the actual enrollment and attendance data for only the school classes the student was enrolled in at that school (excluding JTED program classes) under the school's CTDS number?	N/A	The School does not offer such program
b. For schools-Based on the review of (-) students' attendance records for all absence days reported in a 1 month period, did the school calculate absences in accordance with the method(s) provided by ADE *and* based on the number of school classes the student was enrolled in and attended (excluding JTED programs classes)? [**Note:** Total membership claimed for the school and the JTED satellite locations for each student should not exceed 1.25. **A.R.S. §15-393(P)**]	N/A	The School does not offer such program

12. For schools offering an AOI Program, based upon a review of (-) AOI students' attendance records for 4 weeks: **(ADE's Policies and Procedures Manual, SF-0003)** a. Was the guardian-approved or school computer-generated daily log describing the amount of time spent by the student on academic tasks maintained by the participating AOI School? **A.R.S. §15-808(E)**	N/A	The School does not have an AOI program
b. Did the hours reported to ADE agree to the guardian-approved or school computer-generated daily log?	N/A	See 11a above
c. Were all students who participated in an AOI Program, residents of this state? **A.R.S. §15-808(B)**	N/A	See 11a above
d. Was the student's Intended Full Time Equivalency Enrollment Statement maintained?	N/A	See 11a above
13. Based on review of the student's attendance records in question 12, did the school follow its procedures, to re-determine the actual FTE for each student enrolled in an AOI Program, following a student's withdrawal or after the end of the school year?	N/A	The School does not have an AOI program
14. Based upon review of (3) students' attendance records (all grades) for students withdrawn for having ten consecutive unexcused absences, was the student only counted in membership through the last day of actual attendance or excused absence? **A.R.S. §15-901(A)(1)**	YES	
15. Based upon review of (3) students' attendance records, does the student's name entered in the student management system match the name on the legal document on file? **A.R.S. §15-828(D)**	YES	
For questions 16 and 17, use the following sample sizes:		
SCHOOLWIDE ADM / **Entries/Withdrawals** **<1,000** / **5** **1,000-5,000** / **10** **>5,000** / **15**		

16. Based upon review of (5) entries: (**Note:** Enrollment forms are not required for continuing students at the same school.)		
a. Were the entry dates entered into the school's computerized attendance system within 5 working days after the actual date of entry and was documentation maintained to support the date of data entry?	YES	
b. Did the entry date in the computerized attendance system agree to the entry form?	YES	
c. Did the teachers' attendance registers, if used, and other documentation support the entry date in the computerized attendance system?	YES	
d. Did membership begin on the first day of actual attendance or, for continuing/pre-enrolled students, the first day that classroom instruction was offered, provided that the students actually attend within the first 10 days of school?	YES	
e. Did the school obtain and maintain verifiable documentation of Arizona residency upon enrollment? **A.R.S. §15-802(B)(1) and ADE's Arizona Residency Documentation Guidelines**	YES	
f. If a student was a nonresident of Arizona, was the student excluded from the school's student count and state aid calculations? **A.R.S. §15-823(K)**	N/A	No students identified as non-residents
g. If the school admitted students who were nonresidents of Arizona, was tuition charged, as applicable? **A.R.S. §15-823**	N/A	No students identified as non-residents

17. Based upon review of (6) withdrawals:		
a. Were the withdrawal dates entered into the school's computerized attendance system within 5 working days after the actual day of withdrawal and was documentation maintained to support the date of data entry? (**Note:** "Day of withdrawal" for determining timely data entry means: a. the later of the student's withdrawal date or the day the school is notified the student will not be returning; or b. the 10th day of unexcused absence for students withdrawn for having ten consecutive unexcused absences.)	NO	See page 15, #3
b. Did the withdrawal date in the computerized attendance system agree to the withdrawal form? **(Note:** If the computerized attendance system requires the school to input the day following the withdrawal date for a student to be counted in membership through the last day of actual attendance or excused absence, the withdrawal date on the system should be the school day following the withdrawal date on the form.)	YES	
c. Did the teachers' attendance registers, if used, and other supporting documentation agree to the withdrawal date in the computerized attendance system?	YES	
d. Was an *Official Notice of Pupil Withdrawal* form prepared and retained for each withdrawal and signed by a school administrator? **A.R.S. §15-827**	YES	
For question 18, use the following sample sizes: **SCHOOLWIDE ADM** — **Days** **<1,000** — **3** **1,000-5,000** — **5** **>5,000** — **7**		
18. Based upon review of (3) days for various campuses, grades, and classes in the computerized attendance system, did the student absences from each day agree to the teachers' attendance registers, absence slips, or other supporting documentation, if used?	NO	See page 15, #4

19. Did the school have adequate electronic or manual controls in place to ensure that any changes to the original record of student attendance data were properly authorized and documented, including the names or identification numbers of the persons making and authorizing the changes?	YES	
20. Was the school's membership/absence information submitted to ADE electronically at least once every 20 school days for membership and 60 days for absence information through the last day of instruction (with the first 20 and 60 day periods beginning on the first day of school or the opening of SAIS or AzEDS, for current fiscal year data submission, whichever is later)? **A.R.S. §§15-901(A)(1) and 15-1042(G)**	YES	
21. Based upon review of the school's 40th and 100th day information uploaded to ADE (ADMS 75-1 or equivalent report in AzEDS), did the membership and absences agree to the school's computerized attendance system records? (**Note:** For an AOI Program, review year-end attendance information.)	YES	
	Yes/No	**Comments**
Open Meeting Law A.R.S. § 38-431.01 and § 38-431.02 (See also Attorney General Opinion I00-009)		
1. Did the school conspicuously post a statement on its website stating where all public notices of its meetings will be posted, including the physical and electronic locations?	YES	
2. Did the school post all public meeting notices on its website?	YES	
3. Did the school maintain a record of notices that includes a copy of each notice that was posted and information regarding the date, time and place of posting?	YES	
4. Were notices and agenda of public meetings posted at least 24 hours before the meeting?	YES	
5. Were written minutes prepared or a recording made of Governing Body meetings?	YES	
Insurance Requirements A.R.S. §15-183(M)		
Does the school have the required insurance for liability and property loss?	YES	
Tuition A.R.S. §15-185 (B)(6) (See also Attorney General Opinion I98-007)		
Did the school refrain from charging fees that may be considered tuition other than as provided for in A.R.S. §15-185(B)(6) [nonresidents]?	YES	

Records Management		
1. Did the school retain records in accordance with the *General Retention Schedules for Education – K-12* published by the Arizona State Library, Archives and Public Records (based on the testing conducted during the course of the audit)? (www.azlibrary.gov/arm/retention-schedules)	YES	
2. Was adequate documentation retained to support amounts in the financial statements (if the school is not the primary reporting entity - was adequate documentation retained to support revenue and expenses in the charter school)?	YES	

This Questionnaire was completed in accordance with the minimum standards as set forth in the instructions on pages 2 and 3.

Lorenzo, PLC	November 11, 2016
Audit Firm	Date
Anthony Lorenzo	Managing Member
Preparer's Signature (Audit Firm Representative)	Title

DESERT HEIGHTS CHARTER SCHOOLS
LEGAL COMPLIANCE QUESTIONNAIRE
FISCAL YEAR ENDED JUNE 30, 2016

COMMENTS

1. Of the 5 elementary students tested, the School reported 1.5 absences for one student and the actual absences should be 3.0; and for one other student the reported absences were 2.5 and the actual absences were 2.75 days.
2. Of the 3 high school students tested, the School reported a .50 day absence for one student and the actual absence should have been .25; and for one other student the reported absence was .25 and no absence should have been reported.
3. For 1 of 5 students tested, the last day of attendance section on the withdrawal form was not completed.
4. Two high school students' absences of .50 and .25 were not recorded and three elementary students' absences of .50, 1.0 and .50 were not recorded in the computerized attendance system.

APPENDIX D

FINANCIAL RESPONSE EVALUATION

Financial Performance Response Evaluation Instrument

Charter Holder Name: Desert Heights Charter Schools
Charter Holder Entity ID: 81099
Required for: Renewal
Audit Year: 2016

Arizona State Board for Charter Schools (Board) staff completed the Financial Performance Response Evaluation Instrument for the Board in its consideration of applicable requests made by the charter holder. For each measure where the charter holder did not meet the target for the most recent audited fiscal year presented in the dashboard, Appendix C of the Financial Performance Framework requires the charter holder to answer three questions: 1) why did we not meet the measure's target in the audited fiscal year; 2) what specifically have we done to improve our performance so that it's possible to meet the measure's target in the next fiscal year or a subsequent fiscal year; and 3) what can we provide to support our explanations and analysis? A "Not Acceptable" evaluation means the response for that measure did not sufficiently address one or more of these questions. "Not Acceptable" answers may adversely affect the Board's decision regarding a charter holder's request.

Measure	Reason(s) for "Not Acceptable" Rating
2a. Net Income Acceptable ☒ Not Acceptable ☐ Not Applicable ☐	
2b. Cash Flow Acceptable ☒ Not Acceptable ☐ Not Applicable ☐	
2c. Fixed Charge Coverage Ratio Acceptable ☐ Not Acceptable ☐ Not Applicable ☒	
1a. Going Concern Acceptable ☐ Not Acceptable ☐ Not Applicable ☒	

Measure	Reason(s) for "Not Acceptable" Rating
1b. Unrestricted Days Liquidity Acceptable ☒ Not Acceptable ☐ Not Applicable ☐	Please note in the charter holder's calculation of its 2018 performance, the Classroom Site Fund carryover amount used does not align with the amount identified in the response's "Classroom Site Fund Carry Over Detail" document. Using the amount from the response's "Classroom Site Fund Carry Over Detail" document, the charter holder's performance would be closer to 38 days instead of 40 days. This does not affect the charter holder's assertion that it will meet this measure's target in 2018.
1c. Default Acceptable ☐ Not Acceptable ☐ Not Applicable ☒	

APPENDIX E

ACADEMIC SYSTEMS REVIEW REPORTS

Academic Systems Review Report

CHARTER INFORMATION

Charter Holder Name	Desert Heights Charter Schools	School	Desert Heights Charter School
Charter Holder Entity ID	81099	Site Visit Date	April 25, 2017
Academic Systems Review due to:	Charter Renewal		

Area	Issue	Follow-Up
School Calendar *The number of instructional days on the school calendar aligns with the number of instructional days in the contract and on file with the Arizona Department of Education.*	No Issue	
Instructional Hours *Pursuant to A.R.S. §15-901, minimum required instructional hours are met for all grade levels.*	No Issue	
Instructional Staff Education and Experience *Pursuant to A.R.S. §15-183(F), information about the teaching background and experience for all instructional staff members is available to parents. Availability of this information is communicated to parents.*	No Issue	
Open Meeting Law *Notifications, minutes, and agendas from the last 12 months are reviewed for compliance with OML requirements. Compliance with requirement of online posting is checked.*	No Issue	
Board Alignment *Board membership is reviewed for alignment between ASBCS and ACC*	No Issue	

Enrollment and Attendance Policies *Reviewed for compliance with A.R.S. §15-184.*	No Issue	
Mission Statement *Mission statement on school materials aligns with mission on file with ASBCS.*	The Charter Holder's mission on ASBCS Online was not in alignment with the operating mission statement in the Student & Parent Handbook.	On April 28, 2017, the Charter Holder filed a Charter Mission Amendment Request to bring the two into alignment.
Other	No Issue	

Program of Instruction

Prior to the Academic Systems Review visit, Board staff reviewed the Charter Holder's contract, as amended, to identify the program of instruction the Charter Holder is contracted to deliver. Additionally, prior to conducting classroom observations, Board staff discussed the program of instruction with school leadership to further understand the methods of instruction utilized at the school.

The Charter Holder's program of instruction incorporates a research-based curriculum with a project-based instructional and learning methodology.

During classroom observations, Board staff was able to see the program of instruction in action at the school.

- Students working in Reading Centers in a 2nd Grade classroom
- Students working independently while the teacher worked one-on-one with students in a 1st Grade classroom
- Students watching a video on point-of-view before taking a quiz in a 4th Grade classroom
- Students working on separate objectives at different horseshoe tables led by three teachers in a Kindergarten Reading Intervention classroom
- Students working with paper shapes to solve word problems in a 3rd Grade classroom
- Students working in groups on alliteration and presenting their creations to the class on the Smart Board in a 3rd Grade classroom
- Students working on story problems while the teacher helped them break apart the problems in a 1st Grade Math Intervention classroom

Academic Systems

Does the school have an explicit, written curriculum for core content areas that is aligned with the state academic standards and that drills down to the skill level?	
i. **The school is able to provide evidence of curriculum alignment with state academic standards for core content areas and grade levels** ii. **The school's curriculum provides explicit content and skills to be taught for each grade level and/or content area** iii. **The school's curriculum provides an explicit, organized sequence of content and skills within an academic year**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The Curriculum Unit Maps include a section at the end for all standards taught during the unit. The Grade Level Standards Checklist includes focus standards	Curriculum Unit Maps; Grade Level Standards Checklist; Year-at--Glance Pacing Guide
ii. Each Curriculum Unit Map includes what content and skills will be taught for each grade level and/or content area, as well as "I Can" statements for students and a section on Observable Student Behaviors. The Pacing Guides include the standards that will be taught with each unit and when those units are taught.	Curriculum Unit Maps; Year-at-a-Glance Pacing Guide
iii. The Curriculum Unit Maps are organized by weeks throughout the year. The Year at a Glance Pacing Guide includes dates for when curriculum will be taught throughout the year.	Curriculum Unit Maps; Year-at-a-Glance Pacing Guide
Is there a systematic process in place for annually monitoring, evaluating, and reviewing the curriculum?	
i. **The school has a process that identifies specific timeframes for monitoring, evaluating, and reviewing curriculum** ii. **The school has a process that identifies key personnel responsible for monitoring, evaluating, and reviewing curriculum** iii. **The school has a process that generates a plan of action based on findings**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The Desert Heights Curriculum Evaluation and Review Cycle demonstrates that the school has a 4-year review process for monitoring, evaluating, and reviewing curriculum and what must be accomplished in each of those 4 years.	Desert Heights Curriculum Evaluation and Review Cycle
ii. The Desert Heights Curriculum Evaluation and Review Cycle includes a section on the Curriculum Revision Requirements, which states the key personnel responsible for the process. The Curriculum Review Team Meeting Minutes speak to who is responsible for the review of the curriculum.	Desert Heights Curriculum Evaluation and Review Cycle: Curriculum Review Team Meeting Minutes
iii. The Desert Heights Curriculum Evaluation and Review Cycle generates a plan of action that repeats every 4 years. The Curriculum Team uses the Curriculum Evaluation sheet when a new curriculum is adopted and again when it is reviewed to rate different aspects and indicators of each curriculum; these evaluations help to generate a plan of action.	Desert Heights Curriculum Evaluation and Review Cycle; Curriculum Evaluation sheet

How is integration of the state academic standards into the teachers' instructional practices assessed?	
i. **Classroom observations are conducted at specified intervals to confirm standards aligned curriculum are integrated into instruction** ii. **The school consistently uses a tool to assess the integration of standards into instruction** iii. **The school consistently uses a tool to assess whether instruction occurs according to the school's instructional planning document (scope and sequence, pacing guide, etc.)**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The Charter Holder stated that there are two formal evaluations for every teacher: Fall and Spring. Additionally, both the Interventionist and the Principal complete informal walkthroughs to observe instruction and interventions.	Teacher Pre-Observation/Planning Form; Formal Classroom Observation Forms; Classroom Observation Walkthrough Forms
ii. The Formal Teacher Observation Forms include a section (at the top) that displays all the standards that will be taught during the observed lesson. The Teacher Lesson Plans also provide what standards will be taught with each lesson.	Formal Teacher Observation Forms; Teacher Lesson Plans
iii. Teacher Lesson plans address which units and standards upon which teachers are instructing. Informal Observation Forms offer feedback for teachers.	Formal Teacher Observation Forms; Teacher Lesson Plans
What comprises the school's teacher evaluation system? (Type, Frequency, Formative, & Summative)	
i. **The school has a process that clearly identifies who is responsible for implementing the various components of the teacher evaluation system and when these processes occur** ii. **The school is able to provide evidence of observations with feedback provided to teachers after each observation** iii. **The school is able to provide evidence that the evaluations of teacher performance include a final, summative component**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The Charter Holder stated that there are two formal evaluations for every teacher: Fall and Spring. Additionally, both the Interventionist and the Principal complete informal walkthroughs to observe instruction and interventions.	Teacher Pre-Observation/Planning Form; Formal Classroom Observation Forms; Classroom Observation Walkthrough Forms
ii. Both the Formal Classroom Observation Forms and Classroom Observation Walkthrough Forms include sections for the observer to provide teacher feedback.	Formal Classroom Observation Forms; Classroom Observation Walkthrough Forms
iii. Formal Classroom Observation Forms include a final, summative evaluation.	Formal Classroom Observation Forms
Is there a comprehensive assessment plan that utilizes data in a variety of ways to measure student performance and plan for teaching and learning?	

i. **The school is able to provide evidence of an assessment plan that covers all core content areas and grade levels** ii. **The school is able to provide evidence of a process that uses assessment data to create a plan for instruction** iii. **The school has a process that clearly identifies who is responsible for evaluating student data** iv. **The school assessment plan identifies the types of data collected and periods of review for identified data**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The Desert Heights' Ongoing Review of Student Achievement Data provides evidence that all core content areas and grade levels are covered; the assessments used are Moby Max, Galileo, DIBELS, and classroom assessments. The Data Analysis Chart describes how those pieces of data are reviewed and by whom.	Data Analysis Chart for Desert Heights; Desert Heights' Ongoing Review of Student Achievement Data; Data Meeting Agenda and Notes
ii. All documents provide evidence that the assessment data mentioned in i. are used to create a plan for instruction.	Data Analysis Chart for Desert Heights; Desert Heights' Ongoing Review of Student Achievement Data; Data Meeting Agenda and Notes
iii. All three documents speak to who is responsible for evaluating the data and when these processes occur.	Data Analysis Chart for Desert Heights; Desert Heights' Ongoing Review of Student Achievement Data; Data Meeting Agenda and Notes
iv. The Desert Heights' Ongoing Review of Student Achievement Data and the Assessment Calendar provide what types of data are collected and when it is reviewed.	Desert Heights' Ongoing Review of Student Achievement Data; DHCS Assessment Calendar
What evidence demonstrates that the professional development the teachers are engaged in is increasing student achievement?	
i. **The school is able to provide evidence that it provides professional development that addresses student achievement and outcomes** ii. **The school is able to provide evidence of the types of professional development that occur** iii. **The school is able to provide evidence of how the implementation of professional development is monitored** iv. **The school has a process for monitoring data to ensure that implementation of professional development has a positive impact on student achievement**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The In-Service Agendas address student achievement and outcomes through selection of topics and feedback provided after each session.	DHCS July 2016 Pre Service Agenda; In-Service Agendas
ii. The Pre Service Agenda speaks to the types of professional development offered: DIBELS Training, Curriculum Review, Developing PD Norms, Analyzing Math Instruction and Curriculum, and School Culture. The Teacher PD Needs	DHCS July 2016 Pre Service Agenda; In-Service Agendas

spreadsheet is based on Teacher Survey; these surveys come after professional development. Admin uses these surveys to direct professional development.	
iii. The Charter Holder stated that there is a debriefing after each professional development session that is either supplied to the Principal or to the Team Lead. Additionally, the Charter Holder stated that the implementation of professional development is noted on the formal and informal classroom walkthroughs.	Individual Teacher Debriefing Forms; Formal Classroom Observations
iv. The Charter Holder stated that the process of monitoring data (described above) ensures that implementation of professional development has a positive impact on student achievement or if changes need to be made.	Data Analysis Chart for Desert Heights; Desert Heights' Ongoing Review of Student Achievement Data; Data Meeting Agenda and Notes
How are the professional development activities aligned with the program of instruction (curriculum, methods of instruction, best practices)?	
i. **The school provides professional development activities that support implementation of the school's program of instruction** ii. **The professional development provided is aligned to the curriculum** iii. **The school selects and implements professional development based on criteria related to curriculum, instruction, and best practices**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The topics offered support the school's individualized approach to teaching and learning. The In-Service Agendas speak to professional development activities and how they relate to the school's program of instruction.	DHCS July 2016 Pre Service Agenda; In-Service Agendas
ii. See types of professional development in the previous section. Additionally, Teaching Reading Effectively (TRE) was included at the April 2017 In-Service, and Review and Analysis of ELA and Math Standards and Adjustment to Pacing as well as Educational Research and Implementation (best practices) were included in the February In-Service.	DHCS July 2016 Pre Service Agenda; In-Service Agendas
iii. See ii above.	DHCS July 2016 Pre Service Agenda; In-Service Agendas
What types of professional development follow-up occur?	
i. **The school is able to provide evidence of follow-up activities conducted by leadership and/or staff** ii. **The school provides opportunities for feedback to be given regarding professional development**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The Charter Holder stated that follow-up occurs through the Formal and Informal Classroom Observations. This is how they see if and how teachers are implementing the professional development they have received.	Individual Teacher Debriefing Forms; Formal Classroom Observations

ii. The Charter Holder stated that there is a debriefing after each professional development session that is either supplied to the Principal or to the Team Lead, depending on the type of professional development.	Individual Teacher Debriefing Forms

Academic Systems Review Report

CHARTER INFORMATION

Charter Holder Name	**Desert Heights Charter Schools**	School	**Desert Heights Preparatory Academy**
Charter Holder Entity ID	**81099**	Site Visit Date	**April 24, 2017**
Academic Systems Review due to:	Charter Renewal		

Area	Issue	Follow-Up
School Calendar *The number of instructional days on the school calendar aligns with the number of instructional days in the contract and on file with the Arizona Department of Education.*	No Issue	
Instructional Hours *Pursuant to A.R.S. §15-901, minimum required instructional hours are met for all grade levels.*	No Issue	
Instructional Staff Education and Experience *Pursuant to A.R.S. §15-183(F), information about the teaching background and experience for all instructional staff members is available to parents. Availability of this information is communicated to parents.*	Evidence was not provided to indicate parents/guardians had been notified of the availability of instructional staff résumés to review upon request.	On May 5, 2017, the Charter Holder submitted a copy of the letter (dated July 30, 2016) sent home notifying parents of the availability of instructional staff résumés.
Open Meeting Law *Notifications, minutes, and agendas from the last 12 months are reviewed for compliance with OML requirements. Compliance with requirement of online posting is checked.*	No Issue	
Board Alignment *Board membership is reviewed for alignment between ASBCS and ACC*	No Issue	

Enrollment and Attendance Policies *Reviewed for compliance with A.R.S. §15-184.*	No Issue	
Mission Statement *Mission statement on school materials aligns with mission on file with ASBCS.*	The Charter Holder's mission statement on ASBCS Online was not in alignment with the operating mission statement in the Student & Parent Handbook.	On April 28, 2017, the Charter Holder filed a Charter Mission Amendment Request to bring the two into alignment.
Other	No Issue	

Program of Instruction

Prior to the Academic Systems Review visit, Board staff reviewed the Charter Holder's contract, as amended, to identify the program of instruction the Charter Holder is contracted to deliver. Additionally, prior to conducting classroom observations, Board staff discussed the program of instruction with school leadership to further understand the methods of instruction utilized at the school.

The Charter Holder's program of instruction incorporates a research-based college preparatory curriculum with project-based learning.

During classroom observations, Board staff was able to see the program of instruction in action at the school. Staff observed core content and fine arts instruction:

- Students listening and responding to a teacher speaking and demonstrating in a Spanish classroom.
- Students working in small groups about diseases of the reproductive system in an Anatomy classroom.
- Students listening to a small group presentation about animals in a Science classroom.
- Students practicing dance choreography in an Advanced Dance classroom.
- Students in small groups using iPads to review Galileo practice test questions in a Pre-Algebra classroom.
- Students individually working on novel study projects in a sophomore English classroom.
- Students in small groups writing teacher appreciation letters and individual students working on Moby Max on their iPads in a Humanities classroom.
- Students in pairs reviewing Galileo practice test questions in a 5th Grade Math classroom.

Academic Systems	
Does the school have an explicit, written curriculum for core content areas that is aligned with the state academic standards and that drills down to the skill level?	
i. **The school is able to provide evidence of curriculum alignment with state academic standards for core content areas and grade levels** ii. **The school's curriculum provides explicit content and skills to be taught for each grade level and/or content area** iii. **The school's curriculum provides an explicit, organized sequence of content and skills within an academic year**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The curriculum mapping unit templates include a section devoted to standards taught.	Curriculum Mapping Unit Templates; Year-at--Glance Pacing Guide
ii. Each Curriculum Mapping Unit Template includes what content and skills will be taught for each grade level and/or content area. The Pacing Guides also include the standards that will be taught with each unit and when those units are taught. Syllabus includes all standards covered and units as well.	Curriculum Mapping Unit Templates; Year-at-a-Glance Pacing Guide; Syllabus (sent to parents), homework, objectives.
iii. The Year at a Glance Pacing Guide includes dates for when curriculum will be taught throughout the year.	Year-at-a-Glance Pacing Guide; Syllabus
Is there a systematic process in place for annually monitoring, evaluating, and reviewing the curriculum?	
i. **The school has a process that identifies specific timeframes for monitoring, evaluating, and reviewing curriculum** ii. **The school has a process that identifies key personnel responsible for monitoring, evaluating, and reviewing curriculum** iii. **The school has a process that generates a plan of action based on findings**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The Charter Holder stated that the Administration Team meets to discuss all aspects of curriculum evaluation. Then, the staff looks at the data to then see if curriculum needs to be adjusted; this is addressed at PLC meetings throughout the year.	Curriculum Maps; English II DHPA Title I Tier 1 Walkthroughs
ii. As stated in the previous question, the Charter Holder stated that the Administration Team discusses all aspects of curriculum evaluation and the staff evaluates student data, so that the Administration Team can make curriculum decisions.	Curriculum Maps; English II DHPA Title I Tier 1 Walkthroughs

iii. The Charter Holder stated that once the staff evaluates the data and the Administration Team determines that curriculum must be modified or changed, the Administration Team researches which curriculum would be best. Additionally, the Charter Holder stated that school administration uses the Tier 1 Walkthroughs to monitor the curriculum in action. Curriculum maps are saved on a shared drive, where teachers can update them at any time.	Curriculum Maps; English II DHPA Title I Tier 1 Walkthroughs
How is integration of the state academic standards into the teachers' instructional practices assessed?	
i. **Classroom observations are conducted at specified intervals to confirm standards aligned curriculum are integrated into instruction** ii. **The school consistently uses a tool to assess the integration of standards into instruction** iii. **The school consistently uses a tool to assess whether instruction occurs according to the school's instructional planning document (scope and sequence, pacing guide, etc.)**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The Charter Holder stated that formal teacher evaluations are completed twice a year, and informal observations are completed as needed.	Teacher Pre-Observation/Planning Form; Informal Observation Form
ii. Both the Teacher Lesson Plans and the Teacher Pre-Observation/Planning Forms include a section for the Standard Taught During the Lesson.	Teacher Pre-Observation/Planning Form; Teacher Lesson Plan; Informal Observation Form
iii. Teacher Lesson plans address the units and standards upon which teachers are instructing. Informal Observation Forms offer feedback for teachers.	Teacher Lesson Plans; Informal Observation Form
What comprises the school's teacher evaluation system? (Type, Frequency, Formative, & Summative)	
i. **The school has a process that clearly identifies who is responsible for implementing the various components of the teacher evaluation system and when these processes occur** ii. **The school is able to provide evidence of observations with feedback provided to teachers after each observation** iii. **The school is able to provide evidence that the evaluations of teacher performance include a final, summative component**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The Charter Holder stated that formal observations are done twice a year; the assistant principal completes the first observation and the principal completes the second observation. Classroom Observation Forms are signed by the observer and the observed.	Classroom Observation Form

ii. The Teacher Reflection sheet includes sections on the teacher's reflection of how the observation went and what he/she would improve upon later. The Classroom Observation Form includes a section on Level of Performance and Evaluated Performance.	Teacher Reflection Sheet; Classroom Observation Form
iii. See ii. Additionally, teachers also receive the Domain Checklist which states teacher proficiency in these domains (Planning and Preparation, Classroom Environment, etc.) as part of their yearly evaluations.	Classroom Observation Form; Teaching and Learning Domain Teacher Observation Checklist
Is there a comprehensive assessment plan that utilizes data in a variety of ways to measure student performance and plan for teaching and learning?	
i. **The school is able to provide evidence of an assessment plan that covers all core content areas and grade levels** ii. **The school is able to provide evidence of a process that uses assessment data to create a plan for instruction** iii. **The school has a process that clearly identifies who is responsible for evaluating student data** iv. **The school assessment plan identifies the types of data collected and periods of review for identified data**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The 2016-17 Testing Schedule covers all core content areas for all grade levels served.	2016-17 Testing Schedule
ii. The Charter Holder stated that after each Galileo benchmark, there is a conference with each teacher to address the student data from that particular teacher's class. Teacher Monitoring Sheets address what is discussed at those individual teacher meetings. Additionally, the Charter Holder stated that teachers are evaluated according to the data (Galileo, etc.) at the end of the year using the Teacher Effectiveness Rubric.	2016-17 Testing Schedule; Assessment Calendar; Teacher Monitoring Sheet; Teacher Effectiveness Rubric (approved by their Board).
iii. As noted in previous questions, the Charter Holder has stated that both the Administration Team and the staff are responsible for evaluating student data throughout the year.	Content and Grade Level PLC Minutes
iv. The Charter Holder stated that Galileo, AIMS Science, and AZ Merit data are collected and are reviewed throughout the year.	2016-17 Testing Schedule
What evidence demonstrates that the professional development the teachers are engaged in is increasing student achievement?	
i. **The school is able to provide evidence that it provides professional development that addresses student achievement and outcomes** ii. **The school is able to provide evidence of the types of professional development that occur** iii. **The school is able to provide evidence of how the implementation of professional development is monitored** iv. **The school has a process for monitoring data to ensure that implementation of professional development has a positive impact on student achievement**	
Evaluation of Documents	List of Document Names reviewed during site visit:

i. The Charter Holder stated that the professional development focus this year has been on classroom management and differentiation in order to address student achievement and student outcomes. The PLC Minutes speak to both of these areas of focus.	Content and Grade Level PLC Minutes
ii. The Pre Service Agenda speaks to the types of professional development offered: classroom management and discipline, Danielson's Framework, Grade Level Syllabi, and School Culture (to name a few). The Content and Grade Level PLC Minutes reference classroom management and differentiation professional development.	DHPA July 2016 Pre Service Agenda; Content and Grade Level PLC Minutes; Teacher PD Needs spreadsheet; DHPA Teacher Survey March 2017
iii. The Administration Team reviews the Content Area and Grade Level PLC Minutes and how professional development is addressed and monitored at those weekly meetings.	Content and Grade Level PLC Minutes
iv. The Teacher PD Needs spreadsheet is based on the Teacher Survey; these surveys are distributed after professional development is completed. Administration uses these surveys to decide on what types of professional development to offer.	Teacher PD Needs spreadsheet; DHPA Teacher Survey March 2017
How are the professional development activities aligned with the program of instruction (curriculum, methods of instruction, best practices)?	
i. **The school provides professional development activities that support implementation of the school's program of instruction** ii. **The professional development provided is aligned to the curriculum** iii. **The school selects and implements professional development based on criteria related to curriculum, instruction, and best practices**	
Evaluation of Documents	List of Document Names reviewed during site visit:
i. The Charter Holder stated that the implementation of project-based learning is one focus of its professional development; this is directly aligned with their program of instruction. The Content and Grade Level PLC Minutes speak to the professional development activities that support implementation of the program of instruction. The Classroom Flowchart shows the progression of project-based learning within classrooms.	Content and Grade Level PLC Minutes: Classroom Flowchart
ii. The Pre Service Agenda speaks to the types of professional development offered: classroom management and discipline, Danielson's Framework, Grade Level Syllabi, and School Culture (to name a few). These topics are related to implementing the curriculum for their student population and the best practices for successful implementation.	DHPA July 2016 Pre Service Agenda
iii. See notes in ii.	DHPA July 2016 Pre Service Agenda
What types of professional development follow-up occur?	
i. **The school is able to provide evidence of follow-up activities conducted by leadership and/or staff** ii. **The school provides opportunities for feedback to be given regarding professional development**	

Evaluation of Documents	List of Document Names reviewed during site visit:
i. The Teacher Surveys are distributed after professional development sessions are completed. Administration compiles results from the Teacher Surveys in the Teacher PD Needs spreadsheet to inform and guide them for future professional development sessions. Additionally, administration observes professional development implementation through the Classroom Observation Form.	Content Area and Grade Level PLC Meeting Minutes; DHPA Teacher Survey March 2017; Teacher PD Needs spreadsheet; Classroom Observation Form
ii. The Teacher Surveys allow teachers to provide administration with feedback in regard to professional development sessions.	DHPA Teacher Survey March 2017