School Information and Cover Page

School Name: Rochester Academy Charter School

School Leader: Mehmet Demirtas

Primary address: 841 Genesee Street Rochester, NY 14611

School website: www.racschool.com

School email: info@rochester-academy.org

Telephone: 585 235 4141 Fax: 585 232 1357

BEDS # 261600860910

District/CSD of Location: Rochester City School District

Charter authorizer: NYS Board of Regents

Chair, Board of Trustees: Mahmut Gedemenli

Date school first opened for instruction: September 8, 2008

2011-2012 Enrollment: 283

2011-2012 Grades Served: 7 through 12

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

Mehmet Demirtas	06/20/2012
Print Name, Head of Charter School	Signature and Date
Mahmut Gedemenli	06/20/2012
Print Name, President, Board of Trustees	Signature and Date

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New York State School Report Card

https://reportcards.nysed.gov/schools.php?year=2011&instid=800000061097

Key Focus Area Requests

1. *Progress Toward Goal Achievement*

See Appendix A.

2. *Instructional Time*

See Appendix B.

3. *Financial Information*

- ❑ Total expenditures and administrative expenditures per child

See Appendix C.

- ❑ Financial Statements

See Appendix D and E.

4. *Charter Revisions*

- ❑ Briefly summarize any material and/or nonmaterial revisions to the school's charter proposed by the school's board of trustees and approved by the school's authorizer and/or the Commissioner and Board of Regents (as appropriate) during the 2011-2012 school year. If you have a revision that is under review, please make a note of that status.

Not Applicable.

5. Board of Trustees

- ❑ Complete the form in **Appendix F (Disclosure of Financial Interest Form)** for each active trustee who served on the school's board during the 2011-2012 school year. Where the school is unable to obtain a discrete form for each trustee, the school is responsible for listing transactions and/or providing information as required on the form.

See Appendix F.

- ❑ **Board of Regents-authorized schools only** are required to complete the Board of Trustees Membership Table in **Appendix G (Board of Trustees Membership Table).**

See Appendix G.

6. Enrollment and Retention Targets

- ❑ Each charter school should describe the good faith efforts the charter school has utilized in 2011-2012 and a plan for efforts to be taken in 2012-2013 to attract and retain a greater enrollment of students with disabilities, English language learners, and students who are eligible applicants for the free and reduced price lunch program.

RACS gives students an equal opportunity to attend, is open and accessible to all students, and admits students on the basis of a lottery if more students apply for admission than can be accommodated.
RACS has implemented multi-channel marketing approach for student recruitment during the terms of its charter.

- Visit feeder schools and meet with guidance counselors
- Conduct family events
- Attend community events
- Advertise in local publications that focus on our target population
- Mail flyers and brochures
- Meet local advocates and politicians
- Provide school tour opportunities
- Advertisement via social media
- Use lawn-signs in multiple languages

In its first year, RACS showed similar efforts to recruit students to reach targeted enrollment. However, full enrollment was not accomplished due to its infancy stage and this created a gap that affected its enrollment targets for the following three years. The largest gaps are in the senior and junior grade levels, which will be completely closed by the end of 2012-13 school year.

Table-11: Comparison of Special Populations						
Year	**2009**		**2010**		**2011**	
School	**RACS**	**RCSD**	**RACS**	**RCSD**	**RACS**	**RCSD**
FRPL	**78**	**82**	**92**	**85**	**75**	**84**
ELL	**5**	**10**	**5**	**10**	**8**	**11**
SWD	**4**	**16**	**5**	**17**	**9**	**17**

As seen in the table above, the rate of FRPL is relatively close to RCSD's average. RACS' ELL and SWD population is growing over the years. In order to reach ELL student population, flyers and lawn-signs were prepared in Spanish. Another strategy has been to approach community and faith-based organizations and recent immigrant support services. We hired bilingual teachers and aids to better serve our ELL students and offered extended hours of instruction.

Required Forms: Appendices

Appendix A: Progress Towards Charter Goals

Academic Goals Table

2011-2012 Progress Toward Attainment of Academic Charter Goals			
Academic goal or objective	**Measure used to evaluate progress toward attainment of goal or objective**	**2011-12 Progress toward attainment of goal or objective**	**If not met, describe efforts to be undertaken to meet goal or objective**
RACS' absolute goals for student achievement for 2011-12 were 49% of all students at grade 8th will score at or above Level 3 on NYS ELA exam, 45% of all students at 8th grade will score at or above level 3 on NYS Math exam.	NYS ELA and Math exams	The percentages of students who scored at or above Level 3 are 43% in ELA and 38% in Math. RACS made progress toward meeting the goal.	The data show that RACS would have exceeded the goals for the 2011-12 since it had already exceeded these goals in its first year of operation. However, unexpected changes on Math and English State test cut scores have resulted in drops in proficient and basic performance levels.
RACS' comparative goals for student achievement were to outperform Rochester City School District (RCSD) by at least 5%. These goals were measured by 8th grade ELA and Math Exams.	NYS ELA and Math exams	RACS surpassed the RCSD on the 8th grade ELA exam by 25% and Math exam by 19% in 2010-2011. Overall RACS had exceeded its goal of surpassing RCSD.	

Organizational Goals Table

2011-2012 Progress Toward Attainment of Organizational Charter Goals			
Organizational goal or objective	**Measure used to evaluate progress toward attainment of goal or objective**	**2011-12 Progress toward attainment of goal or objective**	**If not met, describe efforts to be undertaken to meet goal or objective**
The school will create an environment for student and adult learning with a welcoming culture, high levels of trust, and rigorous standards.	• Perception data of students, parents and teachers • Benchmark and Practice test results • NYS ELA and Math results • Observations and evaluations • Site visit report	Based on the staff, student and parent surveys, RACS has created a safe, welcoming and challenging school environment. Based on the test results, observation and evaluation reports and site visit feedback, RACS has been showing ongoing progress in implementing rigorous standards.	RACS is making progress toward meeting its goal. RACS will continue to analyze multiple data measures to maintain rigorous instruction and a safe and welcoming environment. In addition, these measures also provide valuable feedback ensuring continual teacher growth.
Teachers and staff will be highly qualified, demonstrate high expectations for all students, and have a positive attitude toward the school and their colleagues.	• Teacher recruitment criteria • Teacher observations and evaluations • Perception data (parent and student surveys) • Student achievement data	RACS hired highly qualified teachers who demonstrated high instructional quality through observations and worked in collaboration with their colleagues to increase student achievement. Parent and student surveys and teacher observations indicated that RACS teachers mostly had high expectations for all students.	RACS is making progress toward meeting its goal. RACS will continue maintaining teacher effectiveness through observations and evaluations and students achievement data. RACS has replaced three teachers based on evaluation reports.
Families will see themselves as partners in their child's education	• Parent teacher conferences • Parent breakfasts • Home visits	RACS PTO worked actively in collaboration with RACS administrators	

and will be actively involved in the life of the school.	• Parent surveys • Robo-calls • Letters and emails • Parent/teachers nights • Grade level meetings • Support team meetings • Translator provided for ELL families • Community center visits • PTO meetings • Parent involvement in Charter School Advocacy Day	and staff to increase family involvement. RACS' PTO organized breakfasts, picnics, celebrations and fundraisers to mobilize parents to be actively involved in their children's education. Parent surveys indicated overall parent satisfaction for RACS programs and activities. RACS has exceeded its goal	
The school will be led by a strong, active Board of Trustees.	• Resumes of Board members • Board member selection process • Board Minutes • Audit reports • Site visit reports • Student achievement	RACS BOT worked closely to help our school reach our academic and financial goals. Fiscal audit reports showed that RACS maintained fiscal soundness. Board meeting minutes indicate that board members are actively involved in the decision-making process. Internal assessment and preliminary state test results indicate that RACS has met the academic goals in the charter. RACS has met its goal.	
The school will strive to recruit and retain a diverse group of students,	• Student demographic data • Teacher demographic data	RACS demographic data and school report card clearly indicate that RACS recruited a diverse	

teachers, staff, administrators, and board members.	• Selection process of the board members • Selection of school director • Selection of school leaders	group of students. Board members have various backgrounds and expertise including education, finance, real estate, technology and community relations. RACS staff members reflect various backgrounds. RACS has met its goal.	
The school will be responsible in contributing to the local community and sharing its math and science expertise with the larger educational community.	• Science Olympiad and Fair • MathCounts and regional math competitions • RCSD and charter schools collaboration through compact meetings • Genesee Corridor Business Association Meetings • Fundraisers for community organizations • Meetings with community leaders and elected officials	RACS organized and participated in local and regional science and math fairs to share the best practices and projects with the community. RACS BOT and administrators continually invited community leaders, organizations, local colleges and schools to share experiences, best practices to increase collaboration. RACS has met its goal.	

Financial Goals Table

2011-2012 Progress Toward Attainment of Financial Charter Goals			
Financial goal or objective	**Measure used to evaluate progress toward attainment of goal or objective**	**2011-12 Progress toward attainment of goal or objective**	**If not met, describe efforts to be undertaken to meet goal or objective**
Excess revenue over expense	Monthly financial statement review End of year income statement	We outperformed our goals by having excess revenues reported in the audited statements as $227,842, $153,256 and $485,541 respectively. RACS has met its goal.	
Net asset increase	Monthly financial statement review End of year balance sheet	Net assets went up to $365,462 at the end of the 2009-10 fiscal year and it went up to $851,003 at the end of the 2010-11 fiscal year. RACS has met its goal.	
Audit with minimum findings	Annual Audit Report	We met our goal by having finding free audit. There has not been any material findings or significant deficiencies reported in the independent auditor's report or internal controls audit.	

Appendix B: Instructional Time Table

2011-2012 Instructional Time	
Total number of instructional days for the 2011-2012 school year	180
First and last day of the 2011-2012 school year	September 2nd, 2011 June 21st, 2012
Length of school day (please note if schedule varies throughout the week or the year)	8 hours

Appendix C: Total Expenditures and Administrative Expenditures Per Child

Total Expenditures per child: $11,432.51

Total Administrative Expenditures per child: $1,628.73

Appendix D: Unaudited Financial Statements

Statement of Activities
July 2011 through June 2012

Ordinary Income/Expense	
Income	
4030 · Public School District	3,344,121.90
4020 · Federal Grants	161,306.45
4060 · Other Income	5,688.39
Total Income	3,511,116.74
Gross Profit	3,511,116.74
Expense	
5040 · Communication Expenses	19,157.86
5000 · Payroll and Fringe Benefits	2,387,468.11
5020 · Accounting / Auditing Fees	9,525.00
5030 · Contracted Services - Other	6,150.00
5050 · Membership	6,064.00
5200 · Security	4,515.28
5210 · Disposal	5,753.31
5060 · Equipment Rental/ Lease	14,134.20
5070 · Insurance	44,898.58
5080 · Legal	8,908.26
5090 · Staff Development	21,155.76
5100 · Utilities	46,986.16
5110 · Rent	325,706.00
5120 · Board Expenses	363.61
5130 · Consultant-Education	114,069.14
5190 · Maintenance&Repairs	22,555.75
5220 · Printing	4,287.14
5230 · Payroll Expenses	11,172.08
5240 · Supplies & Materials	62,169.89
5250 · Extra Curricular Activities	10,951.59
5260 · Other Expenses	7,627.28
5270 · Transportation(Student)	18,341.16
5280 · Travel	7,532.08
5290 · Vehicle Rental/ Lease	664.29
5300 · Marketing	28,893.18
5320 · Staff Recruitment	2,580.10
5510 · Refreshments & Drinks	9,471.94
Total Expense	3,201,101.75
Net Ordinary Income	310,014.99
Other Income/Expense	
Other Expense	
5500 · Depreciation & amortization	40,126.80
Total Other Expense	40,126.80
Net Other Income	-40,126.80
Net Income	**269,888.19**

ASSETS	
Current Assets	
Checking/Savings	
1000 · Cash and cash equivalents	1,051,227.18
Total Checking/Savings	1,051,227.18
Accounts Receivable	
1120 · Pupil Aid Receivable	15,446.16
Total Accounts Receivable	15,446.16
Other Current Assets	
1150 · Security Deposits	15,420.82
1200 · Grants Receivable	10,835.00
1300 · Inventories	17,696.29
1400 · Prepaid Expenses	2,331.75
Total Other Current Assets	46,283.86
Total Current Assets	1,112,957.20
Fixed Assets	
1310 · Land, Building, Equipments	301,293.21
Total Fixed Assets	301,293.21
TOTAL ASSETS	**1,414,250.41**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	13,674.06
Total Accounts Payable	13,674.06
Other Current Liabilities	
2050 · Student Fundraising accounts	2,247.10
2010 · Payroll Liabilities	195,931.22
2040 · Other Liabilities	79,539.61
2020 · Defered Revenues	691.08
Total Other Current Liabilities	278,409.01
Total Current Liabilities	292,083.07
Total Liabilities	292,083.07
Equity	
9000 · Retained Earnings	852,279.15
Net Income	269,888.19
Total Equity	1,122,167.34
TOTAL LIABILITIES & EQUITY	**1,414,250.41**

Appendix E: FY 2013 Budget and Narrative

Appendix E: FY 2013 Budget and Narrative

FISCAL YEAR 2012-2013	ROCHESTER ACADEMY CHARTER SCHOOL	
OPERATIONAL BUDGET	2012-2013	EXPLANATION
REVENUES		
Revenue per Student		$ 12,090.00
"Per Pupil" State&Local Funding	3,699,540	306 students
Categorical Aids	-	
Federal Grants	145,862	historical data for Title Grants
Loans	-	
Donations	-	
Food Service Reimbrst & Income	-	
Misc. Revenue	50	interest income
Other:	15,912	textbook aid
TOTAL REVENUES	**3,861,364**	
EXPENSES		
Instruction		
Salaries of Teachers	1,039,017	Salaries for teachers
Other Instructional Salaries	94,050	Salaries for teaching aides , tutors and sub teachers
Purchased Prof.&Tech. Services	108,000	Student database system, educational consultants and SES
General Supplies	50,428	Historical data
Instructional Equipment & Furniture	25,000	Furniture and equipment for instruction
Text Books & Test Materials	30,912	Textbook, BOCES services, Terranova testing
Transportation	34,260	Transportation from school to GYM
Extracurricilum Activites	75,460	Athletics, science and math olympiad, after school, summer school
Misc. Instructional Expenses	17,000	Refreshment for students, subscriptions for instruction
Other:	-	
Total Instruction Costs	1,474,127	
Office and Administration		
Salaries of Administration	557,693	Salaries for administration
General Supplies	25,000	Historical data
Supplies&Materials (IT)	61,200	Computers, smartboards, projectors for the new school year
Equipment Lease & Rental	20,300	3 printer leases, and postage meter
Purchased Prof.&Tech. Services	-	
Communication Expense	22,002	Telephone, postage and internet expense
Advertising&Marketing	37,445	Marketing, recruitment historical data
Accounting/Audit Services	12,000	Audit historical data
Payroll Services	14,000	Historical data

Appendix E: FY 2013 Budget and Narrative

Legal Services	20,691	Historical data
Insurance	27,962	Estimate is already received
Misc. Administrative Expenditure	35,552	BOT Training, NYSCA dues, travel
Other: Interest on current loans	-	
Other:	-	
Total Office and Administration	833,845	
Support Services		
Salaries of Support Servcs	197,900	Salaries for support staff
Purch. Prof. & Tech. Services	-	
Other:	10,000	School uniforms
Total Support Services Costs	207,900	
Occupancy of Facilities		
Rent	329,446	Rent
Utilities	86,000	Historical data
Repair & Maintenenance Services	47,400	Historical data
Purch. Property Services	7,500	Snow removal
Other:	-	
Other: Cleaning Supplies	15,000	Cleaning suppl;ies
Total Occupancy of Facilites	485,346	Historical data
Food Service		
Other:	15,000	Appliances for cafeteria
Total Food Service Costs	15,000	
Benefits&Taxes		
Pension Contributions	206,808	NYSTRS contributions
Payroll Taxes (FICA, Medicare)	152,132	Payroll taxes
Workers Compensation	18,000	Estimate is already received
Unemployment Compensation	31,947	Calculated based on number of the number of salaries
Health Benefits	321,993	Health and dental insurance for full time employees
Staff development	12,000	Historical data
Tuition Reimbursement	10,000	Historical data
Employee Programs & Bonuses	42,600	Year end bonuses and personal sick time reimbursement
Total Benefits&Taxes	795,480	
TOTAL EXPENSES	3,811,698	
NET SURPLUS / (DEFICIT) WithOut BB	49,666	

Appendix F: Disclosure of Financial Interest Form

Appendix F: Disclosure of Financial Interest Form

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

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

1. **Trustee Name (print)** *Marat Khafizov*
2. **Charter School Name** *Rochester Academy Charter School*
3. **Charter Authorizer Entity** *Board of Regents*
4. **Home Address*** [redacted]
5. **Business Addre** [redacted]
6. **Daytime Phone*** [redacted]
7. **E-Mail Address*** [redacted]
8. List all positions held on board (e.g., chair, treasurer, parent representative)

   Vice president

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

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

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

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

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

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

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

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

Signature 07/19/12 Date

Appendix F: Disclosure of Financial Interest Form

Disclosure of Financial Interest by a New York Charter School Board of Trustees Member
Annual Report ~~2010-11~~ 2011-12
**Note: This Disclosure is a public record, but asterisked data fields will be redacted.*

1. **Trustee Name (print)** Cheryl A. Sampson
2. **Charter School Name** Rochester Academy Charter School
3. **Charter Authorizer Entity** NYS Board of Regents
4. **Home Address*** [redacted]
5. **Business Address*** [redacted]
6. **Daytime Phone*** [redacted]
7. **E-Mail Address*** [redacted]
8. List all positions held on board (e.g., chair, treasurer, parent representative)
   Treasurer

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

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

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

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

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

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

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

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

Signature _____ Date 7/3/2012

Appendix F: Disclosure of Financial Interest Form

Disclosure of Financial Interest by a New York Charter School Board of Trustees Member
Annual Report ~~2010-11~~ 2011-12
**Note: This Disclosure is a public record, but asterisked data fields will be redacted.*

1. **Trustee Name (print)** Mahmut Gedemenli
2. **Charter School Name** Rochester Academy Charter School
3. **Charter Authorizer Entity** NYS Board of Regents
4. **Home Address*** [redacted]
5. **Business Address** [redacted]
6. **Daytime Phone*** [redacted]
7. **E-Mail Address*** [redacted]
8. List all positions held on board (e.g., chair, treasurer, parent representative)
   President

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

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

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

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

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

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

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

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

Signature _____ Date 6/22/2012

Appendix F: Disclosure of Financial Interest Form

Disclosure of Financial Interest by a New York Charter School Board of Trustees Member
Annual Report ~~2010-11~~ 2011-12
**Note: This Disclosure is a public record, but asterisked data fields will be redacted.*

1. **Trustee Name (print)** WILLIAM D. MIDDLETON
2. **Charter School Name** ROCHESTER ACADEMY CHARTER SCHOOL
3. **Charter Authorizer Entity** NY BOARD OF REGENTS
4. **Home Address*** [redacted]
5. **Business Address***
6. **Daytime Phone***
7. **E-Mail Address***
8. List all positions held on board (e.g., chair, treasurer, parent representative)
   SECRETARY

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

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

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

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

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

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

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

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

Signature _____ Date 15 June 2012

Appendix F: Disclosure of Financial Interest Form

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

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

1. **Trustee Name (print)** Mustafa Guler
2. **Charter School Name** Rochester Academy Charter School
3. **Charter Authorizer Entity** Board of Regents
4. **Home Address*** [redacted]
5. **Business Addre:** [redacted]
6. **Daytime Phone*** [redacted]
7. **E-Mail Address*** [redacted]
8. List all positions held on board (e.g., chair, treasurer, parent representative)

   Member

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

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

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

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

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

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

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

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

Signature 7/10/2012 Date

Appendix G: Board of Trustees Membership Table

This Table is required of Board of Regents-authorized charter schools, and optional for charter schools authorized by other chartering entities.

List the board membership and the number of board members joining and leaving the board in the 2011-2012 school year.

Current Board Members					
Trustee Name and Email Address	**Position on the Board (e.g., Officers or constituent representatives)**	**Committee affiliation(s)**	**Voting Member (Yes/No)**	**Area of expertise, and/or additional role at school (parent, staff member etc.)**	**Number of terms served and length of each, including date of election and expiration**
mgedemenli@ yahoo.com	President	Educational Excellence	Yes	Education	First - 3 Second - 1 August 2014
sepia@ frontiernet.net	Treasurer	Financial and Audit	Yes	Business, Finance	First - 3 Second - 1 August 2014
wdmgss@rit.edu	Secretary	Educational Excellence	Yes	Education	First – 2 Second - 2 August 2013
mustafa.guler@ bausch.com	Member	Financial and Audit	Yes	Business, Finance	First - 1 August 2013
quantum_kazan@ msn.com	Vice-president		Yes	Education	First - 2 Second - 2 August 2012
Total Members joining the board the 2011-2012 school year					1
Total Members departing the board during the 2011-2012 school year					0

Appendix A: Progress Towards Charter Goals

Academic Goals Table

2011-2012 Progress Toward Attainment of Academic Charter Goals			
Academic goal or objective	**Measure used to evaluate progress toward attainment of goal or objective**	**2011-12 Progress toward attainment of goal or objective**	**If not met, describe efforts to be undertaken to meet goal or objective**
RACS' absolute goals for student achievement for 2011-12 were 49% of all students at grade 8th will score at or above Level 3 on NYS ELA exam, 45% of all students at 8th grade will score at or above level 3 on NYS Math exam.	NYS ELA and Math exams	The percentages of students who scored at or above Level 3 are 43% in ELA and 38% in Math. RACS made progress toward meeting the goal. RACS outperformed all of the schools including K-8 charter schools in ELA state test despite the challenge that students start at RACS in 7th grade with a big academic gap.	The data show that RACS would have exceeded the goals for the 2011-12 since it had already exceeded these goals in its first year of operation. However, unexpected changes on Math and English State test cut scores have resulted in drops in proficient and basic performance levels.
RACS' comparative goals for student achievement were to outperform Rochester City School District (RCSD) by at least 5%. These goals were measured by 8th grade ELA and Math Exams.	NYS ELA and Math exams	RACS surpassed the RCSD on the 8th grade ELA exam by 25% and Math exam by 19% in 2011-2012. Overall RACS had exceeded its goal of surpassing RCSD.	

ROCHESTER ACADEMY CHARTER SCHOOL

FINANCIAL STATEMENTS

June 30, 2012

CPA Heveron & Heveron Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Rochester Academy Charter School
Rochester, New York

We have audited the accompanying balance sheets of Rochester Academy Charter School (a New York nonprofit organization) as of June 30, 2012 and 2011 and the related statements of activities and cash flows for the years then ended, and statement of functional expenses for the year ended June 30, 2012. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's 2011 financial statements, where in our report dated October 31, 2011, we expressed an unqualified opinion on those financial statements.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rochester Academy Charter School as of June 30, 2012 and 2011 and the results of its operations and changes in net assets and cash flows for the years then ended and the details of functional expenses for the year ended June 30, 2012 are in conformity with accounting principles generally accepted in the United States of America.

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AFFILIATE

In accordance with *Government Auditing Standards*, we have also issued a report dated October 19, 2012 on our consideration of Rochester Academy Charter School's internal control over financial reporting, and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Heveron & Heveron

Heveron & Heveron
Certified Public Accountants

Rochester, New York
October 19, 2012

ROCHESTER ACADEMY CHARTER SCHOOL
BALANCE SHEETS
June 30, 2012 and 2011

ASSETS

	2012	2011
Current Assets		
Cash and Cash Equivalents	$1,049,094	$ 741,111
Accounts Receivable	91,674	-
Grants Receivable	10,835	37,138
Inventory	17,696	8,968
Prepaid Expenses	2,519	3,200
Total Current Assets	1,171,818	790,417
Property and Equipment		
Furniture, Fixtures and Equipment	337,072	307,044
Computers	123,796	94,594
Software	5,607	4,797
Less: Accumulated Depreciation	(201,270)	(123,906)
Net Property and Equipment	265,205	282,529
Other Assets		
Security Deposits	15,421	11,000
TOTAL ASSETS	$1,452,444	$1,083,946

LIABILITIES AND NET ASSETS

	2012	2011
Current Liabilities		
Accounts Payable	$ 18,477	$ 32,460
Accrued Payroll and Benefits	275,486	200,483
Deferred Revenue	691	-
Total Current Liabilities	294,654	232,943
Net Assets		
Unrestricted	1,157,790	851,003
Total Net Assets	1,157,790	851,003
TOTAL LIABILITIES AND NET ASSETS	$1,452,444	$1,083,946

See Independent Auditors' Report and Notes to Financial Statements.

ROCHESTER ACADEMY CHARTER SCHOOL
STATEMENTS OF ACTIVITIES
For The Years Ended June 30, 2012 and 2011

	2012	2011
Revenues, Gains and Other Support:		
Public School District:		
Revenue - Resident Student Enrollment	$ 3,420,349	$ 2,992,288
Other Revenue	14,806	7,746
State Grants	161,306	346,951
Federal Food Subsidy	38,116	57,111
Other Income	13,794	5,213
Total Revenues, Gains and Other Support	3,648,371	3,409,309
Expenses:		
Program Services:		
Education	2,818,462	2,405,967
Food Services	38,116	55,586
Total Program Services Expense	2,856,578	2,461,553
Supporting Services:		
Management and General	485,006	462,215
Total Expenses	3,341,584	2,923,768
Excess of Revenues, Gains and Other Support Over Expenses	306,787	485,541
Net Assets - Beginning of Year	851,003	365,462
Net Assets - End of Year	$ 1,157,790	$ 851,003

See Independent Auditors' Report and Notes to Financial Statements.

ROCHESTER ACADEMY CHARTER SCHOOL
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended June 30, 2012
(With Comparative Totals For The Year Ended June 30, 2011)

	Program Services			Totals	
	Education	Food Services	Management and General	2012	2011
Salaries	$ 1,572,900	$ -	$ 255,049	$ 1,827,949	$ 1,565,533
Employee Benefits and Payroll Taxes	482,290	-	78,204	560,494	445,589
Total Payroll and Related Costs	2,055,190	-	333,253	2,388,443	2,011,122
Occupancy	355,888	-	39,543	395,431	326,969
Consultants - Education	114,069	-	-	114,069	73,998
Supplies and Materials	55,131	-	21,314	76,445	109,359
Food	9,472	38,116	-	47,588	72,393
Insurance	40,409	-	4,490	44,899	35,326
Field Trips and Extra Curricular Activities	39,917	-	-	39,917	48,642
Legal and Accounting	-	-	30,117	30,117	26,699
Marketing	-	-	29,293	29,293	16,046
Maintenance and Repairs	25,835	-	2,871	28,706	38,496
Staff Development	21,156	-	-	21,156	39,283
Equipment Rental	13,318	-	1,480	14,798	14,462
Telephone	-	-	12,148	12,148	8,137
Other Expenses	4,676	-	2,191	6,867	15,165
Dues	6,064	-	-	6,064	-
Internet Service	5,129	-	570	5,699	5,753
Staff Recruitment	2,580	-	-	2,580	8,280
Outside Services	-	-	-	-	8,630
Total Expenses Before Depreciation	693,644	38,116	144,017	875,777	847,638
Depreciation	69,628	-	7,736	77,364	65,008
Total Expenses	$ 2,818,462	$ 38,116	$ 485,006	$ 3,341,584	$ 2,923,768

See Independent Auditors' Report and Notes to Financial Statements.

ROCHESTER ACADEMY CHARTER SCHOOL
STATEMENTS OF CASH FLOWS
For The Years Ended June 30, 2012 and 2011

	2012	2011
Cash Flow From Operating Activities		
Revenue from School Districts	$ 3,327,296	$ 3,026,518
Grant Revenues	187,609	385,168
Federal Food Subsidy	-	37,049
Miscellaneous Sources	1,525	5,213
Payments to Vendors for Goods and Services Rendered	(834,966)	(772,002)
Payments to Charter School Personnel for Services Rendered	(2,313,441)	(1,950,495)
Net Cash Flow Provided By Operating Activities	368,023	731,451
Cash Flow From Investing Activities		
Purchase of Property and Equipment	(60,040)	(133,635)
Cash Flow Used By Investing Activities	(60,040)	(133,635)
Net Increase in Cash and Cash Equivalents	307,983	597,816
Cash and Cash Equivalents - Beginning of Year	741,111	143,295
Cash and Cash Equivalents - End of Year	$ 1,049,094	$ 741,111
Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities		
Excess of Support and Revenue Over Expenses	$ 306,787	$ 485,541
Adjustments to Reconcile Excess of Support and Revenue Over Expenses to Net Cash Provided by Operating Activities:		
Depreciation	77,364	65,008
Decrease/(Increase) In:		
Accounts Receivable	(91,674)	69,207
Grants Receivable	26,303	40,495
Inventory	(8,728)	1,005
Prepaid Expenses	681	(3,200)
Security Deposits	(4,421)	(11,000)

ROCHESTER ACADEMY CHARTER SCHOOL
STATEMENT OF CASH FLOWS
For The Year Ended June 30, 2012
(Continued)

	2012	2011
Increase/(Decrease) In:		
Accounts Payable	(13,983)	26,044
Accrued Payroll and Benefits	75,003	60,629
Deferred Revenue	691	(2,278)
Net Cash Flow Provided By Operating Activities	$ 368,023	$ 731,451

See Independent Auditors' Report and Notes to Financial Statements.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Rochester Academy Charter School (the School) is a not-for-profit organization that meets a need for a college preparatory school for low achieving students with special emphasis on math and science education in Rochester, New York. The School promotes a safe, caring, and student-centered classroom environment.

The main programs of the School are as follows:

EDUCATION: The School curriculum is focused on mathematics and sciences. The School also integrates multi-cultural themes into the curricula not only through geography and foreign languages, but through each subject area. All courses align with the New York State Learning Standards.

FOOD SERVICES: The School believes that healthy meals are an important part of a child's day. Breakfast and lunch are delivered and served every day. Food services are provided by the Rochester City School District.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation

In accordance with accounting principles generally accepted in the United States of America, the School reports information regarding its financial position and activities according to the existence and nature of donor restrictions in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. There were no temporarily or permanently restricted net assets at June 30, 2012 and 2011.

The School also records contributions received as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and nature of any donor restrictions.

Accounting principles generally accepted in the United States of America allow the School to treat as unrestricted, any restricted revenue where the restrictions are met in the same year. The School has elected to follow that reporting method. As a result, all activities in which restrictions are met are recorded in the Unrestricted Net Asset class.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following are descriptions of the School's net asset classifications:

Unrestricted: Unrestricted net assets include undesignated resources that are available for the general support of the School's operations.

Revenue Recognition
A portion of the School's revenue is derived from grants. Amounts received but not yet earned are reported as deferred revenue.

Funding sources may, at their discretion, amend the grant and contract amounts. In addition, reimbursement for expenses or return of funds, or both, may be requested as a result of noncompliance by the School with the terms of the grants and contracts. The School records such amendments, reimbursements, and returns of funds as an adjustment to revenue in the year of the amendment.

Accounts and Grants Receivable
Receivables are stated at the amount management expects to collect. Amounts that management believes to be uncollectible, after collection efforts have been completed, are written off. In addition, management evaluates the need for, and if appropriate, provides an allowance to reduce receivables to amounts management expects will be collected. Management determined that no allowances were necessary at June 30, 2012 and 2011.

Property and Equipment
Property and equipment are stated at cost. The School capitalizes property and equipment with a cost of over $1,000 and an estimated life of 3 years or more. Depreciation is computed using the straight-line method based on the estimated useful lives of the assets, as follows:

	Years
Furniture, Fixtures and Equipment	5-10
Computers	3-5
Software	3

Depreciation expense amounted to $77,364 and $65,008 for the years ended June 30, 2012 and 2011, respectively.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Internal Revenue Service has determined that the School is qualified as a charity exempt under Section 501(c)(3) of the Internal Revenue Code, and has also determined that the School is publicly supported. As a result, no provision for federal or state income taxes has been made.

Accounting standards require entities to disclose in their financial statements the nature of any uncertain tax positions. Tax years including the year ended June 30, 2009 and later are subject to examination by tax authorities. Areas that IRS and state tax authorities consider when examining tax returns of a charity include, but may not be limited to, tax-exempt status and the existence and amount of unrelated business income. The School does not believe that it has any uncertain tax positions with respect to these or other matters, and has not recorded any unrecognized tax benefits or liability for penalties or interest.

The School is not aware of any circumstances or events that make it reasonably possible that tax benefits may increase or decrease within 12 months of the date of these financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include all cash on hand and in banks, which, at times, may exceed federally insured limits. The School considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Certain of these accounts are not federally insured. The School has not experienced any losses in these accounts and does not believe it is exposed to any significant credit risk with respect to cash and cash equivalents.

Cash and cash equivalents consisted of the following at June 30:

	2012	2011
Checking	$ 703,819	$ 716,019
Savings	100,017	-
Money Market	245,258	25,092
Total	$1,049,094	$ 741,111

Use of Estimates in the Preparation of Financial Statements

Accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the amounts of assets and liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results could vary from those estimates.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Expenses
The costs of providing the various program services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program and management and general categories. An immaterial amount of fundraising costs for the years ended June 30, 2012 and 2011 are included in management and general expenses.

Advertising
Advertising costs are expensed as incurred.

Deferred Revenue
Deferred revenue consists of amounts received prior to when they are earned. The related revenue is recognized when services are performed.

Comparative Financial Information
The financial statements include certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2011 from which the summarized information was derived.

Reclassifications
Certain account balances as of June 30, 2011 have been reclassified to conform with the presentation as of June 30, 2012.

Inventories
Inventories consist of school store items and are recorded at cost.

NOTE 2 - PENSION EXPENSE

The School participates in the New York State Teachers' Retirement System (System), a cost-sharing, multiple-employer, defined benefit pension plan administered by the New York State Teachers' Retirement Board. The System provides retirement, disability, withdrawal and death benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York.

NOTE 2 - PENSION EXPENSE (Continued)

Plan members who joined the System before July 27, 1976 are not required to make contributions. Those joining after that date and before January 1, 2010 who have less than ten years of service or membership, are required to contribute 3% of their annual salary. Those joining on or after January 1, 2010 and before April 1, 2012 are required to contribute 3.5% of their annual salary for their entire working career. Those joining on or after April 1, 2012 are required to contribute between 3% and 6%, dependent upon their salary, for their entire working career.

Employers are required to contribute at an actuarially determined rate, currently 11.11% of the annual covered payroll for the fiscal year ended June 30, 2012. Rates applicable to the fiscal years ended June 30, 2011 and 2010 were respectively, 8.62% and 6.19%. The total required contributions paid, including employer and employee portions, for the years ended June 30, 2012, 2011 and 2010 were $121,752 and $76,669 and $78,000. This represents 100% of the contributions due. The total retirement contribution expense, employer-only portion, was $146,770, $88,837 and $56,100 for the years ended June 30, 2012, 2011, and 2010, respectively.

NOTE 3 - COMMITMENTS

The School is obligated under non-cancelable operating leases for two buildings. The School is responsible for payment of utilities, maintenance, and the first $15,000 of real property taxes under the terms of the lease. Any real property taxes in excess of $15,000 are split equally between the lessor and the School. The lease term ended June 30, 2012 and the School renewed for one additional two year term through June 30, 2014.

The second lease for the School expired July 31, 2011, and a month-to-month lease was signed on September 1, 2011. In January 2012, the property was sold and the school signed a lease with the new owner. The lease term is for 30 months, ending on June 30, 2014 with an option to renew for 2 additional years. This lease includes a provision that the school is responsible for all taxes and city service charges for the facilities. In addition, it includes a clause that rent is to increase 10% for and during each successive school year.

Total rental expense for June 30, 2012 and 2011 totaled $311,318 and $274,964, respectively.

Future minimum lease payment commitments are as follows:

Year	Amount
2013	$338,702
2014	$358,133

NOTE 4 - SPECIAL EDUCATION AND OTHER SUPPORT

Special education services required by students of the School are provided by the Rochester City School District. These financial statements do not reflect revenue or expenses associated with those services.

The School also received Federal Food Subsidy in the form of a school lunch program provided by the Rochester City School District. The total aid received for the years ended June 30, 2012 and 2011 was $38,116 and $55,586.

The School receives State Aid in the form of textbooks, computer hardware, computer software and library materials through the Rochester City School District. The total aid received for the years ended June 30, 2012 and 2011 was $14,806 and $7,746, respectively.

NOTE 5 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through October 19, 2012, which is the date the statements were available for issuance.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees
Rochester Academy Charter School

We have audited the financial statements of Rochester Academy Charter School as of and for the year ended June 30, 2012, and have issued our report thereon dated October 19, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Rochester Academy Charter School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Rochester Academy Charter School's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Rochester Academy Charter School's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section, and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be a material weakness, as defined above.

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Compliance and Other Matters

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

This report is intended for the information of management, and the NYS Department of Education, and is not intended to be and should not be used by anyone other than these specified parties.

Heveron & Heveron

Heveron & Heveron
Certified Public Accountants

Rochester, New York
October 19, 2012