



INDEPENDENT AUDITOR'S REPORT

IMPACT ACADEMY CINCINNATI
HAMILTON COUNTY

REGULAR AUDIT

FOR THE YEAR ENDED JUNE 30, 2014



Dave Yost • Auditor of State

Board of Directors
Impact Academy Cincinnati
3060 Durell Avenue
Cincinnati, Ohio 45207

We have reviewed the *Independent Auditor's Report* of the Impact Academy Cincinnati, Hamilton County, prepared by Richardson & Associates, LLC, for the audit period July 1, 2013 through June 30, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Impact Academy is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

June 30, 2015

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**IMPACT ACADEMY CINCINNATI
HAMILTON COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Impact Academy Cincinnati
Hamilton County
3060 Durrell Avenue
Cincinnati, Ohio 45207

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the Impact Academy, Hamilton County, Ohio (the Academy), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Academy's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Academy's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Impact Academy Cincinnati
Hamilton County
Independent Auditor's Report
For the Year Ended June 30, 2014

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Impact Academy, Hamilton County, Ohio as of June 30, 2014, and the respective changes in financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2015, on our consideration of the Academy'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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine 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 the Academy's internal control over financial reporting and compliance.

Richardson & Associates, LLC

Richardson & Associates, LLC
Cincinnati, OH
March 20, 2015

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Impact Academy Cincinnati
Hamilton County
Management's Discussion and Analysis
For the Year Ended June 30, 2014
(Unaudited)

As management of the Impact Academy (the School), we offer readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the School's financial performance as a whole. Readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School's financial performance.

Financial Highlights

Key financial highlights for the School are as follows:

- Net Position of the School at the end of fiscal year was negative \$316,559, a decrease of \$125,829 in comparison with the prior fiscal year-end.
- Total assets decreased \$33,147 from the prior year while total liabilities increased by \$92,682.

Using this Annual Financial Report

This financial report contains the basic financial statements of the School, as well as the Management's Discussion and Analysis and notes to the basic financial statements. The basic financial statements include a statement of net position, statement of revenues, expenses and changes in net position, and a statement of cash flows. As the School reports its operations using enterprise fund accounting, all financial transactions and accounts are reported as one activity, therefore the entity wide and the fund presentation information is the same.

Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position

The statement of net position and the statement of revenues, expenses and changes in net position answer the question, "How did we do financially during the fiscal year?" The statement of net position includes all assets and deferred outflows of resources and all liabilities and deferred inflows of resources, both financial and capital, and short-term and long-term, using the accrual basis of accounting and the economic resources measurement focus, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all revenues and expenses during the year, regardless of when the cash is received or paid.

This statement reports the School's net position; however, in evaluating the overall position and financial liability of the School, non-financial information such as the condition of the School's property and potential changes in the laws governing charter schools in the State of Ohio will also need to be evaluated.

The statement of revenues, expenses and changes in net position reports the changes in net position. This change in net position is important because it tells the reader that, for the School as a whole, the financial position of the School has improved or diminished. The causes of this change may be the result of many factors, some financial, some not.

Impact Academy Cincinnati
Hamilton County
Management's Discussion and Analysis
For the Year Ended June 30, 2014
(Unaudited)

Financial Analysis

Table 1 provides a summary of the School's net position for fiscal year 2014 compared with fiscal year 2013.

Table 1
Net Position at Year End

	2014	2013
Assets:		
Current Assets	\$ 49,407	\$ 89,530
Capital Assets, Net	29,073	22,097
Total Assets	78,480	111,627
Liabilities:		
Current Liabilities	262,719	170,620
Noncurrent Liabilities	132,320	131,737
Total Liabilities	395,039	302,357
Net Position:		
Net Investment in Capital Assets	15,649	5,226
Restricted	9,808	5,497
Unrestricted	(342,016)	(201,453)
Total Net Position	\$ (316,559)	\$ (190,730)

Current Assets decreased significantly as a result of a decrease in Cash and Cash Equivalents. This decrease was the result of operations. Capital Assets, Net and Net Investment in Capital Assets both increased significantly. These increases represent the amount in which current year acquisitions exceeded current year depreciation.

Current Liabilities increased significantly in comparison with the prior fiscal year. This increase in Current Liabilities is the result of higher accounts payable for ongoing operations.

Impact Academy Cincinnati
Hamilton County
Management's Discussion and Analysis
For the Year Ended June 30, 2014
(Unaudited)

Financial Analysis

Table 2 shows the change in net position for fiscal year 2014 compared with fiscal year 2013.

Table 2
Changes in Net Position

	2014	2013
Operating Revenues:		
Foundation Revenues	\$ 748,390	\$ 694,917
Other Unrestricted Grants-In-Aid	3,484	2,134
Total Operating Revenues	751,874	697,051
Operating Expenses:		
Salaries and Wages	366,446	327,873
Fringe Benefits	107,549	79,871
Purchased Services	516,602	458,710
Materials and Supplies	67,304	48,780
Depreciation	6,354	3,082
Other	16,028	16,301
Total Operating Expenses	1,080,283	934,617
Operating Loss	(328,409)	(237,566)
Nonoperating Revenues:		
Federal Grants	201,743	194,177
State Grants	1,231	730
Interest Expense	(393)	(151)
Total Nonoperating Revenues	202,581	194,756
Change in Net Position	(125,828)	(42,810)
Net Position, Beginning of Year	(190,730)	(147,920)
Net Position, End of the Year	\$ (316,558)	\$ (190,730)

Foundation Revenues, Federal Grants, and Total Operating Expenses all increased in comparison with the prior fiscal year as a result of increased student enrollment from 97 students to 110 students.

Impact Academy Cincinnati
Hamilton County
Management's Discussion and Analysis
For the Year Ended June 30, 2014
(Unaudited)

Capital Assets

At fiscal year-end, the School's net capital asset balance was \$29,073, an increase of \$6,976 compared with the prior fiscal year. This balance represents current year additions of \$13,330 offset by current year depreciation of \$6,354. For more information on capital assets, see Note 5 to the basic financial statements.

Debt

At fiscal year-end, the School's loan payable balance was \$122,433, an increase of \$4,120 compared with the prior fiscal year. This balance represents current year additions of \$ 26,400 offset by current year repayments totaling \$22,280. For more information on loans payable, see Note 12 to the basic financial statements.

At fiscal year-end, the School's capital lease payable balance was \$13,424, a decrease of \$3,447 compared with the prior fiscal year. This balance represents current year principal payments of \$3,447. For more information on capital assets, see Note 14 to the basic financial statements.

Current Financial Issues

The School depends on legislative and governmental support to fund its operations. Based on information currently available, several changes are expected to occur in the nature of the funding or operations of the School in future fiscal years due to the State's current economic environment. The School is expected to continue to grow in both the number of students, as well as the number of support staff, as it enters into its fourth year of operation, which will impact the School's funding since the School receives the majority of its finances from per student state aid.

Contacting the School

This financial report is designed to provide a general overview of the finances of the Impact Academy and to show the School's accountability for the monies it receives to all vested and interested parties, as well as meeting the annual reporting requirements of the State of Ohio. Any questions about the information contained within this report or requests for additional financial information should be directed to the Treasurer of Impact Academy, 3060 Durrell Ave., Cincinnati, Ohio 45207.

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**IMPACT ACADEMY CINCINNATI
HAMILTON COUNTY**

STATEMENT OF NET POSITION
AS OF JUNE 30, 2014

Assets:

Current Assets	
Cash and Cash Equivalents	\$ 26,505
Intergovernmental Receivables	14,569
Prepaid Items	<u>8,333</u>
Total Current Assets	<u>49,407</u>
Noncurrent Assets	
Capital Assets, Net of Accumulated Depreciation	<u>29,073</u>
Total Noncurrent Assets	29,073
Total Assets	<u>\$ 78,480</u>

Liabilities:

Current Liabilities	
Accounts Payable	\$ 201,691
Accrued Wages and Benefits Payable	37,917
Intergovernmental Payable	19,574
Capital Lease Payable	<u>3,537</u>
Total Current Liabilities	<u>262,719</u>
Long-Term Liabilities	
Capital Lease Payable	9,887
Loans Payable	<u>122,433</u>
Total Noncurrent Liabilities	132,320
Total Liabilities	<u>395,039</u>

Net Position:

Net Investment in Capital Assets	15,649
Restricted	9,808
Unrestricted	(342,016)
Total Net Position	<u>(316,559)</u>
Total Liabilities and Net Position	<u>\$ 78,480</u>

See accompanying notes to the basic financial statements.

**IMPACT ACADEMY CINCINNATI
HAMILTON COUNTY**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Operating Revenues:	
Foundation Payments	\$ 748,390
Other Unrestricted Grants-In-Aid	3,484
Total Operating Revenues	<u>751,874</u>
Operating Expenses:	
Salaries and Wages	366,446
Fringe Benefits	107,549
Purchased Services	516,602
Materials and Supplies	67,304
Depreciation	6,354
Other	16,028
Total Operating Expenses	<u>1,080,283</u>
Operating Loss	<u>(328,409)</u>
Non-Operating Revenues (Expenses):	
Federal Grant Revenue	201,743
State Grant Revenue	1,230
Interest Expense	(393)
Total Non-Operating Revenues (Expenses)	<u>202,580</u>
Change in Net Position	(125,829)
Net Position Beginning of Year	(190,730)
Net Position End of Year	<u><u>\$ (316,559)</u></u>

See accompanying notes to the basic financial statements.

**IMPACT ACADEMY CINCINNATI
HAMILTON COUNTY**

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Cash Flows from Operating Activities:	
Received from State of Ohio	\$ 751,874
Payments to Employees for Services and Benefits	(490,914)
Payments to Suppliers for Goods and Services	(470,384)
Payments to Others	<u>(23,265)</u>
Net Cash Used for Operating Activities	<u>(232,689)</u>
Cash Flows from Noncapital Financing Activities:	
Federal Grants	225,009
Proceeds of Loans	26,400
State Grants	1,230
Payment of Loan Principal	<u>(22,280)</u>
Net Cash from Noncapital Financing Activities	<u>230,359</u>
Cash Flows from Capital and Related Financing Activities:	
Payments for Capital Acquisitions	(13,330)
Payment of Capital Lease Principal	(3,447)
Payment of Capital Lease Interest	<u>(393)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(17,170)</u>
Net Increase in Cash and Cash Equivalents	(19,500)
Cash and Cash Equivalents at Beginning of Year	46,005
Cash and Cash Equivalents at End of Year	<u><u>\$ 26,505</u></u>

See accompanying notes to the basic financial statements.

**IMPACT ACADEMY CINCINNATI
HAMILTON COUNTY**

**STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Reconciliation of Operating Loss to Net Cash
Used for Operating Activities:

Operating Loss	\$ (328,409)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	6,354
Changes in Assets and Liabilities:	
Intergovernmental Receivable	(2,643)
Accounts Payable	97,991
Accrued Wages and Benefits Payable	(9,850)
Intergovernmental Payable	3,868
Net Cash Used for Operating Activities	<u><u>\$ (232,689)</u></u>

See accompanying notes to the basic financial statements.

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**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

1. Description of the School and Reporting Entity:

Impact Academy (the School), is a nonprofit corporation established pursuant to Ohio Revised Code Chapters 3314 and 1702 to address the needs of students in kindergarten through sixth grade through customizing learning for each child. The School, which is part of the State's education program, is independent of any school district and is nonsectarian in its programs, admission policies, employment practices, and all other operations. The School may sue and be sued, acquire facilities as needed, and contract for any services necessary for the operation of the School.

The School had one fiscal service provider during the 2014 fiscal year, Mangen & Associates School Resource Center. Douglas Mangen served as the Certified Treasurer during the entire 2014 fiscal period. The Richland Academy was the School's sponsor in fiscal year 2014. The Sponsor is responsible for evaluating the performance of the School and has the authority to deny renewal of the contract at its expiration or terminate the contract prior to its expiration.

The School operates under the director of a Five-member Board of Trustees (the Board). The Board is responsible for carrying out the provisions of the contract, which include, but are not limited to, state-mandated provisions regarding student population, curriculum, academic goals, performance standards, admission standards, and qualifications of teachers. The Board controls the School's instructional/support facility staffed by 4 non-certified and 9 certificated teaching personnel who provide services to 110 students.

The School entered into a service agreement with Mangen & Associates to provide certain financial and accounting services, including performing all duties required of the Treasurer of the School. See Note 10.

2. Summary of Significant Accounting Policies:

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental nonprofit organizations. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School's accounting policies are described below.

A. Basis of Presentation

Enterprise accounting is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

2. Summary of Significant Accounting Policies (continued):

B. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources are included on the statement of net position. The difference between total assets and deferred outflows of resources and liabilities and deferred inflows of resources is defined as net position. The statement of revenues, expenses and changes in net position present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made. The accrual basis of accounting is utilized for reporting purposes. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

C. Budgetary Process

Unlike other public schools located in the state of Ohio, community schools are not required to follow budgetary provisions set forth in Ohio Rev. Code Section 5705, unless specifically provided in the Schools contract with its Sponsor. The contract between the School and its Sponsor does prescribe an annual budget requirement in addition to preparing a five-year forecast which is to be updated on an annual basis.

D. Cash and Cash Equivalents

All monies received by the School are maintained in a demand deposit account. For internal accounting purposes, the School segregates its cash into separate funds.

E. Capital Assets

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. The School does not possess any infrastructure. The School maintains a capitalization threshold of \$500. Improvements are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets are depreciated. Improvements to capital assets are depreciated over the remaining useful life of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimate Life</u>
Building and Building Improvements	50 years
Furniture, Fixtures, and Equipment	5 years

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

2. Summary of Significant Accounting Policies (continued):

F. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from these estimates.

G. Intergovernmental Revenues

The School is a participant in the State Foundation Program. In addition, the State distributes among all public schools, a percentage of proceeds received from the tax on gross casino revenue, to be used to support primary and secondary education. Foundation funding and proceeds received from the State's tax on casino revenue are recognized as operating revenues in the accounting period in which they are earned, essentially the same as the fiscal year received. Federal and state grants and entitlements are recognized as non-operating revenues in the accounting period in which all eligibility requirements of the grants have been met.

H. Operating and Non-Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly by the School's primary mission. For the School, operating revenues include revenues paid through the State Foundation Program and Other Unrestricted Grants-In-Aid distributed from the State's proceeds of the tax on gross casino revenue. Operating expenses are necessary costs incurred to support the School's primary mission, including salaries, benefits, purchased services, materials and supplies, depreciation and other.

Non-operating revenues and expenses are those that are not generated directly by the School's primary mission. Various federal and state grants, interest earnings and expense, if any, and contributions comprise the non-operating revenues and expenses of the School.

I. Accrued Liabilities Payable

The School has recognized certain liabilities on its statement of net position relating to expenses, which are due but unpaid as of fiscal year-end, including:

Accrued wages and benefits payable – salary and benefit payments made after year-end to instructional and support staff for services rendered prior to the end of June, but whose payroll continues into the summer months based on the fiscal year 2014 contract.

Accounts payable – payments due for services or goods that were rendered or received during fiscal year 2014.

Intergovernmental payable - payments made after year-end for the School's share of retirement contributions, Medicare and Worker's Compensation associated with services rendered during the fiscal year.

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

2. Summary of Significant Accounting Policies (continued):

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The School did not have any deferred outflows of resources at fiscal year-end.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The School did not have any deferred inflows of resources at fiscal year-end.

K. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation, less any outstanding capital related debt. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

L. Economic Dependency

The School receives nearly 100% of its operating revenue from the Ohio Department of Education. Due to the significance of this revenue source, the School is considered to be economically dependent on the State of Ohio Department of Education.

3. Deposits and Investments:

At June 30, 2014, the carrying amount of the School's deposits was \$26,505 and the bank balance was \$32,939. The entire bank balance was covered by the Federal Deposit Insurance Corporation.

4. Intergovernmental Receivables:

All intergovernmental receivables are considered collectible in full due to the stable condition of State programs. A summary of the principal items of receivables at June 30, 2014 is as follows:

<u>Grant Program</u>	<u>Amount</u>
Title I	\$ 11,926
STRS Overage	2,643

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

5. Capital Assets:

Capital asset activity for the fiscal year ended June 30, 2014 was as follows:

Capital Assets:	Beginning Balance	Additions	Deletions	Ending Balance
Building and Improvements	\$ -	\$ 1,308	\$ -	\$ 1,308
Furniture and Equipment	25,692	12,022	-	37,714
Total Capital Assets	25,692	13,330	-	39,022
Less Accumulated Depreciation:				
Building and Improvements	-	(13)	-	(13)
Furniture and Equipment	(3,595)	(6,341)	-	(9,936)
Total Accumulated Depreciation	(3,595)	(6,354)	-	(9,949)
Capital Assets, Net	\$ 22,097	\$ 6,976	\$ -	\$ 29,073

6. Risk Management:

A. Property and Liability

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. For the year ended June 30, 2014, the School contracted with Argonaut Insurance Company for its insurance coverage as follows:

General Liability (aggregate)	\$3,000,000
Each Occurrence Limit	\$1,000,000
Personal/Advertising Limit	\$1,000,000
Damage to Rented Premises	\$500,000

There was no significant reduction in coverage during the fiscal year. Settlement amounts did not exceed coverage amounts during the fiscal year.

B. Workers' Compensation

The School pays the State Worker's Compensation System a premium for employee injury coverage. The premium is calculated by multiplying the monthly total gross payroll by a factor that is determined by the State.

C. Employee Insurance Benefits

The School utilizes Ameriflex, Anthem Blue Cross Blue Shield, and Superior Dental Care, Inc. to provide dental, health, vision, life, accidental death and dismemberment insurance benefits to School employees.

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

7. Defined Benefit Pension Plans:

A. School Employees Retirement System

Plan Description - The School contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability, and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. The School Employees Retirement System issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained on SERS' website at www.ohsers.org under Employer/Audit Resources.

Funding Policy - Plan members are required to contribute 10% of their annual covered salary and the School is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For fiscal year ending June 30, 2014, the allocation to pension and death benefits is 13.10%. The remaining 0.90% of the 14% employer contribution rate is allocated to the Health Care and Medicare B Funds. The School's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2014, 2013 and 2012 were \$14,507, \$7,570 and \$4,597, respectively. The entire amount has been contributed for fiscal year 2012 and 2013. For fiscal year 2014, the School has contributed 24% of the required amount. The unpaid contribution has been recorded as a liability.

B. State Teachers Retirement System

Plan Description - The School contributes to the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, college, university, institution or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling toll-free 1-888-227-7877 or by visiting the STRS Ohio Web site at www.strsoh.org.

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

7. Defined Benefit Pension Plans (continued):

Plan Options – New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC plan allows members to allocate all their member contributions and employer contributions equal to 10.5% of earned compensation among various investment choices. The Combined Plan offers features of the DC Plan and the DB Plan. In the Combined Plan, member contributions are allocated to investment choices by the member, and employer contributions are used to fund a defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and the Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a biweekly basis. DC and Combined Plan members will transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

DB Plan Benefits – Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the “formula benefit” or the “money-purchase benefit” calculation. Under the “formula benefit”, the retirement allowance is based on years of credited service and final average salary, which is the average of the member’s three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the “money-purchase benefit” calculation, a member’s lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

DC Plan Benefits – Benefits are established under Sections 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump-sum withdrawal. Employer contributions into members’ accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member’s designated beneficiary is entitled to receive the member’s account balance.

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

7. Defined Benefit Pension Plans (continued):

Combined Plan Benefits – Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member's defined benefit is determined by multiplying 1% of the member's final average salary by the member's years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for an annuity benefit or equivalent lump-sum payment in addition to the original retirement allowance. A reemployed retiree may alternatively receive a refund of only member contributions with interest before age 65, once employment is terminated.

Benefits are increased annually by 3% of the original base amount for DB Plan participants.

The DB and Combined Plans offer access to health care coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A DB or Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of members who die before retirement may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 11% for members and 14% for employers. Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2014, were 11% of covered payroll for members and 14% for employers. The School's required contribution for pension obligations for the fiscal years ended June 30, 2014, 2013 and 2012 were \$33,710, \$35,111 and \$20,504, respectively. The entire amount has been contributed for fiscal year 2012 and 2013. For fiscal year 2014, the School has contributed 80% of the required amount. The unpaid contribution has been recorded as a liability.

C. Social Security

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System /State Teachers Retirement System. The Board's liability is 6.2% of wages paid.

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

8. Post-employment Benefits:

a. School Employees Retirement System

Postemployment Benefits – In addition to a cost-sharing multiple-employer defined benefit pension plan the School Employees Retirement System of Ohio (SERS) administers two cost-sharing, multiple employer postemployment benefit plans.

Medicare Part B Plan – The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2014 was \$104.90 for most participants, but could be as high as \$335.70 per month depending on their income. SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2014, the actuarially required allocation is .76%. The School's required contributions for the years ended June 30, 2014, 2013 and 2012 were \$842, \$428 and \$271, respectively. The entire amount has been contributed for fiscal year 2012 and 2013. For fiscal year 2014, the School has contributed 24% of the required amount. The unpaid contribution has been recorded as a liability.

Health Care Plan – ORC 3309.375 and 3309.69 permit SERS to offer health care benefits to eligible retirees and beneficiaries. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. SERS offers several types of health plans from various vendors, including HMOs, PPOs, Medicare Advantage and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively.

The ORC provides the statutory authority to fund SERS' postemployment benefits through employer contributions. Active members do not make contributions to the postemployment benefit plans.

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

8. Post-employment Benefits (continued):

The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. For the year ended June 30, 2014, the health care allocation is .14%. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. State law provides that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2014, the minimum compensation level was established at \$20,250. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The School's contributions assigned to health care, including the surcharge, for the fiscal years ended June 30, 2014, 2013 and 2012 were \$1,710, \$325 and \$923, respectively. The entire amount has been contributed for fiscal year 2012 and 2013. For fiscal year 2014, the School has contributed 24% of the required amount. The unpaid contribution has been recorded as a liability.

The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status. The financial reports of SERS' Health Care and Medicare B plans are included in its *Comprehensive Annual Financial Report*. The report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at www.ohsers.org under Employers/Audit Resources.

a. State Teachers Retirement System

Plan Description - The School contributes to the cost-sharing, multiple employer postemployment benefit Health Plan (the "Plan") administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by writing 275 E. Broad St., Columbus, OH 43215-3371, by calling 1-888-227-7877, or by visiting the STRS Ohio web site at www.strsoh.org.

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2014, STRS Ohio allocated employer contributions equal to 1% of covered payroll to post-employment health care. The School's required contributions for health care for the fiscal years ended June 30, 2014, 2013 and 2012 were \$2,593, \$2,701 and \$1,577, respectively. The entire amount has been contributed for fiscal year 2012 and 2013. For fiscal year 2014, the School has contributed 80% of the required amount. The unpaid contribution has been recorded as a liability.

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

9. Contingencies:

A. Grants

The School received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School at June 30, 2014, if applicable, cannot be determined at this time. However, in the opinion of the School, any such disallowed claims will not have a material adverse effect on the financial position of the School at fiscal year-end.

B. State Funding

The Ohio Department of Education conducts reviews of enrollment data and Full Time Equivalency calculations made by the schools. These reviews are conducted to ensure the schools are reporting accurate student enrollment data to the State, upon which state foundation funding is calculated.

The Ohio Department of Education (ODE) has identified several community schools and/or STEM schools that made critical data errors between the June payment and the Final #1 payment. As a result, ODE will be running a Final #2 foundation report for community schools and STEM schools for fiscal year 2014. As of the date of this report, a final list of schools impacted and amounts are not yet available, but ODE believes this will result in receivables to the schools affected.

10. Instruction, Operations and Fiscal Management:

The School is a party to a fiscal services agreement with Mangen & Associates (M&A) School Resource Center, which is an education finance consulting company. The Agreement may be terminated by either party, with or without cause, by giving the other party ninety days written notice to terminate. The Agreement provides that M&A will perform the following services:

1. Financial Management Services
2. Treasurer Services
3. Payroll / Payables Services
4. CCIP Budget / Federal Programs Monitoring
5. EMIS / DASL / SOES Services

The School paid M&A \$54,048 during fiscal year 2014 for such fiscal services.

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

11. Purchased Services:

During the fiscal year ended June 30, 2014, purchased services expenses for services rendered by various vendors were as follows:

Instruction Services	\$ 15,313
Instructional Improvement	292
Professional and Technical Services	278,030
Garbage Removal and Cleaning	41,501
Rentals	60,772
Other Property Services	6,796
Travel/Meeting Services	450
Utilities	4,843
Postage	531
Advertising	18,445
Contracted Food Services	88,592
Pupil Transportation Services	1,037
Total	<u><u>\$ 516,602</u></u>

12. Short-term Loan/Related Party

During fiscal year 2012, the School entered into six short-term loans for operations with Mangen & Associates, the School's Treasurer, totaling \$82,313. In fiscal year 2013, the School entered into three more short-term loans for operations, totaling \$36,000. In fiscal year 2014, the School entered into three more short-term loans for operations, totaling \$26,400. The loans have an interest rate of 0%. The School paid \$22,280 in principal payments during the fiscal year. The outstanding loan balance of \$122,433 is due January 1, 2016.

13. Operating Leases:

For fiscal year 2014, the School entered into a lease agreement with Christ Temple Full Gospel Baptist Church for building space. Rent during the initial term of the lease is \$4,167 per month. During fiscal year 2014, the School made lease payments of \$50,000.

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

14. Capital Lease:

During fiscal year 2013, the School entered into a five-year lease with ProSource for the use of two copiers. Monthly rental payments of \$320 plus additional charges based on the number and type of copies began in March 2013 and totaled \$3,840 for the fiscal year ended June 30, 2014.

The following schedule details future lease payments of the School.

Year	Total Payments
Fiscal year 2015	\$ 3,840
Fiscal year 2016	3,840
Fiscal year 2017	3,840
Fiscal year 2018	2,560
	14,080
Less amount representing interest	(656)
Capital Lease Payable at year-end	\$ 13,424

At fiscal year-end, the two copiers had a carrying amount of \$12,600, which represents a cost of \$18,000 less accumulated depreciation of \$5,400.

15. Change in Accounting Principle:

For fiscal year 2014, the School has implemented the following:

GASB Statement No. 66 “Technical Corrections – 2012 - an Amendment of GASB Statements No. 10 and No. 62” resolves conflicting guidance that results from the issuance of GASB Statements No. 54 and No. 62. This Statement also amends GASB Statement No. 10 by removing the provision that limits fund-based reporting of an entity’s risk financing activities to the general fund and the internal service fund type. This Statement also amends GASB Statement No. 62 to clarify how to apply GASB Statement No. 13 and results in guidance that is consistent with GASB Statement No. 48. The implementation of this statement did not have an effect on the financial statements of the School.

GASB Statement No. 70 “Accounting and Financial Reporting for Nonexchange Financial Guarantees” enhances comparability of financial statements by requiring consistent reporting by those governmental entities that extend nonexchange financial guarantees and by those governmental entities that receive nonexchange financial guarantees. The implementation of this statement did not have an effect on the financial statements of the School.

**IMPACT ACADEMY CINCINNATI
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

16. Management Plan:

During fiscal year 2014, the School remained current on all outstanding payables with the exception of M&A. The School's enrollment continues to improve and is forecasted for considerable growth in the next few years as a result of stronger community connections and the excitement created by the School's individual student learning plans. As a result, the operating margins during the next few years are expected to contribute to a considerable reduction in the amount owed to M&A, which totaled \$191,309 on June 30, 2014. The current financial plan for the School provides a clear focus on cutting costs of daily operations through process improvements and spending restriction after the School's instruction program requirements are met.

The School's Board has adopted a balanced budget for the fiscal year ending June 30, 2015 which includes a plan for continued payments toward the M&A outstanding balance noted above. In addition, the board-approved five-year financial plan is designed to retire all outstanding payables to M&A plus the pay-off of the outstanding loan. The long-term objective is to build an unencumbered cash reserve equal to three months of core operating expenditures to meet ongoing cash flow requirements without the need for an outside loan, line of credit or any philanthropic contributions.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Impact Academy Cincinnati
Hamilton County
3060 Durrell Avenue
Cincinnati, Ohio 45207

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Impact Academy, Hamilton County, Ohio, (the Academy) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements and have issued our report thereon dated March 20, 2015.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Academy's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Academy's internal control. Accordingly, we have not opined on it.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. *A material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Academy's financial statements. *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 internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Academy's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under Government Auditing Standards.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Academy's internal control or on compliance. This report is an integral part of an audit performed under Government Auditing Standards in considering the Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Richardson & Associates, LLC

Richardson & Associates, LLC
Cincinnati, OH
March 20, 2015

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURE

Impact Academy Cincinnati
Hamilton County
3060 Durrell Avenue
Cincinnati, Ohio 45207

To the Board of Directors:

Ohio Rev. Code Section 117.53 states “the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school.”

Accordingly, we have performed the procedure enumerated below, which was agreed to by the Board, solely to assist the Board in evaluating whether Impact Academy has updated its anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of this procedure is solely the responsibility of the Board. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

1. The school did not amend its anti-harassment policy to include prohibiting harassment, intimidation, or bullying of any student “on a school bus”.
2. The school did not amend its anti-harassment policy to include the requirement that the district or community school should report incidents to the president of the district board of education or community school governing authority.

Ohio Rev. Code Section 3313.666 required the School to amend its policy accordingly.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. 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 solely for the information and use of the Board and the Center’s sponsor, is not intended to be, and should not be used by anyone other than these specified parties.

Richardson & Associates, LLC

Richardson & Associates, LLC
Cincinnati, Ohio
March 20, 2015



Dave Yost • Auditor of State

IMPACT ACADEMY CINCINNATI

HAMILTON COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 14, 2015**