

FORREST M. BIRD CHARTER SCHOOLS, INC.
SANDPOINT, IDAHO

Audited Financial Statements
For the Years Ended June 30, 2013 and 2012



FORREST M. BIRD CHARTER SCHOOLS, INC.

Sandpoint, Idaho

**Audited Financial Statements
For the Years Ended June 30, 2013 and 2012**



Forrest M. Bird Charter Schools, Inc.
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Forrest M. Bird Charter Schools, Inc.
Sandpoint, Idaho 83864

We have audited the accompanying financial statements of Forrest M. Bird Charter Schools, Inc. (an Idaho nonprofit corporation) which comprise the statements of financial position as of June 30, 2013 and 2012 and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit 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 from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Forrest M. Bird Charter Schools, Inc. as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter Regarding Going Concern

The accompanying financial statements have been prepared assuming that the Forrest M. Bird Charter Schools, Inc. will continue as a going concern. As discussed in Note 11 to the financial statements, Forrest M. Bird Charter School's current liabilities exceed its current assets by \$311,440 which raises doubt about its ability to continue as a going concern. Management's plans in regards to these matters are also described in Note 11. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Hayden Ross, PLLC

Moscow, Idaho
November 4, 2013

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

STATEMENTS OF FINANCIAL POSITION
June 30, 2013 and 2012

	2013	2012
ASSETS		
Current Assets		
Cash	118,848	178,890
State support receivable	72,024	47,150
Other receivable	2,745	3,364
Prepaid expenses	13,377	14,234
Total Current Assets	206,994	243,638
Fixed Assets		
Land and buildings	4,869,870	4,869,870
Fixtures and equipment	71,310	71,310
Less accumulated depreciation	(728,223)	(599,709)
Net Fixed Assets	4,212,957	4,341,471
Total Assets	\$ 4,419,951	\$ 4,585,109
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	149,596	22,636
Salaries and benefits payable	216,475	171,968
Accrued interest	8,763	3,744
Current portion of long-term debt	143,600	97,965
Total Current Liabilities	518,434	296,313
Long-term liabilities, less current portion	3,292,990	3,444,444
Net Assets		
Unrestricted	536,439	787,620
Reserved for Debt Service	72,088	56,732
Total Net Assets	608,527	844,352
Total Liabilities and Net Assets	\$ 4,419,951	\$ 4,585,109

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Revenue, Grants, and Other Support		
Federal support	40,572	41,347
State support	1,848,268	1,726,138
Interest	620	1,464
Other local	67,033	41,067
Total Revenue, Grants and Other Support	<u>1,956,493</u>	<u>1,810,016</u>
 Expense		
Program (instructional)	1,230,904	1,040,731
Administrative (support)	656,710	504,928
Non-instructional	27,421	13,423
Depreciation	128,514	127,949
Interest on long-term debt	148,769	163,353
Total Expense	<u>2,192,318</u>	<u>1,850,384</u>
 Change in net assets - unrestricted	(235,825)	(40,368)
 Net assets - beginning of year	<u>844,352</u>	<u>884,720</u>
 Net assets - end of year	<u>\$ 608,527</u>	<u>\$ 844,352</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2013 and 2012

	2013	2012
Cash Flows from Operating Activities		
Cash received from state support	1,823,394	1,804,594
Cash received from federal support	41,191	74,369
Cash received from interest	620	1,464
Other cash received	67,033	41,067
Cash paid for interest	(143,750)	(163,159)
Cash paid to suppliers and employees	(1,742,711)	(1,570,043)
Net Cash Provided by Operating Activities	45,777	188,292
Cash Flows from Investing Activities		
Purchase of fixed assets	-	(38,024)
Cash Flows from Financing Activities		
Payment on long-term debt and fees	(105,819)	(86,405)
Net Cash Provided by (Used in) Financing Activities	(105,819)	(86,405)
Net Increase (Decrease) in Cash	(60,042)	63,863
Cash - Beginning of Year	178,890	115,027
Cash - End of Year	\$ 118,848	\$ 178,890
Reconciliation of Change in Net Assets to Net		
Cash Provided by Operating Activities:		
Change in net assets	(235,825)	(40,368)
Adjustments to reconcile change in net assets		
to net cash provided by operating activities:		
Depreciation and amortization	128,514	127,949
Decrease (increase) in state support receivable	(24,874)	78,456
Decrease (increase) in other receivable	619	33,022
Decrease (increase) in prepaid expenses	857	(4,290)
Increase (decrease) in accrued interest	5,019	194
Increase (decrease) in accounts payable	126,960	(21,432)
Increase (decrease) in salaries and benefits payable	44,507	14,761
Net Cash Provided by Operating Activities	\$ 45,777	\$ 188,292

Forrest M. Bird Charter Schools, Inc.
Notes to the Financial Statements
June 30, 2013 and 2012

NOTE 1 Organization

The Forrest M. Bird Charter Schools, Inc. (the School) is a non-profit state-funded public school. The school serves 6th through 12th grades. The school was approved in January 2001 by the Lake Pend Oreille School District Board of Trustees. The expansion to a high school was approved by the Lake Pend Oreille School District Board of Trustees in August of 2008. As of fall 2013 the overall school enrollment was 363, with 200 of those in high school.

NOTE 2 Summary of Significant Accounting Policies

Restricted Support - The School reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, either when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The School reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used.

Basis of Accounting - The School uses the accrual basis of accounting. Revenues are recognized as earned, and expenses are recognized when incurred.

Cash - The School has no requirement to hold cash in separate accounts.

Accounts Receivable - No allowance for uncollectible accounts is calculated by the School since all receivables were deemed to be collectible.

Income Tax Status – The School’s Form 990, *Return of Organization Exempt from Income Tax*, for the years ending 2013, 2012, and 2011 are subject to examination by the IRS, generally for three years after they were filed.

Fixed Assets - The cost of fixed assets is depreciated over the estimated useful lives of the assets. The School has a capitalization threshold policy of \$5,000. Depreciation is computed on the straight-line method for financial reporting purposes. The useful lives of fixed assets for purposes of computing depreciation are 5 to 7 years for office furniture and equipment and 40 years for buildings. Depreciation expense for the years ending June 30, 2013 and 2012 was \$128,514 and \$127,949, respectively.

Use of Estimates - The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses, and actual results may differ from estimated amounts.

Statement of Cash Flows - For purposes of the Statement of Cash Flows, the School considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

Reports Required by the State - The income statements required by the State included in the supplemental information report the unrestricted activity. The General Fund accounts for activities for general operations. The Special Revenue Funds account for the activities from the grants the School received. The School Plant Facility Fund accounts for activities related to the building facilities used by the School.

Subsequent Events – Subsequent events have been evaluated through the date of the auditor’s report. This is the date the financial statement were available to be issued. The School has concluded that no subsequent events have occurred.

NOTE 3 Long-Term Debt

Long-term debt for the School as of June 30, 2013 and 2012 consists of the following:

	<u>2013</u>	<u>2012</u>
United States Department of Agriculture (USDA) secured by land, building, and equipment, payable at \$3,614 per month including interest at 4.5%. The note matures January 2029.	484,470	515,518
United States Department of Agriculture (USDA) secured by land, building, and equipment, payable at \$1,065 per month including interest at 4.5%. The note matures March 2039.	194,336	198,274
Panhandle State Bank (PSB) secured by land, building, and equipment, payable at \$4,594.54 per month including interest. Interest is computed at a variable rate referenced to the prime rate as reported in the <i>Wall Street Journal</i> . The interest rate to be applied to unpaid principal will be at a rate of 2.0% over the prime rate. The interest rate at June 30, 2012 was 3.25%. The note matures December 2028.	673,461	703,425

United States Department of Agriculture (USDA) secured by land, building, and equipment payable at \$8,118 per month including interest at 4.25%. The note matures July 2040.	1,565,518	1,595,697
Mountain West Bank (MWB) secured by land, building, and equipment, payable at \$3,408.90 per month including interest at 5.49%. The note matures February 2035.	<u>518,805</u>	<u>529,495</u>
Total Long-term Debt	3,436,590	3,542,409
Less Current Portion	<u>(143,600)</u>	<u>(97,965)</u>
Net Long-term Debt	<u>\$3,292,990</u>	<u>\$3,444,444</u>

Future debt service is as follows:

Fiscal Year End June 30,

2014	143,600
2015	141,175
2016	136,593
2017	131,811
2018	126,820
2019 and thereafter	<u>2,756,591</u>
Total	<u>\$ 3,436,590</u>

NOTE 4 Major Funding Sources

The School received a majority of its revenue from the Idaho Department of Education.

	<u>2013</u>	<u>% of Total Revenue</u>
Idaho Department of Education	\$1,848,268	95%
	<u>2012</u>	<u>% of Total Revenue</u>
Idaho Department of Education	\$1,726,138	96%

NOTE 5 Employee's Retirement System

Public Employee Retirement System of Idaho (PERSI), The PERSI Base Plan, a cost sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The Plan provides benefits based on members' years of service, age, and compensation. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The authority to establish and amend benefit provisions is established in Idaho Code. Designed as a mandatory system for eligible state and school district employees, the legislation provided for other political subdivisions to participate by contractual agreement with PERSI. After 5 years of credited service, members become fully vested in retirement benefits earned to date.

Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% of the average monthly salary for the highest consecutive 42 months. PERSI issues publicly available stand alone financial reports that include audited financial statements and required supplementary information. These reports may be obtained from PERSI's website www.persi.idaho.gov.

The actuarially determined contribution requirements of the School and its employees are established and may be amended by the PERSI Board of Trustees.

For the year ended June 30, 2013, 2012, and 2011, the required contribution rate as a percentage of covered payroll for members was 6.23%. The employer rate as a percentage of covered payroll was 10.39%. The School's contributions required and paid were \$109,942, \$96,169 and \$86,889 for the years ended June 30, 2013, 2012, and 2011, respectively.

NOTE 6 Designated Net Assets

For the year ended June 30, 2007, the Idaho State Legislature levied a requirement for all school districts in the State of Idaho to spend a certain amount of funds on capital outlay and maintenance on student-occupied buildings. Per the State of Idaho's Department of Education, the School was required to spend \$59,744 in expenses relating to student-occupied buildings, based on the factor of 48,900 square feet multiplied by a factor of \$81.45 then multiplied again by 2% minus state fund distributions. At beginning of fiscal year-end June 30, 2013, the School had a credit of \$301,776 which it can apply to the current year requirement. The school spent \$25,541 of the required \$59,743 of expenditures this year. The credit to be carry forward to next year will be reduced to \$267,574.

NOTE 7 Concentration of Credit Risk

Forrest M. Bird Charter Schools, Inc. maintains three checking accounts at a single bank. The Federal Deposit Insurance Corporation (FDIC) insures up to \$250,000 at an institution for fiscal year-end 2013 and 2012. Cash at this institution did not exceed \$250,000.

NOTE 8 High School Building

As of fall 2012, Sandpoint Charter School has finished the 20,000 square feet of a new high school facility. Financing for the new facility was obtained through a United States Department of Agriculture Rural Development loan for \$1.55 million at 4.5% for 25 years and a loan from Mountain West Bank for \$550,000 at 5.49% for 25 years. Total debt service for the new building is \$138,324 per year. This amount plus the existing debt service totals \$249,000 per year.

NOTE 9 Reserved Net Assets

The United States Department of Agriculture (USDA) loaned monies to the Forrest M. Bird Charter Schools Inc. for the construction of the high school building. One of the requirements of the loans is a debt service reserve account be established and funded by the School at a rate of one-tenth of the annual payment per year until a total of one annual payment has been accumulated. As of June 30, 2013 and 2012, the reserve amounts required by the USDA are \$72,088 and \$56,732, respectively.

NOTE 10 P-TECH Operating Agreement

On July 12, 2013 Forest M. Bird Charter Schools (FBCS) entered into an operating agreement with Pathways in Technology Early College High School (P-TECH) Network of Idaho, LLC, to help provide early college access and professional technical training to high school students in Idaho no matter their physical location. FBCS will serve as the sole member of P-TECH and will operate as an exempt organization under Section 501(c)(3) of the Internal Revenue Code. P-TECH shall operate as an independent entity separate from FBCS and any other entity and is required to be governed by a Board of Managers separate from the FBCS. FBCS will have one representative on the P-TECH Board of Managers. FBCS will provide support services for P-TECH including IT support, accounting services, institutional expertise, and education capabilities. FBCS may bill P-TECH for such services.

NOTE 11 Going Concern Consideration

As of June 30, 2013 Forest M. Bird Charter School's (FBCS) current liabilities of \$518,434 exceed its current assets of \$206,994 by \$311,440. The effect of this

situation is that FBCS may not have enough current assets to cover its current obligations if the obligations come due before FBCS collects more current assets. This factor raises doubt about FBCS's ability to continue as a going concern.

The Board of Directors and management are aware of the situation. The school is expecting to increase revenue in the near future by increased enrollment for the 2013-2014 school year which will give them an increase in state support. (Enrollment is greatly up in the 2013-2014 school year, resulting in a potential of up to \$200,000 in increased revenue) Also the school is expecting to receive \$40,000 in additional state foundation payment for building maintenance calculated at approximately \$117 per student.

In order to control expenses, the Board of Directors and management are going to reduce transportation costs by restricting bus routes and by reduction in salary expenses. (This was done for the 2013-2014 school year)

Through increasing revenue and controlling expenses, the Board and Directors are predicting a \$60,000 increase in net assets in FY 2013-2014. (Again, this could be much higher due to student enrollment)

ADDITIONAL INFORMATION



INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

To the Board of Directors
Forrest M. Bird Charter Schools, Inc.
Sandpoint, Idaho 83864

We have audited the financial statements of Forrest M. Bird Charter Schools, Inc. (an Idaho non-profit corporation) as of and for the years ended June 30, 2013 and 2012, and have issued our report thereon dated November 4, 2013, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses and Schedules I – VI are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Hayden Ross, PLLC

Moscow, Idaho
November 4, 2013

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

SCHEDULE I - FUNCTIONAL EXPENSE
For the Year Ended June 30, 2013

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non-Instruction</u>	<u>Total</u>
Salaries	873,174	252,996	-	1,126,170
Benefits	277,386	68,036	-	345,422
Purchased services	43,905	308,336	-	352,241
Supply-materials	36,439	27,342	-	63,781
Capital objects	-	-	27,421	27,421
Debt-service interest	-	148,769	-	148,769
Depreciation and amortization	128,514	-	-	128,514
Total Expense	<u>\$ 1,359,418</u>	<u>\$ 805,479</u>	<u>\$ 27,421</u>	<u>\$ 2,192,318</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

SCHEDULE I - FUNCTIONAL EXPENSE (Continued)
For the Year Ended June 30, 2012

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non-Instruction</u>	<u>Total</u>
Salaries	766,859	192,284	-	959,143
Benefits	240,049	52,137	-	292,186
Purchased services	10,250	231,128	-	241,378
Supply-materials	23,574	29,378	-	52,952
Insurance	-	-	13,423	13,423
Debt-service interest	-	163,353	-	163,353
Depreciation and amortization	127,949	-	-	127,949
Total Expense	<u>\$ 1,168,681</u>	<u>\$ 668,280</u>	<u>\$ 13,423</u>	<u>\$ 1,850,384</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

SCHEDULE II - ASSETS, LIABILITIES, AND NET ASSETS
June 30, 2013

	<u>GOVERNMENTAL FUND TYPES</u>		Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	
ASSETS AND OTHER DEBITS			
Assets:			
Cash	76,498	42,350	118,848
State support program receivable	72,024	-	72,024
Other receivable	2,745	-	2,745
Prepaid expenses	13,377	-	13,377
Total assets and other debits	<u>\$ 164,644</u>	<u>\$ 42,350</u>	<u>\$ 206,994</u>
LIABILITIES			
Accounts Payable	149,596	-	149,596
Accrued payroll and benefits	216,475	-	216,475
Accrued interest	8,763	-	8,763
Total liabilities	<u>374,834</u>	<u>-</u>	<u>374,834</u>
EQUITY AND OTHER CREDITS			
Investment in general fixed assets	-	-	-
Net Assets (Deficit):			
Non-Spendable			
Prepaid insurance	2,745	-	2,745
Unreserved-undesignated	(212,935)	42,350	(170,585)
Total equity and other credits	<u>(210,190)</u>	<u>42,350</u>	<u>(167,840)</u>
Total liabilities, equity and other credits	<u>\$ 164,644</u>	<u>\$ 42,350</u>	<u>\$ 206,994</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

GENERAL FUND
SCHEDULE III - REVENUES, EXPENDITURES, AND CHANGES IN NET
ASSETS - BUDGET AND ACTUAL
For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Local:			
Interest	620	-	620
Other	17,482	-	17,482
Total local	<u>18,102</u>	<u>-</u>	<u>18,102</u>
State:			
Base support	1,411,208	1,543,214	(132,006)
Transportation	127,603	84,000	43,603
Benefit support	164,469	186,614	(22,145)
Other state support	123,113	21,500	101,613
Total state	<u>1,826,393</u>	<u>1,835,328</u>	<u>(8,935)</u>
Total revenues	<u>1,844,495</u>	<u>1,835,328</u>	<u>9,167</u>
EXPENDITURES			
Current:			
Instruction:			
Salaries	843,174	1,019,461	176,287
Benefits	277,386	309,823	32,437
Purchased services	21,458	153,500	132,042
Supply-materials	35,830	52,062	16,232
Capital objects	-	18,000	18,000
Debt Retirement	-	249,560	249,560
Insurance	-	4,000	4,000
Total instruction	<u>1,177,848</u>	<u>1,806,406</u>	<u>628,558</u>
Support:			
Salaries	252,996	-	(252,996)
Benefits	68,036	-	(68,036)
Purchased services	307,072	84,000	(223,072)
Supply-materials	21,885	-	(21,885)
Total support	<u>649,989</u>	<u>84,000</u>	<u>(565,989)</u>
Capital objects	17,550	-	(17,550)
Total expenditures	<u>1,845,387</u>	<u>1,890,406</u>	<u>45,019</u>
Excess(deficit) of revenues over(under) expenditures	<u>(892)</u>	<u>(55,078)</u>	<u>54,186</u>
Other financing sources (uses):			
Transfer out	(254,588)	-	(254,588)
Total other financing sources (uses)	<u>(254,588)</u>	<u>-</u>	<u>(254,588)</u>
Change in net assets	(255,480)	<u>\$ (55,078)</u>	<u>\$ (200,402)</u>
Net Assets - Beginning of year	<u>45,290</u>		
Net Assets - End of year (Budget Basis)	(210,190)		
Adjustments to conform with GAAP:			
Capitalized capital objects	71,310		
Depreciation expense	<u>(63,104)</u>		
Net Assets - End of Year (GAAP)	<u>\$ (201,984)</u>		

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

SCHEDULE IV - EXPENDITURES BY FUNCTION
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
INSTRUCTION:			
Secondary			
Salaries	843,174	1,019,461	176,287
Benefits	277,386	309,823	32,437
Purchased services	21,458	153,500	132,042
Supply-materials	35,830	52,062	16,232
Capital Objects	-	18,000	18,000
Debt Retirement	-	249,560	249,560
Insurance	-	4,000	4,000
Total Secondary	<u>1,177,848</u>	<u>1,806,406</u>	<u>628,558</u>
Total Instruction	<u>\$ 1,177,848</u>	<u>\$ 1,806,406</u>	<u>\$ 628,558</u>
SUPPORT:			
Special Services Program			
Purchased services	9,696	-	(9,696)
Total Special Services Program	<u>9,696</u>	<u>-</u>	<u>(9,696)</u>
Instructional Improvement			
Purchased services	5,207	-	(5,207)
Total Instructional Improvement	<u>5,207</u>	<u>-</u>	<u>(5,207)</u>
School administration			
Salaries	208,624	-	(208,624)
Benefits	56,801	-	(56,801)
Purchased Services	62,703	-	(62,703)
Supply-materials	9,032	-	(9,032)
Total School Administration	<u>337,160</u>	<u>-</u>	<u>(337,160)</u>
Custodial			
Salaries	24,405	-	(24,405)
Benefits	9,398	-	(9,398)
Purchased services	45,771	-	(45,771)
Supply-materials	12,853	-	(12,853)
Total Custodial	<u>92,427</u>	<u>-</u>	<u>(92,427)</u>
Maintenance - Buildings and Equipment			
Salaries	19,967	-	(19,967)
Benefits	1,837	-	(1,837)
Purchased services	3,737	-	(3,737)
Total Maintenance - Buildings and Equipment	<u>25,541</u>	<u>-</u>	<u>(25,541)</u>
Maintenance - Grounds			
Purchased services	5,267	-	(5,267)
Total Maintenance - Grounds	<u>5,267</u>	<u>-</u>	<u>(5,267)</u>
Transportation			
Purchased services	174,691	84,000	(90,691)
Total Transportation	<u>174,691</u>	<u>84,000</u>	<u>(90,691)</u>
TOTAL SUPPORT:			
Salaries	252,996	-	(252,996)
Benefits	68,036	-	(68,036)
Purchased services	307,072	84,000	(213,376)
Supply-materials	21,885	-	(21,885)
Total Support	<u>\$ 649,989</u>	<u>\$ 84,000</u>	<u>\$ (556,293)</u>

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

**SCHEDULE V - COMBINING OF REVENUES, EXPENDITURES AND CHANGES IN NET
ASSETS - ALL SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2013**

	State Technology Grant	Driver's Education	IDEA Part B School-Age	Khan Grant	PTech	Miscellaneous Grant	Total
REVENUES							
Federal:							
Restricted	-	-	40,572	-	-	-	40,572
State:							
Other Support	10,000	11,875	-	-	-	-	21,875
Local:							
Other Local	-	-	-	48,675	876	-	49,551
Total revenues	10,000	11,875	40,572	48,675	876	-	111,998
EXPENDITURES							
Current:							
Instruction:							
Salaries	-	-	30,000	-	-	-	30,000
Purchased Services	-	11,875	10,572	-	-	-	22,447
Supplies-materials	550	-	-	59	-	-	609
Total instruction	550	11,875	40,572	59	-	-	53,056
School Administration:							
Purchased Services	388	-	-	-	876	-	1,264
Supplies-materials	4,011	-	-	1,446	-	-	5,457
Total School Administration	4,399	-	-	1,446	876	-	6,721
Capital Objects	5,051	-	-	4,820	-	-	9,871
Total expenditures	10,000	11,875	40,572	6,325	876	-	69,648
Change in net assets	-	-	-	42,350	-	-	42,350
Net assets-beginning of year	-	-	-	-	-	-	-
Net assets-end of year	-	-	-	42,350	-	-	42,350
Adjustments to conform with GAAP:							
Capitalized capital objects	-	-	-	-	-	7,158	7,158
Depreciation expense	-	-	-	-	-	(3,339)	(3,339)
Net Assets - End of Year (GAAP)	\$ -	\$ -	\$ -	\$ 42,350	\$ -	\$ 3,819	\$ 46,169

FORREST M. BIRD CHARTER SCHOOLS, INC.
Sandpoint, Idaho

**SCHEDULE VI - REVENUES, EXPENDITURES AND CHANGES IN
NET ASSETS - SCHOOL PLANT FACILITY FUND
For the Year Ended June 30, 2013**

REVENUES		-
EXPENDITURES		
Debt service principal	105,819	
Debt service interest	<u>148,769</u>	
Total expenditures		<u>254,588</u>
Excess (deficiency) of revenues over(under) expenditures		(254,588)
Other financing sources (uses):		
Transfer in	<u>254,588</u>	
Total other financing sources (uses)		254,588
Change in net assets		-
Net assets-beginning of year		<u>-</u>
Net assets-end of year (budget basis)		-
Adjustments to conform with GAAP:		
Capitalized capital objects		4,862,712
Loan proceeds		(3,960,000)
Principal payments		523,410
Depreciation expense		<u>(661,780)</u>
Net assets - end of year (GAAP)		<u>\$ 764,342</u>