

# Statewide Benefit Charter Second Renewal Petition

## Supplemental



For Presentation to the California State Board of Education  
Submitted by HIGH TECH HIGH





## Facilities Design Principles

High Tech High schools follow our Educational and Facilities Design Principles. Responding directly to the needs of students, these Principles support the broad mission of preparation for the adult world and permeate every aspect of life at High Tech High.

The Educational Design Principles of Equity, Personalization, Authentic Work and Collaborative Design promote student engagement, small overall school size, a culture of openness, sustainable teaching practices, personalization through advisory, emphasis on integrated, project-based learning and student exhibitions, community internships, and the provision of ample planning time for teacher teams during the work day.



The facilities reflect these Educational Design Principles and offer a variety of spaces to develop multiple intelligences and learning modalities. These Principles extend beyond the architecture itself and include operational strategies to ensure facilities are not only safe and healthy when they first open for students, but are also effective learning environments in the long-term. At the core of this endeavor is the belief that the community can create the ideal conditions for learning, which will lead to increased student achievement and that graduates will be prepared for the challenges of career and citizenry in the 21st century. HTH school facilities are not just buildings. They are places that celebrate lifelong learning. They are safe without feeling like prisons. They are healthy for students and staff, but not in a way that feels sanitized. They are cost-efficient to operate, but not at a cost of comfort, functionality, or durability.

HTH staff and students make use of the flexibility that the facilities afford them, promoting collaboration and engagement in the school community. Teachers work in teams to design integrated projects that bridge across traditional subject-area boundaries. Each grade is a learning community broken into multi-disciplinary teams, and teacher offices are connected to the “seminar” rooms in which they team teach. These seminar rooms have movable walls that support a variety of room configurations and activities.

HTH interiors aim for a high level of transparency to make each school’s particular culture of learning readily visible to its inhabitants. To this end, every wall surface in the school’s public and circulation spaces offers a place either to exhibit student projects or to look (through abundant expanses of glass) into the school’s dynamic seminar rooms, conference rooms, and specialty spaces. This transparency allows the students and visitors alike to understand what teams engaged in, and propels a cycle of improvement year over year by showcasing school work.



One important characteristic of High Tech High buildings is their adaptability to the changing needs of HTH students and faculty. Our thinking about how best to achieve this evolves with each new building we design. Our students and teachers are quick to tell us what works and what doesn’t, and we incorporate



lessons learned across schools to ensure they can each take advantage of the new strategy. If there is one thing HTH does well, it is the ability to quickly adapt to better practices. Four key design considerations that inform our thinking include:

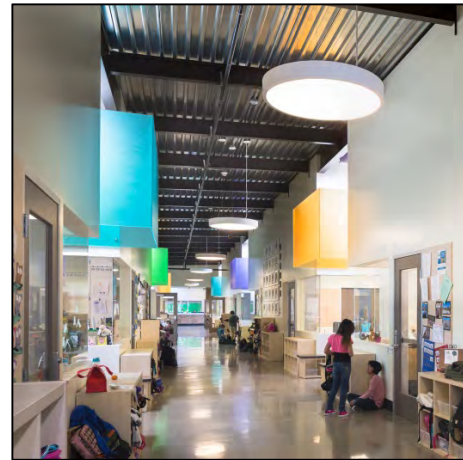
#### 1. Adaptability

Core learning areas, including Seminar Rooms, Studios, Commons Areas, and Exploratories, must adapt to multiple uses effortlessly. Rather than constructing separate spaces for each use, the users should be able to cycle through learning modalities and styles without special permission, tools, or expertise. Example elements within the spaces include wifi connectivity, easily reconfigurable furniture, and operable partitions between team-taught spaces. All core learning areas must have hard surfaced floors for easy cleaning, as projects can be messy, and may occur almost anywhere; sinks for activity clean-up; distributed instructional tools; storage; control of ambient light; excellent acoustics, abundant electrical outlets; and dependable audio/visual systems.



#### 2. Ownership

HTH achieves a personalized environment by creating small learning clusters within its already small learning community. Each grade-level is planned as a neighborhood which includes connected classrooms, teacher prep areas, storage, and a central break-out area connecting all of them with the outdoors. This approach promotes a high degree of ownership, as each grade level is responsible for their own neighborhood, and students and teachers customize these areas with their work in-progress. Public spaces such as Commons Areas and Galleries are used by the larger school community in the same way. Staff offices are distributed throughout the facility, rather than centralized, and occur at key circulation intersections for passive management, increasing the opportunity for students to connect with adults, and simultaneously increase confidence and defensibility.



#### 3. Transparency

Introducing large expanses of glass and an abundance of project exhibition space gives students and staff the opportunity to see what is going on in their own neighborhood as well as what is going on elsewhere. Not only do students learn from each other's work, staff do as well, and the cycle of improvement is accelerated. Wide circulation spaces with windows into the learning areas provide students, staff, and visitors alike information on how the school functions, what the school values, and where resources are found. Stairs are visible from everywhere, hidden corners are eliminated, and specialty spaces and staff offices have doors directly to the main circulation paths to promote access, openness, coherence and engagement.

#### 4. Sustainability

Every student deserves a safe and healthy place to learn, and HTH continually seeks to improve the learning and working environment to better serve the educational mission. At the core of this

endeavor is the belief that the community can create the ideal conditions for learning, which will lead to increased student achievement. HTH aspires each school to be toxics-free, use resources sustainably, and provide learning environments that engage students. Based on empirical evidence and previous experience, the main areas of focus for HTH design teams are acoustics, indoor air quality, daylighting, and energy efficiency. Good acoustics are essential in all areas because learning suffers in environments where students must strain to hear others. HTH schools are project-based and encourage learning outside of the traditional classroom, so the acoustical attributes of hallways, lobbies, offices, play yards, and even restrooms are considered. Good indoor air quality protects student and staff health, performance, and attendance rates. Similar to acoustics, compliance with code minimums will not ensure good quality, and material emissions, pollutant source control, enhanced commissioning, and maintenance plans must be actively managed. Daylighting should be the primary source of lighting in core learning areas as it is superior to artificial light for visually-critical tasks. When natural light is considered qualitatively, and not just quantitatively, it also provides an important cultural connection to the outdoors, reduces lighting energy costs, and improves productivity. Energy costs are the third largest operational cost for HTH, behind only salaries and rent. Energy efficient schools cost less to operate, while conserving resources and reducing atmospheric emissions. All of these sustainable design categories are easy to showcase in the facility, and with consideration can make the school itself as a learning tool to engage students and staff.



Creating a new language of design, both spatially and verbally, helps give form to the HTH vision. To further encourage how the spaces are used, we often refer to them with our own language. We find that the term “classroom” just doesn’t quite convey how our core learning areas function. Using the HTH Lexicon, key spaces within HTH buildings include:

**Commons Area**—the intellectual hub of the school, a centrally located meeting area for student gatherings, exhibitions, presentations, performances, and community meetings.

**Teaching Clusters**—small “neighborhoods” of adjacent seminar rooms, studio spaces, and teachers’ offices, designed to promote team teaching as well as a sense of ownership and place.

**Seminar Rooms**—learning spaces with flexible furniture and walls that adapt to accommodate direct instruction, independent student research, group project work, and presentations.

**Studio Areas**—multi-purpose spaces for shared use by groups from adjacent seminar rooms to support individual, small group, and large group activities.

**Team Prep Areas**—teacher workstations and storage areas, clustered by teaching team, and offering direct visual and physical access to adjacent teaching spaces.



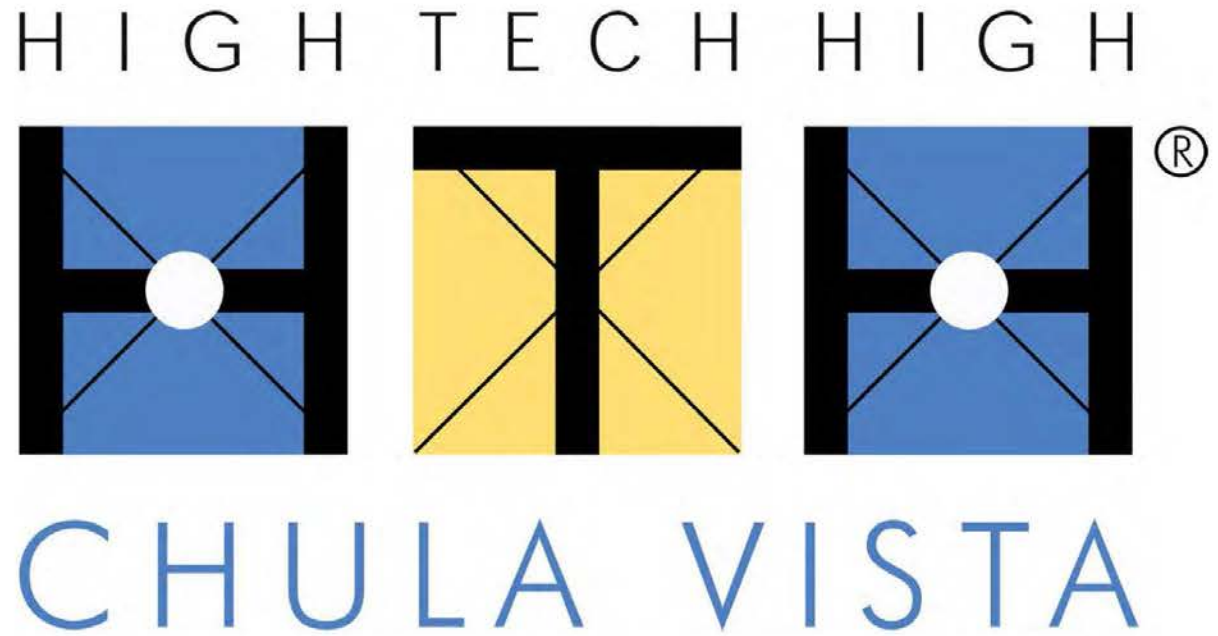


**Gallery Spaces**—exhibition walls and areas for display of student work, often located in or along corridors and circulation routes.

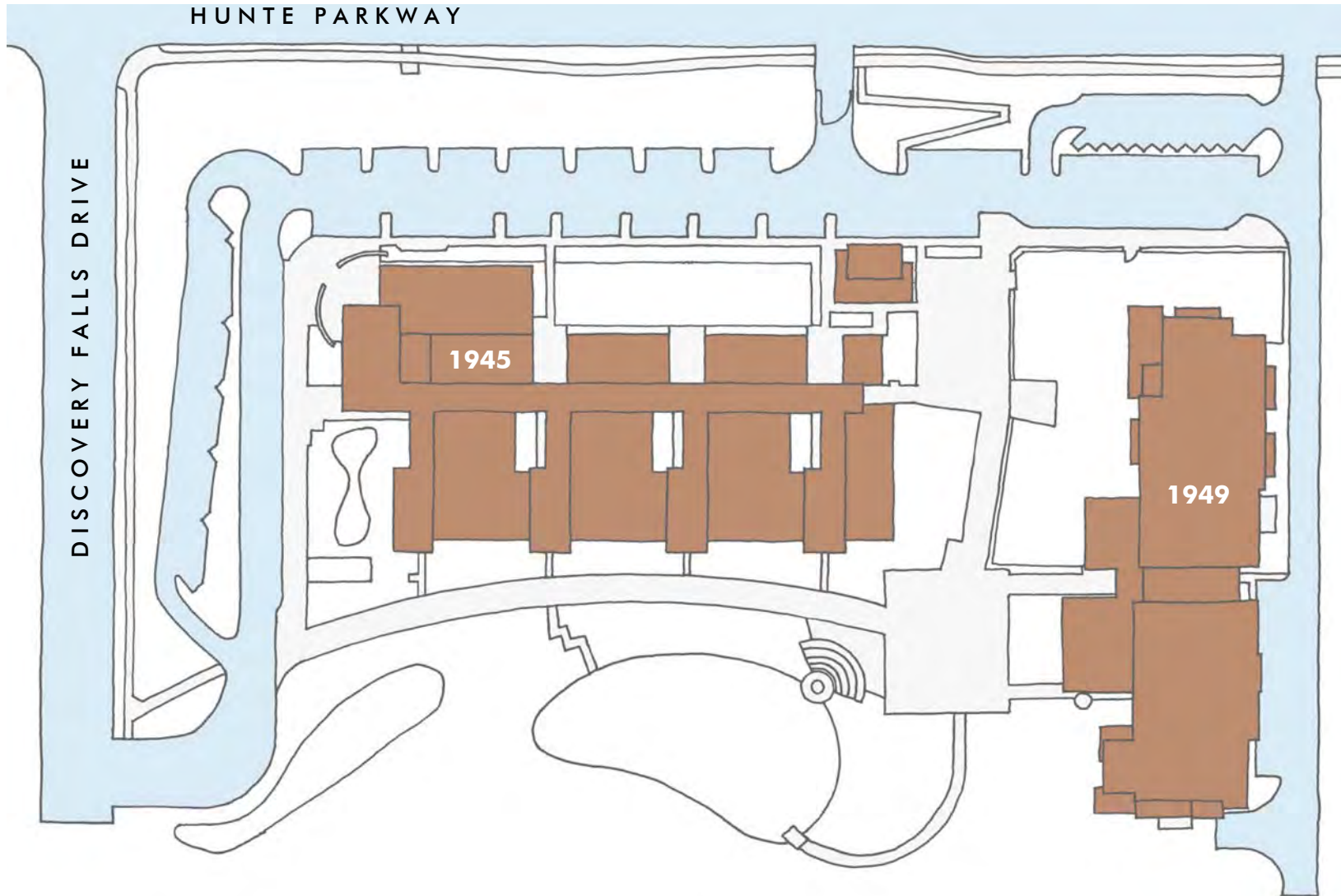
**Exploratories**—specialty project rooms with access to technology and equipment for learning in specialized areas such as biotechnology, mechanical engineering, and studio arts.

**Outdoor Learning Spaces**—study areas, courtyards, amphitheaters, and performance spaces that extend learning beyond the walls of the school and connect students to the natural world.





High Tech High Statewide Benefit Charter Supplemental Materials





High Tech High Statewide Benefit Charter Supplemental Materials

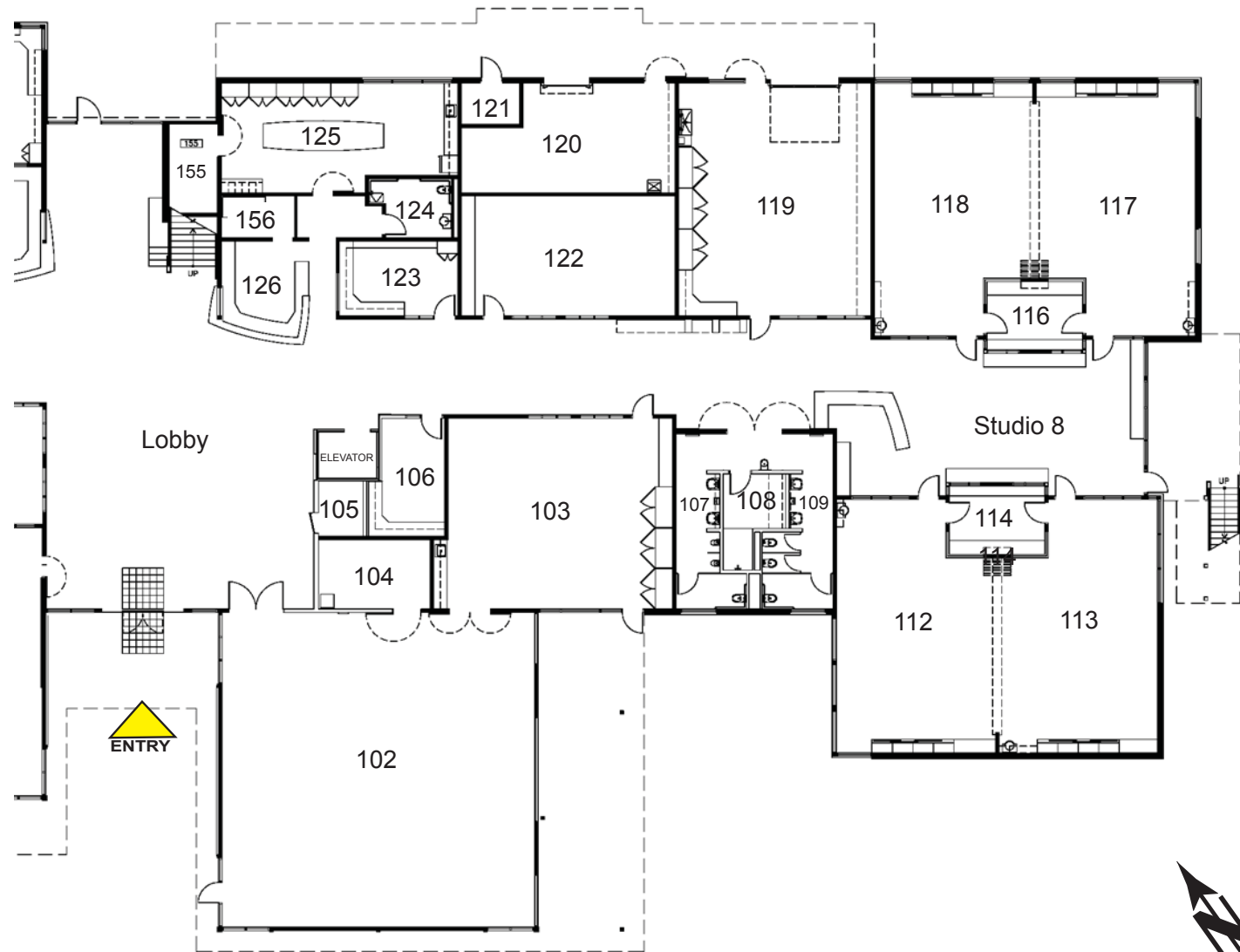
HIGH TECH HIGH CHULA VISTA  
1945 Discovery Falls Drive





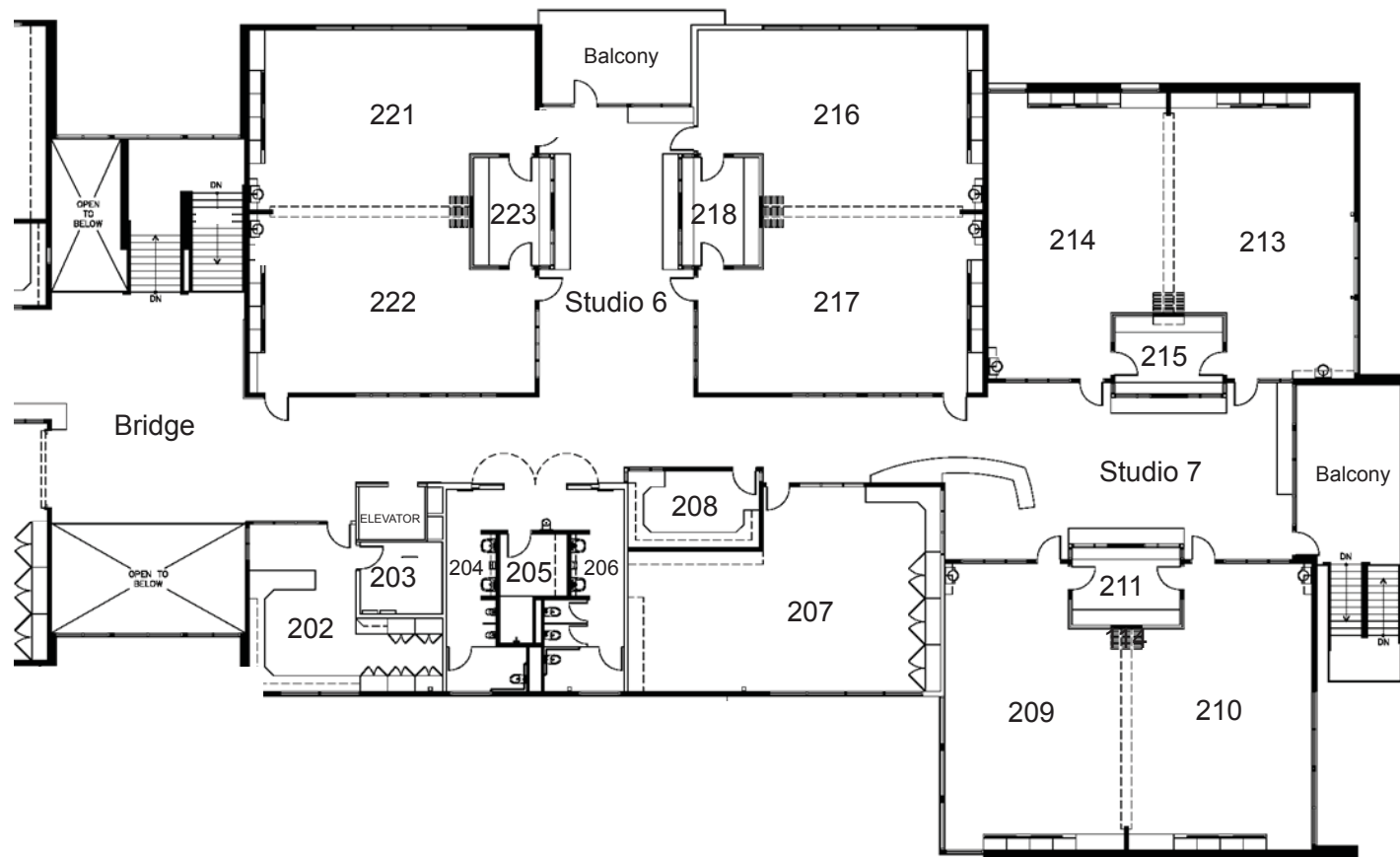
High Tech High Statewide Benefit Charter Supplemental Materials

HIGH TECH MIDDLE CHULA VISTA  
1949 Discovery Falls Drive, Level One



High Tech High Statewide Benefit Charter Supplemental Materials

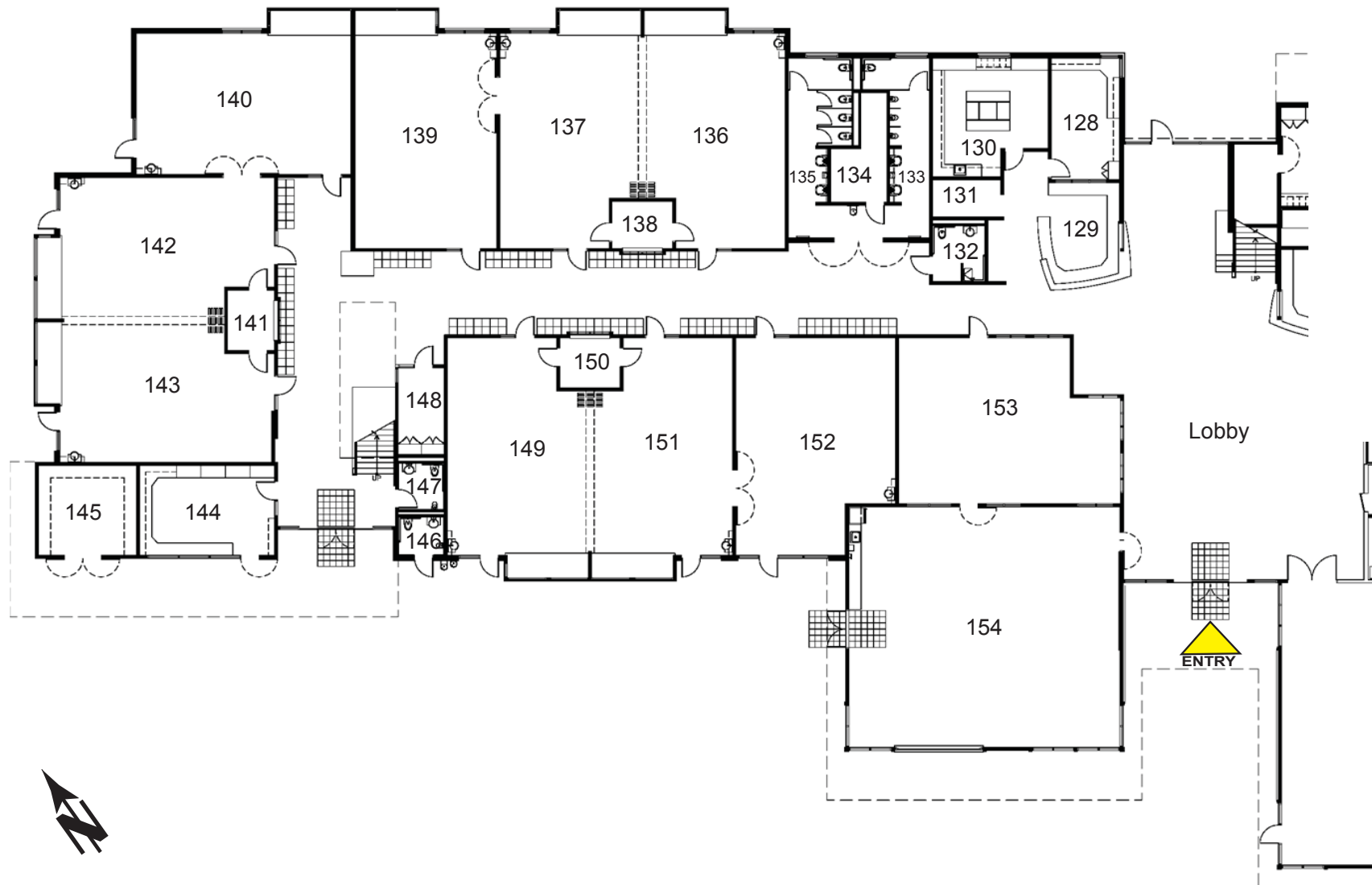
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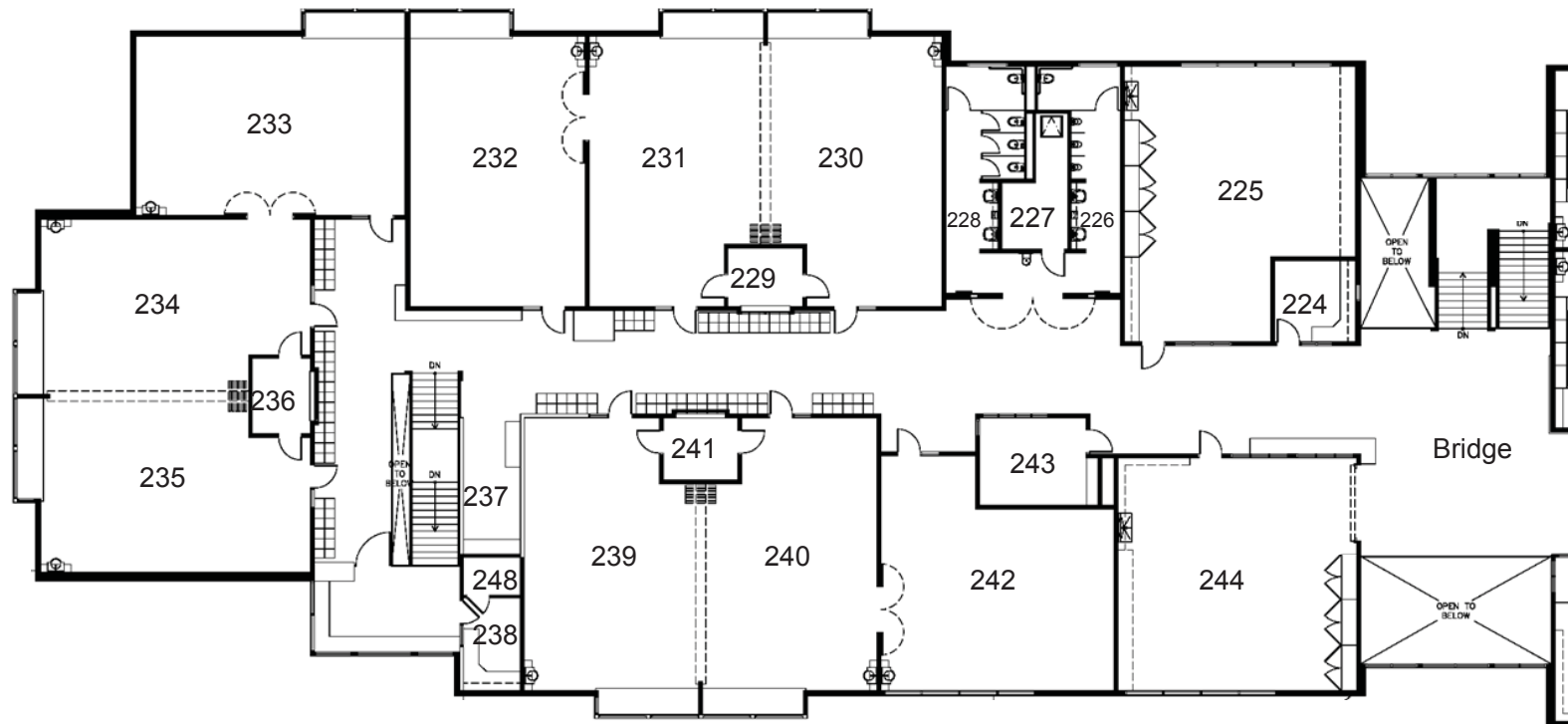
High Tech High Statewide Benefit Charter Supplemental Materials

HIGH TECH ELEMENTARY CHULA VISTA  
1949 Discovery Falls Drive, Level One



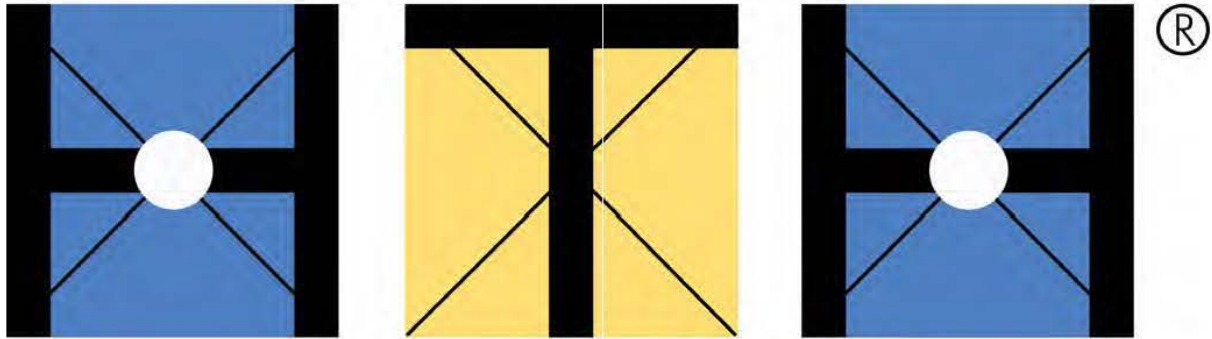
High Tech High Statewide Benefit Charter Supplemental Materials

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1949 Discovery Falls Drive, Level Two





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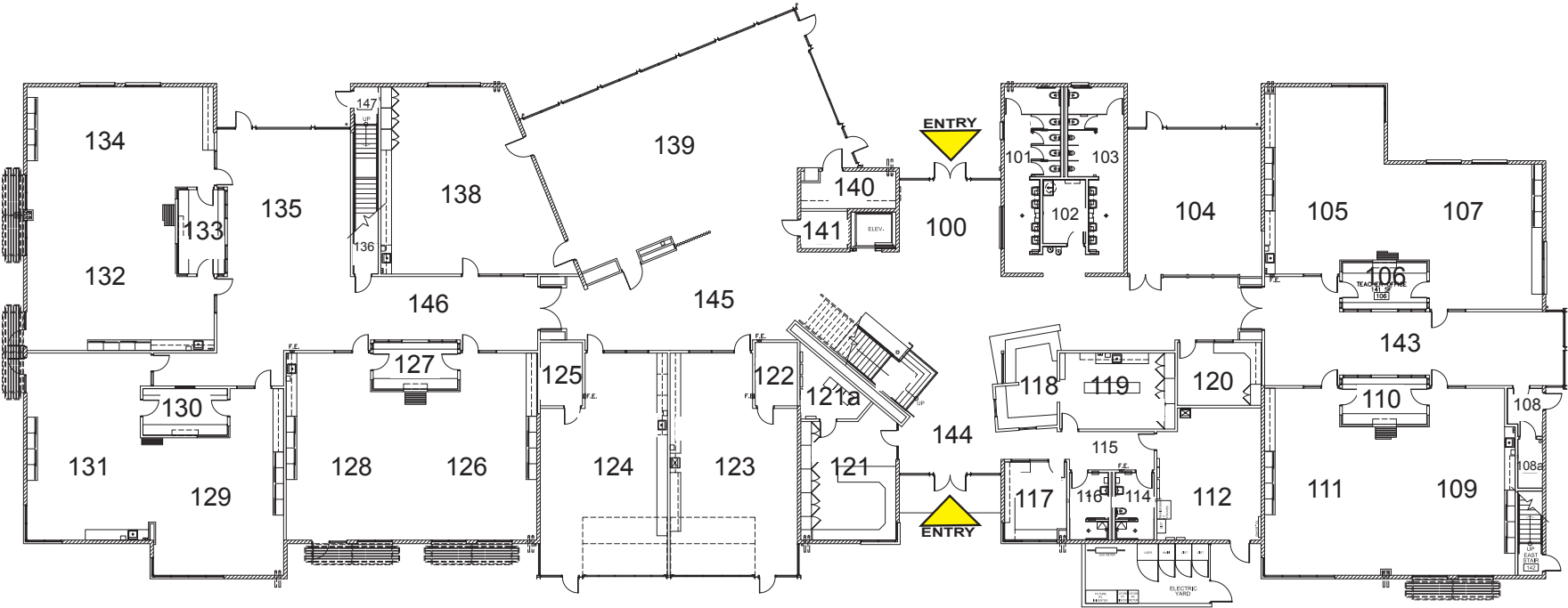
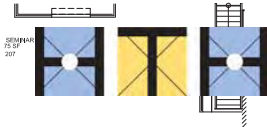




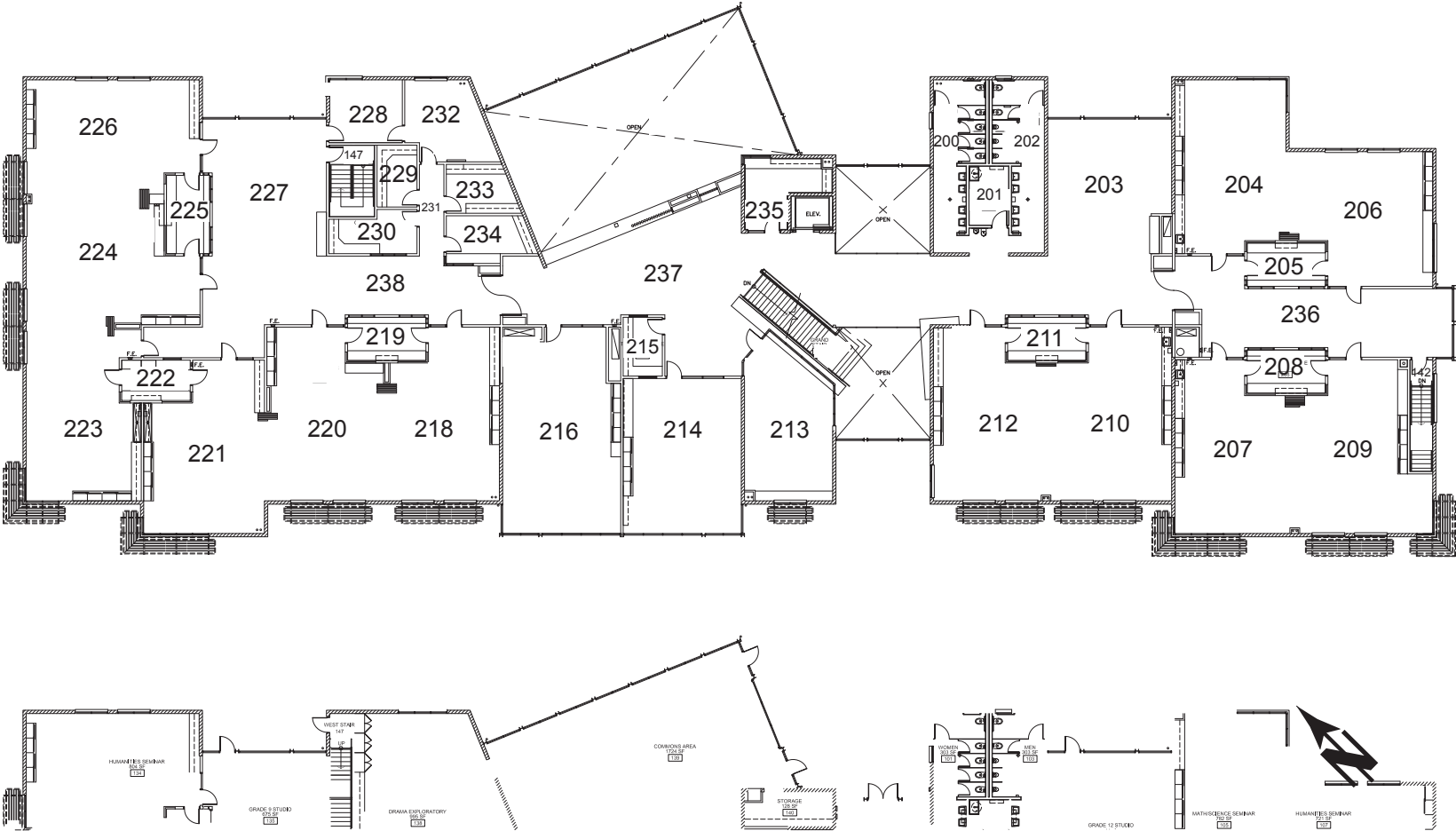
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HIGH TECH HIGH NORTH COUNTY  
1420 W. San Marcos Blvd, Level One



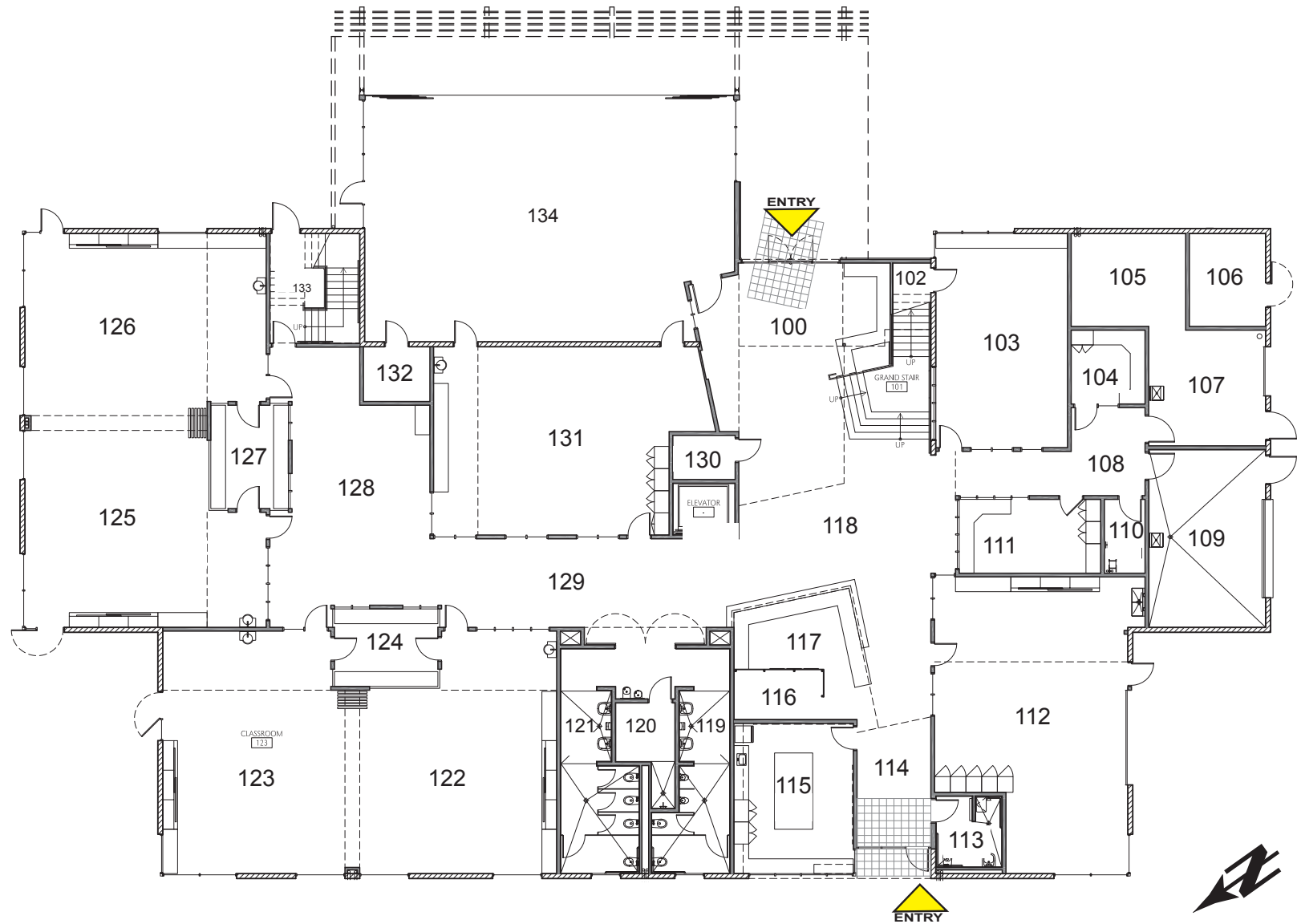
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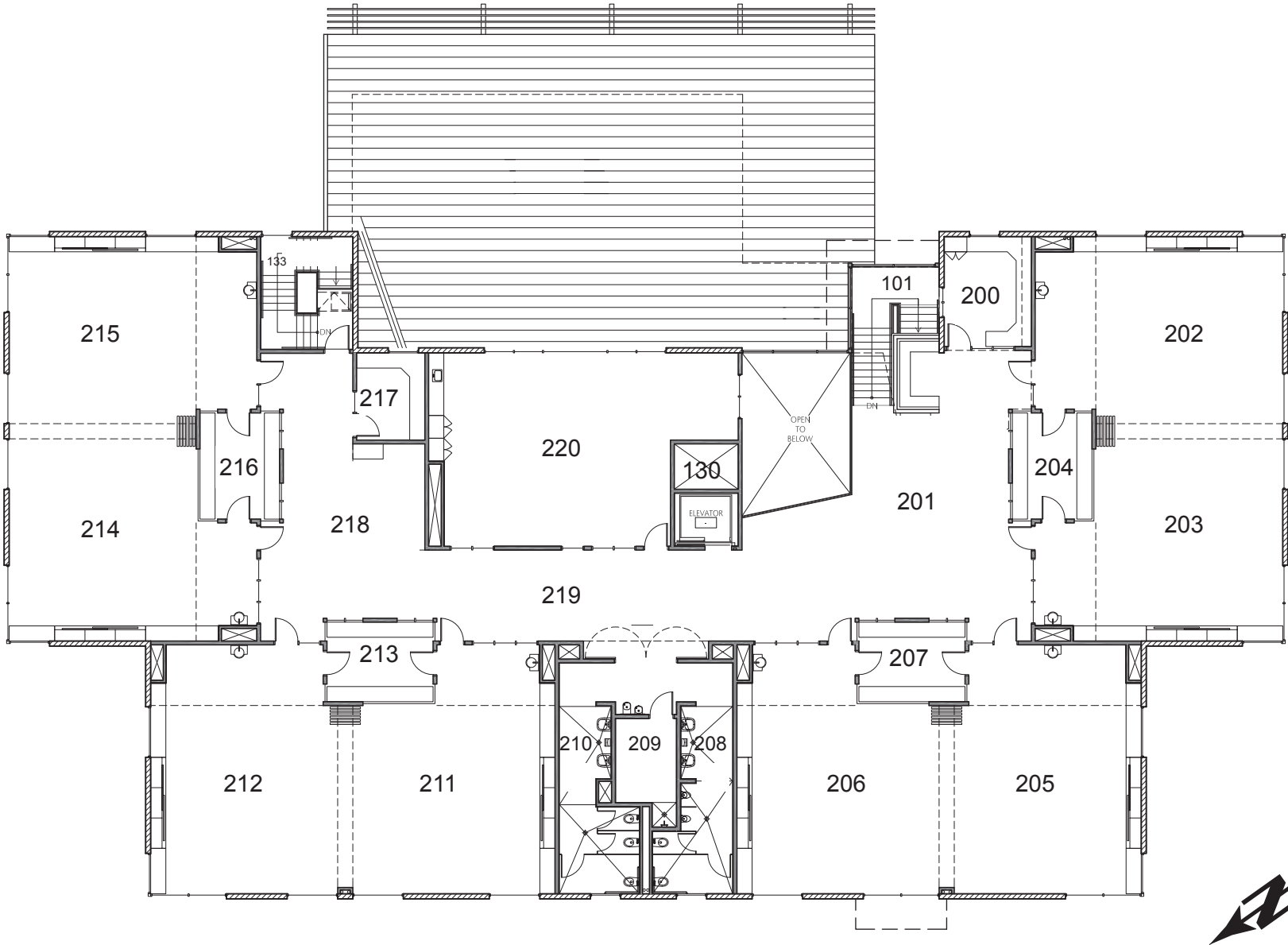


High Tech High Statewide Benefit Charter Supplemental Materials

HIGH TECH MIDDLE NORTH COUNTY  
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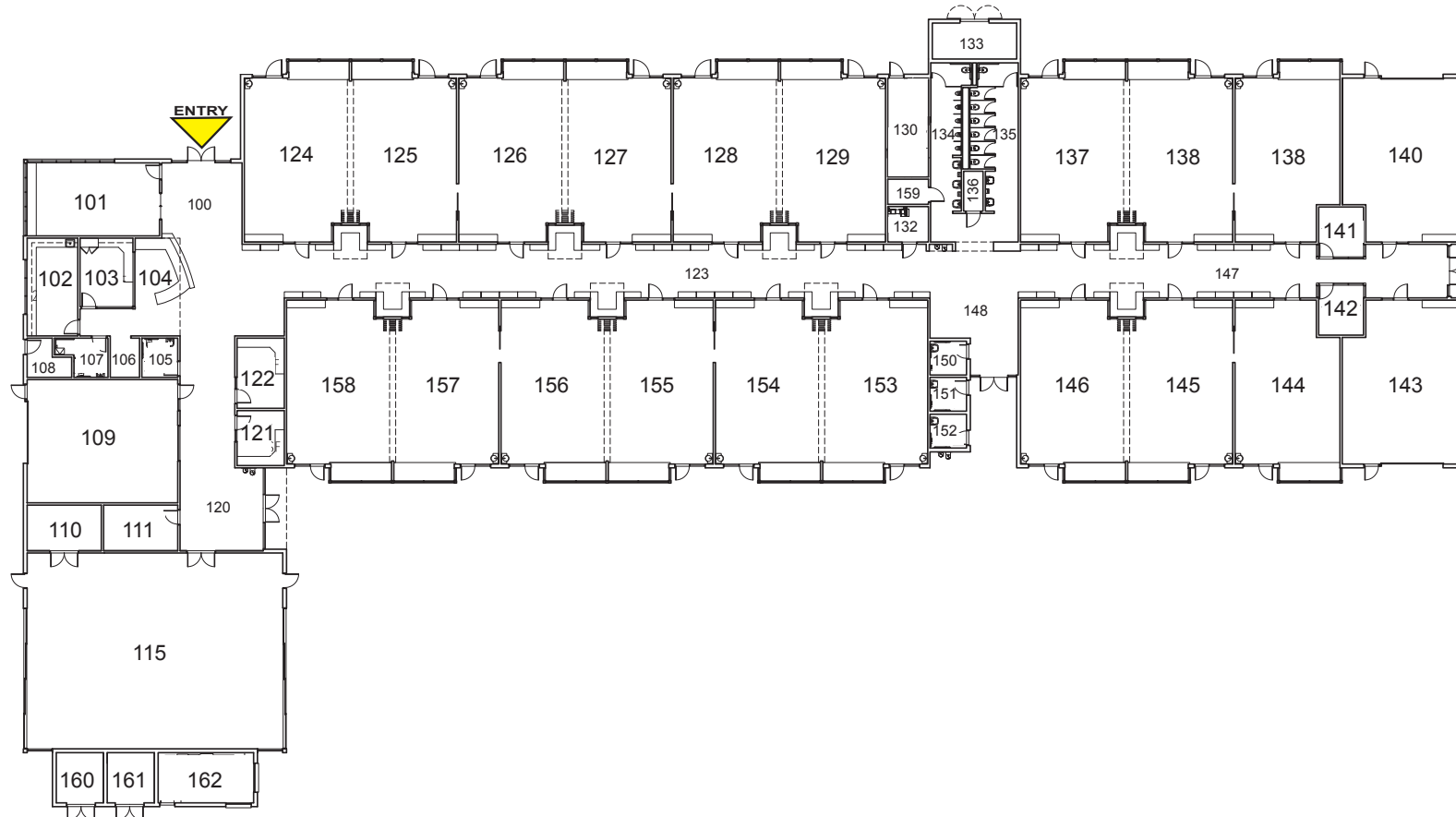


HIGH TECH MIDDLE NORTH COUNTY  
1460 W. San Marcos Blvd, Level Two



High Tech High Statewide Benefit Charter Supplemental Materials

HIGH TECH ELEMENTARY NORTH COUNTY  
1480 W. San Marcos Blvd.





HIGH TECH HIGH  
**Statement of Activities - BUDGET PRESENTATION**  
**High Tech High Chula Vista**  
 From 7/1/2016 Through 6/30/2017  
 (In Whole Numbers)

	Unrestricted Funds	Special Education	Other Restricted	Total
<b>Revenues</b>				
LCFF State Aid - Base	4,618,734	0	0	4,618,734
Education Protection Account	836,176	0	0	836,176
Transfer to Special Education	(43,000)	43,000	0	0
Special Ed AB602	0	214,144	0	214,144
Mandate Block Grant	104,603	0	0	104,603
Lottery Funds	78,164	0	13,794	91,958
Other State Revenue	0	0	80,000	80,000
Federal Revenue	0	0	698,300	698,300
IDEA	0	84,720	0	84,720
Unrestricted Donations	0	0	0	0
Annual Appeal	22,000	0	0	22,000
HTH Learning Giftback	185,018	0	0	185,018
Other Local Revenue	94,749	0	0	94,749
HTH Investment Fund	4,500	0	0	4,500
PY Restricted FB	0	0	120,275	120,275
<b>Total Revenues</b>	<b>5,900,944</b>	<b>341,864</b>	<b>912,369</b>	<b>7,155,177</b>
<b>Expenditures</b>				
Certificated Salaries	2,234,517	163,961	56,500	2,454,978
Noncert Salaries	263,071	27,930	128,545	419,546
Employee Benefits	696,442	49,893	41,561	787,896
Materials and Supplies	234,876	5,004	57,120	297,000
Equipment - noncapital	144,480	0	136,800	281,280
Contracted instructional services	27,000	40,000	53,000	120,000
Management fees	480,529	0	0	480,529
Special Education admin services	8,415	44,442	0	52,857
Facility maintenance fees	120,696	0	0	120,696
Professional development & travel	10,555	0	19,445	30,000
Insurance	38,982	0	0	38,982
Telephone & Internet	11,741	0	0	11,741
Utilities & contract maintenance	106,000	0	0	106,000
Other Facility Expense	242	0	0	242
Lease to HTHL	997,996	0	250,000	1,247,996
Equipment Lease	984	0	0	984
Services and Other Operating	249,176	378	80,529	330,083
Charter Oversight Fees	54,549	0	0	54,549
Intraffiliate Operating Cost Transfer	5,400	0	5,000	10,400
Special Reserve - Rainy Day Fund	56,085	0	0	56,085
Reservation for Capital Projects	50,000	0	80,275	130,275
Indirect Cost	(31,850)	10,256	21,594	0
<b>Total Expenditures</b>	<b>5,759,886</b>	<b>341,864</b>	<b>930,369</b>	<b>7,032,119</b>
<b>Net Revenues Over Expense</b>	<b>141,058</b>	<b>0</b>	<b>(18,000)</b>	<b>123,058</b>

HIGH TECH HIGH  
**Statement of Activities - BUDGET PRESENTATION**  
**High Tech High North County**  
 From 7/1/2016 Through 6/30/2017  
 (In Whole Numbers)

	Unrestricted Funds	Special Education	Other Restricted	Total
<b>Revenues</b>				
LCFF State Aid - Base	3,219,600	0	0	3,219,600
Education Protection Account	637,860	0	0	637,860
Transfer to Special Education	(122,000)	122,000	0	0
Special Ed AB602	0	156,540	0	156,540
Mandate Block Grant	61,344	0	0	61,344
Lottery Funds	58,753	0	10,368	69,121
Other State Revenue	0	0	500,200	500,200
Federal Revenue	0	0	7,500	7,500
IDEA	0	137,220	0	137,220
Unrestricted Donations	0	0	0	0
Parent Association Fund-Raising	0	0	0	0
Annual Appeal	55,000	0	0	55,000
Other Local Revenue	20,000	0	0	20,000
Special Education Admin	12,000	0	0	12,000
HTH Investment Fund	4,000	0	0	4,000
PY Restricted FB	0	0	154,500	154,500
<b>Total Revenues</b>	<b>3,946,557</b>	<b>415,760</b>	<b>672,568</b>	<b>5,034,885</b>
<b>Expenditures</b>				
Certificated Salaries	1,640,437	175,257	10,000	1,825,694
Noncert Salaries	311,183	38,570	0	349,753
Employee Benefits	517,095	52,335	1,706	571,136
Materials and Supplies	155,184	2,000	10,368	167,552
Equipment - noncapital	30,000	0	81,768	111,768
Contracted instructional services	14,500	81,500	60,000	156,000
Management fees	327,893	0	0	327,893
Special Education admin services	5,822	52,485	0	58,307
Facility maintenance fees	90,720	0	0	90,720
Professional development & travel	18,163	0	6,837	25,000
Insurance	32,116	0	0	32,116
Telephone & Internet	9,004	0	0	9,004
Utilities & contract maintenance	96,250	0	0	96,250
Other Facility Expense	6,640	0	0	6,640
Lease to HTHL	356,000	0	324,000	680,000
Services and Other Operating	165,119	1,140	0	166,259
Charter Oversight Fees	38,575	0	0	38,575
Intraffiliate Operating Cost Transfer	5,000	0	0	5,000
Special Reserve - Rainy Day Fund	48,474	0	0	48,474
Reservation for Capital Projects	0	0	172,700	172,700
Indirect Cost	(17,664)	12,473	5,191	0
<b>Total Expenditures</b>	<b>3,850,511</b>	<b>415,760</b>	<b>672,570</b>	<b>4,938,841</b>
<b>Net Revenues Over Expense</b>	<b>96,046</b>	<b>0</b>	<b>(2)</b>	<b>96,044</b>

HIGH TECH HIGH  
**Statement of Activities - BUDGET PRESENTATION**  
**High Tech Middle Chula Vista**

From 7/1/2016 Through 6/30/2017  
(In Whole Numbers)

	Unrestricted Funds	Special Education	Other Restricted	Total
<b>Revenues</b>				
LCFF State Aid - Base	2,011,956	0	0	2,011,956
Education Protection Account	348,552	0	0	348,552
Transfer to Special Education	(52,000)	52,000	0	0
Special Ed AB602	0	133,590	0	133,590
Mandate Block Grant	34,145	0	0	34,145
Lottery Funds	40,736	0	7,188	47,924
Other State Revenue	0	0	6,000	6,000
Federal Revenue	0	0	356,995	356,995
IDEA	0	40,129	0	40,129
Annual Appeal	8,000	0	0	8,000
Other Local Revenue	8,000	0	0	8,000
HTH Investment Fund	3,000	0	0	3,000
PY Restricted FB	0	0	138,200	138,200
<b>Total Revenues</b>	<b>2,402,389</b>	<b>225,719</b>	<b>508,383</b>	<b>3,136,491</b>
<b>Expenditures</b>				
Certificated Salaries	1,064,278	74,139	44,000	1,182,417
Noncert Salaries	191,774	46,980	42,761	281,515
Employee Benefits	340,557	28,227	22,376	391,160
Materials and Supplies	71,312	0	7,188	78,500
Equipment - noncapital	27,204	0	8,496	35,700
Contracted instructional services	1,000	39,000	50,000	90,000
Management fees	156,552	0	0	156,552
Special Education admin services	3,589	29,340	0	32,929
Facility maintenance fees	62,894	0	0	62,894
Professional development & travel	5,982	0	14,018	20,000
Insurance	20,419	0	0	20,419
Telephone & Internet	5,930	0	0	5,930
Utilities & contract maintenance	63,001	0	0	63,001
Other Facility Expense	42	0	0	42
Lease to HTHL	133,109	0	233,998	367,107
HTH Rent Accrual	0	0	0	0
Services and Other Operating	48,457	1,261	0	49,718
Charter Oversight Fees	23,605	0	0	23,605
Intraffiliate Operating Cost Transfer	31,750	0	0	31,750
Special Reserve - Rainy Day Fund	23,906	0	0	23,906
Reservation for Capital Projects	80,000	0	79,200	159,200
Indirect Cost	(13,118)	6,772	6,346	0
<b>Total Expenditures</b>	<b>2,342,243</b>	<b>225,719</b>	<b>508,383</b>	<b>3,076,345</b>
<b>Net Revenues Over Expense</b>	<b>60,146</b>	<b>0</b>	<b>0</b>	<b>60,146</b>



HIGH TECH HIGH  
**Statement of Activities - BUDGET PRESENTATION**  
**High Tech Middle North County**

From 7/1/2016 Through 6/30/2017  
(In Whole Numbers)

	Unrestricted Funds	Special Education	Other Restricted	Total
<b>Revenues</b>				
LCFF State Aid - Base	2,059,700	0	0	2,059,700
Education Protection Account	376,792	0	0	376,792
Transfer to Special Education	(105,000)	105,000	0	0
Special Ed AB602	0	117,659	0	117,659
Mandate Block Grant	35,791	0	0	35,791
Lottery Funds	42,700	0	7,535	50,235
Other State Revenue	0	0	241,471	241,471
Federal Revenue	0	0	41,800	41,800
IDEA	0	95,837	0	95,837
Unrestricted Donations	0	0	0	0
Annual Appeal	20,000	0	0	20,000
Other Local Revenue	35,000	0	0	35,000
HTH Investment Fund	2,000	0	0	2,000
PY Restricted FB	0	0	203,300	203,300
<b>Total Revenues</b>	<b>2,466,983</b>	<b>318,496</b>	<b>494,106</b>	<b>3,279,585</b>
<b>Expenditures</b>				
Certificated Salaries	1,097,024	139,100	18,100	1,254,224
Noncert Salaries	218,979	21,700	10,500	251,179
Employee Benefits	361,953	43,999	5,082	411,034
Materials and Supplies	86,481	0	7,535	94,016
Equipment - noncapital	54,996	0	5,700	60,696
Contracted instructional services	6,500	62,500	30,000	99,000
Management fees	157,403	0	0	157,403
Special Education admin services	3,625	41,405	0	45,030
Facility maintenance fees	65,931	0	0	65,931
Professional development & travel	63	0	13,937	14,000
Insurance	21,358	0	0	21,358
Telephone & Internet	6,350	0	0	6,350
Utilities & contract maintenance	37,500	0	0	37,500
Other Facility Expense	1,574	0	0	1,574
Lease to HTHL	88,535	0	235,474	324,009
Equipment Lease	2,017	0	0	2,017
Services and Other Operating	61,709	237	684	62,630
Charter Oversight Fees	24,365	0	0	24,365
Intraffiliate Operating Cost Transfer	15,000	0	0	15,000
Special Reserve - Rainy Day Fund	36,263	0	0	36,263
Reservation for Capital Projects	70,000	0	164,300	234,300
Indirect Cost	(12,349)	9,555	2,794	0
<b>Total Expenditures</b>	<b>2,405,277</b>	<b>318,496</b>	<b>494,106</b>	<b>3,217,879</b>
<b>Net Revenues Over Expense</b>	<b>61,706</b>	<b>0</b>	<b>0</b>	<b>61,706</b>

HIGH TECH HIGH  
**Statement of Activities - BUDGET PRESENTATION**  
**High Tech Elementary Chula Vista**

From 7/1/2016 Through 6/30/2017  
(In Whole Numbers)

	Unrestricted Funds	Special Education	Other Restricted	Total
<b>Revenues</b>				
LCFF State Aid - Base	2,847,522	0	0	2,847,522
Education Protection Account	434,328	0	0	434,328
Transfer to Special Education	(130,000)	130,000	0	0
Special Ed AB602	0	173,516	0	173,516
Mandate Block Grant	52,595	0	0	52,595
Lottery Funds	53,380	0	9,420	62,800
Federal Revenue	0	0	386,000	386,000
IDEA	0	73,763	0	73,763
Fund Raising Event Revenue	14,000	0	0	14,000
Annual Appeal	10,000	0	0	10,000
Other Local Revenue	168,400	0	0	168,400
HTH Investment Fund	2,000	0	0	2,000
PY Restricted FB	0	0	132,000	132,000
<b>Total Revenues</b>	<b>3,452,225</b>	<b>377,279</b>	<b>527,420</b>	<b>4,356,924</b>
<b>Expenditures</b>				
Certificated Salaries	1,470,904	143,781	9,500	1,624,185
Noncert Salaries	451,956	19,950	82,719	554,625
Employee Benefits	552,184	43,211	15,208	610,603
Materials and Supplies	88,658	0	11,746	100,404
Equipment - noncapital	31,296	0	8,700	39,996
Contracted instructional services	13,500	109,500	45,000	168,000
Management fees	181,764	0	0	181,764
Special Education admin services	4,898	49,051	0	53,949
Facility maintenance fees	82,425	0	0	82,425
Professional development & travel	21,538	0	18,462	40,000
Insurance	26,588	0	0	26,588
Telephone & Internet	7,755	0	0	7,755
Utilities & contract maintenance	70,803	0	0	70,803
Other Facility Expense	42	0	0	42
Lease to HTHL	138,884	0	250,000	388,884
HTH Rent Accrual	0	0	0	0
Services and Other Operating	127,605	468	0	128,073
Charter Oversight Fees	32,819	0	0	32,819
Intraffiliate Operating Cost Transfer	(43,550)	0	0	(43,550)
Special Reserve - Rainy Day Fund	49,009	0	0	49,009
Reservation for Capital Projects	80,000	0	79,000	159,000
Indirect Cost	(18,403)	11,318	7,085	0
<b>Total Expenditures</b>	<b>3,370,675</b>	<b>377,279</b>	<b>527,420</b>	<b>4,275,374</b>
<b>Net Revenues Over Expense</b>	<b>81,550</b>	<b>0</b>	<b>0</b>	<b>81,550</b>

HIGH TECH HIGH  
**Statement of Activities - BUDGET PRESENTATION**  
**High Tech Elementary North County**

From 7/1/2016 Through 6/30/2017  
(In Whole Numbers)

	Unrestricted Funds	Special Education	Other Restricted	Total
<b>Revenues</b>				
LCFF State Aid - Base	2,759,656	0	0	2,759,656
Education Protection Account	66,920	0	0	66,920
Transfer to Special Education	(100,000)	100,000	0	0
Special Ed AB602	0	194,707	0	194,707
Mandate Block Grant	53,546	0	0	53,546
Lottery Funds	47,287	0	8,345	55,632
Federal Revenue	0	0	276,250	276,250
IDEA	0	48,684	0	48,684
Parent Association Fund-Raising	2,500	0	0	2,500
Annual Appeal	10,000	0	0	10,000
Other Local Revenue	111,100	0	0	111,100
HTH Investment Fund	1,100	0	0	1,100
PY Restricted FB	0	0	9,000	9,000
<b>Total Revenues</b>	<b>2,952,109</b>	<b>343,391</b>	<b>293,595</b>	<b>3,589,095</b>
<b>Expenditures</b>				
Certificated Salaries	1,429,131	120,396	33,997	1,583,524
Noncert Salaries	314,319	47,996	13,697	376,012
Employee Benefits	473,117	45,655	11,455	530,227
Materials and Supplies	81,159	2,000	8,345	91,504
Equipment - noncapital	9,996	0	0	9,996
Contracted instructional services	6,000	72,000	0	78,000
Management fees	156,128	0	0	156,128
Special Education admin services	4,250	44,645	0	48,895
Facility maintenance fees	73,014	0	0	73,014
Professional development & travel	3,511	0	14,489	18,000
Insurance	21,881	0	0	21,881
Telephone & Internet	6,495	0	0	6,495
Utilities & contract maintenance	50,996	0	0	50,996
Other Facility Expense	9,026	0	0	9,026
Lease to HTHL	108,751	0	206,254	315,005
HTH Rent Accrual	0	0	0	0
Services and Other Operating	43,620	397	1,321	45,338
Charter Oversight Fees	28,266	0	0	28,266
Intraffiliate Operating Cost Transfer	15,000	0	0	15,000
Reservation for Capital Projects	60,000	0	0	60,000
Indirect Cost	(14,339)	10,302	4,037	0
<b>Total Expenditures</b>	<b>2,880,321</b>	<b>343,391</b>	<b>293,595</b>	<b>3,517,307</b>
<b>Net Revenues Over Expense</b>	<b>71,788</b>	<b>0</b>	<b>0</b>	<b>71,788</b>





## AUDIT REPORT

FOR THE YEAR ENDED  
JUNE 30, 2015

A NONPROFIT PUBLIC BENEFIT CORPORATION  
THIS REPORT INCLUDES SCHOOL-LEVEL REPORTS FOR THE FOLLOWING  
CALIFORNIA PUBLIC CHARTER SCHOOLS

High Tech High  
High Tech Elementary Explorer  
High Tech Middle  
High Tech High Media Arts  
High Tech High International  
High Tech Middle Media Arts  
High Tech High North County  
High Tech High Chula Vista  
High Tech Middle North County  
High Tech Middle Chula Vista  
High Tech Elementary North County  
High Tech Elementary Chula Vista

San Diego

Los Angeles

San Francisco  
Bay Area

christywhite  
A PROFESSIONAL  
ACCOUNTANCY CORPORATION  
*associates*

# **HIGH TECH HIGH**

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### **JUNE 30, 2015**

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## FINANCIAL SECTION

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## INDEPENDENT AUDITORS' REPORT

Christy White, CPA

Michael Ash, CPA

Heather Rubio

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LOS ANGELES  
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*Licensed by the California  
State Board of Accountancy*

To the Governance Board of  
High Tech High  
San Diego, California

### Report on the Financial Statements

We have audited the accompanying financial statements of High Tech High (the "Organization") which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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



## Opinion

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

## Other Matters

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise High Tech High's basic financial statements. The supplementary information listed in the table of contents, including the schedule of expenditures of Federal awards, which is required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2015, on our consideration of the Charter's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Charter's internal control over financial reporting and compliance.



San Diego, California  
November 10, 2015

**HIGH TECH HIGH**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2015**

---

**ASSETS**

## Current assets

Cash and cash equivalents	\$ 7,327,719
Investments	51,062
Accounts receivable	3,494,907
Prepaid expenses	38,277
Contributions receivable, current portion	24,945
Total current assets	<u>10,936,910</u>

## Capital assets

Property and equipment	45,369,581
Less accumulated depreciation	(5,833,691)
Capital assets, net	<u>39,535,890</u>

## Long-term assets

Capital project sinking funds	3,023,686
Deferred bond issuance charges	987,260
Contributions receivable, long-term portion	1,035,316
Leveraged loan investment	4,479,461
Total long-term assets	<u>9,525,723</u>
<b>Total Assets</b>	<u><b>\$ 59,998,523</b></u>

**LIABILITIES AND NET ASSETS**

## Current liabilities

Accounts payable	\$ 2,303,469
Accrued expenses	1,106,389
Interest payable on long-term debt	722,909
Due to related entities	862,319
Deferred revenue	142,019
Total current liabilities	<u>5,137,105</u>

## Long-term liabilities

Bonds payable	<u>27,450,000</u>
Total long-term liabilities	<u>27,450,000</u>
Total liabilities	<u>32,587,105</u>

## Net assets

Unrestricted	25,632,886
Temporarily restricted	<u>1,778,532</u>
Total net assets	<u>27,411,418</u>
<b>Total Liabilities and Net Assets</b>	<u><b>\$ 59,998,523</b></u>

The notes to the financial statements are an integral part of this statement.

**HIGH TECH HIGH  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015**

---

	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT AND REVENUES</b>			
Federal and state support and revenues			
Local control funding formula, state aid	\$ 24,846,184	\$ -	\$ 24,846,184
Federal revenues	2,462,204	-	2,462,204
Other state revenues	4,067,530	814,249	4,881,779
Total federal and state support and revenues	31,375,918	814,249	32,190,167
Local support and revenues			
Payments in lieu of property taxes	9,750,977	-	9,750,977
Grants and donations	2,807,310	275,000	3,082,310
Investment income, net	344,541	-	344,541
Other local revenues	2,155,742	-	2,155,742
Total local support and revenues	15,058,570	275,000	15,333,570
Donor restrictions satisfied	1,158,323	(1,158,323)	-
<b>Total Support and Revenues</b>	47,592,811	(69,074)	47,523,737
<b>OPERATING EXPENSES</b>			
Program services			
K-12 Instruction	24,340,631	-	24,340,631
Instructional support	5,340,900	-	5,340,900
Dissemination	417,114	-	417,114
Educational facilities	6,382,885	-	6,382,885
Support to affiliates	112,536	-	112,536
Management and general	8,698,946	-	8,698,946
Fundraising	116,252	-	116,252
Depreciation and amortization	1,701,583	-	1,701,583
<b>Total Expenses</b>	47,110,847	-	47,110,847
<b>CHANGE IN NET ASSETS</b>	481,964	(69,074)	412,890
<b>Net Assets - Beginning</b>	25,150,922	1,847,606	26,998,528
<b>Net Assets - Ending</b>	\$ 25,632,886	\$ 1,778,532	\$ 27,411,418

The notes to the financial statements are an integral part of this statement.

High Tech High Statewide Benefit Charter Supplemental Materials

**HIGH TECH HIGH  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2015**

	Program Services						Management and General	Fundraising	Depreciation and Amortization		Total
	K-12 Instruction	Instructional Support	Dissemination	Education Facilities	Support to Affiliates	Total					
<b>EXPENSES</b>											
Personnel expenses											
Certificated salaries	\$ 15,110,441	\$ 1,470,790	\$ 222,714	\$ -	\$ -	\$ 16,803,945	\$ 1,675,441	\$ -	\$ -	\$ -	\$ 18,479,386
Non-certificated salaries	1,529,831	1,475,761	-	5,225	-	3,010,817	2,766,131	49,708	-	-	5,826,656
Employee benefits	4,474,194	785,729	59,558	1,557	-	5,321,038	1,188,536	13,293	-	-	6,522,867
Total personnel expenses	21,114,466	3,732,280	282,272	6,782	-	25,135,800	5,630,108	63,001	-	-	30,828,909
Non-personnel expenses											
Books and supplies	978,347	1,367,569	90	-	-	2,346,006	675,052	5,435	-	-	3,026,493
Services and other operating	2,247,818	241,051	134,752	729,098	-	3,352,719	2,260,501	47,816	-	-	5,661,036
Subcontract with related entity	-	-	-	-	112,536	112,536	-	-	-	-	112,536
Leases to related entity	-	-	-	5,647,005	-	5,647,005	-	-	-	-	5,647,005
Interest on long-term debt	-	-	-	-	-	-	133,285	-	-	-	133,285
Depreciation	-	-	-	-	-	-	-	-	1,514,663	-	1,514,663
Amortization	-	-	-	-	-	-	-	-	186,920	-	186,920
Total non-personnel expenses	3,226,165	1,608,620	134,842	6,376,103	112,536	11,458,266	3,068,838	53,251	1,701,583	-	16,281,938
<b>Total Expenses</b>	<b>\$24,340,631</b>	<b>\$ 5,340,900</b>	<b>\$ 417,114</b>	<b>\$6,382,885</b>	<b>\$ 112,536</b>	<b>\$36,594,066</b>	<b>\$ 8,698,946</b>	<b>\$ 116,252</b>	<b>\$ 1,701,583</b>	<b>\$ -</b>	<b>\$ 47,110,847</b>

The notes to the financial statements are an integral part of this statement.

**HIGH TECH HIGH  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2015**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 412,890
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities	
Depreciation and amortization	1,701,583
(Increase) decrease in operating assets	
Accounts receivable	2,379,419
Prepaid expenses and deferred charges	(10,072)
Contributions receivable	24,947
Increase (decrease) in operating liabilities	
Accounts payable	(189,735)
Accrued expenses	105,970
Due to related entities	(1,540,906)
Deferred revenue	(109,998)
<b>Net cash provided by (used in) operating activities</b>	<u>2,774,098</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Transfer of cash and cash equivalents to investments	(51,060)
Purchase of property and equipment	(4,220,133)
<b>Net cash provided by (used in) investing activities</b>	<u>(4,271,193)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Reserve cash for construction project funds	4,262,478
Reserve cash for capital project sinking funds	(1,203,605)
<b>Net cash provided by (used in) financing activities</b>	<u>3,058,873</u>

**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS** 1,561,778

**Cash and cash equivalents - Beginning** 5,765,941

**Cash and cash equivalents - Ending** \$ 7,327,719

**SUPPLEMENTAL CASH FLOW INFORMATION**

Cash paid for interest	<u>\$ 1,445,819</u>
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The notes to the financial statements are an integral part of this statement.



**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

High Tech High (“HTH” or the “Organization”), located in San Diego County, was formed as a nonprofit public benefit corporation on April 19, 1999. HTH operates several charter schools in San Diego County. The active charter schools that the Organization operates are as follows:

Charter School	Classes Began	Authorizing Agency*	Grades Served	Charter No.
High Tech High	9/1/2000	District	9 - 12	0269
High Tech Elementary Explorer	9/5/2000	District	K - 5	0278
High Tech Middle	9/2/2003	District	6 - 8	0546
High Tech High Media Arts	8/29/2005	District	9 - 12	0622
High Tech High International	9/7/2004	District	9 - 12	0623
High Tech Middle Media Arts	9/6/2005	District	6 - 8	0660
High Tech High North County	9/10/2007	SBE	9 - 12	0756
High Tech High Chula Vista	8/27/2007	SBE	9 - 12	0756
High Tech Middle North County	8/31/2009	SBE	6 - 8	0756
High Tech Middle Chula Vista	8/20/2011	SBE	6 - 8	0756
High Tech Elementary North County	8/26/2013	SBE	K - 5	0756
High Tech Elementary Chula Vista	8/20/2011	SBE	K - 5	0756

*\*Six (6) of the Organization’s charters schools are authorized to operate by the San Diego Unified School District (the “District”) and all others are authorized by the State Board of Education (“SBE”) under a Statewide Benefit Charter known as SBC – High Tech High.*

The specific goals of High Tech High are to successfully integrate technical and academic education in a school that prepares students for post-secondary education and for leadership in the high technology industry; to increase the number of underrepresented students in math and engineering who succeed in middle school, high school and post-secondary education and who become productive member and leader in the San Diego high technology industry; and to provide all High Tech High students with an extraordinary education that prepares them to be thoughtful, engaging citizens in our increasingly technological society.

High Tech High also operates a charter management organization (the “CMO”), which is responsible for providing management services and facility maintenance services for the supported schools. The CMO provides business office support, facility maintenance staffing, professional development, recruitment and enrollment processing, pupil accounting, food services coordination, grants preparation, and other services in support of the schools operated by High Tech High.

HTH Learning, a related nonprofit public benefit corporation, is the sole corporate member of High Tech High.

**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

---

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Basis of Accounting**

The Organization's policy is to prepare its financial statements on the accrual basis of accounting; consequently, revenues are recognized when earned rather than when cash is received and certain expenses and purchases of assets are recognized when the obligation is incurred rather than when cash is disbursed.

**C. Financial Statement Presentation**

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Unrestricted net assets include all resources available for use by the Board of Directors and management's discretion in carrying out the activities of the Organization in accordance with its Bylaws. Temporarily or permanently restricted net assets are only expendable for the purposes specified by the donor or through the passage of time. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets. Permanently restricted net assets are generally required to be held by the Organization in perpetuity while the earnings on those assets are available for use by the Organization to support its activities. Donors can place restrictions on the earnings from permanently restricted contributions at the time the contributions are made or pledged. Fund accounting is not used in the Organization's financial statement presentation.

**D. Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures, such as depreciation expense and the net book value of capital assets. Accordingly, actual results could differ from those estimates.

**E. Cash and Cash Equivalents**

The Organization considers all highly liquid deposits and investments with an original maturity of less than ninety days to be cash equivalents.

**F. Investments**

The Organization's method of accounting for most investments is the fair value method. Fair value is determined by published quotes when they are readily available. Gains and losses resulting from adjustments to fair values are included in the accompanying statement of activities.

**G. Capital Assets**

The Organization has adopted a policy to capitalize asset purchases over \$2,500. Lesser amounts are expensed. Donations of capital assets are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset. Capital assets are depreciated using the straight-line method.

**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

---

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

**H. Receivables and Allowances**

Accounts receivable are stated at the amount management expects to collect from outstanding balances. An allowance for doubtful accounts is established, as necessary, based on past experience and other factors which, in management's judgment, deserve current recognition in estimating bad debts. Such factors include the relationship of the allowance for doubtful accounts to accounts receivable and current economic conditions. Based on review of these factors, the Charter establishes or adjusts the allowance for specific revenue sources as a whole. At June 30, 2015, an allowance for doubtful accounts was not considered necessary as all accounts receivable were deemed collectible.

**I. Deferred Revenue**

Deferred revenue arises when potential revenue does not meet the criteria for recognition in the current period and when resources are received by the Organization prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the Organization has a legal claim to the resources, the liability for deferred revenue is removed from the statement of financial position and revenue is recognized.

**J. Fair Value Measurements**

The Fair Value Measurements Topic of the FASB *Accounting Standards Codification* establishes a fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- |         |  |
|---------|--|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.  |
| Level 2 | Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement.  |

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

**K. Functional Expenses**

The costs of providing services have been summarized on a functional basis in the statement of activities and detailed in the statement of functional expenses. Certain costs and expenditures have been allocated between program and supporting services based on management's estimates.

**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

---

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)**

**L. Contributions**

Contributions that are restricted by the donor are reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the revenue is recognized. All other donor restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

Non-cash contributions of goods, materials, and facilities are recorded at fair value at the date of contribution. Contributed services are recorded at fair value at the date of contribution if they are used to create or enhance a non-financial asset or require specialized skills, are provided by someone possessing those skills, and would have to be purchased by the Organization if not donated.

**M. In Lieu of Property Taxes Revenue**

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on December 10 and April 10. Unsecured property taxes are payable in one installment on or before August 31. The County bills and collects the taxes for San Diego Unified School District. The District makes monthly payments to the Organization for in lieu of property taxes. Revenues are recognized by the Organization when earned.

As the State Board of Education directly authorizes the SBC charters, no in lieu of property taxes revenue is collected by the Organization for these schools.

**N. Income Taxes**

The Organization is a 509(a)(1) publicly supported nonprofit organization that is exempt from income taxes under Section 501(a) and 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation. The Organization is exempt from state franchise or income tax under Section 23701(d) of the California Revenue and Taxation Code. Since the Organization operates charter schools as its primary exempt purpose, it is not required to register with the California Attorney General as a charity.

The Organization's management believes all of its significant tax positions would be upheld under examination; therefore, no provision for income tax has been recorded. The Organization's information and/or tax returns are subject to examination by the regulatory authorities for up to four years from the date of filing.

**NOTE 2 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents as of June 30, 2015 consist of the following:

Cash in banks, non-interest bearing	\$ 2,151,109
Cash in banks, interest bearing	449,733
Cash in county treasury	4,725,077
Cash on hand (petty cash)	1,800
<b>Total Cash and Cash Equivalents</b>	<b>\$ 7,327,719</b>

**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

---

**NOTE 2 – CASH AND CASH EQUIVALENTS (continued)**

**Cash in County Treasury**

The Organization is a voluntary participant in an external investment pool. The fair value of the Organization's investment in the pool is reported in the financial statements at amounts based upon the Organization's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio in relation to the amortized cost of that portfolio. The balance available for withdrawal is recorded on the amortized cost basis and is based on the accounting records maintained by the County Treasurer.

Except for investments by trustees of debt proceeds, the authority to invest Organization funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from its website. The table below identifies examples of the investment types permitted in California Government Code:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

**Cash in Banks**

Custodial credit risk is the risk that in the event of a bank failure, an organization's deposits may not be returned to it. The Organization has adopted a cash management policy that addresses investment options as well as actions to be taken in the event that deposits exceed FDIC insurance limits. The FDIC insures up to \$250,000 per depositor per insured bank. As of June 30, 2015, \$252,096 of High Tech High's normal bank balance was exposed to custodial credit risk. Additionally, \$1,649,243 is due to balances held with the Bond Trustee in anticipation of July 1 payments.



**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

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**NOTE 3 – INVESTMENTS**

**Certificates of Deposit**

The Organization holds certificates of deposit, which are carried at amortized cost and classified as an investment under current assets in the statement of financial position. This investment does not qualify as securities defined in FASB ASC 320, *Investments – Debt and Equity Securities*, thus the fair value disclosure required by ASC 820, *Fair Value Measurements and Disclosures*, are not provided. As of June 30, 2015, the carrying value of the certificates of deposit is \$51,062.

**Capital Project Sinking Funds**

The Organization maintains investments for reserves for capital project sinking as discussed further in Note 7 under “subsidized interest and other obligations.” As of June 30, 2015, \$764,448 of the \$3,023,866 recorded as capital project sinking funds consists of funds invested in Treasury Notes during the fiscal year ended June 30, 2015. The Treasury Notes will mature after a ten-year period in May 2023. The accounts are deemed Level 1 investments within the fair value hierarchy.

**NOTE 4 –RECEIVABLES**

**Accounts Receivable**

Accounts receivable as of June 30, 2015 consists of the following:

Due from grantor governments:	
California Department of Education	\$ 1,010,885
San Diego Unified School District	905,449
Desert Mountain SELPA	1,124,905
Total due from grantor governments	<u>3,041,239</u>
Other sources	453,668
<b>Total Accounts Receivable</b>	<b><u>\$ 3,494,907</u></b>

**Contributions Receivable**

On January 9, 2007, the Organization entered into a long-term agreement with the City of Chula Vista for the use of public property located at the High Tech High Chula Vista school site. Phase 2 of the project began on July 1, 2010. This agreement grants the Organization with possessory interest in the land valued at \$1,185,000, so long as the land is used for educational purposes. The agreement expires on December 17, 2057, and is renewable for two additional 25 year terms.

The Organization recorded this transaction as a contribution of a long-lived asset with a time restriction. When the agreement was entered into, the asset was recognized as a contribution receivable, and revenue was accrued as restricted. At the end of the year in which the agreement was entered into, the restricted income increased temporarily restricted net assets. Over the 50 year life of the agreement, the restricted net assets are released from restriction on the straight line basis at a rate of \$24,947 per year. As of June 30, 2015, the balance of the contribution receivable was \$1,060,261, including the current portion of \$24,945.

**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

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**NOTE 5 – CAPITAL ASSETS AND DEPRECIATION**

Capital asset activity for the year ended June 30, 2015 consists of the following:

	Balance July 1, 2014	Additions	Disposals	Balance June 30, 2015
Property and equipment				
Land	\$ 5,439,871	\$ -	\$ -	\$ 5,439,871
Buildings	23,524,616	11,007,095	-	34,531,711
Land and building improvements	1,661,755	373,936	73,373	1,962,318
Equipment	2,193,843	228,814	25,722	2,396,935
Furniture	755,111	43,585	10,493	788,203
Software	51,811	-	-	51,811
Vehicles	196,232	2,500	-	198,732
Construction in progress	7,435,797	-	7,435,797	-
Total property and equipment	41,259,036	11,655,930	7,545,385	45,369,581
Less: accumulated depreciation	(4,428,616)	(1,514,663)	(109,588)	(5,833,691)
<b>Capital Assets, net</b>	<b>\$ 36,830,420</b>	<b>\$ 10,141,267</b>	<b>\$ 7,435,797</b>	<b>\$ 39,535,890</b>

Total purchases of capital assets during the fiscal year ended June 30, 2015 amounted to \$4,220,133. With regards to construction in progress, a total of \$7,435,797 was completed and transferred to buildings during the fiscal year ended June 30, 2015. This amount is reflected as an addition to buildings and disposal of construction in progress in the above schedule.

**NOTE 6 – LEVERAGED LOAN INVESTMENT**

On October 5, 2012, High Tech High entered into a leverage loan purchase agreement with National Consumer Corporation Bank in the amount of \$4,479,461. The loan, secured by a promissory note, includes a pledge to grant High Tech High a senior security interest in Revolution Community Ventures 1, LLC. This financial instrument for investing activities that High Tech High participates in is recognized at Level 3 within the fair value hierarchy.

**NOTE 7 – BONDS PAYABLE**

**Qualified School Construction Bonds (QSCBs)**

Long-term liabilities associated with bonds payable for the fiscal year ended June 30, 2015 amounted to \$27,450,000 which consists of three Qualified School Construction Bonds (QSCBs) as noted further below:

**2010 CSFA High Tech High Chula Vista K-8 Project Bonds**

In August 2010, the Organization, through the California School Finance Authority (CSFA), issued \$12,000,000 of QSCBs to fund the construction of the High Tech High Chula Vista K-8 Project. In association with this loan, an irrevocable direct pay letter of credit (LC) was written by City National Bank and a standby LC was provided by the Federal Home Loan Bank. As a direct pay LC, the Trustee for the bonds makes draws upon the LC when principal and interest payments are due on the bonds. Under the Reimbursement Agreement with City National Bank, the Organization is required to immediately reimburse the bank for draws upon the letter of credit. HTH Learning is also a party to the Reimbursement Agreement.

**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

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**NOTE 7 – BONDS PAYABLE (continued)**

**Qualified School Construction Bonds (QSCBs) (continued)**

**2010 CSFA High Tech High Chula Vista K-8 Project Bonds (continued)**

The interest rate applied to the bond is 5.014%; however, the Organization will file claims for direct subsidy of the full interest amount as interest becomes due. The direct subsidy is a specific feature of the QSCBs. The full amount of principal is due at the end of the 10 year term. In 2012, the Organization began making deposits into a sinking fund for the purpose of reducing principal owed when the debt is refinanced at the end of the 10 year term. As of June 30, 2015, the principal balance of the loan was \$12,000,000 with current interest payable in the amount of \$604,920. The sinking fund had a balance of \$1,706,699 as of June 30, 2015. Expected future payments on the 2010 QSCBs are as follows:

Year Ended June 30	Principal	Subsidized Interest	Total
2016	\$ -	\$ 604,920	\$ 604,920
2017	-	604,920	604,920
2018	-	604,920	604,920
2019	-	604,920	604,920
2020	-	604,920	604,920
2021	12,000,000	302,460	12,302,460
<b>Total</b>	<b>\$ 12,000,000</b>	<b>\$ 3,327,060</b>	<b>\$ 15,327,060</b>

**2011 CSFA High Tech Middle North County Project Bonds**

In April 2011, the Organization, through the California School Finance Authority (CSFA), issued \$3,950,000 of QSCBs to fund the construction of the High Tech High North County Middle School Project. In association with this loan, an irrevocable direct pay letter of credit (LC) was written by City National Bank and a standby LC was provided by the Federal Home Loan Bank. As a direct pay LC, the Trustee for the bonds makes draws upon the LC when principal and interest payments are due on the bonds. Under the Reimbursement Agreement with City National Bank, the Organization is required to immediately reimburse the bank for draws upon the letter of credit. HTH Learning is also a party to the Reimbursement Agreement

The interest rate applied to the bonds is 5.043%; however, the Organization will file claims for direct subsidy of the full interest amount as interest becomes due. The direct subsidy is a specific feature of the Qualified School Construction Bonds. The full amount of principal is due at the end of the 10 year term. As of June 30, 2015, the balance of principal on the loan was \$3,950,000 with current interest payable in the amount of \$199,199. The balance in the sinking fund was \$552,539 as of June 30, 2015. Expected future payments on the 2011 QSCBs are as follows:

Year Ended June 30	Principal	Subsidized Interest	Total
2016	\$ -	\$ 199,199	\$ 199,199
2017	-	199,199	199,199
2018	-	199,199	199,199
2019	-	199,199	199,199
2020	-	199,199	199,199
2021	3,950,000	199,197	4,149,197
<b>Total</b>	<b>\$ 3,950,000</b>	<b>\$ 1,195,192</b>	<b>\$ 5,145,192</b>

**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

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**NOTE 7 – BONDS PAYABLE (continued)**

**Qualified School Construction Bonds (QSCBs) (continued)**

**2013 CSFA High Tech Elementary North County Project Bonds**

In April 2013, the Organization, through the California School Finance Authority (CSFA), issued \$11,500,000 of QSCBs to fund the construction of the High Tech Elementary North County School Project with City National Bank serving as the bondholder.

The interest rate applied to the bonds is 5.58%; however, the Organization will file claims for direct subsidy of the full interest amount as interest becomes due. The direct subsidy is a specific feature of the Qualified School Construction Bonds. The full amount of principal is due at June 30, 2023. As of June 30, 2015, the balance of principal on the loan was \$11,500,000 with current interest payable in the amount of \$641,700. The balance in the sinking fund was \$764,448 as of June 30, 2015. Expected future payments on the 2013 QSCBs are as follows:

Year Ended	Subsidized		
June 30	Principal	Interest	Total
2016	\$ -	\$ 641,700	\$ 641,700
2017	-	641,700	641,700
2018	-	641,700	641,700
2019	-	641,700	641,700
2020		641,700	641,700
2021-2023	11,500,000	1,925,100	13,425,100
<b>Total</b>	<b>\$ 11,500,000</b>	<b>\$ 5,133,600</b>	<b>\$ 16,633,600</b>

**Subsidized Interest and Other Obligations**

The tenant schools of High Tech High properties financed by the 2010, 2011, and 2013 QSCBs have committed to have funds intercepted by the State Controller to service the debt. The amount required to cover the expected costs associated with the debt less interest subsidy received is accrued as rent amounts to High Tech Middle North County (2011 QSCBs) and High Tech Elementary North County (2013 QSCBs). For 2010 QSCBs, the amount is split equally between High Tech Elementary Chula Vista and High Tech Middle Chula Vista.

The intercept of local control funding formula sources by the State Controller will fund the annual fees (LC, trustee, and CSFA) and the required contributions to the capital project sinking fund. The direct subsidy from the US Treasury will fund the interest expense on the bonds. An initial deposit to the Revenue Fund from borrower equity funds the annual fees through December 31, 2012, with the balance held in the Revenue Fund to provide the necessary liquidity when interest payments are reimbursed to the bank in advance of receipt of the Treasury subsidy. Due to inaction of Congress, sequestration cuts were applied at the federal level. As a result of the sequestration cuts, the potential 100% interest subsidy from the QSCBs was not realized in full. A portion of the interest due on July 1, 2015 and accrued in the fiscal year 2014-15 was paid directly by the schools.

In conjunction with the issuance of this debt, the Organization and HTH Learning have entered into a second Reimbursement Agreement with a private guarantor who has pledged collateral to the bank as security for the bank's Reimbursement Agreement. This Reimbursement Agreement reasonably provides that in the event that the Organization has not fulfilled its responsibilities under the Reimbursement Agreement, and as a result, the guarantor's collateral is drawn upon by the bank, the Organization and HTH Learning are obligated to repay the guarantor.

**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

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**NOTE 8 – RELATED PARTY TRANSACTIONS****Affiliated Organizations under HTH Learning****HTH Learning**

HTH Learning is a nonprofit public benefit corporation organized for the purpose of advancing the HTH model. Due to HTH Learning's status as sole statutory member of High Tech High, HTH Learning and High Tech High are considered financially interrelated organizations under generally accepted accounting principles. Consequently, the Organization's financial statements are available in consolidated format with HTH Learning's financial results upon request. Per the Organization's Bylaws, High Tech High's Board of Trustees elects its own members with the advice and consent of HTH Learning's Board of Trustees. In addition, HTH Learning leases real property to High Tech High schools. See Note 13 for operating leases held with HTH Learning.

On November 6, 2014, HTH Learning entered into a master loan agreement with the California School Finance Authority (CSFA), whereby the Series 2005 Note previously held by HTH Learning to finance the Point Loma facilities was cancelled and the 2014 CSFA Point Loma Facilities Bonds were issued with a new term date of October 1, 2029 for the borrowing of \$11 million at an interest rate of 3.46%. The Point Loma facilities are leased for use by the following High Tech High charter schools: High Tech High, High Tech Middle, High Tech Middle Media Arts, High Tech High International, and High Tech Elementary Explorer, which have elected to provide payment of the 2014 CSFA Point Loma Facilities Revenue Bonds.

**High Tech High Foundation**

High Tech High Foundation (the "Foundation") is a nonprofit public benefit organization, organized with the purpose of supporting High Tech High. As the Foundation's Board of Trustees is elected by HTH's Board of Trustees and HTH receives economic benefit from the Foundation, the entities are considered financially interrelated under generally accepted accounting principles. The Foundation's financial results are not consolidated with High Tech High in these financial statements but are included in the consolidated presentation with HTH Learning referenced above.

**High Tech High Graduate School of Education**

High Tech High Graduate School of Education ("HTH GSE") is another organization under HTH Learning's control. On July 1, 2009, HTH GSE entered into a shared services agreement with High Tech High whereby HTH GSE is to pay a fee for certain services. The shared services agreement was amended as of July 1, 2014 to include services performed by six (6) of High Tech High's staff on behalf and for the benefit of HTH GSE. Based on the agreement, High Tech High shall be reimbursed by HTH GSE for the annual amount of \$501,010 plus the associated employee benefits in their actual amounts. High Tech High's business office also provides other services as part of the shared services agreement. The agreement includes a fee ("management fee") equal to four percent of annual expenditure of HTH GSE as payment for all other services provided by High Tech High in the areas of facilities, budget, financial accounting, risk management, marketing, fund-raising, information technology services, and payroll/benefits administration. Management fees amounted to \$72,538 during the fiscal year ended June 30, 2015 for handling such services.

**Due to Related Entities**

The net amount due to related entities as of June 30, 2015 was \$862,319. Of this amount, \$128,042 was owed to the Foundation for cash balances held in a common operating bank account and \$795,944 was due to HTH Learning for cash balances held in a common operating account. These due to balances are offset by a due from related entities balance of \$61,667. The amount due from HTH GSE is related to outstanding payroll liabilities.



**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

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**NOTE 8 – RELATED PARTY TRANSACTIONS (continued)****Interagency Transactions**

Receivables and payables due between High Tech High charter schools and/or other operations are classified as due to/from related entities within the Statement of Financial Position by Charter. During the fiscal year ended June 30, 2015, High Tech High charter schools had expenditures related to fees for management, facility services, and special education services, which resulted in income to other operations. Interagency transactions and balances are eliminated in the financial statements of High Tech High to better reflect the true activities of the corporation.

**Authorizing Agencies**

The Organization makes payments to San Diego Unified School District and the State Board of Education for oversight. Fees associated with oversight consisted of 1% of revenue from local control funding formula sources. Oversight fees expensed during the year ended June 30, 2015 totaled \$169,399 paid to the District and \$185,654 paid to the California Board of Education.

**NOTE 9 – TEMPORARILY RESTRICTED NET ASSETS**

As of June 30, 2015, High Tech High's temporarily restricted net assets consisted of the following:

State restricted programs	\$	433,974
Other contributions with purpose restrictions		284,297
Contributed use of long-lived assets		1,060,261
<b>Total Temporarily Restricted Net Assets</b>	<b>\$</b>	<b><u>1,778,532</u></b>

**NOTE 10 – FAIR VALUE MEASUREMENT**

The leveraged loan that High Tech High participates in for investing activities is nonrecurring and reported at fair value. This investing activity is recognized at Level 3 within the fair value hierarchy as inputs to the valuation methodology are unobservable and significant to the fair value measurement. During the fiscal year ended June 30, 2015, there were no transfers within the fair value hierarchy nor were there any changes to valuation techniques. Because there was no activity within this investment during the fiscal year, opening balances and closing balances remain unchanged; therefore, there is no reconciliation noting the change in the investment balance for the leveraged loan. A description of the valuation process and policies for this investment activity are presented in Note 6. All other investments are recognized at Level 1 within the fair value hierarchy as inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

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**NOTE 11 – DONATED MATERIALS AND SERVICES**

During the year, many parents, administrators and other individuals donated significant amounts of time and services to the Organization in an effort to advance the programs and objectives of the Organization. These services have not been recorded in the financial statements of the Organization because they do not meet the criteria required by generally accepted accounting principles.

**NOTE 12 – EMPLOYEE RETIREMENT PLANS**

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. In accordance with *California Education Code 47605*, charter schools have the option of participating in such plans if an election to participate is specified within the charter petition. The charters operated by High Tech High have made such election. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS). In addition, High Tech High offers a voluntary 403(b) defined contribution plan.

**California State Teachers' Retirement System (CalSTRS)**

**Plan Description**

The Organization contributes to the California State Teachers' Retirement System (CalSTRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement, disability and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 7667 Folsom Boulevard; Sacramento, California 95826.

**Funding Policy**

Active plan members are required to contribute 8.15% of their salary. The required employer contribution rate for fiscal year 2014-15 was 8.88% of annual payroll. The contribution requirements of the plan members are established by state statute. The Organization's contributions to CalSTRS for the last three fiscal years were as follows:

	Contribution	Percent of Required Contribution
2014-15	\$ 1,592,010	100%
2013-14	\$ 1,336,338	100%
2012-13	\$ 1,134,263	100%

**On-Behalf Payments**

The State of California makes direct on-behalf payments for retirement benefits to CalSTRS on behalf of all school agencies in California. The amount of on-behalf payments made for the Organization is estimated at \$848,484 (5.679% of creditable compensation subject to CalSTRS in 2012-13).

**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

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**NOTE 12 – EMPLOYEE RETIREMENT PLANS (continued)****California Public Employees' Retirement System (CalPERS)****Plan Description**

The Organization contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street; Sacramento, California 95814.

**Funding Policy**

Prior to January 1, 2013, active plan members are required to contribute 7.0% of their salary. The California Public Employees' Pension Reform Act (PEPRA), specifies that new members entering into the plan on or after January 1, 2013, shall pay the higher of fifty percent of normal costs or 6.0% of their salary. Additionally, for new members entering the plan on or after January 1, 2013, the employer is prohibited from paying any of the employee contribution to CalPERS unless the employer payment of the member's contribution is specified in an employment agreement or collective bargaining agreement that expires after January 1, 2013.

High Tech High is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution for fiscal year 2014-15 was 11.771%. The contribution requirements of the plan members are established by state statute. The Organization's contributions to CalPERS for the last three fiscal years were as follows:

	Contribution	Percent of Required Contribution
2014-15	\$ 530,034	100%
2013-14	\$ 446,305	100%
2012-13	\$ 388,941	100%

**Alternative Plan**

As established by federal law, all public sector employees who are not members of their employer's existing retirement plan must be covered by social security or an alternative plan. The Organization offers both social security and a 403(b) employee funded plan to those that do not qualify for CalSTRS benefits. High Tech High's qualified 403(b) employee savings plan is administered by the San Diego County Office of Education for the benefit of its employees. Substantially, all employees are eligible to participate in the 403(b) plan. Under the plan, employees can contribute and defer taxes on compensation contributed.

**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

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**NOTE 13 – COMMITMENTS AND CONTINGENCIES**

**Operating Leases**

Liberty Station Education Center LLC leases a school facility to HTH Learning which subleases to the Organization for the High Tech High Media Arts and High Tech Middle Media Arts charter schools. In addition, HTH Learning leases facilities directly to the Organization for High Tech High, High Tech Middle, High Tech High International, High Tech High Chula Vista, High Tech High North County, and a ground lease to High Tech Middle North County. The Organization accounts for these leases under the operating method of accounting for leases. The lease term expirations for the each of the charter schools and the annual lease payments of each for the year ended June 30, 2015 are as follows:

	<b>2014-15</b>
	<b><u>Lease Payment</u></b>
High Tech High	\$ 730,598
Explorer Elementary Charter School	127,315
High Tech Middle	582,330
High Tech High Media Arts	619,853
High Tech Middle Media Arts	638,576
High Tech International	525,333
High Tech High Chula Vista	1,248,000
High Tech High North County	1,100,000
High Tech Middle North County	75,000
<b>Total Lease Payments to HTH Learning</b>	<b><u>\$ 5,647,005</u></b>

**Governmental Funding**

The Organization has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements would not be material.

**Multi-employer Defined Benefit Plan Participation**

Under current law on multiemployer defined benefit plans, the Organization's voluntary withdrawal from any underfunded multiemployer defined benefit plan would require the Organization to make payments to the plan, which would approximate High Tech High's proportionate share of the multiemployer plan's unfunded vested liabilities. CalSTRS has estimated that High Tech High's share of withdrawal liability is approximately \$686,048 as of June 30, 2014. Also as of June 30, 2014, CalPERS has estimated High Tech High's share of withdrawal liability to be \$359,969. The Organization does not currently intend to withdraw from CalSTRS or CalPERS. Refer to Note 12 for additional information on employee retirement plans.

**HIGH TECH HIGH**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2015**

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**NOTE 14 – SUBSEQUENT EVENTS**

Management of the Organization has evaluated subsequent events for the period from June 30, 2015 through November 10, 2015, the date the financial statements were available to be issued, and noted the following:

- In August 2015, school began for an additional charter school authorized by San Diego Unified School District for High Tech Elementary Point Loma (Charter No. 1709). A new lease with HTH Learning was approved for this charter school.
- Effective September 2015, lease agreements with HTH Learning were revised for High Tech High North County and High Tech Middle North County.
- On September 1, 2015, HTH GSE entered into a use agreement with High Tech High for a term of approximately fifteen (15) academic years, commencing on September 1, 2015 and terminating on August 31, 2030.
- As part of a wind down of the leveraged loan purchase agreement with National Consumer Corporate Bank (NCCB), High Tech High Foundation acquired Revolution Community Ventures (RCV) 1, LLC. As a result, \$1.2 million of RCV assets was used to repay the High Tech High leveraged loan, \$1.329 million of the promissory note attached to the NCCB loan was forgiven (limited to funds received from private sources) and the remaining \$1.962 million was reclassified as a direct loan between High Tech High and HTH Learning.

Management did not identify any other transactions or events that require disclosure or that would have an impact on the financial statements.

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## **SUPPLEMENTARY INFORMATION SECTION**

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**HIGH TECH HIGH  
ORGANIZATIONAL STRUCTURE  
JUNE 30, 2015**

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High Tech High (the “Organization”) was formed as a nonprofit public benefit corporation in April 1999. As of June 30, 2015, the Organization operated twelve (12) charter schools:

Charter School	Classes Began	Authorizing Agency*	Grades Served	Charter No.
High Tech High	9/1/2000	District	9 - 12	0269
High Tech Elementary Explorer	9/5/2000	District	K - 5	0278
High Tech Middle	9/2/2003	District	6 - 8	0546
High Tech High Media Arts	8/29/2005	District	9 - 12	0622
High Tech High International	9/7/2004	District	9 - 12	0623
High Tech Middle Media Arts	9/6/2005	District	6 - 8	0660
High Tech High North County	9/10/2007	SBE	9 - 12	0756
High Tech High Chula Vista	8/27/2007	SBE	9 - 12	0756
High Tech Middle North County	8/31/2009	SBE	6 - 8	0756
High Tech Middle Chula Vista	8/20/2011	SBE	6 - 8	0756
High Tech Elementary North County	8/26/2013	SBE	K - 5	0756
High Tech Elementary Chula Vista	8/20/2011	SBE	K - 5	0756

\* Six (6) of the Organization’s charters schools are authorized to operate by the San Diego Unified School District (the “District”) and all others are authorized by the State Board of Education (“SBE”) under a Statewide Benefit Charter known as SBC – High Tech High.

**BOARD OF TRUSTEES**

Trustee	Office	Term Ending
Gary Jacobs	Chair	September 2016
Kay Davis	Secretary	September 2016
Michael McCraw	Trustee	September 2016
Heather Lattimer	Trustee	August 2017

**ADMINISTRATION**

Larry Rosenstock <i>Principal &amp; Chief Executive Officer</i>	Ben Daley <i>Chief Operating Officer &amp; Chief Academic Officer</i>
Kay McElrath <i>Chief Financial Officer</i>	Maria Heredia <i>Chief Administrative Officer/General Counsel</i>

See accompanying note to supplementary information.

**HIGH TECH HIGH**  
**STATEMENT OF FINANCIAL POSITION BY CHARTER**  
**JUNE 30, 2015**

California Charter No.	0269	0278	0546	0622	0623	0660
	High Tech High	High Tech Elementary Explorer	High Tech Middle	High Tech High Media Arts	High Tech High International	High Tech Middle Media Arts
<b>ASSETS</b>						
Current assets						
Cash and cash equivalents	\$ 469,125	\$ 550,476	\$ 302,200	\$ 473,147	\$ 280,999	\$ 313,878
Investments	-	51,062	-	-	-	-
Accounts receivable	459,716	265,973	283,204	299,296	296,617	235,715
Prepaid expenses	838	2,323	-	838	838	7,975
Due from related entities	539,533	200,000	350,000	600,000	250,000	325,000
Total current assets	1,469,212	1,069,834	935,404	1,373,281	828,454	882,568
Capital assets						
Property and equipment	248,661	880,105	198,127	318,601	119,675	158,620
Less accumulated depreciation	(76,145)	(275,791)	(70,299)	(106,818)	(79,165)	(52,677)
Capital assets, net	172,516	604,314	127,828	211,783	40,510	105,943
<b>LIABILITIES AND NET ASSETS</b>						
Current liabilities						
Accounts payable	\$ 184,814	\$ 69,066	\$ 23,835	\$ 113,744	\$ 126,813	\$ 26,254
Due to related entities	357,812	251,160	302,501	480,839	197,340	264,613
Deferred revenue	4,113	11,151	15,392	10,552	4,948	6,577
Total current liabilities	546,739	331,377	341,728	605,135	329,101	297,444
Net assets						
Unrestricted	1,007,695	1,308,737	624,392	953,261	395,712	654,738
Temporarily restricted	87,294	34,034	97,112	26,668	144,151	36,329
Total net assets	1,094,989	1,342,771	721,504	979,929	539,863	691,067
<b>Total Liabilities and Net Assets</b>	<b>\$ 1,641,728</b>	<b>\$ 1,674,148</b>	<b>\$ 1,063,232</b>	<b>\$ 1,585,064</b>	<b>\$ 868,964</b>	<b>\$ 988,511</b>

See accompanying notes to supplementary information.

**HIGH TECH HIGH**  
**STATEMENT OF FINANCIAL POSITION BY CHARTER, continued**  
**JUNE 30, 2015**

Statewide Benefit Charter No. 0756							
High Tech High North County	High Tech High Chula Vista	High Tech Middle North County	High Tech Middle Chula Vista	High Tech Elementary North County	High Tech Elementary Chula Vista	Total SBE Authorized Charters	
\$ 547,812	\$ 688,456	\$ 278,474	\$ 319,516	\$ 296,121	\$ 342,764	\$ 2,473,143	
-	-	-	-	-	-	-	
262,772	349,522	146,864	167,275	178,544	270,569	1,375,546	
3,530	838	-	-	-	3,586	7,954	
175,000	625,000	325,000	325,000	-	326,028	1,776,028	
989,114	1,663,816	750,338	811,791	474,665	942,947	5,632,671	
47,075	167,869	39,429	17,880	-	3,160	275,413	
(19,224)	(90,302)	(28,366)	(10,444)	-	(775)	(149,111)	
27,851	77,567	11,063	7,436	-	2,385	126,302	
\$ 42,121	\$ 59,721	\$ 15,037	\$ 27,623	\$ 14,560	\$ 23,432	\$ 182,494	
256,863	141,274	186,058	237,246	351,507	437,241	1,610,189	
-	16,354	773	3,245	24,324	44,590	89,286	
298,984	217,349	201,868	268,114	390,391	505,263	1,881,969	
711,676	1,518,694	550,235	545,773	84,274	434,729	3,845,381	
6,305	5,340	9,298	5,340	-	5,340	31,623	
717,981	1,524,034	559,533	551,113	84,274	440,069	3,877,004	
\$ 1,016,965	\$ 1,741,383	\$ 761,401	\$ 819,227	\$ 474,665	\$ 945,332	\$ 5,758,973	

See accompanying notes to supplementary information.

**HIGH TECH HIGH  
STATEMENT OF ACTIVITIES BY CHARTER  
FOR THE YEAR ENDED JUNE 30, 2015**

California Charter No.	0269	0278	0546	0622	0623	0660
	High Tech High	High Tech Elementary Explorer	High Tech Middle	High Tech High Media Arts	High Tech High International	High Tech Middle Media Arts
<b>UNRESTRICTED NET ASSETS</b>						
<b>Unrestricted Support and Revenues</b>						
Federal and state support and revenues						
Local control funding formula, state aid	\$ 2,136,601	\$ 882,152	\$ 729,744	\$ 1,369,262	\$ 1,345,620	\$ 725,490
Federal revenues	162,461	144,116	92,018	115,757	117,853	147,116
Other state revenues	513,635	292,299	276,207	346,568	341,469	252,210
Total federal and state support and revenue	2,812,697	1,318,567	1,097,969	1,831,587	1,804,942	1,124,816
Local support and revenues						
Payments in lieu of property taxes	2,401,048	1,440,103	1,330,709	1,641,546	1,630,847	1,306,724
Grants and donations	272,142	277,172	345,855	268,570	166,046	424,172
Investment income, net	1,385	1,151	901	1,385	1,114	969
Other local revenues	409,369	225,770	191,625	49,858	44,400	67,876
Total local support and revenues	3,083,944	1,944,196	1,869,090	1,961,359	1,842,407	1,799,741
Donor restrictions satisfied	93,156	160,703	81,212	180,549	69,394	121,319
<b>Total Unrestricted Support and Revenues</b>	<b>5,989,797</b>	<b>3,423,466</b>	<b>3,048,271</b>	<b>3,973,495</b>	<b>3,716,743</b>	<b>3,045,876</b>
<b>Expenses</b>						
Program services						
K-12 Instruction	3,103,464	2,031,956	1,638,340	1,859,724	1,943,306	1,453,102
Instructional support	1,054,995	280,932	130,660	485,583	384,709	257,479
Dissemination	225	225	225	224	225	224
Educational facilities	777,400	176,735	629,177	666,994	572,134	685,378
Support to affiliates	-	110,883	-	-	-	-
Management and general	1,124,283	730,487	643,412	811,354	873,207	621,014
Fundraising	1,040	43,469	86	288	521	-
Depreciation and amortization	18,014	38,346	17,297	35,963	12,752	18,616
<b>Total Expenses</b>	<b>6,079,421</b>	<b>3,413,033</b>	<b>3,059,197</b>	<b>3,860,130</b>	<b>3,786,854</b>	<b>3,035,813</b>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	<b>(89,624)</b>	<b>10,433</b>	<b>(10,926)</b>	<b>113,365</b>	<b>(70,111)</b>	<b>10,063</b>
<b>Unrestricted Net Assets - Beginning</b>	<b>1,097,319</b>	<b>1,298,304</b>	<b>635,318</b>	<b>839,896</b>	<b>465,823</b>	<b>644,675</b>
<b>Unrestricted Net Assets - Ending</b>	<b>1,007,695</b>	<b>1,308,737</b>	<b>624,392</b>	<b>953,261</b>	<b>395,712</b>	<b>654,738</b>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>						
Other state revenues	96,590	143,707	140,598	146,773	141,101	145,480
Grants and donations	-	-	-	-	-	-
Donor restrictions satisfied	(93,156)	(160,703)	(81,212)	(180,549)	(69,394)	(121,319)
<b>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</b>	<b>3,434</b>	<b>(16,996)</b>	<b>59,386</b>	<b>(33,776)</b>	<b>71,707</b>	<b>24,161</b>
<b>Temporarily Restricted Net Assets - Beginning</b>	<b>83,860</b>	<b>51,030</b>	<b>37,726</b>	<b>60,444</b>	<b>72,444</b>	<b>12,168</b>
<b>Temporarily Restricted Net Assets - Ending</b>	<b>87,294</b>	<b>34,034</b>	<b>97,112</b>	<b>26,668</b>	<b>144,151</b>	<b>36,329</b>
<b>CHANGE IN NET ASSETS</b>	<b>(86,190)</b>	<b>(6,563)</b>	<b>48,460</b>	<b>79,589</b>	<b>1,596</b>	<b>34,224</b>
<b>Net Assets - Beginning</b>	<b>1,181,179</b>	<b>1,349,334</b>	<b>673,044</b>	<b>900,340</b>	<b>538,267</b>	<b>656,843</b>
<b>Net Assets - Ending</b>	<b>\$ 1,094,989</b>	<b>\$ 1,342,771</b>	<b>\$ 721,504</b>	<b>\$ 979,929</b>	<b>\$ 539,863</b>	<b>\$ 691,067</b>

See accompanying notes to supplementary information.

High Tech High Statewide Benefit Charter Supplemental Materials

**HIGH TECH HIGH  
STATEMENT OF ACTIVITIES BY CHARTER, continued  
FOR THE YEAR ENDED JUNE 30, 2015**

Statewide Benefit Charter No. 0756						
High Tech High North County	High Tech High Chula Vista	High Tech Middle North County	High Tech Middle Chula Vista	High Tech Elementary North County	High Tech Elementary Chula Vista	Total SBE Authorized Charters
\$ 4,004,090	\$ 4,699,396	\$ 2,075,392	\$ 2,114,692	\$ 2,028,204	\$ 2,735,541	\$ 17,657,315
154,974	529,131	61,821	160,168	273,379	207,098	1,386,571
492,963	449,088	325,612	226,584	185,034	329,943	2,009,224
4,652,027	5,677,615	2,462,825	2,501,444	2,486,617	3,272,582	21,053,110
-	-	-	-	-	-	-
229,561	293,364	59,453	18,040	14,449	27,667	642,534
1,173	1,258	908	908	907	1,014	6,168
365,421	121,621	55,288	24,602	89,804	188,814	845,550
596,155	416,243	115,649	43,550	105,160	217,495	1,494,252
63,853	85,800	72,628	67,402	-	29,719	319,402
5,312,035	6,179,658	2,651,102	2,612,396	2,591,777	3,519,796	22,866,764
-	-	-	-	-	-	-
2,846,472	3,055,799	1,432,945	1,359,251	1,587,273	2,078,667	12,360,407
362,393	483,657	243,329	234,911	262,518	444,817	2,031,625
315	248	225	225	-	225	1,238
1,100,000	1,248,000	348,830	343,481	175,006	343,481	3,558,798
-	-	-	-	-	-	-
937,910	1,032,172	594,640	613,847	499,663	542,336	4,220,568
15	1,144	396	185	1,968	4,139	7,847
8,563	22,156	4,791	3,576	-	613	39,699
5,255,668	5,843,176	2,625,156	2,555,476	2,526,428	3,414,278	22,220,182
56,367	336,482	25,946	56,920	65,349	105,518	646,582
655,309	1,182,212	524,289	488,853	18,925	329,211	3,198,799
711,676	1,518,694	550,235	545,773	84,274	434,729	3,845,381
-	-	-	-	-	-	-
-	5,000	-	-	-	-	5,000
(63,853)	(85,800)	(72,628)	(67,402)	-	(29,719)	(319,402)
(63,853)	(80,800)	(72,628)	(67,402)	-	(29,719)	(314,402)
70,158	86,140	81,926	72,742	-	35,059	346,025
6,305	5,340	9,298	5,340	-	5,340	31,623
(7,486)	255,682	(46,682)	(10,482)	65,349	75,799	332,180
725,467	1,268,352	606,215	561,595	18,925	364,270	3,544,824
\$ 717,981	\$ 1,524,034	\$ 559,533	\$ 551,113	\$ 84,274	\$ 440,069	\$ 3,877,004

See accompanying notes to supplementary information.

**HIGH TECH HIGH  
STATEMENT OF CASH FLOWS BY CHARTER  
FOR THE YEAR ENDED JUNE 30, 2015**

California Charter No.	0269	0278	0546	0622	0623	0660
	High Tech High	High Tech Elementary Explorer	High Tech Middle	High Tech High Media Arts	High Tech High International	High Tech Middle Media Arts
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Change in net assets	\$ (86,190)	\$ (6,563)	\$ 48,460	\$ 79,589	\$ 1,596	\$ 34,224
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities						
Depreciation	17,661	38,347	17,296	35,964	12,752	18,616
Loss on asset disposal	352	-	-	-	-	-
(Increase) decrease in operating assets						
Accounts receivable	88,521	1,627	27,495	78,224	68,707	41,467
Prepaid expenses	832	(2,323)	-	(838)	(838)	(7,975)
Due from related entities	(51,028)	(196,201)	(50,000)	(150,000)	(52,000)	75,000
Increase (decrease) in operating liabilities						
Accounts payable	58,371	(33,256)	(89,709)	45,368	54,692	(43,478)
Due to related entities	(26,774)	251,160	12,454	110,268	(1,399)	67,779
Deferred revenue	(3,137)	11,151	2,005	5,391	4,948	6,577
<b>Net cash provided by (used in) operating activities</b>	<b>(1,392)</b>	<b>63,942</b>	<b>(31,999)</b>	<b>203,966</b>	<b>88,458</b>	<b>192,210</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Transfer of cash to investments	-	(51,062)	-	-	-	-
Purchase of capital assets	(5,500)	(102,795)	(60,405)	(102,954)	(13,126)	(92,527)
<b>Net cash provided by (used in) investing activities</b>	<b>(5,500)</b>	<b>(153,857)</b>	<b>(60,405)</b>	<b>(102,954)</b>	<b>(13,126)</b>	<b>(92,527)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(6,892)</b>	<b>(89,915)</b>	<b>(92,404)</b>	<b>101,012</b>	<b>75,332</b>	<b>99,683</b>
<b>Cash and cash equivalents - Beginning</b>	<b>476,017</b>	<b>640,391</b>	<b>394,604</b>	<b>372,135</b>	<b>205,667</b>	<b>214,195</b>
<b>Cash and cash equivalents - Ending</b>	<b>\$ 469,125</b>	<b>\$ 550,476</b>	<b>\$ 302,200</b>	<b>\$ 473,147</b>	<b>\$ 280,999</b>	<b>\$ 313,878</b>

See accompanying notes to supplementary information.

High Tech High Statewide Benefit Charter Supplemental Materials

**HIGH TECH HIGH  
STATEMENT OF CASH FLOWS BY CHARTER, continued  
FOR THE YEAR ENDED JUNE 30, 2015**

Statewide Benefit Charter No. 0756						
High Tech High North County	High Tech High Chula Vista	High Tech Middle North County	High Tech Middle Chula Vista	High Tech Elementary North County	High Tech Elementary Chula Vista	Total SBE Authorized Charters
\$ (7,486)	\$ 255,682	\$ (46,682)	\$ (10,482)	\$ 65,349	\$ 75,799	\$ 332,180
8,562	22,156	4,791	3,576	-	613	39,698
-	-	-	-	-	-	-
514,720	643,328	237,890	225,499	365,198	290,777	2,277,412
(3,530)	(838)	-	-	-	(3,586)	(7,954)
(25,000)	(175,000)	(35,000)	75,000	-	(125,978)	(285,978)
24,956	26,623	14,702	10,659	(14,863)	12,584	74,661
(303,521)	(576,136)	(30,576)	(129,683)	11,748	(119,928)	(1,148,096)
(47)	(22,707)	773	(4,688)	(138,894)	28,630	(136,933)
208,654	173,108	145,898	169,881	288,538	158,911	1,144,990
-	-	-	-	-	-	-
-	(10,205)	-	-	-	-	(10,205)
-	(10,205)	-	-	-	-	(10,205)
208,654	162,903	145,898	169,881	288,538	158,911	1,134,785
339,158	525,553	132,576	149,635	7,583	183,853	1,338,358
\$ 547,812	\$ 688,456	\$ 278,474	\$ 319,516	\$ 296,121	\$ 342,764	\$ 2,473,143

See accompanying notes to supplementary information.

**HIGH TECH HIGH  
SCHEDULE OF AVERAGE DAILY ATTENDANCE  
FOR THE YEAR ENDED JUNE 30, 2015**

**SAN DIEGO UNIFIED SCHOOL DISTRICT AUTHORIZED CHARTER SCHOOLS  
CLASSROOM BASED**

**SECOND PERIOD REPORT: AVERAGE DAILY ATTENDANCE - CLASSROOM BASED**

California Charter No.	0269	0278	0546	0622	0623	0660
	High Tech High	High Tech Elementary Explorer	High Tech Middle	High Tech High Media Arts	High Tech High International	High Tech Middle Media Arts
<b>Grade Span</b>						
Regular ADA						
Kindergarten through third	-	219.80	-	-	-	-
Grades fourth through sixth	-	114.72	99.95	-	-	98.73
Grades seventh and eighth	-	-	209.31	-	-	204.57
Grades ninth through twelfth	557.67	-	-	380.75	378.69	-
Special Education						
Grades seventh and eighth	-	-	-	-	-	0.11
Grades ninth through twelfth	0.11	-	-	0.77	0.17	-
<b>Total Average Daily Attendance - Classroom Based</b>	557.78	334.52	309.26	381.52	378.86	303.41

**ANNUAL REPORT: AVERAGE DAILY ATTENDANCE - CLASSROOM BASED**

California Charter No.	0269	0278	0546	0622	0623	0660
	High Tech High	High Tech Elementary Explorer	High Tech Middle	High Tech High Media Arts	High Tech High International	High Tech Middle Media Arts
<b>Grade Span</b>						
Regular ADA						
Kindergarten through third	-	219.83	-	-	-	-
Grades fourth through sixth	-	114.02	99.78	-	-	98.94
Grades seventh and eighth	-	-	209.26	-	-	204.88
Grades ninth through twelfth	555.65	-	-	377.22	376.61	-
Special Education						
Grades seventh and eighth	-	-	-	-	-	0.11
Grades ninth through twelfth	0.11	-	-	0.80	0.17	-
<b>Total Average Daily Attendance - Classroom Based</b>	555.76	333.85	309.04	378.02	376.78	303.93



**HIGH TECH HIGH  
SCHEDULE OF AVERAGE DAILY ATTENDANCE, continued  
FOR THE YEAR ENDED JUNE 30, 2015**

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**SAN DIEGO UNIFIED SCHOOL DISTRICT AUTHORIZED CHARTER SCHOOLS  
NON-CLASSROOM BASED**

*In 2014-15, there was no average daily attendance (ADA) reported for nonclassroom-based instruction by any of the Organization's charter schools that are authorized by the San Diego Unified School District.*

**HIGH TECH HIGH  
SCHEDULE OF AVERAGE DAILY ATTENDANCE, continued  
FOR THE YEAR ENDED JUNE 30, 2015**

**STATE BOARD OF EDUCATION AUTHORIZED CHARTER SCHOOLS  
CLASSROOM BASED**

**SECOND PERIOD REPORT: AVERAGE DAILY ATTENDANCE - CLASSROOM BASED**

	California Charter No.		Statewide Benefit Charter No. 0756				
	High Tech High	High Tech High	High Tech Middle	High Tech Middle	High Tech Elementary	High Tech Elementary	Total State Authorized
	North County	Chula Vista	North County	Chula Vista	North County	Chula Vista	Charters
<b>Grade Span</b>							
Regular ADA							
Kindergarten through third	-	-	-	-	221.00	242.62	463.62
Grades fourth through sixth	-	-	106.70	100.58	70.94	150.03	428.25
Grades seventh and eighth	-	-	202.87	208.04	-	-	410.91
Grades ninth through twelfth	520.68	594.63	-	-	-	-	1,115.31
<b>Total Average Daily Attendance - Classroom Based</b>	520.68	594.63	309.57	308.62	291.94	392.65	2,418.09

**ANNUAL REPORT: AVERAGE DAILY ATTENDANCE - CLASSROOM BASED**

	California Charter No.		Statewide Benefit Charter No. 0756				
	High Tech High	High Tech High	High Tech Middle	High Tech Middle	High Tech Elementary	High Tech Elementary	Total State Authorized
	North County	Chula Vista	North County	Chula Vista	North County	Chula Vista	Charters
<b>Grade Span</b>							
Regular ADA							
Kindergarten through third	-	-	-	-	219.76	241.58	461.34
Grades fourth through sixth	-	-	106.41	100.45	70.73	149.97	427.56
Grades seventh and eighth	-	-	202.65	207.93	-	-	410.58
Grades ninth through twelfth	513.47	584.21	-	-	-	-	1,097.68
<b>Total Average Daily Attendance - Classroom Based</b>	513.47	584.21	309.06	308.38	290.49	391.55	2,397.16

**HIGH TECH HIGH  
SCHEDULE OF AVERAGE DAILY ATTENDANCE, continued  
FOR THE YEAR ENDED JUNE 30, 2015**

**STATE BOARD OF EDUCATION AUTHORIZED CHARTER SCHOOLS  
NON-CLASSROOM BASED**

**SECOND PERIOD REPORT: AVERAGE DAILY ATTENDANCE - NON-CLASSROOM BASED**

	California Charter No.		Statewide Benefit Charter No. 0756				
	High Tech High	High Tech High	High Tech Middle	High Tech Middle	High Tech Elementary	High Tech Elementary	Total State Authorized
	North County	Chula Vista	North County	Chula Vista	North County	Chula Vista	Charters
<b>Grade Span</b>							
Regular ADA							
Kindergarten through third	-	-	-	-	0.51	0.47	0.98
Grades fourth through sixth	-	-	0.15	0.04	0.09	0.30	0.58
Grades seventh and eighth	-	-	0.47	0.13	-	-	0.60
Grades ninth through twelfth	1.04	0.59	-	-	-	-	1.63
<b>Total Average Daily Attendance - Classroom Based</b>	1.04	0.59	0.62	0.17	0.60	0.77	3.79

**ANNUAL REPORT: AVERAGE DAILY ATTENDANCE - NON-CLASSROOM BASED**

	California Charter No.		Statewide Benefit Charter No. 0756				
	High Tech High	High Tech High	High Tech Middle	High Tech Middle	High Tech Elementary	High Tech Elementary	Total State Authorized
	North County	Chula Vista	North County	Chula Vista	North County	Chula Vista	Charters
<b>Grade Span</b>							
Regular ADA							
Kindergarten through third	-	-	-	-	0.57	0.48	1.05
Grades fourth through sixth	-	-	0.15	0.06	0.06	0.23	0.50
Grades seventh and eighth	-	-	0.49	0.22	-	-	0.71
Grades ninth through twelfth	1.86	0.62	-	-	-	-	2.48
<b>Total Average Daily Attendance - Non-Classroom Based</b>	1.86	0.62	0.64	0.28	0.63	0.71	4.74

**HIGH TECH HIGH  
SCHEDULE OF INSTRUCTIONAL TIME  
FOR THE YEAR ENDED JUNE 30, 2015**

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Charter School Grade Span	Minutes Requirement	2014-15 Actual Minutes	Number of Days	
			Traditional Calendar	Status
<b>High Tech High</b>				
Grades 9 - 12	62,949	63,520	176	Complied
<b>High Tech Elementary Explorer</b>				
Kindergarten	34,971	54,765	175	Complied
Grades 1 - 3	48,960	54,075	175	Complied
Grades 4 - 5	52,457	54,075	175	Complied
<b>High Tech Middle</b>				
Grades 6 - 8	52,457	58,225	175	Complied
<b>High Tech High Media Arts</b>				
Grades 9 - 12	62,949	64,740	175	Complied
<b>High Tech High International</b>				
Grades 9 - 12	62,949	63,250	175	Complied
<b>High Tech Middle Media Arts</b>				
Grades 6 - 8	52,457	55,125	175	Complied
<b>High Tech High North County</b>				
Grades 9 - 12	62,949	62,970	176	Complied
<b>High Tech High Chula Vista</b>				
Grades 9 - 12	62,949	63,525	176	Complied
<b>High Tech Middle North County</b>				
Grades 6 - 8	52,457	58,230	175	Complied
<b>High Tech Middle Chula Vista</b>				
Grades 6 - 8	52,457	53,725	175	Complied
<b>High Tech Elementary Chula Vista</b>				
Kindergarten	34,971	49,485	175	Complied
Grades 1 - 3	48,960	53,860	175	Complied
Grades 4 - 5	52,457	53,860	175	Complied
<b>High Tech Elementary North County</b>				
Kindergarten	34,971	49,485	175	Complied
Grades 1 - 3	48,960	54,075	175	Complied
Grades 4 - 5	52,457	54,075	175	Complied

See accompanying notes to supplementary information.

**HIGH TECH HIGH  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2015**

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<b>Federal Grantor/Pass-Through Grantor/Program or Cluster</b>	<b>CFDA Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Federal Expenditures</b>
<b>U. S. DEPARTMENT OF EDUCATION:</b>			
<i>Passed through California Department of Education:</i>			
Title I, Part A, Basic Grants Low-Income and Neglected*	84.010	14329	\$ 592,978
Title II, Part A, Teacher Quality	84.367A	14341	17,921
Title III, Limited English Proficient (LEP) Student Program	84.365	14346	12,722
Title IV, Part B, 21st Century Community Learning Centers Program	84.287	14681	276,896
Title V, Part B, Public Charter Schools Grant*	84.282A	14941	457,068
Title VI, Part B, Rural & Low Income School Program (REAP)	84.358	14356	136,658
IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	848,699
<b>Total U. S. Department of Education</b>			<b>2,342,942</b>
<b>U. S. DEPARTMENT OF AGRICULTURE:</b>			
<i>Passed through California Department of Education:</i>			
National School Lunch Program	10.555	13391	108,477
<b>Total U. S. Department of Agriculture</b>			<b>108,477</b>
<b>Total Federal Expenditures</b>			<b>\$ 2,451,419</b>

\* - Major Program

**HIGH TECH HIGH  
RECONCILIATION OF FINANCIAL REPORT – ALTERNATIVE FORMS WITH AUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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*There were no adjustments made to reconcile fund balance reported on the Financial Report – Alternative Form to net assets per the audited financial statements for the year ended June 30, 2015 as it pertains to the following public charter schools:*

<b>Charter School</b>	<b>Charter No.</b>
High Tech High	0269
High Tech Elementary Explorer	0278
High Tech Middle	0546
High Tech High Media Arts	0622
High Tech High International	0623
High Tech Middle Media Arts	0660
High Tech High North County	0756
High Tech High Chula Vista	0756
High Tech Middle North County	0756
High Tech Middle Chula Vista	0756
High Tech Elementary North County	0756
High Tech Elementary Chula Vista	0756

**HIGH TECH HIGH  
NOTES TO THE SUPPLEMENTARY INFORMATION  
JUNE 30, 2015**

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**NOTE 1 – PURPOSE OF SCHEDULES**

**A. Organizational Structure**

This schedule provides information about each of the charter schools' authorizing agencies, grades served, members of the governing board, and members of the administration. The Organization's Board of Trustees governs all of the charters schools operated by the Organization.

**B. Statement of Financial Position, Statement of Activities and Statement of Cash Flows by Charter**

These schedules display the Statement of Financial Position, Statement of Activities, and Statement of Cash Flows for each school operated by the Organization. Please note that these statements are presented for the purpose of fulfilling State of California reporting requirements and do not include all of the activities of the Organization as a whole.

**C. Schedule of Average Daily Attendance (ADA)**

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the charter school. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to charter schools. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

**D. Schedule of Instructional Time**

The charter schools receive, as part of their local control funding formula funding sources, incentive funding for maintaining instructional time. This schedule presents information on the amount of instructional time offered by each charter school and whether the charter schools complied with the provisions of Education Code Section 46200 through 46208. Through 2014-15, the instructional day and minute requirements have been reduced pursuant to Education Code Section 46201.2.

**E. Schedule of Expenditures of Federal Awards**

The accompanying schedule of expenditures of federal awards includes the Federal Grant activity of the Organization and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

**F. Reconciliation of Financial Report – Alternative Forms with Audited Financial Statements**

This schedule provides the information necessary to reconcile net assets reported on the Financial Report – Alternative Forms to the audited financial statements. Net assets per the audited financial statements in this schedule equals net assets at June 30, 2015 for each school as reported on the statements by charter.

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## **OTHER INDEPENDENT AUDITORS' REPORTS**

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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**

Christy White, CPA

Michael Ash, CPA

Heather Rubio

Independent Auditors' Report

To the Governance Board of  
High Tech High  
San Diego, California

We have audited, 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, the financial statements of High Tech High (the "Organization") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements and have issued our report thereon dated November 10, 2015.

**Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

A handwritten signature in cursive script that reads "Christy White Associates". The signature is written in dark ink on a light-colored background.

San Diego, California  
November 10, 2015



**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT  
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
OMB CIRCULAR A-133**

Christy White, CPA

Michael Ash, CPA

Heather Rubio

Independent Auditors' Report

To the Governance Board of  
High Tech High  
San Diego, California

**Report on Compliance for Each Major Federal Program**

We have audited High Tech High's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of High Tech High's major federal programs for the year ended June 30, 2015. High Tech High's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of High Tech High's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about High Tech High's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of High Tech High's compliance.

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### Opinion on Each Major Federal Program

In our opinion, High Tech High complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.


### Report on Internal Control Over Compliance

Management of High Tech High is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered High Tech High's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of High Tech High's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



San Diego, California  
November 10, 2015



## REPORT ON STATE COMPLIANCE

### Independent Auditors' Report

Christy White, CPA

Michael Ash, CPA

Heather Rubio

To the Governance Board of  
High Tech High  
San Diego, California

### Report on State Compliance

We have audited High Tech High's compliance with the types of compliance requirements described in the *2014-15 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, issued by the California Education Audit Appeals Panel that could have a direct and material effect on each of High Tech High's state programs for the fiscal year ended June 30, 2015, as identified below. Reference to High Tech High within this letter is inclusive of all charter schools referenced in Note1A of the accompanying financial statements.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of High Tech High's state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *2014-15 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, issued by the California Education Audit Appeals Panel as regulations. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the state programs noted below occurred. An audit includes examining, on a test basis, evidence about High Tech High's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with the requirements referred to above. However, our audit does not provide a legal determination of High Tech High's compliance with those requirements.

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## Opinion on State Compliance

In our opinion, High Tech High complied, in all material respects, with the types of compliance requirements referred to above that are applicable to the state programs noted in the table below for the year ended June 30, 2015.

## Procedures Performed

In connection with the audit referred to above, we selected and tested transactions and records to determine High Tech High's compliance with the state laws and regulations applicable to the following items:

Description	Procedures Performed
<b>School Districts and Charter Schools</b>	
California Clean Energy Jobs Act	Yes
After School Education and Safety Program:	Not applicable/Yes*
Proper Expenditure of Education Protection Account Funds	Yes
Common Core Implementation Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
<b>Charter Schools</b>	
Attendance	Yes
Mode of Instruction	Yes
Nonclassroom-Based Instruction/Independent Study for Charter Schools	No
Determination of Funding for Nonclassroom-Based Instruction	Not applicable
Annual Instructional Minutes – Classroom Based	Yes
Charter School Facility Grant Program	Not applicable

*\*After School Education and Safety Program is only applicable to High Tech High Middle (California Charter No. 0546)*

We did not perform testing of Nonclassroom-Based Instruction/Independent Study for those charters noted within the Schedule of Average Daily Attendance (ADA) as having generated ADA from non-classroom based instruction because reported ADA was not material.

*Christy White Associates*

San Diego, California  
November 10, 2015

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## **FINDINGS AND QUESTIONED COSTS SECTION**

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**HIGH TECH HIGH  
SUMMARY OF AUDITORS' RESULTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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**FINANCIAL STATEMENTS**

Type of auditors' report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Non-compliance material to financial statements noted?	<u>No</u>

**FEDERAL AWARDS**

Internal control over major program:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Type of auditors' report issued:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB Circular A-133?	<u>No</u>
Identification of major programs:	

<u>CFDA Number(s)</u>	<u>Name of Federal Program of Cluster</u>
<u>84.010</u>	<u>Title I, Part A, Basic Grants Low-Income and Neglected</u>
<u>84.282A</u>	<u>Title V, Part B, Public Charter Schools Grant</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$300,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

**STATE AWARDS**

Internal control over state programs:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Type of auditors' report issued on compliance for state programs:	<u>Unmodified</u>



**HIGH TECH HIGH  
FINANCIAL STATEMENT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2015**

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**FIVE DIGIT CODE**

20000

30000

**AB 3627 FINDING TYPE**

Inventory of Equipment

Internal Control

*There were no audit findings related to the financial statements during 2014-15.*

**HIGH TECH HIGH  
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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**FIVE DIGIT CODE**

50000

**AB 3627 FINDING TYPE**

Federal Compliance

*There were no audit findings and questioned costs related to federal awards during 2014-15.*

**HIGH TECH HIGH  
STATE AWARD FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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**FIVE DIGIT CODE**

10000  
40000  
42000  
60000  
61000  
62000  
70000  
71000  
72000

**AB 3627 FINDING TYPE**

Attendance  
State Compliance  
Charter School Facilities Programs  
Miscellaneous  
Classroom Teacher Salaries  
Local Control Accountability Plan  
Instructional Materials  
Teacher Misassignments  
School Accountability Report Card

*There were no audit findings and questioned costs related to state awards during 2014-15.*

**HIGH TECH HIGH  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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*There were no audit findings and questioned costs in 2013-14.*

**MULTI-YEAR BUDGET PROJECTION MODEL**  
**SBC-HIGH TECH HIGH - STATEWIDE BENEFIT CHARTER**

Object Code	Object Title	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
		Unaudited Actuals	Budgeted	Projected	Projected	Projected	Projected
1000	Certificated Salaries	9,625,185	9,915,022	10,025,402	10,125,657	10,328,171	10,534,735
2000	Classified Salaries	2,126,928	2,232,630	2,241,422	2,263,836	2,309,113	2,355,295
3000	Employee Benefits - Budget	2,797,847	3,300,350	3,475,572	3,684,106	3,905,152	4,139,462
4300	Materials and Supplies	688,919	828,976	784,652	800,345	816,351	832,678
4400	Equipment - Noncapital	559,604	379,444	387,033	394,773	402,668	410,721
5100	Contracted Instructional Services	594,151	486,000	495,720	505,634	515,747	526,062
5100	Management Fees	1,444,604	1,460,269	1,489,475	1,519,265	1,549,651	1,580,645
5100	Special Education Coordination	251,714	291,967	297,807	303,763	309,838	316,036
5100	Facility Services Fees	489,939	495,680	505,594	515,705	526,019	536,539
5200	Professional Development & Travel	117,036	90,772	92,588	94,440	96,329	98,257
5400	Insurance	157,523	161,344	164,571	167,862	171,218	174,641
5520	Communications	18,503	47,275	48,221	49,187	50,169	51,173
5550	Utilities & Contract Maintenance	511,824	424,550	433,041	441,701	450,535	459,546
5555	Other Facility Expense	17,563	17,565	17,917	18,275	18,641	19,014
5612	Lease Expense - HTH Learning	2,145,625	2,008,000	1,886,000	1,886,000	1,886,000	1,886,000
5613	Rent Accrual - High Tech High*	1,244,117	1,070,991	1,083,622	1,220,922	1,105,400	825,000
5800	Other services and operating expenses	637,940	785,102	800,803	816,820	833,157	849,820
5801	Depreciation & Amortization	28,231	36,464	36,464	36,464	36,464	36,464
7290	Charter Oversight Fees 1%	202,119	202,179	206,222	210,348	214,555	218,847
7340	Sub-Grant to Affiliate	18,026	-	-	-	-	-
7690	Intra-Affiliate	46,100	47,100	74,178	75,661	77,174	78,718
7342	Indirect	(2,759)	(2,675)	(2,729)	(2,783)	(2,838)	(2,895)
9999	Expends from Restricted Sources	129,800	672,274	263,799	263,799	263,799	263,799
	Total Unrestricted Expenditures	23,850,539	24,951,279	24,807,374	25,391,780	25,863,313	26,190,557
	LCFF BASE	19,375,195	20,217,796	20,711,537	21,229,326	21,963,320	22,733,331
	Includes EPA - no in lieu prop tax						
8300	Other State	3,345,921	2,270,320	1,919,149	1,929,249	1,939,450	1,949,752
8100	Federal Grants and Entitlements	2,165,749	2,247,198	2,241,600	2,251,399	2,261,394	2,271,589
8600	Donations and Fund-Raising	70,414	14,000	14,140	14,281	14,424	14,568
8590	Grants from Parent Association	76,940	2,500	2,500	2,500	2,500	2,500
8617	Annual Appeal	74,367	125,000	126,250	127,513	128,788	130,076
8620	Donation from HTH Learning - Pt Loma	123,757	185,018	-	-	-	-
8970	Interest Earned	72,788	16,600	17,430	18,302	19,217	20,179
8980	Miscellaneous local income	630,366	437,249	441,421	445,836	450,295	454,798
8550	Grant from Foundation	53,714	-	-	-	-	-
8989	NPS Risk Pool	-	12,000	12,000	12,000	12,000	12,000
9999	Revenues Released from Restriction	129,800	672,274	672,274	672,274	672,274	672,274
	Total Unrestricted Income	26,119,011	26,199,955	26,158,301	26,702,680	27,463,662	28,261,067
	Net Profit/(Loss)	2,268,472	1,248,676	1,350,927	1,310,900	1,600,349	2,070,510

**Debt Service Coverage Ratio**

Net Income	2,268,472	1,248,676	1,350,927	1,310,900	1,600,349	2,070,510
Add: Depreciation & Amortization	28,231	36,464	36,464	36,464	36,464	36,464
Net Income before Depreciation	2,296,703	1,285,140	1,387,391	1,347,364	1,636,813	2,106,974