Thurgood Marshall Academy

Financial Report
June 30, 2016

Contents

RSM US LLP

Independent Auditor's Report

To the Board of Trustees
Thurgood Marshall Academy
Washington, D.C.

Report on the Financial Statements
We have audited the accompanying financial statements of Thurgood Marshall Academy (the Academy), which comprise the balance sheets as of June 30, 2016 and 2015, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

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

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

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

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

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thurgood Marshall Academy as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our reports, dated October 28, 2016, and October 30, 2015, on our consideration of the Academy'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 those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Academy's internal control over financial reporting and compliance.

RSM US LLP

Washington, D.C.
October 28, 2016

Thurgood Marshall Academy

Balance Sheets
June 30, 2016 and 2015

	2016	2015
Assets		
Current assets:		
Cash	**$ 3,915,791**	$ 3,528,241
Grants receivable	**347,504**	295,770
Prepaid expenses	**74,760**	109,110
Total current assets	**4,338,055**	3,933,121
Property and equipment, net (Note 2)	**11,536,265**	11,895,828
	$ 15,874,320	$ 15,828,949
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	**$ 192,194**	$ 192,500
Loan payable, current portion (Note 3)	**115,506**	109,983
Accrued salaries and benefits	**293,623**	299,130
Total current liabilities	**601,323**	601,613
Long-term debt:		
Loan payable, long-term portion, net of issuance costs (Note 3)	**893,664**	989,509
Interest rate swap agreement (Note 4)	**81,057**	44,508
	974,721	1,034,017
	1,576,044	1,635,630
Commitments and contingencies (Note 6)		
Net assets:		
Unrestricted	**14,196,593**	14,103,217
Temporarily restricted (Note 5)	**101,683**	90,102
	14,298,276	14,193,319
	$ 15,874,320	$ 15,828,949

See notes to financial statements.

Thurgood Marshall Academy

Statements of Activities
Years Ended June 30, 2016 and 2015

	2016			2015		
		Temporarily			Temporarily	
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Support and revenue:						
Tuition – per-pupil funding						
allocation (Note 7)	$ 6,895,771	$ -	$ 6,895,771	$ 7,365,210	$ -	$ 7,365,210
Federal entitlements	749,378	-	749,378	595,374	-	595,374
Free and reduced lunch program	69,155	-	69,155	69,294	-	69,294
Grants, donations and other						
fundraising activities (Note 8)	927,079	57,092	984,171	890,454	46,301	936,755
Interest	-	-	-	3	-	3
Contributions	-	-	-	9,773	-	9,773
Other revenue	100,997	-	100,997	186,849	-	186,849
Net assets released from restrictions	45,511	(45,511)	-	85,608	(85,608)	-
Total support and revenue	8,787,891	11,581	8,799,472	9,202,565	(39,307)	9,163,258
Expenses:						
Program services:						
Education:						
Instructional	6,588,808	-	6,588,808	6,246,559	-	6,246,559
Support services:						
Occupancy costs	706,360	-	706,360	672,689	-	672,689
Depreciation expense	495,378	-	495,378	505,294	-	505,294
Debt service cost	108,736	-	108,736	82,902	-	82,902
	7,899,282	-	7,899,282	7,507,444	-	7,507,444
Management and general:						
General and administrative	317,803	-	317,803	387,908	-	387,908
Fundraising	477,430	-	477,430	477,969	-	477,969
	795,233	-	795,233	865,877	-	865,877
Total expenses	8,694,515	-	8,694,515	8,373,321	-	8,373,321
Change in net assets	93,376	11,581	104,957	829,244	(39,307)	789,937
Net assets:						
Beginning	14,103,217	90,102	14,193,319	13,273,973	129,409	13,403,382
Ending	$ 14,196,593	$ 101,683	$ 14,298,276	$ 14,103,217	$ 90,102	$ 14,193,319

See notes to financial statements.

Thurgood Marshall Academy

Statements of Cash Flows
Years Ended June 30, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Change in net assets	**$ 104,957**	$ 789,937
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	**534,850**	545,556
Amortization of loan issuance costs	**19,662**	19,661
Loss on interest rate swap	**36,549**	4,206
Changes in assets and liabilities:		
(Increase) decrease in:		
Grants receivable	**(51,734)**	(4,226)
Accounts receivable, net	**-**	424
Promises to give	**-**	74,348
Prepaid expenses	**34,350**	(10,371)
Increase (decrease) in:		
Accounts payable and accrued expenses	**(306)**	(3,230)
Accrued salaries and benefits	**(5,507)**	39,141
Deferred contract revenue – tuition	**-**	(272,895)
Net cash provided by operating activities	**672,821**	1,182,551
Cash flows from investing activities:		
Purchases of property and equipment	**(175,287)**	(126,692)
Decrease in cash accounts held for restricted purposes	**-**	862
Net cash used in investing activities	**(175,287)**	(125,830)
Cash flows from financing activities:		
Principal payments on loan payable	**(109,984)**	(104,723)
Net cash used in financing activities	**(109,984)**	(104,723)
Net increase in cash	**387,550**	951,998
Cash:		
Beginning	**3,528,241**	2,576,243
Ending	**$ 3,915,791**	$ 3,528,241
Supplemental disclosure of cash flow information		
Cash payments for interest	**$ 60,444**	$ 65,638

See notes to financial statements.

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: Thurgood Marshall Academy d/b/a Thurgood Marshall Academy Public Charter High School (TMA) is a not-for-profit entity incorporated on May 24, 2000, under the laws of the District of Columbia. TMA is a District of Columbia public charter school for grades 9 through 12.

A summary of significant accounting policies follows:

Basis of accounting: The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred.

Basis of presentation: The financial statement presentation follows the recommendation of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (the Codification). As required by the Not-for-Profit Entities Topic of the Codification, the Academy 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. The Academy had no permanently restricted net assets at June 30, 2016 and 2015.

Charter school agreement: TMA has been approved by the District of Columbia Public Charter School Board (the Board) to operate a charter school in the District of Columbia. The current contract, renewed on January 27, 2016, provides for a 15-year charter.

Financial risk: The Academy maintains cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Academy has not experienced any losses in such accounts. The Academy believes it is not exposed to any significant financial risk on cash.

Receivables: Receivables are carried at original invoice amounts less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and using the historical experience applied to an aging of accounts. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. No allowance was deemed necessary for receivables at June 30, 2016 and 2015.

Property and equipment: Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Donations are reported as unrestricted support, unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Academy reports expirations of donor temporary restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Academy reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Depreciation is computed using primarily the straight-line method over the estimated useful life of the related asset, ranging from 3 to 40 years. Normal repairs and maintenance are expensed as incurred. The Academy capitalizes all property and equipment purchased with a cost of $1,000 or more.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Valuation of long-lived assets: The Academy reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

Unamortized loan costs: Loan costs are amortized on the straight-line method over the terms of the related mortgages. Amortization expense amounted to $19,662 and $19,661 for the years ended June 30, 2016 and 2015, respectively, and are considered a component of interest expense. Due to the adoption of Accounting Standards Update (ASU) No. 2015-03, *Simplifying the Presentation of Debt Issuance Costs*, unamortized loan costs are presented (and have been reclassified in the 2015 financial statements to conform to the current year presentation) as a reduction of loan payable, long term portion in the accompanying balance sheet and are disclosed in Note 3.

Net assets: Unrestricted net assets are the net assets that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations. Temporarily restricted net assets result from contributions whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Academy pursuant to these stipulations. Temporarily restricted net assets are reported as unrestricted net assets if the restrictions are met in the same period received. Net assets may be temporarily restricted for various purposes, such as use in future periods or use for specified purposes.

Temporarily restricted net assets were released from restrictions during the years ended June 30, 2016 and 2015, for various purposes, including after-school programs, college guidance, support for alumni in college, library materials, physical education and general operations. At June 30, 2016 and 2015, temporarily restricted net assets represented amounts restricted for specific education-related expenses.

Per-pupil allocation: TMA receives a student allocation from the District of Columbia to cover the cost of academic and facilities expenses. Per-pupil allocation revenue is recognized in the period when it is earned, which is the school year for which the allocation is made.

Grants: The Academy receives grants from federal agencies and private grantors for various purposes. The grants provide for the development and support of TMA's programs, materials and equipment. The Academy has accounted for the funds based on the fiscal year of the grants. The grants are considered contributions or exchange transaction depending on their specific attributes. Receivables related to grant awards (for conditional awards and exchange transactions) are recorded to the extent unreimbursed expenses have been incurred for the purposes specified by an approved grant or award. Funds received in advance of qualifying expenses at June 30 are reflected as refundable advances or deferred contract revenue in the liability section of the balance sheets.

Recognition of salary expense: Salary expense is recognized in the year the service is rendered, which coincides with an academic year. Salaries unpaid at June 30 are recognized as expense and accrued.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Tax status: TMA is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (IRC) and is not considered to be a private foundation. TMA is exempt from federal taxes on income other than unrelated business income. TMA did not have any net unrelated business income for the year ended June 30, 2016. TMA recorded approximately $22,000 for unrelated business income taxes for the year ended June 30, 2015, which is reported in accounts payable and accrued expenses in the accompanying consolidated balance sheet. Exemption from District of Columbia income taxes was granted to TMA effective October 17, 2002. TMA is also exempt from District of Columbia's sales, real estate and personal property taxes.

The Academy follows the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Academy may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes and accounting in interim periods.

Management evaluated the Academy's tax positions and concluded that the Academy has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. Generally, the Academy is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2013.

Donated assets and services: Donated services are recognized as contributions in accordance with the Not-for-Profit Entities Topic of the Codification if the services (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Academy. Volunteers have provided tutoring and fundraising services throughout the year that are not recognized as contributions in the financial statements, since the recognition criteria under this topic was not met.

Donated marketable securities and other non-cash donations are recorded as contributions at their estimated fair value at the date of donation.

Use of estimates: The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The Academy regularly assesses these estimates, and while actual results could differ, management believes that the estimates are reasonable.

Functional allocation of expenses: The costs of providing the Academy's various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs, fundraising and supporting services benefited.

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Subsequent events: Subsequent events have been evaluated through October 28, 2016, which is the date the financial statements were available to be issued.

Recent accounting pronouncements: In August 2016, the FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities.* The amendments in this ASU make improvements to the information provided in financial statements and accompanying notes of not-for-profit entities. The amendments set forth the FASB's improvements to net asset classification requirements and the information presented about a not-for-profit entity's liquidity, financial performance and cash flows. The ASU will be effective for fiscal years beginning after December 15, 2017. Earlier application is permitted. The changes in this ASU should generally be applied on a retrospective basis in the year that the ASU is first applied. Management has not evaluated the impact of this ASU on the financial statements.

Note 2. Property and Equipment

Property and equipment consist of the following at June 30, 2016 and 2015:

Asset Category	2016	2015
Land	$ 182,000	$ 182,000
Buildings and improvements	15,044,192	15,042,603
Computers and software	1,079,228	914,650
Office furniture and equipment	888,023	878,903
	17,193,443	17,018,156
Less accumulated depreciation	(5,657,178)	(5,122,328)
	$ 11,536,265	$ 11,895,828

Depreciation expense was $534,850 and $545,556 for the years ended June 30, 2016 and 2015, respectively.

In December 2004, the Academy purchased from the District of Columbia the property then known as the Nichols Avenue School, located at the corner of Howard Road and Martin Luther King, Jr. Avenue in Southeast D.C. The Academy's development of the property as its facility proceeded in two phases. In Phase 1, the Academy renovated and expanded the building as its instructional facility, while also conducting site work on the grounds and on the grounds of the adjacent A. Kiger Savoy Elementary School. In Phase 2, the Academy collaborated with Savoy and District of Columbia officials to renovate the Savoy building and construct an athletic center for use by both schools, as governed by a Use Agreement executed in June 2009 (the Academy invested $1,785,737 in the project and received a $1.5 million D.C. Council appropriation for it).

Note 3. Loan Payable

In March 2014, TMA entered into a term loan with SunTrust Bank totaling $1,400,000 to finance general operations. The loan has a variable interest rate equal to the 30-day London Interbank Offered Rate (LIBOR) plus 2.45%. The outstanding balance is payable in full in September 2024. At June 30, 2016, the interest rate on the loan was 2.91%. Simultaneously with the closing of the loan, the Academy entered into a 10.5-year interest rate swap agreement to fix the interest rate at 4.91% (see Note 4). The total interest expense including amortization of loan issuance costs was $80,106 for the year ended June 30, 2016.

Essentially all of the Academy's assets serve as collateral for the note. In connection with the loan, the School has agreed, among other things, to maintain a minimum liquidity balance and a minimum debt service coverage ratio.

Aggregate maturities of the long-term debt at June 30, 2016, are due in future years as follows:

Years ending June 30:	
2017	$ 115,506
2018	121,307
2019	127,399
2020	133,797
2021	140,517
Thereafter	521,378
	1,159,904
Less unamortized loan costs, net of accumulated amortization of $39,323	150,734
	$ 1,009,170

Note 4. Interest Rate Swap Agreement

In March 2014, the Academy entered into an interest rate swap agreement with SunTrust Bank for a notional amount equal to the obligation under the loan payable, whereby, the floating rate was swapped into a fixed rate. The agreement calls for a fixed rate of 4.91% through the termination date of the swap, which is September 7, 2024. The swap mechanism is intended to allow the Academy to realize the potential benefit of a lower fixed rate. As of June 30, 2016, the fair value of the swap agreement was a liability of $81,057. The Academy has recognized this liability in its June 30, 2016, balance sheet.

Note 5. Temporarily Restricted Net Assets

Changes in temporarily restricted net assets by purpose during the year ended June 30, 2016, were as follows:

	Balance June 30, 2015	Additions	Released from Restriction	Balance June 30, 2016
Purpose restricted:				
After-school programs	$ 38,712	$ -	$ 38,712	$ -
New schools venture fund	-	50,000	-	50,000
Alumni Fund	26,175	-	4,191	21,984
Scholarship funds	9,350	1,000	-	10,350
Text books for Social Studies	590	-	590	-
College prep and alumni expenses	-	1,092	-	1,092
Robotics programs	1,500	-	-	1,500
College board innovation	2,623	-	-	2,623
Advancing student math program	1,460	-	-	1,460
Computers for Programs Department	-	2,000	-	2,000
Clubs and athletics activities	1,572	-	-	1,572
Books and communications materials for college prep.	-	3,000	-	3,000
Debate club camera	31	-	31	-
Music programs	500	-	500	-
DC CAH grant	927	-	-	927
Corina Higgins Trust	1,349	-	1,349	-
DC Greens	3,313	-	-	3,313
Whole Kids Foundation	2,000	-	138	1,862
	$ 90,102	$ 57,092	$ 45,511	$ 101,683

Note 5. Temporarily Restricted Net Assets (Continued)

Changes in temporarily restricted net assets by purpose during the year ended June 30, 2015, were as follows:

	Balance June 30, 2014	Additions	Released from Restriction	Balance June 30, 2015
Purpose restricted:				
After-school programs	$ 38,022	$ 38,712	$ 38,022	$ 38,712
Improve technology in the public school system	19,651	-	19,651	-
Alumni Fund	35,434	-	9,259	26,175
J. Kern scholarship fund	9,350	-	-	9,350
Text books for Social Studies	6,698	-	6,108	590
After school enrichment	5,000	-	5,000	-
Robotics programs	4,000	-	2,500	1,500
College board innovation	2,623	-	-	2,623
Advancing student math program	2,540	-	1,080	1,460
Education Innovation Fellowship	2,440	-	2,440	-
Clubs and athletics activities	1,572	-	-	1,572
Build-A-Bear Workshop Bear Hug Foundation	639	-	639	-
Debate club camera	500	-	469	31
Music programs	500	-	-	500
Ridgeway Hall	440	-	440	-
DC CAH grant	-	927	-	927
Corina Higgins Trust	-	1,349	-	1,349
DC Greens	-	3,313	-	3,313
Whole Kids Foundation	-	2,000	-	2,000
	$ 129,409	$ 46,301	$ 85,608	$ 90,102

Note 6. Contingencies

The Academy participates in federally-assisted grant programs, which are subject to financial and compliance audits by the grantors or their representative. As such, there exists a contingent liability for potential questioned costs that may result from such audits. Management does not anticipate any significant adjustments as a result of such audits.

Note 7. Per-Pupil Allocation

The Academy's per-pupil allocation from the District of Columbia for the years ended June 30, 2016 and 2015, is as follows:

Category	2016	2015
General education	$ 4,947,250	$ 4,960,889
Summer and special education	696,327	1,190,881
Facility allowance	1,252,194	1,213,440
	$ 6,895,771	$ 7,365,210

Note 8. Non-Cash Contributions

For the years ended June 30, 2016 and 2015, non-cash capital items, professional fees, supplies and service contributions with a fair value of $477,629 and $416,156, respectively, were received.

Note 9. Retirement Plan

Effective June 1, 2004, the Academy adopted a 403(b) plan (the Plan), which provides for employee and employer contributions for substantially all full-time employees. Employer contributions to the Plan are based on a percentage of eligible wages for the Plan year, as determined by management. The Academy's contribution to the Plan was $108,787 and $102,276 for the years ended June 30, 2016 and 2015, respectively.

Independent Auditor's Report on the Supplementary Information

To the Board of Trustees
Thurgood Marshall Academy
Washington, D.C.

We have audited the financial statements of Thurgood Marshall Academy as of and for the years ended June 30, 2016 and 2015, and have issued our report thereon, dated October 28, 2016, which contained an unmodified opinion on those financial statements. See pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole.

The supplementary information is presented for purposes of additional analysis and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

RSM US LLP

Washington, D.C.
October 28, 2016

Thurgood Marshall Academy

Schedule of Functional Expenses
Year Ended June 30, 2016

	Education	General and Administrative	Fundraising	Total
Personnel salaries and benefits:				
Principal/executive salaries	$ 309,258	$ 66,904	$ 39,467	$ 415,629
Teachers' salaries	2,906,092	-	-	2,906,092
Other educational professional salaries	873,654	-	-	873,654
Other staff salaries	181,849	-	209,250	391,099
Staff program stipends	63,620	-	-	63,620
Employee benefits	453,558	7,001	26,026	486,585
Payroll taxes	311,316	4,805	17,864	333,985
Staff development costs	41,281	637	2,369	44,287
Other staff related expenses	103,251	1,594	5,925	110,770
Total personnel salaries and benefits	5,243,879	80,941	300,901	5,625,721
Direct student costs:				
Food service	128,845	-	-	128,845
Textbooks and subscriptions	9,787	-	-	9,787
Student supplies and materials	131,690	-	-	131,690
Student assessment materials	9,647	-	-	9,647
Student travel and field trips	75,376	-	-	75,376
Library and media materials	25,683	-	-	25,683
Miscellaneous direct student costs	47,339	-	-	47,339
Total direct student costs	428,367	-	-	428,367
Occupancy costs:				
Maintenance, repairs and supplies	44,112	681	2,531	47,324
Utilities	214,086	3,305	12,285	229,676
Equipment rental and maintenance	49,223	760	2,824	52,807
Contracted building services	398,939	6,158	22,892	427,989
Total occupancy costs	706,360	10,904	40,532	757,796
Depreciation expense	495,378	8,558	30,914	534,850

(Continued)

Thurgood Marshall Academy

Schedule of Functional Expenses (Continued)
Year Ended June 30, 2016

	Education	General and Administrative	Fundraising	Total
Debt service costs:				
Interest expense	$ 56,341	$ 870	$ 3,233	$ 60,444
Loss on swap agreement	34,068	526	1,955	36,549
Loan cost amortization	18,327	283	1,052	19,662
Total debt service costs	108,736	1,679	6,240	116,655
Management and general:				
Office supplies and materials	51,714	798	2,967	55,479
Telephone/telecommunications	61,405	948	3,523	65,876
Professional fees	-	209,828	-	209,828
Printing and copying	35,372	546	2,030	37,948
Postage and shipping	12,440	192	714	13,346
Insurance	40,656	628	2,333	43,617
Other professional fees	10,990	170	631	11,791
Other fundraising costs	-	-	70,888	70,888
Administrative fees	77,843	-	-	77,843
Dues	19,074	294	1,094	20,462
Computer consulting	118,506	1,829	6,800	127,135
Other general expenses	31,626	488	1,815	33,929
In-kind expense	456,936	-	6,048	462,984
Total management and general	916,562	215,721	98,843	1,231,126
Total expenses	$ 7,899,282	$ 317,803	$ 477,430	$ 8,694,515