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Reilly, Penner & Benton LLP
Certified Public Accountants & Consultants

Celebrating Over 100 Years of Client Service
Independent Accountant's Report
on Applying Agreed-Upon Procedures

David A. Grotkin
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Trans Center for Youth, Inc.
and City of Milwaukee

We have performed the procedures enumerated below, which were agreed to by Trans Center for Youth, Inc. and the City of Milwaukee, solely to assist you with the application for a new charter school. Trans Center for Youth, Inc. management is responsible for the budget and internal control policies and procedures. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Obtain budget and related assumptions for the year ended June 30, 2013.
2. Obtain planned internal control policies and procedures summary
3. Read and discussed the budget and related assumptions with management for reasonableness
4. Read and discussed the planned internal control policies and procedures summary with management for reasonableness
5. Read and discussed the business plan with management.

We believe that the business plan and the budgets for the three different attendance levels for the year ended June 30, 2013 are reasonable. In addition, the planned internal control policies and procedures appear reasonable for an organization this size.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the budget. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. Furthermore, there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

This report is intended solely for the information and use of Trans Center for Youth, Inc. and the City of Milwaukee and is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in black ink that reads 'Reilly, Penner & Benton LLP'.

Milwaukee, Wisconsin
January 31, 2011

Milwaukee, Wisconsin
414-271-7800

Middleton, Wisconsin
608-829-3838

McFarland, Wisconsin
608-838-9828

New School
Projected Monthly Cash Flow 2012-2013
(Based on 64 students)

| | Jul-12 | Aug-12 | Sep-12 | Oct-12 | Nov-12 | Dec-12 | Jan-13 | Feb-13 | Mar-13 | Apr-13 | May-13 | Jun-13 | Total |
|------------------------------|----------|----------|-----------|----------|----------|-----------|----------|-----------|----------|----------|----------|-----------|-----------|
| Revenue | | | | | | | | | | | | | |
| Charter per pupil reimb | 0.00 | | 124400.00 | | | 124400.00 | | 124400.00 | | | | 124400.00 | 497600.00 |
| Expenses | | | | | | | | | | | | | |
| Payroll Salaries | 17969.00 | 17969.00 | 17969.00 | 17969.00 | 17969.00 | 17969.00 | 17969.00 | 17969.00 | 17969.00 | 17969.00 | 17969.00 | 17969.00 | 215628.00 |
| Benefits | 5750.00 | 5750.00 | 5750.00 | 5750.00 | 5750.00 | 5750.00 | 5750.00 | 5750.00 | 5750.00 | 5750.00 | 5750.00 | 5750.00 | 69000.00 |
| Contracted Services | 2500.00 | 2500.00 | 2500.00 | 2500.00 | 2500.00 | 2500.00 | 2500.00 | 2500.00 | 2500.00 | 2500.00 | 2500.00 | 2500.00 | 27500.00 |
| Extracurricular Activities | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 11000.00 |
| Staff Development | 600.00 | | | | | | | | | | 500.00 | | 1100.00 |
| Transportation/Misc. | | 1272.00 | 1272.00 | 1272.00 | 1272.00 | 1272.00 | 1272.00 | 1272.00 | 1272.00 | 1272.00 | 1272.00 | 1272.00 | 13992.00 |
| Instructional Supplies | | 2000.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 0.00 | 5600.00 |
| Technology | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 4800.00 |
| Printing/Copying | 500.00 | 1000.00 | 250.00 | 250.00 | 250.00 | 200.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 1000.00 | 4700.00 |
| Occupancy Cost | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6666.00 | 6666.00 | 6666.00 | 6666.00 | 80000.00 |
| Building costs | 5000.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | 500.00 | | 10000.00 |
| Telephone | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 4200.00 |
| Accounting/Audit | 90.00 | 90.00 | 10090.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 11080.00 |
| Office/General Supplies | 2000.00 | 200.00 | 380.00 | 380.00 | 380.00 | 380.00 | 380.00 | 380.00 | 380.00 | 380.00 | 380.00 | 380.00 | 6000.00 |
| Lease Equipment | 1250.00 | 1250.00 | 1250.00 | 1250.00 | 1250.00 | 1250.00 | 1250.00 | 1250.00 | 1250.00 | 1250.00 | 1250.00 | 1250.00 | 15000.00 |
| Insurance | 1500.00 | 1500.00 | 1500.00 | 1500.00 | 1500.00 | 1500.00 | 1500.00 | 1500.00 | 1500.00 | 1500.00 | 1500.00 | 1500.00 | 18000.00 |
| Total Expense | 41476.00 | 43048.00 | 50278.00 | 40278.00 | 40278.00 | 40228.00 | 40278.00 | 40278.00 | 40277.00 | 40277.00 | 40777.00 | 40127.00 | 497600.00 |
| Revenue Less Expenses | -41476 | -43048 | 74122 | -40278 | -40278 | 84172 | -40278 | 84122 | -40277 | -40277 | -40777 | 84273 | 0.00 |

Note:
Operating expenses will be covered by a line of credit secured through Johnson Bank

New School
 Projected Monthly Cash Flow 2012-2013
 (Based on 54 students - 15% below projected levels)

| Revenue | Jul-12 | Aug-12 | Sep-12 | Oct-12 | Nov-12 | Dec-12 | Jan-13 | Feb-13 | Mar-13 | Apr-13 | May-13 | Jun-13 | Total |
|------------------------------|----------|----------|-----------|----------|----------|-----------|----------|-----------|----------|----------|----------|-----------|-----------|
| Charter per pupil reimb | 0.00 | | 104962.50 | | | 104962.50 | | 104962.50 | | | | 104962.50 | 419850.00 |
| Expenses | | | | | | | | | | | | | |
| Payroll Salaries | 14366.25 | 14366.25 | 14366.25 | 14366.25 | 14366.25 | 14366.25 | 14366.25 | 14366.25 | 14366.25 | 14366.25 | 14366.25 | 14366.25 | 172395.00 |
| Benefits | 4597.00 | 4597.00 | 4597.00 | 4597.00 | 4597.00 | 4597.00 | 4597.00 | 4597.00 | 4597.00 | 4597.00 | 4597.00 | 4598.00 | 55165.00 |
| Contracted Services | | 2000.00 | 2000.00 | 2000.00 | 2000.00 | 2000.00 | 2000.00 | 2000.00 | 2000.00 | 2000.00 | 2000.00 | 2000.00 | 22000.00 |
| Extracurricular Activities | | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 11000.00 |
| Staff Development | | 500.00 | | | | | | | | | 360.00 | | 860.00 |
| Transportation/Misc. | | 1200.00 | 1200.00 | 1200.00 | 1200.00 | 1200.00 | 1200.00 | 1200.00 | 1200.00 | 1200.00 | 1200.00 | 1200.00 | 13200.00 |
| Instructional Supplies | | 2000.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 0.00 | 5600.00 |
| Technology | | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 400.00 | 4800.00 |
| Printing/Copying | | 500.00 | 500.00 | 250.00 | 250.00 | 200.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 1000.00 | 4200.00 |
| Occupancy Cost | | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6666.00 | 6666.00 | 6666.00 | 6666.00 | 80000.00 |
| Building Costs | | 3000.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 6850.00 |
| Telephone | | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 3000.00 |
| Accounting/Audit | | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 11080.00 |
| Office/General Supplies | | 1000.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 2100.00 |
| Lease Equipment | | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 1000.00 | 12000.00 |
| Insurance | | 1300.00 | 1300.00 | 1300.00 | 1300.00 | 1300.00 | 1300.00 | 1300.00 | 1300.00 | 1300.00 | 1300.00 | 1300.00 | 15600.00 |
| Total Expense | 33170.25 | 36320.25 | 43970.25 | 33970.25 | 33970.25 | 33920.25 | 33970.25 | 33970.25 | 33969.25 | 33969.25 | 34329.25 | 34320.25 | 419850.00 |
| Revenue Less Expenses | -33170 | -36320 | 60992 | -33970 | -33970 | 71042 | -33970 | 70992 | -33969 | -33969 | -34329 | 70642 | 0.00 |

Note:
 Operating expenses will be covered by a line of credit secured through Johnson Bank

New School
 Projected Monthly Cash Flow 2012-2013
 (Based on 45 students - 30% below projected levels)

| | Jul-12 | Aug-12 | Sep-12 | Oct-12 | Nov-12 | Dec-12 | Jan-13 | Feb-13 | Mar-13 | Apr-13 | May-13 | Jun-13 | Total |
|------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| Revenue | | | | | | | | | | | | | |
| Charter per pupil reimb | 0.00 | | 87468.75 | | | 87468.75 | | 87468.75 | | | | 87468.75 | 349875.00 |
| Expenses | | | | | | | | | | | | | |
| Payroll Salaries | 12930.00 | 12930.00 | 12930.00 | 12930.00 | 12930.00 | 12930.00 | 12930.00 | 12930.00 | 12930.00 | 12930.00 | 12930.00 | 12930.00 | 155160.00 |
| Benefits | 4137.00 | 4137.00 | 4137.00 | 4137.00 | 4137.00 | 4137.00 | 4137.00 | 4137.00 | 4137.00 | 4137.00 | 4137.00 | 4137.00 | 49644.00 |
| Contracted Services | | 1727.25 | 1727.25 | 1727.25 | 1727.25 | 1727.25 | 1727.25 | 1727.25 | 1727.25 | 1727.25 | 1727.25 | 1727.50 | 19000.00 |
| Extracurricular Activities | | 270.00 | 270.00 | 270.00 | 270.00 | 270.00 | 270.00 | 270.00 | 270.00 | 270.00 | 270.00 | 300.00 | 3000.00 |
| Transportation/Misc. | | 701.00 | 704.00 | 704.00 | 704.00 | 704.00 | 704.00 | 704.00 | 704.00 | 704.00 | 704.00 | 704.00 | 7741.00 |
| Instructional Supplies | | 800.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | | 3050.00 |
| Technology | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 2400.00 |
| Printing/Copying | 500.00 | | | | | | | | | 250.00 | | 500.00 | 1250.00 |
| Occupancy Cost | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6667.00 | 6666.00 | 6666.00 | 6666.00 | 6666.00 | 80000.00 |
| Telephone | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 3000.00 |
| Accounting/Audit | 90.00 | 90.00 | 10090.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 90.00 | 11080.00 |
| Office/General Supplies | 250.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 1350.00 |
| Equipment | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 300.00 | 3600.00 |
| Insurance | 800.00 | 800.00 | 800.00 | 800.00 | 800.00 | 800.00 | 800.00 | 800.00 | 800.00 | 800.00 | 800.00 | 800.00 | 9600.00 |
| Total Expense | 26124.00 | 28972.25 | 38425.25 | 28425.25 | 28425.25 | 28425.25 | 28425.25 | 28425.25 | 28424.25 | 28674.25 | 28424.25 | 28704.50 | 349875.00 |
| Revenue Less Expenses | -26124 | -28972 | 49044 | -28425 | -28425 | 59044 | -28425 | 59044 | -28424 | -28674 | -28424 | 58764 | 0.00 |

Note:
 Operating expenses will be covered by a line of credit secured through Johnson Bank