

Cristo Rey Boston
High School, Inc. and
Cristo Rey Boston
Corporate Work Study
Program, Inc.

Combined Financial Statements
and Supplementary Information

Years Ended
June 30, 2017 and 2016



AUDIT
TAX
ADVISORY

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Combined Financial Statements
Years Ended June 30, 2017 and 2016

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Independent Auditor's Report

To the Board of Trustees of
Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

We have audited the accompanying combined financial statements of Cristo Rey Boston High School, Inc. and Cristo Rey Boston Corporate Work Study Program, Inc. (nonprofit organizations), which comprise the combined statement of financial position as of June 30, 2017, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 the combined 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 combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of Cristo Rey Boston High School, Inc. and Cristo Rey Boston Corporate Work Study Program, Inc. as of June 30, 2017, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining statements of financial position and activities, and the combining schedules of program services expenses and general and administrative expenses (pages 23-26) are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

Prior Period Consolidated Financial Statements

The combined financial statements of Cristo Rey Boston High School, Inc. and Cristo Rey Boston Corporate Work Study Program, Inc. as of June 30, 2016, were audited by other auditors whose report dated October 27, 2016, expressed an unmodified opinion on those statements.



Wakefield, Massachusetts
November 6, 2017

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Combined Statements of Financial Position
Years Ended June 30, 2017 and 2016

	2017	2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 118,891	\$ 181,750
Pledges receivable	4,866	19,075
Accounts receivable, net	349,598	298,532
RCAB support receivable - rent, short term portion	291,139	288,256
Restricted cash	-	11,511
Investments	155,110	155,467
Total current assets	<u>919,604</u>	<u>954,591</u>
Property and equipment, net	<u>1,857,701</u>	<u>1,947,487</u>
Other assets:		
Beneficial interest in perpetual trust	1,160,329	1,062,271
Beneficial interest in scholarship trust	140,561	129,659
RCAB support receivable - rent, net of short term portion	15,255,011	15,546,150
Other assets	-	2,650
Total other assets	<u>16,555,901</u>	<u>16,740,730</u>
Total assets	<u>\$ 19,333,206</u>	<u>\$ 19,642,808</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 252,346	\$ 153,135
Note payable, current portion	22,565	21,424
Deferred revenue	131,000	49,439
Student activity deposits	-	3,317
Funds held for contract	-	11,511
Total current liabilities	<u>405,911</u>	<u>238,826</u>
Other liabilities:		
Deferred rent	210,000	180,000
Note payable, net of current portion	69,385	91,950
Total other liabilities	<u>279,385</u>	<u>271,950</u>
Total liabilities	<u>685,296</u>	<u>510,776</u>
Net assets:		
Unrestricted	1,734,878	1,851,093
Board designated	-	83,281
Total unrestricted	<u>1,734,878</u>	<u>1,934,374</u>
Temporarily restricted	15,618,248	16,005,331
Permanently restricted	<u>1,294,784</u>	<u>1,192,327</u>
Total net assets	<u>18,647,910</u>	<u>19,132,032</u>
Total liabilities and net assets	<u>\$ 19,333,206</u>	<u>\$ 19,642,808</u>

The accompanying notes are an integral part of the combined financial statements.

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Combined Statements of Activities and Changes in Net Assets
Year Ended June 30, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Operating revenues and support:				
Tuition, gross	\$ 1,579,200	\$ -	\$ -	\$ 1,579,200
Financial aid	(1,158,910)	-	-	(1,158,910)
Tuition, net	420,290	-	-	420,290
Sponsor revenue	2,532,550	-	-	2,532,550
Grants and contributions	1,046,454	303,460	-	1,349,914
Investment and interest income	42,378	6,503	-	48,881
Realized and unrealized gains on investments	438	-	102,457	102,895
Miscellaneous	36,999	-	-	36,999
Net assets released from temporary restrictions	408,790	(408,790)	-	-
Total operating revenues and support	<u>4,487,899</u>	<u>(98,827)</u>	<u>102,457</u>	<u>4,491,529</u>
Expenses:				
Program services	3,295,235	-	-	3,295,235
General and administrative	1,104,781	-	-	1,104,781
Fundraising	287,379	-	-	287,379
Total expenses	<u>4,687,395</u>	<u>-</u>	<u>-</u>	<u>4,687,395</u>
(Decrease) increase in net assets before related party support	<u>(199,496)</u>	<u>(98,827)</u>	<u>102,457</u>	<u>(195,866)</u>
Related party support (expense)				
Fair value of rent - amortization of discount	158,344	-	-	158,344
Fair value of rent adjustment	288,256	(288,256)	-	-
Building rent expense	(446,600)	-	-	(446,600)
Total related party support (expense)	<u>-</u>	<u>(288,256)</u>	<u>-</u>	<u>(288,256)</u>
Decrease in net assets	(199,496)	(387,083)	102,457	(484,122)
Net assets at beginning of year	<u>1,934,374</u>	<u>16,005,331</u>	<u>1,192,327</u>	<u>19,132,032</u>
Net assets at end of year	<u>\$ 1,734,878</u>	<u>\$ 15,618,248</u>	<u>\$ 1,294,784</u>	<u>\$ 18,647,910</u>

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Combined Statements of Activities and Changes in Net Assets
Year Ended June 30, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Operating revenues and support:				
Tuition, gross	\$ 1,341,792	\$ -	\$ -	\$ 1,341,792
Financial aid	(900,815)	-	-	(900,815)
Tuition, net	440,977	-	-	440,977
Sponsor revenue	2,662,034	-	-	2,662,034
Grants and contributions	858,392	190,835	-	1,049,227
Investment and interest income	43,590	6,075	-	49,665
Realized and unrealized losses on investments	(564)	-	(94,682)	(95,246)
Miscellaneous	24,296	-	-	24,296
Net assets released from temporary restrictions	94,135	(94,135)	-	-
Total operating revenues and support	<u>4,122,860</u>	<u>102,775</u>	<u>(94,682)</u>	<u>4,130,953</u>
Expenses:				
Program services	3,294,591	-	-	3,294,591
General and administrative	1,100,168	-	-	1,100,168
Fundraising	320,688	-	-	320,688
Total expenses	<u>4,715,447</u>	<u>-</u>	<u>-</u>	<u>4,715,447</u>
(Decrease) increase in net assets before related party support	<u>(592,587)</u>	<u>102,775</u>	<u>(94,682)</u>	<u>(584,494)</u>
Related party support (expense)				
Fair value of rent - amortization of discount	161,198	-	-	161,198
Fair value of rent adjustment	285,402	(285,402)	-	-
Building rent expense	(446,600)	-	-	(446,600)
Total related party support (expense)	<u>-</u>	<u>(285,402)</u>	<u>-</u>	<u>(285,402)</u>
Decrease in net assets	(592,587)	(182,627)	(94,682)	(869,896)
Net assets at beginning of year	<u>2,526,961</u>	<u>16,187,958</u>	<u>1,287,009</u>	<u>20,001,928</u>
Net assets at end of year	<u>\$ 1,934,374</u>	<u>\$ 16,005,331</u>	<u>\$ 1,192,327</u>	<u>\$ 19,132,032</u>

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Combined Statements of Cash Flows
Year Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ (484,122)	\$ (869,896)
Adjustments to reconcile net decrease in net assets to net cash provided by (used in) operating activities:		
Depreciation	158,791	160,029
Provision (recoveries) for bad debts	8,479	(7,537)
Loss on disposal of other assets	2,650	-
Non-cash contributions of other assets	-	(7,253)
Realized and unrealized (gains) losses on investments	(102,895)	95,246
Loss on disposal of property and equipment	25,411	-
Investment income reinvested	(4,899)	(7,880)
Fair value of rent adjustment	288,256	285,402
Increases (decreases) in cash resulting from changes in operating assets and liabilities:		
Restricted cash	11,511	58,268
Accounts receivable	(59,545)	6,186
Pledges receivable	14,209	(19,075)
Accounts payable and accrued expenses	99,211	(53,090)
Deferred revenue	81,561	(112,050)
Deferred rent	30,000	30,000
Student activity deposits	(3,317)	-
Funds held for contracts	(11,511)	(58,268)
Net cash provided by (used in) operating activities	<u>53,790</u>	<u>(499,918)</u>
Cash flows from investing activities:		
Proceeds from sale of investments	7,377	16,993
Purchase of investments	(8,186)	(7,140)
Purchase of property and equipment	(94,416)	(19,719)
Net cash used in investing activities	<u>(95,225)</u>	<u>(9,866)</u>
Cash flows from financing activities:		
Principal payments on note payable	(21,424)	(18,655)
Net cash used in financing activities	<u>(21,424)</u>	<u>(18,655)</u>
Net decrease in cash and cash equivalents	(62,859)	(528,439)
Cash and cash equivalents, beginning of year	<u>181,750</u>	<u>710,189</u>
Cash and cash equivalents, end of year	<u>\$ 118,891</u>	<u>\$ 181,750</u>

The accompanying notes are an integral part of the combined financial statements.

Cristo Rey Boston High School, Inc. and Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 1 - Organization

Cristo Rey Boston High School, Inc. operates a Cristo Rey college preparatory school located in Dorchester, Massachusetts (the "School"). The purpose of the School is to fulfill the educational mission of the Roman Catholic Church, the Roman Catholic Archbishop of Boston, the Roman Catholic Archdiocese of Boston (the "RCAB") and the Cristo Rey Network.

Cristo Rey Boston Corporate Work Study Program, Inc. (the "Work Study Program") was incorporated in February 2004, with the following purposes:

- a. To support and assist Cristo Rey Boston High School, Inc. in fulfilling the educational mission of the Roman Catholic Church, the Roman Catholic Archbishop of Boston, the Roman Catholic Archdiocese of Boston and the Cristo Rey Network.
- b. To develop, implement, manage and oversee corporate internship and/or work study programs to enable students enrolled at Cristo Rey Boston High School, Inc. to pay a portion of their tuition and gain hands-on business work experience.
- c. To exclusively perform religious, educational and charitable activities in support of Cristo Rey Boston High School, Inc., the Roman Catholic Church, the Roman Catholic Archbishop of Boston and the Roman Catholic Archdiocese of Boston.

Members of the School and Work Study Program include the Chairman (Archbishop of the Roman Catholic Archdiocese of Boston), the Secretary of Education of the Roman Catholic Archdiocese of Boston, the Chancellor of the Roman Catholic Archdiocese of Boston and other persons who may be appointed by the Chairman. Members of the School and Work Study Program appoint and remove Trustees and Officers as defined in the School's and Work Study Program's by-laws. The Trustees are responsible for the property and business affairs of the School and the Work Study Program.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying combined financial statements of the School and the Work Study Program are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis of Combination

The combined financial statements include the accounts of Cristo Rey Boston High School, Inc. and Cristo Rey Boston Corporate Work Study Program, Inc. All significant intercompany transactions and balances are eliminated in the combination.

Cristo Rey Boston High School, Inc. and Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 2 - Summary of Significant Accounting Policies (continued)

Basis of Presentation

The School and the Work Study Program are required to report information regarding their 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

Unrestricted net assets represent those assets which the School and the Work Study Program may use at their discretion.

Temporarily Restricted Net Assets

Temporarily restricted net assets are subject to donor-imposed stipulations that may or will be met whether by actions of the School and/or Work Study Program and/or the passage of time. All temporarily restricted net assets are from the School.

Permanently Restricted Net Assets

Permanently restricted net assets are subject to donor-imposed stipulations that they be maintained permanently by the School and/or the Work Study Program. Generally, the donors of those assets permit the School and/or Work Study Program to use all or part of the income earned on related investments for general or specific purposes. All permanently restricted net assets are from the School.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Restricted and Unrestricted Revenue

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the combined statement of activities as net assets released from temporary restrictions.

Sponsor Revenue

Sponsor revenue is recognized ratably over the term of the contract for services provided to sponsors that are performed by students of the School.

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 2 - Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

For purposes of the combined statements of cash flows, management considers all unrestricted highly-liquid investments with an initial maturity of three months or less to be cash equivalents.

Restricted Cash

Restricted cash represents donor funds restricted for spending on capital improvements for the School building as well as funds held for contracts.

Accounts Receivable, Pledges Receivable, and RCAB Support Receivable - Rent

Accounts receivable and pledges receivable are stated at amounts management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable or pledges receivable. Changes in the valuation allowance have not been material to the combined financial statements. Conditional promises to give are not recognized in the combined financial statements until the conditions are substantially met. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk adjusted interest rates applicable to the years in which the promises are received. There are no unconditional promises to give that are expected to be collected in more than one year at June 30, 2017 and 2016.

RCAB support receivable - rent represents the present value of the excess of fair value of rent at the School building over rent expense to be recognized over the life of the Dorchester lease commitment described in Note 10. The discount on this amount is computed using an appropriate discount rate commensurate with the risks involved. Amortization of the discount is included in fair value of rent on the combined statement of activities.

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 2 - Summary of Significant Accounting Policies (continued)

Investments and Investment Income

Investments in marketable equity and debt securities with readily determinable fair values are carried at their fair values in the combined statements of financial position. Gains and losses are included in the change in net assets in the accompanying combined statements of activities. Investment income and gains restricted by donors are reported as increases in temporarily restricted net assets. When the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished), they are reclassified to unrestricted net assets and reported in the combined statements of activities as net assets released from temporary restrictions. Investment income and gains restricted by donors are reported as increases in unrestricted net assets if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized. The investment income, realized and unrealized gains and losses on permanently restricted investments are accounted for as increase or decrease in permanently restricted net assets.

Property and Equipment

All acquisitions of property and equipment in excess of \$1,500 and all expenditures for repairs, maintenance, renewals, and betterments that prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method over the estimated useful lives of the assets. Estimated useful lives are 3-7 years for furniture, fixtures and equipment; 5 years for vehicles; 3-5 years for computers and equipment; and 15-39 years for building improvements.

Beneficial Interest in Perpetual Trust

The School carries its beneficial interest in a perpetual trust at its fair value in the combined statements of financial position. On a quarterly basis, the School is entitled to dividend income at a rate of 1% of the fair value of the beneficial interest in the perpetual trust.

Deferred Revenue

Deferred revenue represents deposits and advance payments received for tuition which relate to the School's tuition billed for the following academic year. For the Work Study Program, deferred revenue represents advance payments received from sponsors. Deferred revenues are recorded as unrestricted revenue when earned.

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 2 - Summary of Significant Accounting Policies (continued)

Funds Held for Contract

The School was the fiscal agent for a project in which the School and two other local high schools were participating. The funds held were contractually obligated for payment to teachers and administrators for the project. The project began during the year ended June 30, 2012, and was completed during the year ending June 30, 2017.

Functional Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the combined statement of activities. Accordingly, certain direct costs have been applied to the programs and supporting services benefited.

Income Taxes

The School and the Work Study Program are both exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The School and the Work Study Program are also exempt from Massachusetts income tax under Massachusetts General Law 180. However, income from certain activities not directly related to the School and the Work Study Program's tax-exempt purpose is subject to taxation as unrelated business income at both the state and federal levels. In addition, the School and the Work Study Program both qualify for the charitable contribution deduction under Section 170(b)(1)(A) and have been classified as organizations other than private foundations under Section 509(a)(2).

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken and recognize a tax liability (or asset) if the School and Work Study Program have taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. Management has analyzed the tax positions taken and has concluded that as of June 30, 2017 and 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the combined financial statements. If the School and Work Study Program were to incur a federal or state income tax liability in the future, interest and penalties would be reported as income taxes. The School and Work Study Program are subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Donated Assets

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

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 2 - Summary of Significant Accounting Policies (continued)

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the School or the Work Study Program.

Advertising

The School and Work Study Program expense advertising costs as incurred. Combined advertising expense amounted to \$420 and \$12,423 for the years ended June 30, 2017 and 2016, respectively.

Endowment

The School's endowment consists of two individual funds established to provide scholarships to students of the School. The endowment includes both donor-restricted funds and funds designated by the School's Board of Trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the School's Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Donor-Restricted Endowment Assets

The Commonwealth of Massachusetts adopted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") effective June 30, 2009. The School's policies as to the classification and appropriation of donor-restricted endowment funds are described below and are consistent with the requirements of UPMIFA.

The School classifies as permanently restricted assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor's gift instructions at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted assets is classified as temporarily restricted assets until those amounts are appropriated for expenditure by the School.

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 2 - Summary of Significant Accounting Policies (continued)

Donor-Restricted Endowment Assets (Continued)

The School considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) the duration and preservation of the fund,
- (2) the mission of the School and purpose of the donor-restricted endowment funds,
- (3) general economic conditions,
- (4) the possible effect of inflation and deflation,
- (5) the expected total return from income and the appreciation of investments,
- (6) other resources of the School,
- (7) the investment policies of the School.

The School has adopted investment policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the School must hold in perpetuity or for a donor specified period as well as board-designated funds. Under this policy, as approved by the School's Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. The School expects its endowment funds, over time, to provide an average rate of return of approximately 5 percent annually. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the School relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The School targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Subsequent Events

The School and the Work Study Program have evaluated all subsequent events through November 6, 2017, the date the combined financial statements were available to be issued.

Cristo Rey Boston High School, Inc. and Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 3 – Accounts Receivable

Accounts receivable consist of the following at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Tuition receivable	\$ 112,485	\$ 108,472
Accounts receivable - sponsors	293,080	242,406
Other receivables	6,265	247
Less: allowance for doubtful accounts	<u>(62,232)</u>	<u>(52,593)</u>
Accounts receivable, net	<u>\$ 349,598</u>	<u>\$ 298,532</u>

Note 4 – Fair Value Measurements

GAAP establishes a fair value hierarchy that prioritizes the 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:

Basis of Fair Value Measurement

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;

Level 3: Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable;

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. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

Beneficial Interest in Perpetual Trust: Valued at the net asset value of the assets held in trust.

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 4 – Fair Value Measurements (continued)

Money market funds and Mutual funds: Valued at the net asset value of shares held by the School at year end.

The preceding methods described may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the School believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the School's assets at fair value, as of June 30, 2017:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Short term investments -				
money market	\$ 4,425	\$ 4,425	\$ -	\$ -
Mutual Funds:				
Fixed income				
Short term	89,344	89,344	-	-
Intermediate	117,392	117,392	-	-
Equities				
Large cap	<u>84,510</u>	<u>84,510</u>	<u>-</u>	<u>-</u>
Total investments and scholarship trust	<u>\$ 295,671</u>	<u>\$ 295,671</u>	<u>\$ -</u>	<u>\$ -</u>
Beneficial interest in perpetual trust	<u>\$ 1,160,329</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,160,329</u>

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 4 – Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the School's assets at fair value, as of June 30, 2016:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Short term investments - money market	\$ 18,623	\$ 18,623	\$ -	\$ -
Mutual Funds:				
Fixed income				
Short term	66,145	66,145	-	-
Intermediate	138,859	138,859	-	-
Equities				
Large cap	<u>61,499</u>	<u>61,499</u>	<u>-</u>	<u>-</u>
Total investments and scholarship trust	<u>\$ 285,126</u>	<u>\$ 285,126</u>	<u>\$ -</u>	<u>\$ -</u>
Beneficial interest in perpetual trust	<u>\$ 1,062,271</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,062,271</u>

The School recognizes transfers into and out of levels within the fair value hierarchy at the end of the reporting period. There were no transfers between levels in the years ended June 30, 2017 and 2016.

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs):

	<u>2017</u>	<u>2016</u>
Beneficial interest in perpetual trust		
Fair value, beginning of year	\$ 1,062,271	\$ 1,156,953
Investment gain (loss)	<u>98,058</u>	<u>(94,682)</u>
Fair value, end of year	<u>\$ 1,160,329</u>	<u>\$ 1,062,271</u>

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 5 - RCAB Support Receivable – Rent

This unconditional promise to give represents the present value of the excess of fair value of rent at the School building over rent expense to be recognized over the life of the Dorchester lease commitment described in Note 10. This amount is not a liquid asset (and as such cannot be construed as available cash): however it represents the difference between the rents to be paid under the lease and fair market value of the rents that would be paid on the open market. The balance consists of the following at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Amounts to be recognized as unrestricted revenue		
Within one year	\$ 446,600	\$ 446,600
Within two to five years	1,786,400	1,786,400
After five years	<u>16,970,800</u>	<u>17,417,400</u>
	19,203,800	19,650,400
Discount on amount to be recognized as unrestricted revenue within one year at 1% per annum	(155,462)	(158,344)
Discount on amount to be recognized as unrestricted revenue after one year at 1% per annum	(3,502,188)	(3,657,650)
RCAB support receivable - rent, short term portion	<u>(291,139)</u>	<u>(288,256)</u>
RCAB support receivable - rent, net of short term portion	<u>\$ 15,255,011</u>	<u>\$ 15,546,150</u>

Note 6 – Property and Equipment

Property and equipment consist of the following major classifications at June 30, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Furniture, fixtures and equipment	\$ 198,225	\$ 212,972
Vehicles	130,952	130,952
Computers and equipment	104,905	78,650
Building improvements	<u>2,259,747</u>	<u>2,248,141</u>
	2,693,829	2,670,715
Accumulated depreciation	<u>(836,128)</u>	<u>(723,228)</u>
Property and equipment, net	<u>\$ 1,857,701</u>	<u>\$ 1,947,487</u>

Depreciation expense amounted to \$158,791 and \$160,029 during the years ended June 30, 2017 and 2016, respectively.

Cristo Rey Boston High School, Inc. and Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 7 – Sale of 40 Norris Street

In October 2010, the School reached an agreement with the Roman Catholic Archdiocese of Boston (the "Archdiocese") regarding the proceeds of the sale of the 40 Norris Street building in North Cambridge, Massachusetts. This building was sold in June 2010 for a sale price of \$3,600,000. Pursuant to a Memorandum of Understanding between the School, the Archdiocese, and the Parish of Blessed Mother Theresa (the "Parish") in Dorchester, Massachusetts, (the "Memorandum"), the Archdiocese contributed the net proceeds of the sale, following the payment of \$1,200,000 to the Parish and \$238,475 of expenses paid by the Archdiocese, to the School. These net proceeds consisted of (a) the forgiveness of an amount of \$750,000 on a line of credit, (b) \$250,000 of an unrestricted contribution, and (c) an amount of \$1,161,255 (as of October 2010) that is being held in trust by the Archdiocese (amount is \$1,160,329 and \$1,062,271 at June 30, 2017 and 2016, respectively). Since the School has an irrevocable right to receive the income from the amount held in trust, the School recorded the amount as a beneficial interest in perpetual trust (perpetual trust held by a third party) at June 30, 2017 and 2016.

Note 8 – Commitments and Contingencies

Grants, bequests, and endowments often require the fulfillment of certain conditions as set forth in the instrument of grant. Failure to fulfill the conditions could result in the return of funds to the grantors. Although the return of funds is a possibility, the Board of Trustees deems the contingency unlikely, since by accepting the gifts and their terms, it has made a commitment to fulfill the provisions of the gifts.

Pursuant to the Memorandum described in Note 7, the School is required to make payments to the Parish when the School reaches certain enrollment benchmarks. The School did not reach that benchmark for the years ended June 30, 2017 and 2016, and as such did not include any additional rent in the statement of activities for 2017 and 2016.

The School leases copy machines and other equipment that expired during the year ended June 30, 2017, and incurred rent expense including some operating costs under these leases of \$17,778 and \$15,900 for the years ended June 30, 2017 and 2016, respectively.

Cristo Rey Boston High School, Inc. and Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 9 – Related Party Transactions

During the years ended June 30, 2017 and 2016, the Work Study Program recognized \$300,000 and \$253,500, respectively, of sponsor revenue from businesses affiliated with members of the Work Study Program's Board of Trustees.

The Catholic School Foundation is a related organization of the Archdiocese and provided tuition support amounting to \$81,900 and \$70,400 during the years ended June 30, 2017 and 2016, respectively. This amount is included in the accompanying combined statements of activities in the caption grants and contributions.

The School has a beneficial interest in a perpetual trust held by the Archdiocese in the amount of \$1,160,329 and \$1,062,271 at June 30, 2017 and 2016, respectively.

Note 10 – Lease Agreement – Dorchester School Building

In March 2010, the School signed a lease agreement with the RCAB for the School building in Dorchester, Massachusetts. The term of this agreement is for fifty years starting on July 1, 2010, and terminating on June 30, 2060. Future minimum lease payments are as follows starting as of June 30, 2010: \$1 per year for Years 1-30 of the lease, \$50,000 per year for Years 31-40, and \$100,000 per year for Years 41-50. Because of the increases in rent, over the life of the lease the School records rent expense on a straight-line basis over the life of the lease, which differs from the actual rent payment schedule. The corresponding liability is recorded as deferred rent in the accompanying combined balance sheet. The balance of deferred rent as of June 30, 2017 and 2016 was \$210,000 and \$180,000, respectively. Accordingly, building rent expense of \$30,000 has been recognized during the years ended June 30, 2017 and 2016, respectively, and is allocated to program services expenses and general and administrative expenses. Lease payments in Years 31-50 can be reduced by tenant improvements to the School building.

The approximate excess of fair value of rent over rent expense in the lease amounted to \$446,600 during the years ended June 30, 2017 and 2016. This expense is shown in the combined statements of activities under the heading "related party support." The School also released \$288,256 and \$285,402 from temporarily restricted net assets as of June 30, 2017 and 2016, respectively, and realized \$158,344 and \$161,198 in the amortization of the discount for the fair value of the rent as of June 30, 2017 and 2016, respectively. Both the release from restriction and the amortization of the discount for the fair value of the rent are shown in the combined statements of activities under the heading "related party support."

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 11 – Temporarily and Permanently Restricted Net Assets

A summary of activity of temporarily and permanently restricted net assets as of June 30, 2017 is as follows:

	Beginning of Year	Grants and Contributions	Investment Income (Loss)	Appropriated for Expenditure	End of Year
Temporarily restricted net assets					
Endowment funds -					
scholarships	\$ 36,408	\$ -	\$ 6,503	\$ -	\$ 42,911
Other	134,517	303,460	-	(408,790)	29,187
RCAB support	<u>15,834,406</u>	<u>-</u>	<u>-</u>	<u>(288,256)</u>	<u>15,546,150</u>
Total	<u>\$ 16,005,331</u>	<u>\$ 303,460</u>	<u>\$ 6,503</u>	<u>\$ (697,046)</u>	<u>\$ 15,618,248</u>
Permanently restricted net assets					
Endowment funds -					
scholarships	\$ 130,056	\$ -	\$ 4,399	\$ -	\$ 134,455
Beneficial interest in perpetual trust	<u>1,062,271</u>	<u>-</u>	<u>98,058</u>	<u>-</u>	<u>1,160,329</u>
Total	<u>\$ 1,192,327</u>	<u>\$ -</u>	<u>\$ 102,457</u>	<u>\$ -</u>	<u>\$ 1,294,784</u>

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 11 – Temporarily and Permanently Restricted Net Assets (continued)

A summary of activity of temporarily and permanently restricted net assets as of June 30, 2016 is as follows:

	Beginning of Year	Grants and Contributions	Investment Income (Loss)	Appropriated for Expenditure	End of Year
Temporarily restricted net assets					
Endowment funds -					
scholarships	\$ 30,333	\$ -	\$ 6,075	\$ -	\$ 36,408
Other	37,817	190,835	-	(94,135)	134,517
RCAB support	<u>16,119,808</u>	<u>-</u>	<u>-</u>	<u>(285,402)</u>	<u>15,834,406</u>
Total	<u>\$ 16,187,958</u>	<u>\$ 190,835</u>	<u>\$ 6,075</u>	<u>\$ (379,537)</u>	<u>\$ 16,005,331</u>
Permanently restricted net assets					
Endowment funds -					
scholarships	\$ 130,056	\$ -	\$ -	\$ -	\$ 130,056
Beneficial interest in perpetual trust	<u>1,156,953</u>	<u>-</u>	<u>(94,682)</u>	<u>-</u>	<u>1,062,271</u>
Total	<u>\$ 1,287,009</u>	<u>\$ -</u>	<u>\$ (94,682)</u>	<u>\$ -</u>	<u>\$ 1,192,327</u>

Note 12 – Retirement Plan

The School and Work Study program participate in the retirement plan of the Archdiocese. The Plan is for non-religious employees who are full-time active employees, and are either 1) at least 21 years of age and have earned one year of service credit, or 2) have earned three years of service credit. Contributions to the Plan were \$60,778 and \$41,935 during the years ended June 30, 2017 and 2016, respectively. The School paid \$3,137 and \$2,538 in administration fees for the years ended June 30, 2017 and 2016, respectively.

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Notes to Combined Financial Statements
Years Ended June 30, 2017 and 2016

Note 13 – Concentrations of Credit Risk

Financial instruments that potentially subject the School and Work Study Program to concentrations of credit risk consist principally of cash and cash equivalents, pledges and accounts receivable. The School and Work Study Program have a potential concentration of credit risk in that it maintains deposits with financial institutions in excess of amounts insured by the Federal Deposit Insurance Corporation (“FDIC”). The FDIC insures up to \$250,000, per depositor, per insured depository institution for each account ownership category. All of the School and Work Study Programs’ cash is held at two institutions. At certain times during the year, cash balances may exceed FDIC limits. Concentrations of credit risk with respect to pledges and accounts receivable are limited due to the number of contributors and sponsorships comprising the School’s and Work Study Program’s contributor and sponsorships base and their dispersion across different industries, government sectors, and geographic areas.

Note 14 – Note Payable

In July 2012, the School entered into a note payable with the RCAB. The limit on the note payable is \$200,000, of which \$91,950 and \$113,374 were outstanding as of June 30, 2017 and 2016, respectively. The note payable accrues interest at a variable rate (3.75% as of June 30, 2017 and 2016), with monthly principal and interest payments of \$2,121, payable monthly until the balance is paid off. The note is secured by the School’s investments in the School’s Common Investment Fund Endowment account. Interest paid on the note payable was \$4,032 and \$6,800 for the years ended June 30, 2017 and 2016, respectively. The required future principal payments for the next five years and in aggregation are as follows:

<u>Year</u>	<u>Amount</u>
2018	\$ 22,565
2019	23,251
2020	24,138
2021	21,996
	<u>\$ 91,950</u>

Note 15 – Subsequent Events

The Organization entered into employment contracts for a new school president and a new school principal as of September 1, 2017 and October 1, 2017, respectively. Under the terms of these contracts, the Organization is obligated to a combined future compensation of \$295,000 per year to these individuals through August 31, 2019.

Supplementary Information

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Combining Schedule of Financial Position
Year Ended June 30, 2017

	Cristo Rey Boston High School, Inc.	Cristo Rey Boston Corporate Work Study Program, Inc.	Eliminations	Combined Totals
Assets				
Current assets:				
Cash and cash equivalents	\$ 89,369	\$ 29,522	\$ -	\$ 118,891
Accounts receivable, net	63,750	285,848	-	349,598
Pledge receivable	4,866	-	-	4,866
Investments	155,110	-	-	155,110
RCAB support receivable - rent, current portion	291,139	-	-	291,139
Total current assets	<u>604,234</u>	<u>315,370</u>	<u>-</u>	<u>919,604</u>
Property and equipment, net	<u>1,857,701</u>	<u>-</u>	<u>-</u>	<u>1,857,701</u>
Other assets:				
Beneficial interest in perpetual trust	1,160,329	-	-	1,160,329
Beneficial interest in scholarship trust	140,561	-	-	140,561
RCAB support receivable - rent, net of current portion and amortization	15,255,011	-	-	15,255,011
Total other assets	<u>16,555,901</u>	<u>-</u>	<u>-</u>	<u>16,555,901</u>
Total assets	<u>\$ 19,017,836</u>	<u>\$ 315,370</u>	<u>\$ -</u>	<u>\$ 19,333,206</u>
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued expenses	\$ 249,997	\$ 2,349	\$ -	\$ 252,346
Note payable, current portion	22,565	-	-	22,565
Deferred revenue	-	131,000	-	131,000
Total current liabilities	<u>272,562</u>	<u>133,349</u>	<u>-</u>	<u>405,911</u>
Other liabilities:				
Deferred rent	210,000	-	-	210,000
Note payable, net of current portion	69,385	-	-	69,385
Total other liabilities	<u>279,385</u>	<u>-</u>	<u>-</u>	<u>279,385</u>
Total liabilities	<u>551,947</u>	<u>133,349</u>	<u>-</u>	<u>685,296</u>
Net assets:				
Unrestricted	1,561,990	172,888	-	\$ 1,734,878
Temporarily restricted	15,609,115	9,133	-	15,618,248
Permanently restricted	1,294,784	-	-	1,294,784
Total net assets	<u>18,465,889</u>	<u>182,021</u>	<u>-</u>	<u>18,647,910</u>
Total liabilities and net assets	<u>\$ 19,017,836</u>	<u>\$ 315,370</u>	<u>\$ -</u>	<u>\$ 19,333,206</u>

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Combining Schedule of Activities and Changes in Net Assets
Year Ended June 30, 2017

	Cristo Rey Boston High School, Inc.				Cristo Rey Boston Corporate Work Study Program, Inc.				Eliminations	Combined Totals			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total		Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Operating revenues and support:													
Tuition, gross	\$ 1,579,200	\$ -	\$ -	\$ 1,579,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,579,200	\$ -	\$ -	\$ 1,579,200
Financial aid	(1,158,910)	-	-	(1,158,910)	-	-	-	-	-	(1,158,910)	-	-	(1,158,910)
Tuition, net	420,290	-	-	420,290	-	-	-	-	-	420,290	-	-	420,290
Sponsor revenue	2,095,000	-	-	2,095,000	2,532,550	-	-	2,532,550	(2,095,000)	2,532,550	-	-	2,532,550
Grants and contributions	1,046,454	285,260	-	1,331,714	-	18,200	-	18,200	-	1,046,454	303,460	-	1,349,914
Investment and interest income	42,378	6,503	-	48,881	-	-	-	-	-	42,378	6,503	-	48,881
Realized and unrealized gains on investments	438	-	102,457	102,895	-	-	-	-	-	438	-	102,457	102,895
Miscellaneous	32,662	-	-	32,662	4,337	-	-	4,337	-	36,999	-	-	36,999
Net assets released from temporary restrictions	399,723	(399,723)	-	-	9,067	(9,067)	-	-	-	408,790	(408,790)	-	-
Total operating revenues and support	4,036,945	(107,960)	102,457	4,031,442	2,545,954	9,133	-	2,555,087	(2,095,000)	4,487,899	(98,827)	102,457	4,491,529
Expenses:													
Program services	2,805,748	-	-	2,805,748	2,584,487	-	-	2,584,487	(2,095,000)	3,295,235	-	-	3,295,235
General and administrative	1,089,177	-	-	1,089,177	15,604	-	-	15,604	-	1,104,781	-	-	1,104,781
Fundraising	287,379	-	-	287,379	-	-	-	-	-	287,379	-	-	287,379
Total expenses	4,182,304	-	-	4,182,304	2,600,091	-	-	2,600,091	(2,095,000)	4,687,395	-	-	4,687,395
(Decrease) increase in net assets before related party support	(145,359)	(107,960)	102,457	(150,862)	(54,137)	9,133	-	(45,004)	-	(199,496)	(98,827)	102,457	(195,866)
Related party support (expense)													
Fair value of rent - amortization of discount	158,344	-	-	158,344	-	-	-	-	-	158,344	-	-	158,344
Fair value of rent adjustment	288,256	(288,256)	-	-	-	-	-	-	-	288,256	(288,256)	-	-
Building rent expense	(446,600)	-	-	(446,600)	-	-	-	-	-	(446,600)	-	-	(446,600)
Total related party support (expense)	-	(288,256)	-	(288,256)	-	-	-	-	-	-	(288,256)	-	(288,256)
Decrease in net assets	(145,359)	(396,216)	102,457	(439,118)	(54,137)	9,133	-	(45,004)	-	(199,496)	(387,083)	102,457	(484,122)
Net assets at beginning of year	1,707,349	16,005,331	1,192,327	18,905,007	227,025	-	-	227,025	-	1,934,374	16,005,331	1,192,327	19,132,032
Net assets at end of year	\$ 1,561,990	\$ 15,609,115	\$ 1,294,784	\$ 18,465,889	\$ 172,888	\$ 9,133	\$ -	\$ 182,021	\$ -	\$ 1,734,878	\$ 15,618,248	\$ 1,294,784	\$ 18,647,910

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Combining Schedule of Program Services Expenses
Year Ended June 30, 2017

	Cristo Rey Boston High School, Inc.	Cristo Rey Boston Corporate Work Study Program, Inc.	Eliminations	Combined Totals
Salaries	\$ 1,981,386	\$ 247,992	\$ -	\$ 2,229,378
Fringe benefits	421,169	56,237	-	477,406
Student food service	95,062	-	-	95,062
Bus drivers	-	85,677	-	85,677
Sports programs	69,264	-	-	69,264
Student activities	62,414	-	-	62,414
Textbooks	43,099	-	-	43,099
Volunteer support	44,815	-	-	44,815
Transportation	2,600	80,606	-	83,206
Supplies	36,977	1,057	-	38,034
Building rent	24,000	-	-	24,000
Student training and seminars	-	12,918	-	12,918
Student testing	18,032	-	-	18,032
Miscellaneous	6,930	-	-	6,930
Recruiting	-	5,000	-	5,000
Support payments to Cristo Rey Boston High School, Inc.	-	2,095,000	(2,095,000)	-
	<u>\$ 2,805,748</u>	<u>\$ 2,584,487</u>	<u>\$ (2,095,000)</u>	<u>\$ 3,295,235</u>

Cristo Rey Boston High School, Inc. and
Cristo Rey Boston Corporate Work Study Program, Inc.

Combining Schedule of General and Administrative Expenses
Year Ended June 30, 2017

	Cristo Rey Boston High School, Inc.	Cristo Rey Boston Corporate Work Study Program, Inc.	Eliminations	Combined Totals
Salaries	\$ 389,368	\$ -	\$ -	\$ 389,368
Depreciation	158,791	-	-	158,791
Maintenance	146,669	-	-	146,669
Fringe benefits	122,069	-	-	122,069
Service contracts	57,690	-	-	57,690
Professional fees	42,268	11,629	-	53,897
Dues and subscriptions	40,623	-	-	40,623
Utilities	28,485	-	-	28,485
Office supplies	23,776	-	-	23,776
Telephone	18,454	2,862	-	21,316
Insurance	20,672	-	-	20,672
Bad debt	8,479	-	-	8,479
Bank and brokerage fees	7,537	10	-	7,547
Postage and delivery	7,312	-	-	7,312
Building rent	6,000	-	-	6,000
Transportation and travel	5,302	-	-	5,302
Interest	4,032	-	-	4,032
Miscellaneous	1,230	1,103	-	2,333
Advertising	420	-	-	420
	<u>\$ 1,089,177</u>	<u>\$ 15,604</u>	<u>\$ -</u>	<u>\$ 1,104,781</u>