

**NOBLE NETWORK OF CHARTER
SCHOOLS, SUBSIDIARIES AND
AFFILIATE**

YEARS ENDED JUNE 30, 2016 AND 2015
(With additional information)

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

YEARS ENDED JUNE 30, 2016 AND 2015

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NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

YEARS ENDED JUNE 30, 2016 AND 2015

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Independent Auditor's Report

Board of Directors
Noble Network of Charter Schools
Chicago, Illinois

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Noble Network of Charter Schools, Subsidiaries and Affiliate (collectively referred to as the School), which comprise the consolidated statement of financial position as of June 30, 2016 and 2015 and the related consolidated statements of activities, functional expenses and cash flows for the years then ended and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Noble Network of Charter Schools, Subsidiaries and Affiliate as of June 30, 2016 and 2015 and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental schedules on pages 58 through 90 are presented for the purpose of additional analysis and are not a required part of the consolidated financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is also not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2016, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Ostrow Reisin Berk & Abrams, Ltd.

October 18, 2016

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30,	2016	2015
ASSETS		
Current assets:		
Cash	\$ 54,939,695	\$ 47,597,146
Accounts receivable	8,844,245	8,511,978
Contributions receivable	11,546,418	2,550,010
Prepaid expenses	1,997,208	2,141,556
Bond and NMTC issuance costs, net	215,238	215,238
Cash and investments - restricted by bond indenture	11,771,600	3,486,314
Total current assets	89,314,404	64,502,242
Property and equipment, net	89,975,438	84,294,755
Other assets:		
Contributions receivable, net of current portion	581,000	1,245,808
Bond and NMTC issuance costs, net of current portion	2,325,923	2,541,160
Cash - restricted by NMTC	2,604,562	2,604,222
Cash - restricted for lease security deposit		720,029
Cash and investments - restricted by bond indenture net of current portion	11,174,245	23,759,936
Investments - restricted for student scholarships	2,616,057	2,553,611
Investments - restricted for lease security deposit	360,268	
Leverage loan notes receivable - NMTC	14,808,362	14,616,201
Deposits	800,076	705,093
Total other assets	35,270,493	48,746,060
Total assets	\$ 214,560,335	\$ 197,543,057

See notes to consolidated financial statements.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

June 30,	2016	2015
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 10,711,274	\$ 10,578,262
Bonds payable, current portion	10,447,450	1,393,699
Notes payable, current portion	1,365,793	979,816
Deferred lease incentive, current portion	199,046	199,046
Deferred revenue	1,957,314	3,622,751
Total current liabilities	24,680,877	16,773,574
Long-term liabilities:		
Bonds payable, net of current portion	50,708,732	61,152,436
Notes payable, net of current portion	28,831,130	30,764,602
Obligation under interest rate swap agreement	116,247	
Deferred lease incentive, net of current portion	2,322,199	2,521,245
Deferred rent	2,414,829	2,270,144
Total long-term liabilities	84,393,137	96,708,427
Total liabilities	109,074,014	113,482,001
Net assets:		
Unrestricted:		
Board-designated	15,000,000	15,000,000
Other	73,835,601	61,588,639
Total unrestricted	88,835,601	76,588,639
Temporarily restricted	16,650,720	7,472,417
Total net assets	105,486,321	84,061,056
Total liabilities and net assets	\$ 214,560,335	\$ 197,543,057

See notes to consolidated financial statements.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATED STATEMENT OF ACTIVITIES

Years ended June 30,	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue:						
Chicago Public Schools:						
Per-capita tuition	\$ 94,199,385		\$ 94,199,385	\$ 88,691,161		\$ 88,691,161
Facilities	5,281,125		5,281,125	4,882,875		4,882,875
Special education	13,272,148		13,272,148	11,445,071		11,445,071
Case manager stipends	48,217		48,217	68,902		68,902
Chapter I	8,367,705		8,367,705	7,425,255		7,425,255
Title I	8,018,094		8,018,094	5,107,253		5,107,253
Title II	1,032,347		1,032,347	1,230,925		1,230,925
Title III	112,364		112,364			
Growth funds		\$ 1,006,960	1,006,960		\$ 121,752	121,752
Contributed services	4,818,948		4,818,948	4,283,791		4,283,791
Contributions and grants	1,252,915	20,244,935	21,497,850	941,429	8,559,510	9,500,939
E-rate discount funding	446,484		446,484	574,183		574,183
Food program	5,768,394		5,768,394	5,049,556		5,049,556
Instructional program - ROTC	344,172		344,172	354,021		354,021
Interest and dividends	539,185		539,185	278,591		278,591
Change in fair value of interest rate swap	(116,247)		(116,247)			
Net realized and unrealized loss						
on investments	(23,677)		(23,677)	(93,689)		(93,689)
Night school fees	216,602		216,602	209,548		209,548
Other revenue	220,783		220,783	454,587		454,587
Registration and tuition - Noble Day Care	698,133		698,133	652,641		652,641
School fees	2,913,422		2,913,422	2,695,306		2,695,306
School fundraising	66,532		66,532	43,742		43,742
Summer of a Lifetime, a Noble Network						
Program	752,364	580,822	1,333,186	540,074	255,338	795,412
Summer school fees	310,046		310,046	284,670		284,670
Uniform fees	667,681		667,681	558,039		558,039
Net assets released from restrictions:						
Satisfaction of purpose or time restrictions	12,654,414	(12,654,414)		21,187,947	(21,187,947)	
Total revenue	161,861,536	9,178,303	171,039,839	156,865,878	(12,251,347)	144,614,531

See notes to consolidated financial statements.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATED STATEMENT OF ACTIVITIES (CONTINUED)

Years ended June 30,	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Expenses:						
Program services	\$ 135,409,471		\$ 135,409,471	\$ 124,357,352		\$ 124,357,352
Supporting services:						
Management and general	13,327,195		13,327,195	12,174,837		12,174,837
Fundraising	877,908		877,908	719,929		719,929
Total expenses	149,614,574		149,614,574	137,252,118		137,252,118
Change in net assets	12,246,962	\$ 9,178,303	21,425,265	19,613,760	\$ (12,251,347)	7,362,413
Net assets:						
Beginning of year	76,588,639	7,472,417	84,061,056	56,974,879	19,723,764	76,698,643
End of year	\$ 88,835,601	\$ 16,650,720	\$ 105,486,321	\$ 76,588,639	\$ 7,472,417	\$ 84,061,056

See notes to consolidated financial statements.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Years ended June 30,	2016				2015			
	Program services	Supporting Services		Total	Program services	Supporting Services		Total
		Management and general	Fundraising			Management and general	Fundraising	
Building maintenance and repairs	\$ 1,347,812	\$ 68,267		\$ 1,416,079	\$ 1,643,746	\$ 47,954		\$ 1,691,700
Bonus salaries	6,711,238	611,698	\$ 52,400	7,375,336	6,405,567	902,735	\$ 69,219	7,377,521
Classroom furniture	677,365			677,365	955,455			955,455
Contracted maintenance services	2,260,691	14,248		2,274,939	2,342,198	2,066		2,344,264
Contractual services and stipends	1,109,530	1,350,315	125,960	2,585,805	1,115,318	1,017,609	120,114	2,253,041
Contributed services	427,520			427,520	576,000			576,000
CPS administrative fee	3,479,177			3,479,177	3,226,361			3,226,361
CPS facility fee	983,208			983,208	691,263			691,263
Educational materials	2,543,983	104,907		2,648,890	3,389,852	58,378		3,448,230
Employee benefits and payroll taxes	14,995,761	1,265,266	58,945	16,319,972	13,592,333	1,163,624	51,927	14,807,884
Extracurricular activities	1,547,034			1,547,034	1,461,972			1,461,972
Field studies	1,336,656	10,145		1,346,801	1,594,432	28,141		1,622,573
Food program	5,727,568	2,943		5,730,511	5,072,203	35,657		5,107,860
Fundraising events			44,019	44,019			76,157	76,157
Graduation	260,157			260,157	276,484			276,484
Insurance	543,592			543,592	404,328			404,328
Interest	3,577,843	213,013		3,790,856	2,533,187	213,334		2,746,521
Music program	227,077			227,077	289,388			289,388
Night school	273,483			273,483	215,640			215,640
Office furniture	80,174	57,471		137,645	119,285	41,235		160,520
Other expenses	371,995	422,998	10,032	805,025	388,243	363,317	784	752,344
Payroll processing fees		156,996		156,996		152,145		152,145
Postage and delivery	77,743	67,276	67	145,086	117,061	56,238	209	173,508
Printing and copying	1,178,859	87,995	4,783	1,271,637	1,157,302	69,499	2,420	1,229,221
Professional development	1,443,692	485,912	38,169	1,967,773	1,363,393	604,586	28,582	1,996,561
Refund of grant funds						110,967		110,967
Rent	8,882,130	361,104		9,243,234	7,036,177	351,173		7,387,350
Salaries	59,252,523	7,045,895	442,322	66,740,740	52,634,985	6,096,032	269,246	59,000,263
Scholarships	1,113,195			1,113,195	544,159			544,159
Sports activities	1,368,878	229,228		1,598,106	1,409,306	87,052		1,496,358

See notes to consolidated financial statements.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

Years ended June 30,	2016				2015			
	Program services	Supporting Services		Total	Program services	Supporting Services		Total
		Management and general	Fundraising			Management and general	Fundraising	
Staff advertising and recruitment	\$ 103,373	\$ 120,503	\$ 331	\$ 224,207	\$ 145,593	\$ 128,147	\$ 1,592	\$ 275,332
Summer of a Lifetime, A Noble Network Program	1,115,052	192,541	94,103	1,401,696	1,075,135	127,962	98,361	1,301,458
Summer school	338,465			338,465	303,572			303,572
Supplies	501,881	124,786	1,128	627,795	594,790	110,197	1,273	706,260
Technology	3,768,188	178,339	5,629	3,952,156	4,868,641	231,088		5,099,729
Telecommunications	4,106	678	20	4,804	3,429	377	45	3,851
Transportation	1,072,495	1,386		1,073,881	910,340	7,318		917,658
Uniforms	833,380			833,380	846,204			846,204
Utilities	1,359,760	36		1,359,796	1,222,387	7,387		1,229,774
Total expenses before depreciation and amortization	130,895,584	13,173,946	877,908	144,947,438	120,525,729	12,014,218	719,929	133,259,876
Depreciation and amortization	4,513,887	153,249		4,667,136	3,831,623	160,619		3,992,242
Total expenses	\$ 135,409,471	\$ 13,327,195	\$ 877,908	\$ 149,614,574	\$ 124,357,352	\$ 12,174,837	\$ 719,929	\$ 137,252,118

See notes to consolidated financial statements.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATED STATEMENT OF CASH FLOWS

Years ended June 30,	2016	2015
Cash flows from operating activities:		
Change in net assets	\$ 21,425,265	\$ 7,362,413
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation and amortization	4,667,136	3,992,242
Amortization of lease incentive	(199,046)	(199,046)
Accrued interest on leverage loan note receivable - NMTC	(192,161)	(185,874)
Net realized and unrealized (gain) loss on investments	(11,531)	38,968
Change in fair value of interest rate swap	116,247	
(Increase) decrease in operating assets:		
Accounts receivable	(332,267)	(1,007,786)
Contributions receivable	(8,331,600)	8,052,457
Prepaid expenses	144,348	(354,371)
Deposits	(94,983)	(210,452)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	133,012	(13,550)
Deferred revenue	(1,665,437)	1,825,176
Deferred rent	144,685	(147,087)
Cash provided by operating activities	15,803,668	19,153,090

See notes to consolidated financial statements.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

Years ended June 30,	2016	2015
Cash flows from investing activities:		
Decrease in cash - restricted by bond indenture	\$ 3,844,578	\$ 2,556,249
Increase in cash - restricted by NMTC	(340)	(364)
Decrease in cash - restricted for lease security deposit	720,029	37,834
Purchase of investments - restricted for bond indenture		(22,018,445)
Proceeds from sale of investments - restricted for bond indenture	424,000	
Purchase of investments - restricted for student scholarships	(19,090)	(19,498)
Purchase of investments - restricted for lease security deposit	(360,268)	
Purchase of property and equipment	(10,243,779)	(17,846,800)
Issuance of leverage loan (notes receivable - NMTC)		(5,819,200)
Cash used in investing activities	(5,634,870)	(43,110,224)
Cash flows from financing activities:		
Proceeds from bonds payable		21,495,226
Payments on bonds payable	(1,278,754)	(538,554)
Proceeds from notes payable		13,620,000
Payments on notes payable	(1,547,495)	(111,966)
Increase in bond and NMTC issuance costs		(234,595)
Cash provided by (used in) financing activities	(2,826,249)	34,230,111
Change in cash	7,342,549	10,272,977
Cash:		
Beginning of year	47,597,146	37,324,169
End of year	\$ 54,939,695	\$ 47,597,146
Supplemental disclosure of cash flow information:		
Schedule of non-cash investing and financing transaction:		
Interest paid during the year	\$ 3,577,792	\$ 2,604,603

See notes to consolidated financial statements.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and purpose

Noble Network of Charter Schools (the School) was formed in 1999 to provide educational and community opportunities for youths. The School plans to replicate by opening new campuses in Chicago. During the years ended June 30, 2016 and 2015, the School served the following students:

Opened in August	Years ended June 30,	2016	2015
1999	Noble Street College Prep	626	611
2006	Rauner College Prep	613	606
2006	Pritzker College Prep	934	924
2007	Rowe Clark College Prep	551	613
2007	Golder College Prep	655	638
2008*	Gary Comer College Prep	1,061	1,011
2008	UIC College Prep	890	878
2009	Muchin College Prep	879	837
2009	Chicago Bulls College Prep	1,104	1,055
2010	Johnson College Prep	842	832
2012	Hansberry College Prep	754	640
2012	DRW College Prep	609	451
2013	Baker College Prep	392	260
2013	Butler College Prep	441	263
2014	ITW David Speer Academy	681	282
2014	The Noble Academy	247	198
		11,279	10,099

*Gary Comer Middle School opened in August 2011 and is reported in Gary Comer College Prep.

Mansueto High School opened in August 2016 in a temporary location while the permanent building is constructed.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

1. Organization and purpose (continued)

The School is supported through per-capita tuition payments from the Chicago Public Schools, grants from state and federal agencies, various community and corporate foundations and the general public. During the years ended June 30, 2016 and 2015, the School received approximately 55% and 61%, respectively, of its support from per-capita tuition paid by Chicago Public Schools. Per-capita tuition payments are determined annually by Chicago Public Schools and may be adjusted or vary from year to year depending upon the amount of appropriations authorized by the Illinois General Assembly and subsequent approval by Chicago Public Schools of its budget on an annual basis.

The School is subject to a “Charter Agreement” with the Chicago School Reform Board of Trustees (Chicago Public Schools). The agreement was for an original term of five years which has been routinely renewed for the same term since the School’s inception. The current agreement expires on June 30, 2019. In addition, the School has been certified as a charter school by the Illinois State Board of Education.

The School is governed by a Board of Directors that is comprised of at least five and no more than twenty-five members, who serve one-year terms until his or her successor shall have been selected and qualified. Directors shall be elected annually.

Under state law, the Chicago Public Schools have oversight responsibility to verify that the School complies with and meets the expectation of, a public educational system. The School is expected to satisfy regulations and compliance requirements by the Chicago Public Schools.

Activity for Summer of a Lifetime, a Noble Network Program is included in the consolidated financial statements. Through the Summer of a Lifetime Program, low-income, minority scholars of the School are provided funding and support to participate in life-changing, summer academic enrichment programs on college campuses nationwide. The program is funded by philanthropic support.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Summary of significant accounting policies

The significant accounting policies of the School are summarized below:

Basis of accounting:

The School's consolidated financial statements are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Principles of consolidation:

The consolidated financial statements include the consolidation of the accounts of Noble Day Care, L3C (Noble Day Care), which is a limited liability company consisting of a single member, the School. The School has both an economic interest in and control of Noble Day Care. Noble Day Care began operations effective February 1, 2010. The consolidated financial statements also include the consolidation of the accounts of Noble Network Education Foundation (the Foundation), which is an affiliate of the School. The School appointed two of the five Foundation Directors (Appointed Directors) with the remaining three Elected Directors selected from a slate of nominees approved by the Appointed Directors. Two of the officers of the Foundation are also employees and officers of the School. The School is the single member and manager of Noble Management, LLC, which is the sole manager of Mansueto High School, LLC. During the year ended June 30, 2016, Mansueto High School, LLC purchased land costing approximately \$3,700,000 that will be used to construct the school facility for Mansueto High School. There were no other transactions of Noble Management, LLC or Mansueto High School, LLC during the year ended June 30, 2016. The accounts of Noble Management, LLC and Mansueto High School, LLC are included in these consolidated financial statements. The financial statements of the campuses have also been combined as directed by Chicago Public Schools, which believes combined financial statements are more meaningful than separate statements. All material inter-organization balances and transactions have been eliminated.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Summary of significant accounting policies (continued)

Basis of presentation:

The financial statement presentation follows the Financial Accounting Standards Board (FASB) Accounting Standards Codification (the Codification) for *Financial Statements of Not-for-Profit Organizations*. Under the Codification, the School is required to report information regarding its financial position and activities in three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Unrestricted - Unrestricted net assets are available to finance the general operations of the School. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the School, the environment in which it operates and the purposes specified in its Articles of Incorporation. Voluntary resolutions by the Board of Directors to designate a portion of the School's unrestricted net assets for specified purposes do not result in restricted funds. Since designations are voluntary and may be reversed by the Board of Directors at any time, designated net assets are included under the caption "unrestricted net assets." Board-designated net assets include assets for future special projects over which the Board retains control and may at its discretion subsequently use for other purposes.

The School's Board-designated unrestricted net assets as of June 30, 2016 and 2015 consist of instructional and educational expenses to be used at the discretion of campus administration, upon approval of the Superintendent and CEO, as well as amounts to be used for future maintenance and repair costs of campus buildings.

Temporarily restricted - Temporarily restricted net assets result (a) from contributions and other inflows of assets, the use of which by the School is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by action of the School pursuant to those stipulations, (b) from other asset enhancements and diminishments subject to the same kinds of stipulations and (c) from reclassifications to (or from) other classes of net assets as a consequence of donor-imposed stipulations, their expiration by passage of time or their fulfillment and removal by actions of the School pursuant to those stipulations. See Note 11 for a description of temporarily restricted net assets at June 30, 2016 and 2015.

Permanently restricted - Permanently restricted net assets (generally referred to as endowment funds) are assets that have donor-imposed restrictions that stipulate that the contributed resources be maintained permanently, but permit the entity to utilize or expend part or all of the income or other economic benefits derived from the donated assets. The School has no permanently restricted net assets.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Summary of significant accounting policies (continued)

Unrestricted and restricted revenue and support:

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose of restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Non-cash donations:

The School records non-cash donations at fair value at the date of receipt. The School recognized \$5,419,482 and \$2,168,187 of contributed shares of stock during the years ended June 30, 2016 and 2015, respectively, included in contributions and grants in the consolidated statement of activities.

Expense allocation:

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses for program services represented approximately 91% of total expenses for the years ended June 30, 2016 and 2015.

Fair value of financial instruments:

Investments

Investments are recorded at fair value in the accompanying consolidated financial statements. Fair value is determined based on the fair value measurement principles described in Note 5.

Leverage loan notes receivable – NMTC

The fair value of the leverage loan notes receivable – NMTC approximates the carrying amount in the accompanying consolidated financial statements. The carrying value of the loans approximates fair value based on current borrowing rates.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Summary of significant accounting policies (continued)

Fair value of financial instruments: (continued)

Long-term obligations

The fair value of long-term obligations, including bonds payable and notes payable, approximates the carrying amounts in the accompanying consolidated financial statements. The carrying value of the debt approximates fair value based on current borrowing rates.

Derivative instruments:

The School uses derivatives to manage risks related to interest rate movements. The School's interest rate swap contract is reported at fair value and the related gain or loss is included in the consolidated statement of activities. The School documents its risk management strategy at the inception of and during the term of the contract. The School's interest rate risk management strategy is to stabilize cash flow requirements by maintaining an interest rate swap contract to convert variable rate debt to a fixed rate. See Note 9.

Accounts receivable:

Accounts receivable consist of grants and other amounts due from Chicago Public Schools and other governmental agencies as well as student fees. The accounts are noninterest-bearing. An allowance for doubtful accounts is considered unnecessary and is not provided.

Contributions receivable:

Contributions receivable include unconditional promises to give at June 30, 2016 and 2015. Pledges due in more than one year are discounted using a risk-adjusted rate of return to reflect the present value of the receivables.

June 30,	2016	2015
Receivable due in less than one year	\$ 11,546,418	\$ 2,550,010
Receivable due in one to five years	581,000	1,245,808
Unconditional promises to give	\$ 12,127,418	\$ 3,795,818

An allowance for doubtful accounts is considered unnecessary and is not provided.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Summary of significant accounting policies (continued)

Bond and NMTC issuance costs:

Bond and NMTC issuance costs are amortized using the interest method over the life of the bond and NMTC notes payable.

Property and equipment:

Property and equipment are stated at cost or if donated, at the approximate fair value at date of donation. Amortization of leasehold improvements is provided ratably over the lesser of the term of the lease or the estimated life of the improvements. Depreciation is provided over the estimated useful life of the assets using the straight-line method ranging from three to thirty-nine years. Major additions over \$5,000 are capitalized while replacements, maintenance and repairs, which do not improve or extend the lives of the respective assets, are expensed currently.

Deferred lease incentive:

In accordance with generally accepted accounting principles, the School amortizes lease incentives against rent expense over the lease term.

Deferred revenue:

Deferred revenue results from the School recognizing textbook, uniform and other student fees as revenue in the period in which the related educational instruction is performed as well as receiving contributions and grants containing conditions that have not yet been met. Accordingly, student fees received for the next school term are deferred until the instruction commences and contributions and grants received are deferred until the conditions are met.

Deferred rent:

In accordance with generally accepted accounting principles, the School records monthly rent expense equal to total minimum payments due over the lease term, divided by the number of months in the lease term. The difference between rent expense recorded and the amount paid is charged (credited) to deferred rent which is reflected as a separate line item in the consolidated statement of financial position.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Summary of significant accounting policies (continued)

Contributed services:

The financial statement presentation follows the Codification for *Accounting for Contributions Received and Contributions Made*. Under the Codification, the School is required to recognize as revenue the fair value of contributed (donated) services and facilities. For the years ended June 30, 2016 and 2015, the School was the recipient of specialized services contributed by Chicago Public Schools, employer pension expense made on behalf of the School by Chicago Public Schools and donated rent for the use of a Chicago Public Schools' building by the following campuses: UIC College Prep, Chicago Bulls College Prep, Johnson College Prep, Gary Comer Middle School, Baker College Prep, Butler College Prep and The Noble Academy. See Notes 12 and 14.

Scholarship funds:

In recognition of a grant received, the School committed to fund a \$10,000 scholarship per year in perpetuity from its operating budget to be named the Osborn Family Scholarship program.

In addition, the School has received contributions restricted to fund scholarships. Scholarships are awarded through an application process and based on financial need and merit.

Use of estimates:

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the consolidated financial statements. Accordingly, actual results could differ from those estimates.

Reclassification:

Certain amounts from the prior year have been reclassified in order to conform to the current year's presentation.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Tax status

The School is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. In addition, the Internal Revenue Service has determined that the School is not a private foundation within the meaning of Section 509(a) of the Code. The School has adopted the requirements for accounting for uncertain tax positions and management has determined that the School was not required to record a liability related to uncertain tax positions as of June 30, 2016 and 2015.

4. Cash

The School maintains its cash in bank accounts which, at times, may exceed federally-insured limits. At June 30, 2016 and 2015, cash in excess of these limits totaled approximately \$57,100,000 and \$49,900,000, respectively. The School has not experienced any losses in such accounts. Management believes that the School is not exposed to any significant credit risk on cash.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Fair value measurements

Financial Accounting Standards Board Accounting Standards Codification 820 (FASB ASC 820) *Fair Value Measurements and Disclosures* establishes a framework for measuring fair value. That framework provides 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 under FASB ASC 820 are described as follows:

Level 1	Inputs to valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the School has the ability to access.
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Level 2	Inputs to the valuation methodology include: <ul style="list-style-type: none">• quoted prices for similar assets or liabilities in active markets;• quoted prices for identical or similar assets or liabilities in inactive markets;• inputs other than quoted prices that are observable for the asset or liability;• inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
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Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.
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The asset's or liability's fair value measurement 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.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Fair value measurements (continued)

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

Mutual funds are valued at the Net Asset Value (NAV) of shares held by the School at year-end.

United States government treasury bonds are stated at fair value based on quoted prices in active markets.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the School believes that 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, 2016 and 2015:

June 30,	2016	2015
	Level 1	
Mutual funds:		
Fixed income funds	\$ 2,590,772	\$ 2,537,725
United States government treasury bonds	21,512,336	21,968,163
Cash investments, at cost which approximates fair value	1,819,062	5,293,973
Total investments	\$ 25,922,170	\$ 29,799,861
Cash and investments - restricted for bond indenture	\$ 22,945,845	\$ 27,246,250
Investments - restricted for student scholarships	2,616,057	2,553,611
Investments - restricted for lease security deposit	360,268	
Total investments	\$ 25,922,170	\$ 29,799,861

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Property and equipment

Property and equipment are as follows:

June 30,	2016	2015
Leasehold improvements	\$ 68,823,397	\$ 66,824,672
Building	26,654,059	26,177,367
Land	6,423,651	2,736,976
Equipment	7,278,129	4,930,008
Furniture	1,077,275	1,071,995
Software	393,044	393,044
Automobiles	179,082	178,993
Construction in progress	1,898,437	198,099
	112,727,074	102,511,154
Less accumulated depreciation and amortization	(22,751,636)	(18,216,399)
Property and equipment, net	\$ 89,975,438	\$ 84,294,755

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Conditional promises to give

The School receives conditional promises to give and records the revenue when the conditions have been met. Conditional promises to give at June 30, 2016 are as follows:

Year of grant	Total conditional grant	Received and recorded as deferred revenue	Received and recorded as grant revenue			Expiration as condition was not met	Remaining conditional grant not yet received	Conditions
			2016	2015	Prior years			
2016	\$ 387,240		\$ 22,952				\$ 364,288	Expansion, campuses yet to be identified
2016	8,412,500		491,775				7,920,725	Expansion, campuses yet to be identified
	8,799,740		514,727				8,285,013	
2015	17,400,000		17,400,000					Expansion, campuses yet to be identified
2015	2,880,000			\$ 840,000			2,040,000	Student scholarships
2015	100,000		100,000					Expansion, campuses yet to be identified
	20,380,000		17,500,000	840,000			2,040,000	
2014	375,000		125,000		\$ 250,000			Expansion, campuses yet to be identified
2014	3,000,000						3,000,000	Expansion, campuses yet to be identified
2014	225,000		75,000	75,000	75,000			College access and persistence programs
2014	700,000			350,000		\$ 350,000		Expansion, campuses yet to be identified
	4,300,000		200,000	425,000	325,000	350,000	3,000,000	
2013	200,000			100,000	100,000			College access and persistence programs
2012	2,000,000	\$ 1,800,000					200,000	Expansion, campuses yet to be identified
2012	2,000,000		1,000,000	1,000,000				Achievement of academic and financial milestones
	4,000,000	1,800,000	1,000,000	1,000,000			200,000	
2011	10,816,000			2,839,000	7,977,000			Expansion, campuses yet to be identified
Total							\$ 13,525,013	

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Notes receivable – NMTC and notes payable – NMTC

On May 31, 2011, the School entered into a New Markets Tax Credits (NMTC) transaction to finance and reimburse the School in connection with the renovation and construction of school facilities and to finance the acquisition of related equipment, furniture, textbooks and other items located in Qualified Census Tracts. The School qualifies as a Qualified Active Low-Income Community Business (QALICB), within the meanings of Section 45D of the Internal Revenue Code of 1986, as amended (the Code) and Section 1.45D of the Treasury Regulations promulgated thereunder (the Treasury Regulations).

Noble Network Education Foundation (the Foundation) was formed as a Type III 501(c)(3) supporting organization to benefit the School. For the purpose of this transaction, the Foundation, among other things, was established to act as the financing facilitator, as a leverage lender and guarantor, in order to secure the NMTC financing commitments. The School contributed \$8,100,000 to the Foundation to be used by the Foundation as a leverage loan in the NMTC transaction and for other purposes.

State NMTC Investors contributed \$1,950,000 in State NMTC equity to Stonehenge Illinois NMTC Investment Fund II, LLC (State Investment Fund). In conjunction with this equity investment, the Foundation then made an \$8,050,000 Leverage Loan (note receivable – NMTC) to the State Investment Fund.

The note receivable – NMTC held by the Foundation is payable by the State Investment Fund over 30 years to mature on May 30, 2041. Interest compounds at 3.08127% per annum. The State Investment Fund will pay the Foundation interest-only at a rate of 1.00% for the initial seven years of the note. Interest payments to the Foundation will be \$80,500 per year for the initial seven years after which time annual principal and interest payments due from the State Investment Fund will be \$569,222. As security for the note, the State Investment Fund has assigned its 99.99% interest in the State Sub-Community Development Entity. The outstanding balance of the note receivable, including accrued interest and interest income, as of June 30, 2016 and 2015 are as follows:

June 30,	2016	2015
Note receivable - principal	\$ 8,050,000	\$ 8,050,000
Accrued interest receivable	939,161	747,001
Total due from State Investment Fund	\$ 8,989,161	\$ 8,797,001
Interest income	\$ 272,660	\$ 266,374

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Notes receivable – NMTC and notes payable – NMTC (continued)

Also, in conjunction with the NMTC transaction, the School received a loan in the amount of \$13,000,000 from PNBI Subsidiary CDE 3, LLC (NMTC Lender), a Federal Sub-Community Development Entity, financed through equity provided by both state and federal new markets tax credit investors and the leveraging of the Foundation. The loan was comprised of two tranches, \$10,000,000 QLICI Note A and \$3,000,000 QLICI Note B (collectively referred to as notes payable – NMTC).

The notes payable – NMTC held by the School, evident by both Note A and Note B, include a simple interest rate of 1.34049% and are payable over 30 years to mature on May 30, 2041. Under Note A, the School will pay interest only of \$134,049 annually for the initial seven years of the Note after which annual principal and interest payments will be \$505,968. Under Note B, the School will pay interest only of \$40,215 annually for the initial seven years of the Note after which annual principal and interest payments will be \$146,701. Interest expense for the School totaled \$174,264 for each of the years ended June 30, 2016 and 2015. Note A and Note B are *pari passu* (equal rights) in rights of payment and principal, interest, escrow items, late charges and all other amounts payable. The total outstanding balance on the notes payable – NMTC as of June 30, 2016 and 2015 was \$13,000,000. Under terms of the NMTC transaction, the School is also obligated to pay annual loan servicing fees of \$32,500 and annual asset management fees of \$100,581.

As security for the notes payable, the School has pledged the Rowe Clark Gymnasium as well as all right, title and interest in, to and under leases and rents related to the property, if any. As additional security, the School has pledged money held in various accounts. The value of the security pledged in conjunction with the notes payable – NMTC is as follows:

June 30,	2016	2015
Rowe Clark gymnasium - net book value	\$ 4,216,602	\$ 4,331,238
Various cash accounts with financial institutions - fair value	2,604,562	2,604,222
Total security pledged in connection with notes payable – NMTC	\$ 6,821,164	\$ 6,935,460

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Notes receivable – NMTC and notes payable – NMTC (continued)

After the seven-year NMTC period expires, if the School has performed its obligations under the NMTC financing arrangement, the School may be able to gain control of and cancel, approximately \$5,000,000 of the \$13,000,000 indebtedness through the mutual forgiveness of the \$8,050,000 note receivable – NMTC and the \$13,000,000 notes payable – NMTC. The School can gain control of such debt in one of two ways: (1) the state and/or federal tax credit investors can exercise a put option giving the notes payable – NMTC to the School for \$1,000 or (2) if such put is not exercised, the School would be able to exercise a call option on the notes payable – NMTC by paying the fair market value of the state and federal tax credit investors' interests in the entities that provided the funds, in the form of equity or loans, needed for the NMTC lender to make the NMTC loan. It is expected that the gain of \$5,000,000 will be reduced by the forgiveness of accrued interest receivable of approximately \$1,300,000 for a net gain of \$3,700,000.

On April 17, 2015, the School entered into a second NMTC transaction to finance and reimburse the School in connection with the purchase and construction of a new school facility and to finance related equipment and furniture for its ITW David Speer Academy located in a Qualified Census Tract.

In conjunction with the NMTC transaction, the School contributed \$5,819,200 to the Foundation to be used by the Foundation as a leverage loan to Chase NMTC Noble ITW Investment Fund, LLC (the NMTC Investment Fund). The note receivable – NMTC held by the Foundation is payable by the NMTC Investment Fund over 30 years to mature on April 30, 2045. The NMTC Investment Fund will pay the Foundation interest only at a rate of 1.00% for the initial seven years of the note. Interest payments to the Foundation will be \$58,192 per year for the initial seven years after which time annual principal and interest payments due from the NMTC Investment Fund will be \$283,536. Interest income for the years ended June 30, 2016 and 2015 totaled \$58,192 and \$11,962, respectively. As security for the note, the NMTC Investment Fund has assigned its 99.99% interest in BH New Markets Sub-CDE III, LLC (the ITW NMTC Lender). The total outstanding balance of the note receivable – NMTC was \$5,819,200 as of June 30, 2016 and 2015.

Simultaneous with the closing of the NMTC transaction, the School entered into a term loan for \$5,700,000 from BMO Harris Bank. See Note 9 for more information on the notes payable.

As part of the NMTC transaction, the School received a loan for \$7,920,000 from the ITW NMTC Lender financed through equity provided by federal new markets tax credit investors and the leveraging of a loan from the Foundation.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Notes receivable – NMTC and notes payable – NMTC (continued)

The loan was comprised of two tranches, \$5,819,200 QLICI Note A and \$2,100,800 QLICI Note B (collectively referred to as notes payable – NMTC). The notes payable include a simple interest rate of 1.40401% and are payable over the life of the notes. The notes shall mature on the earlier of April 30, 2045 or the date which the unpaid principal balance becomes due and payable by acceleration or otherwise pursuant to the loan documents or the exercise by the ITW NMTC Lender of any right or remedy. Under Note A, the School will pay interest only of \$81,702 annually for the initial seven years of the Note after which annual principal and interest payments will be \$296,496. Under Note B, the School will pay interest only of \$29,495 annually for the initial seven years of the Note after which annual principal and interest payments will be \$107,040. Interest expense totaled \$111,198 and \$22,857 for the years ended June 30, 2016 and 2015, respectively. Note A and Note B are *pari passu* (equal rights) in rights of payment and principal, interest, escrow items, late charges and all other amounts payable. The total outstanding balance on the notes payable – NMTC was \$7,920,000 as of June 30, 2016 and 2015. Under terms of the NMTC transaction, the School is also obligated to pay annual loan servicing fees of \$20,000.

It is anticipated that the School will be in compliance with all NMTC program requirements for the seven-year NMTC compliance period ending on September 30, 2021. At the end of the seven years, Chase Community Equity, LLC (the NMTC investor) has the right under a put/call option agreement to put 100% of its membership interest in the NMTC Investment Fund to the School for a purchase price of \$1,000. If the put right is not exercised by the NMTC investor, the School has the option to purchase 100% of the NMTC investor's membership interest in the NMTC Investment Fund for its then appraised fair value. At that time, it is anticipated that the School may be able to gain control of and cancel, approximately \$2,100,000 of the \$7,920,000 indebtedness through the mutual forgiveness of the \$5,819,200 note receivable – NMTC and the \$7,920,000 notes payable – NMTC.

The applicable Loan Agreements for both NMTC transactions contain various covenants. Management of the School has represented that the School is in compliance with all loan covenants as of June 30, 2016 and 2015. The School may not refinance the indebtedness within the initial seven years of the notes payable – NMTC. The Foundation is a guarantor of the notes payable – NMTC.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Notes payable and interest rate swap

During the year ended June 30, 2008, the School entered into a loan agreement with IFF for \$800,000 to cover a shortfall from the bond financed funds for Golder College Prep. The note matures on June 1, 2023. The interest rate is 5.84% per annum and interest payments are payable monthly. Total outstanding balance on this note as of June 30, 2016 and 2015 was \$459,806 and \$511,487, respectively.

During the year ended June 30, 2009, the School entered into a loan agreement with IFF for \$1,000,000 to cover construction and renovation costs at Muchin College Prep. The loan agreement was originally structured as an interest-only loan. On November 1, 2009, the loan converted to a 15-year term loan with an interest rate of 5.68%. Interest and principal payments are paid in monthly installments. The total outstanding balance on this note as of June 30, 2016 and 2015 was \$654,241 and \$716,002, respectively.

During the year ended June 30, 2013, the School entered into a loan agreement with American Honda Finance Corporation for \$32,873 to purchase a 2013 Honda Pilot. The loan matured on February 28, 2016 with an interest rate of 3.79% per annum with interest and principal payments payable in monthly installments. The total outstanding balance on this note was \$21,929 as of June 30, 2015. This note was paid in full during the year ended June 30, 2016.

The above notes payable are secured by the property and equipment and leasehold improvements financed by the proceeds of each respective note payable. Also, the above notes payable require the School to comply with certain financial covenants. At June 30, 2016 and 2015, the School was in compliance with all of the financial covenants.

During the year ended June 30, 2011, the School entered into a loan agreement with PNBI Subsidiary CDE 3, LLC, in conjunction with a New Markets Tax Credit (NMTC) transaction. The total outstanding balance on the notes payable – NMTC as of June 30, 2016 and 2015 was \$13,000,000. See Note 8 for more information on the notes payable – NMTC.

During the year ended June 30, 2012, the School entered into two unsecured loan agreements with Charter Fund, Inc., doing business as Charter School Growth Fund (CSGF). The first loan is in the principal amount of \$500,000 with an annual interest rate of 1%. The principal balance is due in a balloon payment of \$500,000 on June 30, 2017. Interest is accrued annually and is due in full at the loan maturity date. The total outstanding balance on this note as of June 30, 2016 and 2015 was \$500,000.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Notes payable and interest rate swap (continued)

The second loan with CSGF is in the principal amount of \$3,000,000. Interest is accrued at 1% per annum over the term of the loan and payable in full on June 30, 2019. The note further provides for the conversion of up to \$1,000,000 of this note principal to a grant award at June 30, 2017, subject to the School securing grant commitments of \$24,000,000 from private donors from 2013 through 2017. Principal payments of the note are due in two equal installments of \$1,500,000 each on June 30, 2018 and 2019, subject to a potential reduction of \$1,000,000 due to securing the grant commitments described above. The total outstanding balance on this note was \$3,000,000 as of June 30, 2016 and 2015.

During the year ended June 30, 2014, the School entered into a third unsecured loan agreement with CSGF in the principal amount of \$375,000 with an annual interest rate of 1%. The principal balance is due in a balloon payment of \$375,000 on June 30, 2020. Interest is accrued annually and is due in full at the loan maturity date. The total outstanding balance on this note was \$375,000 as of June 30, 2016 and 2015.

During the year ended June 30, 2015, the School entered into a loan agreement with BH New Markets Sub-CDE III, LLC in conjunction with a second New Markets Tax Credit (NMTC) transaction. The total outstanding balance on the notes payable – NMTC was \$7,920,000 as of June 30, 2016 and 2015. The loan agreement is subordinate to the note below and secured by a second priority mortgage of the ITW David Speer Academy building and assignments of rents. See Note 8 for more information on the notes payable – NMTC.

In conjunction with the second NMTC transaction described above, during the year ended June 30, 2015, the School entered into a term loan for \$5,700,000 with BMO Harris Bank with an interest rate of adjusted one-month LIBOR plus 2.5% and a maturity date of April 17, 2022. Interest payments are payable monthly. The note is secured by a first priority mortgage of the ITW David Speer Academy building and assignment of rents. The loan is guaranteed by the Foundation. The total outstanding balance on this note as of June 30, 2016 and 2015 was \$4,259,260 and \$5,700,000, respectively.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Notes payable and interest rate swap (continued)

On July 17, 2015, the School entered into an ISDA Master (Swap) Agreement with BMO Harris Bank for a notional amount of \$5,000,000, an effective date of July 17, 2015 and a maturity date of April 15, 2022, in which the School will make interest payments based upon a fixed rate of 1.64% commencing on August 17, 2015 in exchange for BMO Harris Bank to make interest payments to the School based on a floating rate of one-month LIBOR rate through and including the maturity date. However, the swap agreement may be terminated at any time. The notional amount under the swap will decline in lockstep with principal redemption payment on the BMO Harris Bank loan disclosed in the prior paragraph so that the notional amount does not exceed the principal amount outstanding under the BMO Harris Bank loan. The swap is designed to hedge the risk of changes in interest rate payments on the BMO Harris Bank loan caused by changes in the floating interest rates.

The swap was issued at market terms so that it had no fair value at its inception. The carrying amount of the swap has been adjusted to its fair value as of June 30, 2016, which because of changes to future implied levels of one-month LIBOR, resulted in reporting a liability of \$116,247 for the fair value of the future net payments forecasted under the swap and the reduction in fair value of the swap is reported in the consolidated statement of activities. The interest rate swap is valued using pricing models that use observable inputs and is considered Level 2 under the fair value hierarchy – see Note 5.

Future minimum principal payments are as follows:

Year ending June 30:	Amount
2017	\$ 1,365,793
2018	2,650,950
2019	2,858,354
2020	2,121,180
2021	1,307,364
2022 and thereafter	19,893,282
Total	\$ 30,196,923

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Bonds payable

On August 30, 2006, the Illinois Finance Authority issued \$11,250,000 Education Revenue Bonds (Illinois Charter Schools Project – Noble Network of Charter Schools) Series 2006C. Interest will be payable semi-annually, on March 1 and September 1, at rates ranging from 4.00% to 4.40% and will mature in 2031. The bond proceeds were issued to finance the renovation of school facilities located at Rauner College Prep and Pritzker College Prep as well as to purchase leasehold improvements from Northwestern University Settlement Association for the benefit of the Noble Street Campus. The bonds are secured by those facilities.

On May 31, 2007, the Illinois Finance Authority issued \$13,620,000 Education Revenue Bonds (Illinois Charter Schools Project – Noble Network of Charter Schools) Series 2007A. Interest will be payable semi-annually, on March 1 and September 1, at rates ranging from 4.10% to 5.00% and will mature in 2032. The bond proceeds were issued to finance the purchase and renovation of school facilities located at Rowe Clark College Prep and the renovation of school facilities located at Golder College Prep. The bonds are secured by those facilities.

On October 1, 2013, the Illinois Finance Authority issued \$20,000,000 Education Revenue Bonds (Illinois Charter Schools Project – Noble Network of Charter Schools) Series 2013. Interest will be payable semi-annually, on March 1 and September 1, at rates ranging from 6.00% to 6.25% and will mature in 2039. The bond proceeds were issued to finance the renovation and construction of the school facility located at Hansberry College Prep and renovations of school facilities located at Noble Street College Prep, Rauner College Prep, Pritzker College Prep, Golder College Prep and Rowe Clark College Prep. The bonds are secured by those facilities.

On April 28, 2015, the Illinois Finance Authority issued \$19,810,000 Education Revenue Bonds (Illinois Charter Schools Project – Noble Network of Charter Schools) Series 2015. Interest will be payable semi-annually, on March 1 and September 1, at rates ranging from 1.50% to 5.00% and have maturity dates ranging from 2015 to 2032. The bond proceeds were issued to advance refund in their entirety the Series 2006C and 2007A Bonds and to finance a portion of the costs of issuing the Series 2015 Bonds. The bonds are secured by all bond financed property and facilities located at Rauner College Prep, Pritzker College Prep, Rowe Clark College Prep, Noble Street College Prep, Golder College Prep and Hansberry College Prep.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Bonds payable (continued)

During the year ended June 30, 2015, the Series 2006C and Series 2007A Bonds were defeased with the issuance of the Series 2015 Bonds and are no longer considered outstanding. In order to accomplish the defeasance of the Series 2006C and Series 2007A Bonds and to provide payment when due of principal and interest on the Series 2006C and Series 2007A Bonds, a portion of the proceeds of the Series 2015 Bonds were used to purchase United States government obligations that were deposited with and held in two trust funds securing the Series 2006C Bonds through the date of redemption on September 1, 2016 and the 2007A Bonds through the date of redemption on September 1, 2017. Subsequent to June 30, 2016, the School made a redemption payment of \$8,790,000 related to the Series 2006C Bonds.

The loan agreements relating to the 2006, 2007, 2013 and 2015 Bonds require the School to comply with certain financial covenants and places restrictions on various activities, such as the transfer of assets and incurrence of additional indebtedness. At June 30, 2016 and 2015, the School was in compliance with all of the financial covenants.

Future minimum principal payments are as follows:

Year ending June 30:	Amount*
2017	\$ 10,447,450
2018	11,959,949
2019	956,199
2020	986,199
2021	1,031,199
2022 and thereafter	35,775,186
Total	\$ 61,156,182

*Includes \$1,757,204 reoffering premium payables and net of \$86,024 discount on bonds payable.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Temporarily restricted net assets

Temporarily restricted net assets are available for the following purpose or time restrictions:

June 30,	2016	2015
Restricted for purpose:		
College readiness program	\$ 76,192	\$ 60,000
Extracurricular activities	5,989	56,408
Other programs	56,306	36,879
Principal internship program		100,000
Scholarships	3,046,798	3,550,374
Startup and growth activities and costs	11,974,032	291,877
Summer of a Lifetime program	480,822	255,338
 Total restricted for purpose	 15,640,139	 4,350,876
 Restricted for time	 1,010,581	 3,121,541
 Total temporarily restricted net assets	 \$ 16,650,720	 \$ 7,472,417

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Temporarily restricted net assets (continued)

During the years ended June 30, 2016 and 2015, net assets were released from donor restrictions by incurring expenses satisfying the following purpose or time restrictions:

Years ended June 30,	2016	2015
Restricted for purpose:		
College readiness program	\$ 272,000	\$ 700,675
Extracurricular activities	50,419	15,000
Other programs	485,882	306,664
Principal internship program	100,000	100,000
Scholarships	1,051,576	500,531
Startup and growth activities and costs	8,358,239	17,459,037
Summer of a Lifetime program	355,338	457,000
 Total restricted for purpose	 10,673,454	 19,538,907
 Restricted for time	 1,980,960	 1,649,040
 Total net assets released from restrictions	 \$ 12,654,414	 \$ 21,187,947

12. Retirement fund commitments

The School participates in the Public School Teachers' Pension and Retirement Fund of Chicago (the Fund), a defined-benefit plan. Members of the Fund include all active nonannuitants who are employed by a Fund-covered employer and who hold an Illinois State Teacher Certification Board certification. The State of Illinois appropriates public contributions to the Chicago Public Schools and remits those contributions to the Fund on behalf of applicable Chicago schools' employer contributions.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Retirement fund commitments (continued)

During the years ended June 30, 2016 and 2015, the Chicago Public Schools withheld the employer contribution related to pensionable salaries, other than special education instructors, from the per-capita tuition that was paid to the School. In addition, Chicago Public Schools contributed the employer contribution related to pensionable salaries of special education instructors. For the year ended June 30, 2016, the amount of employer contributions was estimated at \$4,051,182 (based on pensionable salaries of \$36,300,916), which approximates 11.16% of pensionable salary and includes \$997,175 (based on pensionable salaries of \$8,935,257) as contributed by the Chicago Public Schools and recorded as contributed services revenue. For the year ended June 30, 2015, the amount of employer contributions was estimated at \$3,506,308 (based on pensionable salaries of \$31,418,526), which approximates 11.16% of pensionable salary and includes \$728,079 (based on pensionable salaries of \$6,524,002) as contributed by the Chicago Public Schools and recorded as contributed services revenue.

In addition, the School has elected to pay a portion of its employees' contributions to the Fund. During the years ended June 30, 2016 and 2015, the School paid \$2,541,064 and \$2,199,297, respectively, in pension contributions to the Fund. The Fund does not maintain separate actuarial records for the School.

In addition, all employees were eligible to participate in the Noble Network of Charter Schools 401(k) P/S Plan (P/S Plan). Employees can elect to defer their compensation up to the maximum allowed. The School matches employee deferral contributions up to a maximum of 5% of compensation or \$2,000 semiannually. Contributions paid by the School to the Plan during the years ended June 30, 2016 and 2015 were \$505,323 and \$414,743, respectively. Prior to May 31, 2015, the School sponsored two employee profit-sharing plans. The P/S Plan was only available to all non-certified support employees. The Noble Network of Charter Schools 401(k) Pensioners Plan (Pensioners Plan) was available to certified teachers. There was no employer matching contribution in the Pensioners Plan. On May 31, 2015, the Pensioners Plan was terminated and all of its assets were transferred into the P/S Plan. Effective upon termination of the Pensioners Plan, all employees were eligible to participate in the P/S Plan.

13. Commitments and contingencies

The School has received funds from state and federal grants in the current year which are subject to audits by the granting agencies. Management believes that any adjustments that might arise from these audits would be insignificant to School operations.

As of June 30, 2016, the School had entered into construction contracts totaling approximately \$160,000 to renovate certain campus facilities, of which \$40,000 has been incurred as of June 30, 2016.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Commitments and contingencies (continued)

Subsequent to June 30, 2016, the School entered into construction contracts totaling approximately \$21,748,000 to build the Mansueto High School, of which \$932,000 had been incurred as of June 30, 2016.

14. Leases and other agreements

Noble Street College Prep – The School entered into a lease agreement with Northwestern University Settlement Association for the period from July 1, 2004 through June 30, 2021. The lease agreement contains two renewal options for ten years each. The School is responsible for paying its allocable share of utilities and actual costs of insurance, maintenance and building repairs.

Rauner College Prep and Pritzker College Prep – In September 2005, the School entered into a master lease agreement with the Archdiocese of Chicago for space from July 2005 through June 2020, which was amended in July 2014 to provide for additional space. The lease includes two options to renew for ten years each. The School is responsible for all insurance, utilities, repairs and maintenance charges.

Golder College Prep – In March 2007, the School entered into a master lease agreement with the Archdiocese of Chicago for space from February 2007 through June 2027. The lease includes an option to renew for ten years and a second option to renew for five years. In October 2013, the School entered into a lease agreement with a private owner for gymnasium space from October 2013 through September 2016. The lease agreement contains five options to renew for three years each, of which the first option was exercised subsequent to year-end extending the lease through September 2019. The lease requires a security deposit of \$6,000. The School is responsible for paying its allocable share of utilities and actual costs of insurance, maintenance and building repairs.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Leases and other agreements (continued)

Gary Comer College Prep – In June 2009, the School entered into a lease agreement with GCCP, LLC for space from August 2010 through July 2035. The lease agreement contains three renewal options for five years each. The School is responsible for all insurance, utilities, repairs and maintenance charges. The lease required a security deposit of \$100,000 and the School is required to increase the security deposit by \$100,000 annually thereafter for four years, at which time the total security deposit shall remain at \$500,000. The deposit was \$500,000 and \$400,000 as of June 30, 2016 and 2015, respectively. Base rent is \$750,000 per year and may be adjusted upon the landlord's refinancing any then existing mortgage loan to cover any net increase in annual debt service. Also, the School entered into a shared use and operating agreement with GCYC, LLC for the right to access and utilize certain rooms and spaces located in the Gary Comer Youth Center from August 2010 through July 2035. Rent is waived for the first seven years of the agreement and then is \$70,000 per year thereafter, to increase by the Consumer Price Index.

Muchin College Prep – In June 2008, the School entered into a lease agreement with Stonewater One North State Funding, LLC for school space at Muchin College Prep from March 2009 through February 2029. The lease agreement contains two renewal options for ten years each, a right of first offer to purchase and an early termination option after December 2022 subject to a termination fee. The School is responsible for all insurance, utilities, repairs and maintenance charges. The lease requires a security deposit of \$1,260,000, in the form of a letter of credit. The School has the right to reduce the security deposit (letter of credit) after March 2012 at various amounts annually until March 2018 when no amount will be required. Northern Trust issued the School a letter of credit in July 2008, in the amount required by the lease, which expired in June 2009 with automatic one-year extensions. The letter of credit balance was reduced to \$360,000 and \$540,000 during the years ended June 30, 2016 and 2015, respectively, with all other terms and conditions remaining the same. As collateral for the letter of credit, the School holds a certificate of deposit at Northern Trust with a balance of \$360,268 at June 30, 2016 and an investment account with a balance of \$720,029 as of June 30, 2015. During the years ended June 30, 2016 and 2015, the School allocated a portion of the total rent expense to the Noble Network Support Team (NNST) based on its shared use of space at Muchin College Prep. Rent expense allocated to NNST totaled \$350,938 and \$343,197 for the years ended June 30, 2016 and 2015, respectively.

Noble Day Care – In February 2013, Noble Day Care renewed its original lease agreement to include additional building space for the daycare until February 2023. The lease required a security deposit of \$6,500. Noble Day Care is responsible for paying its allocable share of utilities and actual costs of insurance, maintenance and building repairs. The lease is guaranteed by the School.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Leases and other agreements (continued)

Hansberry College Prep – In April 2012, the School entered into a master lease agreement with the Archdiocese of Chicago for space from March 2012 through June 2032. The lease includes an option to renew for ten years and a second option to renew for five years. The lease required a security deposit of \$11,253. The School is responsible for all insurance, utilities, repairs and maintenance charges.

DRW College Prep – In June 2012, the School simultaneously entered into a sub-sublease agreement with Henry Ford Academies of Illinois, NFP (subtenant) and a lease agreement with Foundation for Homan Square for school space at DRW College Prep. The sub-sublease agreement is from August 1, 2012 through June 30, 2015. The sub-sublease agreement provided for sharing of space with Henry Ford Academy: Power House High (Power House High), the charter high school operated by the subtenant. Base rent per the sub-sublease agreement was based on the School's agreed upon proportionate share of occupancy, adjusted annually. The School was also responsible for paying its allocable share of utilities and actual costs of insurance, maintenance and building repairs according to the terms of the sub-sublease agreement. Power House High phased out its operations from July 1, 2012 through June 30, 2015. To facilitate the phase out of Power House High, the School entered into a management agreement with the subtenant to provide management services to Power House High during the phase out period for an annual management fee of \$240,209 for 2013, \$245,013 for 2014 and \$249,914 for 2015.

The effective date of the lease agreement with Foundation for Homan Square is July 1, 2015, the date the premises were wholly occupied by the School, at which time the sublease agreement and sub-sublease agreement were terminated. The lease agreement is through June 30, 2027 and provides an option to renew for fifteen years. According to the terms of the lease agreement, the School shall have no obligation to pay base rent for its use and occupancy. However, the School is responsible for all operating costs including utilities, insurance, repairs and maintenance charges and real estate taxes in lieu of rent.

ITW David Speer Academy – In June 2014, the School entered into a lease agreement with the Archdiocese of Chicago for school space while its permanent campus was under construction. The lease term was from June 2014 through April 2015 and was not renewed. The lease required a security deposit of \$17,949. The School was responsible for all insurance, utilities, repairs and maintenance charges.

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Leases and other agreements (continued)

The Noble Academy – In February 2014, the School entered into a lease agreement with 17 N. State LLC for school space from July 2014 through June 2016 with an option to terminate on June 30, 2015, of which the School exercised. The lease required a security deposit of \$31,775. The School was responsible for paying its allocable share of utilities and actual costs of real estate taxes, insurance, maintenance and building repairs.

In February 2015, the School entered into a lease agreement for school space starting on August 1, 2015. In June 2015, the School notified the landlord that it would not be able to occupy the space. During the year ended June 30, 2016, the School negotiated the termination of the lease agreement with the landlord.

On July 1, 2015, the School entered into a Memorandum of Understanding with CICS ChicagoQuest to co-share space owned by Chicago Public Schools for The Noble Academy. The agreement expired on June 30, 2016. The School is responsible for a pro-rata share, based on a percentage of students that each school enrolls, of custodial services, utilities, security equipment, janitorial supplies and maintenance costs. Subsequent to June 30, 2016, the lease agreement was renewed until June 30, 2017. Under the new lease terms, the School is responsible for 50% of custodial services, utilities, security equipment, janitorial supplies and maintenance costs, regardless of enrollment or assigned square footage.

Mansueto High School – In June 2016, the School entered into a space sharing agreement with New Life Properties and New Life Community Church of Chicago to be a sub-lessee in space owned by New Life Properties for school space while its permanent campus is under construction. The agreement expires on June 30, 2017 and includes short-term renewal options. The sublease agreement required a security deposit of \$25,000. The School will be responsible for a pro-rata share of maintenance costs, utilities, custodial services and facility upkeep based on an agreed-upon sliding enrollment scale. Additionally, the sublease agreement calls for a one-time payment of approximately \$92,000 to be used for building improvement costs.

Gary Comer Middle School, UIC College Prep, Chicago Bulls College Prep, Johnson College Prep, Baker College Prep and Butler College Prep – For the years ended June 30, 2016 and 2015, the School operated in a space owned by Chicago Public Schools for \$1 per year. Gary Comer Middle School, Baker College Prep and Butler College Prep all operate under leases with an expiration date of June 30, 2020. UIC College Prep, Chicago Bulls College Prep and Johnson College Prep all operate under leases with an expiration date of June 30, 2021.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Leases and other agreements (continued)

The School pays a facility fee to Chicago Public Schools to cover utilities, facility oversight and use of IT infrastructure. Facility fees paid for the years ended June 30, 2016 and 2015 are as follows:

Years ended June 30,	2016	2015
Gary Comer Middle School	\$ 274,344	\$ 243,366
Baker College Prep	333,558	220,065
Butler College Prep	375,306	227,832
Total facility fees	\$ 983,208	\$ 691,263

The School also recognized contributed rent for the years ended June 30, 2016 and 2015 as follows:

Years ended June 30,	2016	2015
Gary Comer Middle School	\$ 174,904	\$ 169,810
UIC College Prep	588,753	571,605
Chicago Bulls College Prep	845,731	821,098
Johnson College Prep	459,153	445,780
Baker College Prep	577,209	560,398
Butler College Prep	423,572	411,021
The Noble Academy	325,151	
Total contributed rent	\$ 3,394,473	\$ 2,979,712

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Leases and other agreements (continued)

Future minimum building rental commitments are estimated as follows:

Year ending June 30:	Gary Comer													
	Noble	Rauner	Pritzker	Golder	Lease	Shared use (Youth Center)	Muchin	Hansberry	DRW	ITW David Speer Academy	The Noble Academy	Mansueto High School	Noble Day Care	Total
2017	\$ 248,694	\$ 201,614	\$ 353,153	\$ 234,163	\$ 750,000		\$ 1,758,521	\$ 147,554				\$ 190,000	\$ 67,268	\$ 3,950,967
2018	255,051	206,929	362,459	246,711	750,000	\$ 58,333	1,792,178	151,981					69,286	3,892,928
2019	261,535	212,350	372,042	259,563	750,000	70,000	1,825,834	156,540					71,365	3,979,229
2020	268,148	207,880	381,888	272,729	750,000	70,000	1,859,491	161,236					73,505	4,044,877
2021	274,897			286,218	750,000	70,000	1,893,147	166,074					75,711	3,516,047
2022 and thereafter				2,482,518	10,625,000	991,667	15,628,535	2,190,848					124,259	32,042,827
Total	\$ 1,308,325	\$ 828,773	\$ 1,469,542	\$ 3,781,902	\$ 14,375,000	\$ 1,260,000	\$ 24,757,706	\$ 2,974,233				\$ 190,000	\$ 481,394	\$ 51,426,875
Rent expense:														
Year ended June 30, 2016	\$ 266,096	\$ 194,286	\$ 358,092	\$ 262,551	\$ 750,000	\$ 50,400	\$ 1,747,722	\$ 171,028	\$ 214,651		\$ 1,732,274		\$ 101,661	\$ 5,848,761
Year ended June 30, 2015	\$ 277,996	\$ 182,250	\$ 160,903	\$ 277,385	\$ 750,000	\$ 50,400	\$ 1,708,786	\$ 171,028	\$ 203,446	\$ 161,538	\$ 384,148		\$ 79,758	\$ 4,407,638

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. School lunch program

For the years ended June 30, 2016 and 2015, the School has contracted with Chartwells Thompson Hospitality to administer the School's breakfast, lunch and summer food service program under an annual agreement with optional one-year renewals. Under this agreement, the School collects all fees related to this program and purchases the necessary quantity of meals through Chartwells Thompson Hospitality. The School contracts with FSP to administer the breakfast and lunch program at The Noble Academy.

16. Self-insurance program

Effective January 1, 2016, the School maintains a self-insurance program for its employees' health care costs. The School is liable for losses on claims up to \$155,000 per covered person and up to approximately \$4,600,000 in aggregate for 2016. The School has third-party insurance coverage for any losses in excess of such amounts. Self-insurance costs are accrued based on claims reported as of the consolidated financial statements date as well as an estimated liability for claims incurred but not reported. The total accrued liability for self-insurance costs was approximately \$850,000 as of June 30, 2016 and is included in accounts payable and accrued expenses on the consolidated statement of financial position.

17. Subsequent events

Management of the School has reviewed and evaluated subsequent events from June 30, 2016, the consolidated financial statement date, through October 18, 2016, the date the consolidated financial statements were issued. Other than those discussed in Notes 1, 10, 13 and 14, no events have occurred in this period that would be required to be recognized and/or disclosed in these consolidated financial statements as required by generally accepted accounting principles.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Project Year	Total
U.S. Department of Education:				
Charter Schools	84.282		October 1, 2015 - September 2016	\$ 514,727
Pass-through programs from Illinois State Board of Education:				
Title I Grants to Local Educational Agencies*	84.010	150162990AF	July 1, 2014 - June 30, 2015	285,945
Title I Grants to Local Educational Agencies*	84.010	150162990AF	July 1, 2015 - June 30, 2016	7,775,290
Total Title I Grants to Local Educational Agencies				<u>8,061,235</u>
English Language Acquisition State Grants (Title III)	84.365	150162990AF	July 1, 2015 - June 30, 2016	114,190
Supporting Effective Instruction State Grant (Title II)	84.367	150162990AF	July 1, 2015 - June 30, 2016	1,032,347
Food and Nutrition Service, Department of Agriculture:				
Pass-through programs from Illinois State Board of Education:				
School Breakfast Program	10.553	150162990AF	October 1, 2014 - September 30, 2015	130,466
School Breakfast Program	10.553	150162990AF	October 1, 2015 - September 30, 2016	1,142,294
National School Lunch Program	10.555	150162990AF	October 1, 2014 - September 30, 2015	571,873
National School Lunch Program	10.555	150162990AF	October 1, 2015 - September 30, 2016	3,544,556
National School Lunch Program (Food Distribution Program)	10.555	150162990AF	June 1, 2015 - July 30, 2016	225,251
Summer Food Service Program For Children	10.559	150162990AF	October 1, 2014 - September 30, 2015	74,990
				<u>5,689,430</u>
Department of Defense:				
Pass-through program from the United States Navy:				
ROTC Language and Culture Training Grants	12.357			344,171
Total expenditures of federal awards				<u>\$ 15,756,100</u>

*Denotes a major program.

See notes to schedule of expenditures of federal awards.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2016

1. Basis of presentation

The accompanying schedule of expenditures of federal awards (schedule) includes the federal grant activity of the School and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, changes in net assets or cash flows of the School.

2. Summary of significant accounting policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect cost rate

The School has elected to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.

**Independent Auditor’s Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Board of Directors
Noble Network of Charter Schools
Chicago, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Noble Network of Charter Schools, Subsidiaries and Affiliate (collectively referred to as the School), which comprise the consolidated statement of financial position as of June 30, 2016 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended and the related notes to the consolidated financial statements and have issued our report thereon dated October 18, 2016.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Ostrow Reisin Berk & Abrams, Ltd.

October 18, 2016

Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

Board of Directors
Noble Network of Charter Schools
Chicago, Illinois

Report on Compliance for Each Major Federal Program

We have audited Noble Network of Charter Schools’ (the School) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School’s major federal programs for the year ended June 30, 2016. The School’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with federal statutes, regulations and terms and contracts applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the School’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

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

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

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

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

Ostrow Reisin Berk & Abrams, Ltd.

October 18, 2016

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2016

Section I - Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on the consolidated financial statements of Noble Network of Charter Schools, Subsidiaries and Affiliate.
2. There were no significant deficiencies or material weaknesses disclosed during the audit of the consolidated financial statements.
3. There were no instances of noncompliance material to the consolidated financial statements of Noble Network of Charter Schools, Subsidiaries and Affiliate, which would be required to be reported in accordance with *Government Auditing Standards*.
4. There were no significant deficiencies or material weaknesses in internal control over major federal award programs disclosed during the audit.
5. The auditor's report on compliance for the major federal award programs for Noble Network of Charter Schools expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with the Uniform Guidance.
7. The program tested as a major program was:
Title I Grants to Local Educational Agencies (84.010)
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Noble Network of Charter Schools qualified as a low-risk auditee.

Section II - Financial Statement Findings

There were no financial statement findings.

Section III - Major Federal Award Programs Findings and Questioned Costs

There were no federal award programs findings and questioned costs.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2016

Financial Statement Findings

There were no financial statement findings.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS (CONTINUED)

YEAR ENDED JUNE 30, 2016

Major Federal Award Programs Findings and Questioned Costs

2015-001 Special Tests

Food and Nutrition Service, Department of Agriculture:

Pass-through programs from Illinois State Board of Education:

U.S.D.A. Child Nutrition Cluster: School Breakfast Program (10.553)

National School Lunch Program (10.555)

Summer Food Service Program for Children (10.559)

Criteria

The School is required to verify the current free and reduced price eligibility households selected from a sample of applications and make appropriate changes to eligibility statuses if necessary.

Condition/Context

When testing a sample size of twenty-five students verified, it was determined that two students' meal status should have been changed from free lunch to reduced; however, the update was never made to the School's internal software. This resulted in both students continuing to receive free meals despite being determined ineligible.

Effect/Cause

The School did not adequately review the internal software to ensure all changes as a result of the verification process were made resulting in two ineligible students continuing to receive free lunch.

Recommendation

We recommend that the School train an employee to regularly review the internal software and ensure all changes as a result of the verification process have been properly made.

Status

The School instituted a process and assigned dedicated resources to regularly review the free and reduced meal status to ensure that the status is correctly marked in the Power School system. This is no longer a finding.

Independent Auditor's Report on Compliance with Requirements of Applicable Laws and Regulations Prescribed by Administering Agency

Board of Directors
Noble Network of Charter Schools
Chicago, Illinois

We have audited the compliance of Noble Network of Charter Schools (the School) with the types of compliance requirements provided by its administering agency, the Chicago Public Schools, that are applicable to the School for the year ended June 30, 2016. The Chicago Public Schools provided the compliance requirements subject to audit to the School in a memorandum dated April 8, 2016 and a renewal of Charter and Charter School Agreement dated July 1, 2014.

Management's Responsibility

Compliance with the requirements of laws, regulations, contracts and applicable grants is the responsibility of management.

Auditor's Responsibility

Our responsibility is to express an opinion on the School's compliance based on our audit. The applicable laws and regulations that were tested included the following:

- Open Meetings Act (5 ILCS 120/1.01 *et seq.*)
- Fingerprint-based Criminal Background Investigations and Checks of the Statewide Sex Offender Database and Statewide Child Murderer and Violent Offender Against Youth Database (105 ILCS 5/10-21.9 and 105 ILCS 5/34-18.5)
- Illinois School Student Records Act (105 ILCS 10/1 *et seq.*)
- Administering Medication (105 ILCS 5/10-22.21b)
- Hazardous Materials Training (105 ILCS 5/10-20.17a)
- School Safety Drill Act (105 ILCS 128/1 *et seq.*)
- Abused and Neglected Child Reporting Act (325 ILCS 5/1 *et seq.*)
- Eye Protection in School Act (105 ILCS 115/0.01 *et seq.*)
- Toxic Art Supplies in Schools Act (105 ILCS 135/1 *et seq.*)
- Infectious Disease Policies and Rules (105 ILCS 5/10-21.11)
- Physical Fitness Facility Medical Emergency Preparedness Act (210 ILCS 74/1 *et seq.*)

- Conformance with the following sections of the Charter School Agreement:
 - Section 4: Enrollment
 - Section 4: Governance and Operation
 - Section 5: Maintenance of Corporate Status and Good Standing
 - Section 5: Facilities
 - Section 6: Pension Payments
 - Section 6: Management and Financial Controls
 - Section 6: Attendance
 - Section 8: Insurance

We conducted our audit of compliance 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 an audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the School's compliance with those requirements.

Opinion

In our opinion, except for the finding noted on the following page, the School complied, in all material respects, with the Chicago Public Schools' requirements referred to above for the year ended June 30, 2016.

The School's response to the finding identified in our audit is noted on the following page. We did not audit the School's response and, accordingly, we express no opinion on the response.

This report is intended for the information and use of the Board of Directors and management of Noble Network of Charter Schools and Chicago Public Schools and is not intended to be and should not be used by anyone other than these specified parties.

Ostrow Reisin Berk & Abrams, Ltd.

October 18, 2016

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

SUMMARY OF FINDINGS

YEAR ENDED JUNE 30, 2016

	Current year finding	Prior year finding
Noble Street College Prep	None	None
Rauner College Prep	None	None
Pritzker College Prep	None	None
Rowe Clark College Prep	None	None
Golder College Prep	None	None
Gary Comer College Prep	2016-1	None
UIC College Prep	None	None
Muchin College Prep	None	None
Chicago Bulls College Prep	None	None
Johnson College Prep	None	None
Hansberry College Prep	None	None
DRW College Prep	None	2015-1
Baker College Prep	None	None
Butler College Prep	2016-1	None
ITW David Speer Academy	None	None
The Noble Academy	None	None

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

SCHEDULE OF CURRENT YEAR FINDINGS

YEAR ENDED JUNE 30, 2016

Finding 2016-1 Fingerprint-based Criminal Background Investigations and Checks of the Statewide Sex Offender Database and Statewide Child Murderer and Violent Offender Against Youth Database

Criteria/Requirement

The School shall obtain authorization from every new applicant to conduct a criminal background investigation on them.

Condition

Of the 170 employee files we tested across all 16 Campuses, two criminal background authorization forms were unable to be located.

Effect

The School is not in compliance with this compliance requirement.

Recommendation

We recommend that the School obtain the necessary authorization that is required to be attained to conduct a criminal background investigation for every new applicant at the School.

Management Response

The School will reevaluate its current process and make any necessary changes and enhancements to its current tracking of employee authorization forms.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

SCHEDULE OF PRIOR YEAR FINDINGS

YEAR ENDED JUNE 30, 2016

Finding 2015-1 Illinois School Student Records Act

Criteria/Requirement

The School shall maintain student record information for every student at the School.

Condition

Of the 160 student files we tested across all 16 Campuses, one student file was unable to be located.

Effect

The School is not in compliance with this compliance requirement.

Recommendation

In the prior year, we recommended that the School obtain the necessary information that is required to be held in the missing student's file and continue to maintain student record information for every student at the School.

Status

The School corrected the instance of noncompliance and conducted a full review of the student files to ensure compliance. This is no longer a finding.

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

June 30, 2016

	Noble Network of Charter Schools	Noble Day Care	Noble Network Education Foundation	Noble Management, LLC - Mansueto High School, LLC	Eliminations	Consolidated Total
ASSETS						
Current assets:						
Cash	\$ 54,262,751	\$ 167,832	\$ 509,112			\$ 54,939,695
Accounts receivable	8,837,518	6,727				8,844,245
Contributions receivable	11,546,418					11,546,418
Due from Noble Day Care	283,110				\$ (283,110)	
Due from Noble Network Education Foundation	317,900				(317,900)	
Prepaid expenses	1,997,208					1,997,208
Bond and NMTC issuance costs, net	215,238					215,238
Cash and investments - restricted by bond indenture	11,771,600					11,771,600
Total current assets	89,231,743	174,559	509,112		(601,010)	89,314,404
Property and equipment, net	86,164,884	123,879		\$ 3,686,675		89,975,438
Other assets:						
Contributions receivable, net of current portion	581,000					581,000
Bond and NMTC issuance costs, net of current portion	2,325,923					2,325,923
Cash - restricted by NMTC	2,604,562					2,604,562
Cash and investments - restricted by bond indenture, net of current portion	11,174,245					11,174,245
Investments - restricted for student scholarships	2,616,057					2,616,057
Investments - restricted for lease security deposit	360,268					360,268
Investment - Noble Management, LLC	3,686,675				(3,686,675)	
Leverage loan notes receivable - NMTC			14,808,362			14,808,362
Deposits	793,576	6,500				800,076
Total other assets	24,142,306	6,500	14,808,362		(3,686,675)	35,270,493
Total assets	\$ 199,538,933	\$ 304,938	\$ 15,317,474	\$ 3,686,675	\$ (4,287,685)	\$ 214,560,335

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION (CONTINUED)

June 30, 2016

	Noble Network of Charter Schools	Noble Day Care	Noble Network Education Foundation	Noble Management, LLC - Mansueto High School, LLC	Eliminations	Consolidated Total
LIABILITIES, NET ASSETS (DEFICIT) AND MEMBER'S EQUITY						
Current liabilities:						
Accounts payable and accrued expenses	\$ 10,711,274					\$ 10,711,274
Due to Noble Network of Charter Schools		\$ 283,110	\$ 317,900		\$ (601,010)	
Bonds payable, current portion	10,447,450					10,447,450
Notes payable, current portion	1,365,793					1,365,793
Deferred lease incentive, current portion	199,046					199,046
Deferred revenue	1,957,314					1,957,314
Total current liabilities	24,680,877	283,110	317,900		(601,010)	24,680,877
Long-term liabilities:						
Bonds payable, net of current portion	50,708,732					50,708,732
Notes payable, net of current portion	28,831,130					28,831,130
Obligation under interest rate swap agreement	116,247					116,247
Deferred lease incentive, net of current portion	2,322,199					2,322,199
Deferred rent	2,386,844	27,985				2,414,829
Total long-term liabilities	84,365,152	27,985				84,393,137
Total liabilities	109,046,029	311,095	317,900		(601,010)	109,074,014
Net assets (deficit):						
Unrestricted:						
Board-designated	15,000,000					15,000,000
Other	58,842,184	(6,157)	1,080,374		13,919,200	73,835,601
Total unrestricted	73,842,184	(6,157)	1,080,374		13,919,200	88,835,601
Temporarily restricted	16,650,720		13,919,200		(13,919,200)	16,650,720
Total net assets (deficit)	90,492,904	(6,157)	14,999,574			105,486,321
Member's equity				\$ 3,686,675	(3,686,675)	
Total liabilities, net assets (deficit) and member's equity	\$ 199,538,933	\$ 304,938	\$ 15,317,474	\$ 3,686,675	\$ (4,287,685)	\$ 214,560,335

NOBLE NETWORK OF CHARTER SCHOOLS, SUBSIDIARIES AND AFFILIATE

CONSOLIDATING STATEMENT OF FINANCIAL POSITION (CONTINUED)

June 30, 2015	Noble Network of Charter Schools	Noble Day Care	Noble Network Education Foundation	Eliminations	Consolidated Total
ASSETS					
Current assets:					
Cash	\$ 47,099,298	\$ 127,308	\$ 370,540		\$ 47,597,146
Accounts receivable	8,511,392	586			8,511,978
Contributions receivable	2,550,010				2,550,010
Due from Noble Day Care	257,565			\$ (257,565)	
Due from Noble Network Education Foundation	254,806			(254,806)	
Prepaid expenses	2,141,556				2,141,556
Bond and NMTC issuance costs, net	215,238				215,238
Cash and investments - restricted by bond indenture	3,486,314				3,486,314
Total current assets	64,516,179	127,894	370,540	(512,371)	64,502,242
Property and equipment, net	84,153,121	141,634			84,294,755
Other assets:					
Contributions receivable, net of current portion	1,245,808				1,245,808
Bond and NMTC issuance costs, net of current portion	2,541,160				2,541,160
Cash - restricted by NMTC	2,604,222				2,604,222
Cash - restricted for lease security deposit	720,029				720,029
Cash and investments - restricted by bond indenture, net of current portion	23,759,936				23,759,936
Investments - restricted for student scholarships	2,553,611				2,553,611
Leverage loan notes receivable - NMTC			14,616,201		14,616,201
Deposits	698,593	6,500			705,093
Total other assets	34,123,359	6,500	14,616,201		48,746,060
Total assets	\$ 182,792,659	\$ 276,028	\$ 14,986,741	\$ (512,371)	\$ 197,543,057

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATING STATEMENT OF FINANCIAL POSITION (CONTINUED)

June 30, 2015	Noble Network of Charter Schools	Noble Day Care	Noble Network Education Foundation	Eliminations	Consolidated Total
LIABILITIES AND NET ASSETS					
Current liabilities:					
Accounts payable and accrued expenses	\$ 10,578,262				\$ 10,578,262
Due to Noble Network of Charter Schools		\$ 257,565	\$ 254,806	\$ (512,371)	
Bonds payable, current portion	1,393,699				1,393,699
Notes payable, current portion	979,816				979,816
Deferred lease incentive, current portion	199,046				199,046
Deferred revenue	3,622,751				3,622,751
Total current liabilities	16,773,574	257,565	254,806	(512,371)	16,773,574
Long-term liabilities:					
Bonds payable, net of current portion	61,152,436				61,152,436
Notes payable, net of current portion	30,764,602				30,764,602
Deferred lease incentive, net of current portion	2,521,245				2,521,245
Deferred rent	2,262,470	7,674			2,270,144
Total long-term liabilities	96,700,753	7,674			96,708,427
Total liabilities	113,474,327	265,239	254,806	(512,371)	113,482,001
Net assets:					
Unrestricted:					
Board-designated	15,000,000				15,000,000
Other	46,845,915	10,789	812,735	13,919,200	61,588,639
Total unrestricted	61,845,915	10,789	812,735	13,919,200	76,588,639
Temporarily restricted	7,472,417		13,919,200	(13,919,200)	7,472,417
Total net assets	69,318,332	10,789	14,731,935		84,061,056
Total liabilities and net assets	\$ 182,792,659	\$ 276,028	\$ 14,986,741	\$ (512,371)	\$ 197,543,057

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATING STATEMENT OF ACTIVITIES

Year ended June 30, 2016	Noble Network Support Team			Noble Street College Prep			Rauner College Prep			Pritzker College Prep		
	Unrestricted	Temporarily		Unrestricted	Temporarily		Unrestricted	Temporarily		Unrestricted	Temporarily	
		Restricted	Total		Restricted	Total		Restricted	Total		Restricted	Total
Revenue:												
Chicago Public Schools:												
Per-capita tuition				\$ 5,253,466	\$ 5,253,466	\$ 5,126,816	\$ 5,126,816	\$ 7,854,888		\$ 7,854,888		
Facilities				469,500	469,500	459,750	459,750	700,125		700,125		
Special education	\$ 767,444		\$ 767,444	675,543	675,543	588,804	588,804	821,437		821,437		
Case manager stipends				3,014	3,014	3,014	3,014	3,014		3,014		
Chapter I				461,903	461,903	432,386	432,386	707,613		707,613		
Title I				535,636	535,636	447,095	447,095	666,851		666,851		
Title II				55,694	55,694	56,432	56,432	84,984		84,984		
Title III				13,246	13,246	3,150	3,150	43,203		43,203		
Growth funds												
Contributed services	40,553		40,553	74,829	74,829	71,555	71,555	91,545		91,545		
Contributions and grants	941,737	\$ 1,394,816	2,336,553	9,904	9,904	2,000	2,000	6,125	\$ 36,000	42,125		
E-rate discount funding				24,789	24,789	24,275	24,275	36,946		36,946		
Food program	7,988		7,988	284,060	284,060	215,040	215,040	571,668		571,668		
Instructional program - ROTC	110,723		110,723					33,539		33,539		
Interest and dividends	208,206		208,206	5	5	9	9	9		9		
Change in fair value of interest rate swap												
Net realized and unrealized loss on investments	(23,677)		(23,677)									
Night school fees				9,375	9,375	16,626	16,626	15,710		15,710		
Other revenue	158,081		158,081	2,822	2,822	968	968	860		860		
Registration and tuition - Noble Day Care												
School fees				220,947	220,947	166,367	166,367	364,792		364,792		
School fundraising				13,053	13,053							
Summer of a Lifetime, A Noble Network Program	752,364	580,822	1,333,186									
Summer of a Lifetime, A Noble Network Program - transfers	345,850		345,850	(16,000)	(16,000)	(15,000)	(15,000)	(15,000)		(15,000)		
Summer school fees				22,695	22,695	26,368	26,368	41,180		41,180		
Uniform fees				34,755	34,755	28,974	28,974	58,068		58,068		
Transfer of grant funds from NNST	(3,177,697)		(3,177,697)	176,429	176,429	172,765	172,765	262,953		262,953		
NNST school management fees (expenses)	12,658,636		12,658,636	(702,821)	(702,821)	(688,226)	(688,226)	(1,048,056)		(1,048,056)		
Net assets released from restrictions:												
Satisfaction of purpose or time restrictions	4,562,616	(4,562,616)						28,858	(28,858)			
Total revenue	17,352,824	(2,586,978)	14,765,846	7,622,844	7,622,844	7,139,168	7,139,168	11,331,312	7,142	11,338,454		
Expenses:												
Program services	1,780,051		1,780,051	6,863,299	6,863,299	6,873,136	6,873,136	9,787,090		9,787,090		
Supporting services:												
Management and general	13,236,430		13,236,430									
Fundraising	877,908		877,908									
Total expenses	15,894,389		15,894,389	6,863,299	6,863,299	6,873,136	6,873,136	9,787,090		9,787,090		
Change in net assets	\$ 1,458,435	\$ (2,586,978)	\$ (1,128,543)	\$ 759,545	\$ 759,545	\$ 266,032	\$ 266,032	\$ 1,544,222	\$ 7,142	\$ 1,551,364		

Rowe Clark College Prep			Golder College Prep			Gary Comer College Prep			UIC College Prep			Muchin College Prep			Chicago Bulls College Prep		
Temporarily		Total	Temporarily		Total	Temporarily		Total	Temporarily		Total	Temporarily		Total	Temporarily		Total
Unrestricted	Restricted		Unrestricted	Restricted		Unrestricted	Restricted		Unrestricted	Restricted		Unrestricted	Restricted		Unrestricted	Restricted	
\$ 4,598,273		\$ 4,598,273	\$ 5,480,972		\$ 5,480,972	\$ 8,842,246		\$ 8,842,246	\$ 7,463,369		\$ 7,463,369	\$ 7,411,935		\$ 7,411,935	\$ 9,242,203		\$ 9,242,203
413,250		413,250	487,500		487,500	558,750		558,750				659,250		659,250			
926,050		926,050	612,110		612,110	1,199,281		1,199,281	903,520		903,520	686,661		686,661	959,336		959,336
3,014		3,014	3,014		3,014	3,014		3,014	3,014		3,014	3,014		3,014	3,013		3,013
418,026		418,026	495,409		495,409	765,850		765,850	636,612		636,612	608,691		608,691	828,873		828,873
469,886		469,886	500,393		500,393	792,052		792,052	649,148		649,148	606,554		606,554	956,592		956,592
55,099		55,099	57,382		57,382	95,643		95,643	77,736		77,736	79,073		79,073	92,638		92,638
4,061		4,061	20,871		20,871							9,600		9,600			
97,460		97,460	80,782		80,782	331,267		331,267	681,794		681,794	70,972		70,972	943,304		943,304
31,869	\$ 360,000	391,869	1,416	\$ 18,000	19,416	12,400	\$ 271,389	283,789	500	\$ 45,000	45,500	5,868	\$ 120,000	125,868	8,498		8,498
21,819		21,819	25,898		25,898	41,976		41,976	35,244		35,244	34,768		34,768	43,718		43,718
310,292		310,292	274,090		274,090	534,661		534,661	460,413		460,413	496,013		496,013	590,216		590,216
37,002		37,002	2,613		2,613				47,843		47,843				39,733		39,733
10		10	13		13												
17,641		17,641	8,405		8,405	27,435		27,435	20,793		20,793	5,890		5,890	16,880		16,880
17,190		17,190	10,374		10,374	31,679		31,679				1,100		1,100	8,597		8,597
114,288		114,288	195,999		195,999	267,181		267,181	289,683		289,683	234,326		234,326	365,768		365,768
						889		889	20,301		20,301	2,103		2,103	1,927		1,927
(13,000)		(13,000)	(14,000)		(14,000)	(30,000)		(30,000)	(18,000)		(18,000)	(50,000)		(50,000)	(21,000)		(21,000)
10,570		10,570	18,280		18,280	3,694		3,694	20,038		20,038	24,250		24,250	40,105		40,105
32,356		32,356	41,576		41,576	73,501		73,501	46,037		46,037	67,232		67,232	99,000		99,000
155,291		155,291	184,320		184,320	298,746		298,746	250,834		250,834	247,452		247,452	311,147		311,147
(618,617)		(618,617)	(734,818)		(734,818)	(1,190,642)		(1,190,642)	(998,657)		(998,657)	(986,307)		(986,307)	(1,239,480)		(1,239,480)
646,319	(646,319)		14,103	(14,103)		271,389	(271,389)		49,250	(49,250)		53,276	(53,276)				
7,748,149	(286,319)	7,461,830	7,766,702	3,897	7,770,599	12,931,012		12,931,012	10,639,472	(4,250)	10,635,222	10,271,721	66,724	10,338,445	13,291,068		13,291,068
7,773,268		7,773,268	7,525,453		7,525,453	12,370,153		12,370,153	9,328,172		9,328,172	10,477,001		10,477,001	11,222,632		11,222,632
7,773,268		7,773,268	7,525,453		7,525,453	12,370,153		12,370,153	9,328,172		9,328,172	10,477,001		10,477,001	11,222,632		11,222,632
\$ (25,119)	\$ (286,319)	\$ (311,438)	\$ 241,249	\$ 3,897	\$ 245,146	\$ 560,859	\$ -	\$ 560,859	\$ 1,311,300	\$ (4,250)	\$ 1,307,050	\$ (205,280)	\$ 66,724	\$ (138,556)	\$ 2,068,436		\$ 2,068,436

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATING STATEMENT OF ACTIVITIES (CONTINUED)

Year ended June 30, 2016	Johnson College Prep			Hansberry College Prep			DRW College Prep			Baker College Prep			Butler College Prep		
	Temporarily		Total	Temporarily		Total	Temporarily		Total	Temporarily		Total	Temporarily		Total
	Unrestricted	Restricted		Unrestricted	Restricted		Unrestricted	Restricted		Unrestricted	Restricted		Unrestricted	Restricted	
Revenue:															
Chicago Public Schools:															
Per-capita tuition	\$ 7,014,055		\$ 7,014,055	\$ 6,265,127		\$ 6,265,127	\$ 5,057,846		\$ 5,057,846	\$ 3,176,834		\$ 3,176,834	\$ 3,647,362		\$ 3,647,362
Facilities				565,500		565,500	456,750		456,750						
Special education	1,209,047		1,209,047	923,356		923,356	790,819		790,819	771,808		771,808	504,382		504,382
Case manager stipends	3,014		3,014	3,013		3,013	3,013		3,013	3,013		3,013	3,013		3,013
Chapter I	658,950		658,950	537,690		537,690	476,263		476,263	321,497		321,497	326,284		326,284
Title I	699,030		699,030	477,211		477,211	394,089		394,089	216,677		216,677	215,897		215,897
Title II	72,224		72,224	73,400		73,400	59,308		59,308	36,785		36,785	41,088		41,088
Title III	2,473		2,473												
Growth funds				\$ 123,830		123,830	\$ 89,400		89,400	\$ 152,250		152,250	\$ 186,760		186,760
Contributed services	570,238		570,238	96,573		96,573	82,914		82,914	655,158		655,158	482,499		482,499
Contributions and grants	59,919	\$ 57,498	117,417	14,200	22,000	36,200	5,733	73,418	79,151	54,550		54,550		96,211	96,211
E-rate discount funding	33,343		33,343	29,858		29,858	24,116		24,116	15,523		15,523	17,463		17,463
Food program	505,265		505,265	420,413		420,413	274,368		274,368	170,649		170,649	213,567		213,567
Instructional program - ROTC	42,161		42,161												
Interest and dividends				80		80									
Change in fair value of interest rate swap															
Net realized and unrealized loss on investments															
Night school fees	4,740		4,740	19,850		19,850	17,330		17,330	11,282		11,282	10,675		10,675
Other revenue	4,907		4,907	5,375		5,375	19,177		19,177	2,753		2,753			
Registration and tuition - Noble Day Care															
School fees	98,034		98,034	209,493		209,493	79,464		79,464	51,057		51,057	75,646		75,646
School fundraising	600		600							2,027		2,027	18,632		18,632
Summer of a Lifetime, A Noble Network Program															
Summer of a Lifetime, A Noble Network Program - transfers	(15,000)		(15,000)	(22,000)		(22,000)	(12,000)		(12,000)				(20,000)		(20,000)
Summer school fees	22,235		22,235	34,446		34,446	15,275		15,275	4,460		4,460	4,120		4,120
Uniform fees	18,481		18,481	33,466		33,466	25,660		25,660	32,070		32,070	28,827		28,827
Transfer of grant funds from NNST	237,306		237,306	212,504		212,504	171,638		171,638	110,480		110,480	124,290		124,290
NNST school management fees (expenses)	(945,328)		(945,328)	(846,529)		(846,529)	(683,735)		(683,735)	(439,544)		(439,544)	(494,557)		(494,557)
Net assets released from restrictions:															
Satisfaction of purpose or time restrictions	57,498	(57,498)		145,830	(145,830)		150,536	(150,536)		152,250	(152,250)		282,971	(282,971)	
Total revenue	10,353,192		10,353,192	9,198,856		9,198,856	7,408,564	12,282	7,420,846	5,349,329		5,349,329	5,482,159		5,482,159
Expenses:															
Program services	9,075,134		9,075,134	9,554,450		9,554,450	7,296,712		7,296,712	5,262,154		5,262,154	5,940,093		5,940,093
Supporting services:															
Management and general															
Fundraising															
Total expenses	9,075,134		9,075,134	9,554,450		9,554,450	7,296,712		7,296,712	5,262,154		5,262,154	5,940,093		5,940,093
Change in net assets	\$ 1,278,058	\$ -	\$ 1,278,058	\$ (355,594)	\$ -	\$ (355,594)	\$ 111,852	\$ 12,282	\$ 124,134	\$ 87,175	\$ -	\$ 87,175	\$ (457,934)	\$ -	\$ (457,934)

ITW David Speer Academy			The Noble Academy			Mansueto High School			Noble Day Care			Noble Network Education Foundation			Consolidated		
Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total	Total	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total	Eliminations	Total
\$ 5,685,648		\$ 5,685,648	\$ 2,078,345		\$ 2,078,345				\$ 94,199,385								\$ 94,199,385
510,750		510,750							5,281,125								5,281,125
764,797		764,797	167,753		167,753				13,272,148								13,272,148
3,013		3,013	3,013		3,013				48,217								48,217
524,926		524,926	166,732		166,732				8,367,705								8,367,705
237,238		237,238	153,745		153,745				8,018,094								8,018,094
55,238		55,238	39,623		39,623				1,032,347								1,032,347
15,760		15,760							112,364								112,364
	\$ 402,955	402,955		\$ 51,765	51,765				1,006,960								1,006,960
86,041		86,041	361,464		361,464				4,818,948								4,818,948
88,196	15,000	103,196	10,000	204,084	214,084		\$ 17,531,519	\$ 17,531,519	21,497,850								21,497,850
26,967		26,967	9,781		9,781				446,484								446,484
326,062		326,062	113,629		113,629				5,768,394								5,768,394
30,558		30,558							344,172								344,172
									208,332				\$ 330,853		\$ 330,853		539,185
(116,247)		(116,247)							(116,247)								(116,247)
									(23,677)								(23,677)
11,150		11,150	2,820		2,820				216,602								216,602
19,900		19,900							283,783							\$ (63,000)	220,783
										\$ 698,133		\$ 698,133					698,133
122,329		122,329	58,048		58,048				2,913,422								2,913,422
6,925		6,925	75		75				66,532								66,532
									1,333,186								1,333,186
(69,850)		(69,850)	(15,000)		(15,000)												
13,265		13,265	9,065		9,065				310,046								310,046
33,287		33,287	14,391		14,391				667,681								667,681
191,930		191,930	69,612		69,612												
(764,570)		(764,570)	(276,749)		(276,749)												
467,955	(467,955)		255,849	(255,849)		\$ 5,515,714	(5,515,714)										
8,271,268	(50,000)	8,221,268	3,222,196		3,222,196	5,515,714	12,015,805	17,531,519	170,073,853	698,133		698,133	330,853		330,853	(63,000)	171,039,839
7,968,330		7,968,330	5,566,372		5,566,372	121,443		121,443	134,784,943	624,528		624,528					135,409,471
									13,236,430	90,551		90,551	63,214		63,214	(63,000)	13,327,195
									877,908								877,908
7,968,330		7,968,330	5,566,372		5,566,372	121,443		121,443	148,899,281	715,079		715,079	63,214		63,214	(63,000)	149,614,574
\$ 302,938	\$ (50,000)	\$ 252,938	\$ (2,344,176)	\$ -	\$ (2,344,176)	\$ 5,394,271	\$ 12,015,805	\$ 17,410,076	\$ 21,174,572	\$ (16,946)		\$ (16,946)	\$ 267,639		\$ 267,639	\$ -	\$ 21,425,265

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATING STATEMENT OF ACTIVITIES (CONTINUED)

Year ended June 30, 2015	Noble Network Support Team			Noble Street College Prep			Rauner College Prep			Pritzker College Prep		
	Unrestricted	Temporarily		Unrestricted	Temporarily		Unrestricted	Temporarily		Unrestricted	Temporarily	
		Restricted	Total		Restricted	Total		Restricted	Total		Restricted	Total
Revenue:												
Chicago Public Schools:												
Per-capita tuition				\$ 5,402,870		\$ 5,402,870	\$ 5,334,317		\$ 5,334,317	\$ 8,154,453		\$ 8,154,453
Facilities				458,250		458,250	454,125		454,125	692,250		692,250
Special education	\$ 401,976		\$ 401,976	702,507		702,507	615,162		615,162	829,676		829,676
Case manager stipends				4,491		4,491	4,491		4,491	4,491		4,491
Chapter I				453,102		453,102	421,826		421,826	701,706		701,706
Title I				340,262		340,262	310,965		310,965	503,906		503,906
Title II				77,185		77,185	75,661		75,661	118,551		118,551
Growth funds												
Contributed services	28,505		28,505	78,987		78,987	80,530		80,530	80,029		80,029
Contributions and grants	740,606	\$ 5,262,311	6,002,917	15,790		15,790	865		865	3,000	\$ 5,000	8,000
E-rate discount funding				34,787		34,787	34,474		34,474	52,550		52,550
Food program	11,946		11,946	275,505		275,505	212,095		212,095	533,735		533,735
Instructional program - ROTC	108,309		108,309							33,366		33,366
Interest and dividends				8		8	10		10	10		10
Net realized and unrealized loss on investments	(93,689)		(93,689)									
Night school fees				14,120		14,120	31,773		31,773	19,750		19,750
Other revenue	401,274		401,274	5,368		5,368	7		7	3,380		3,380
Registration and tuition - Noble Day Care												
School fees				247,957		247,957	189,258		189,258	333,111		333,111
School fundraising				1,652		1,652				456		456
Summer of a Lifetime, A Noble Network Program	540,074	255,338	795,412									
Summer of a Lifetime, A Noble Network Program - transfers	331,095		331,095	(20,000)		(20,000)	(15,000)		(15,000)	(15,000)		(15,000)
Summer school fees				18,016		18,016	22,065		22,065	35,950		35,950
Uniform fees				33,752		33,752	34,191		34,191	45,265		45,265
Transfer of grant funds from NNST	(2,303,546)		(2,303,546)	109,326		109,326	108,431		108,431	165,152		165,152
NNST school management fees (expenses)	11,251,685		11,251,685	(680,739)		(680,739)	(675,168)		(675,168)	(1,029,464)		(1,029,464)
Net assets released from restrictions:												
Satisfaction of purpose or time restrictions	4,520,186	(4,520,186)								106,449	(106,449)	
Total revenue	15,938,421	997,463	16,935,884	7,573,196		7,573,196	7,240,078		7,240,078	11,372,772	(101,449)	11,271,323
Expenses:												
Program services	1,115,627		1,115,627	7,243,703		7,243,703	6,612,870		6,612,870	9,990,980		9,990,980
Supporting services:												
Management and general	11,967,071		11,967,071	6,363		6,363				3,650		3,650
Fundraising	719,929		719,929									
Total expenses	13,802,627		13,802,627	7,250,066		7,250,066	6,612,870		6,612,870	9,994,630		9,994,630
Change in net assets	\$ 2,135,794	\$ 997,463	\$ 3,133,257	\$ 323,130		\$ 323,130	\$ 627,208		\$ 627,208	\$ 1,378,142	\$ (101,449)	\$ 1,276,693

Rowe Clark College Prep			Golder College Prep			Gary Comer College Prep			UIC College Prep			Muchin College Prep			Chicago Bulls College Prep		
Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
\$ 5,398,012		\$ 5,398,012	\$ 5,644,536		\$ 5,644,536	\$ 8,862,365		\$ 8,862,365	\$ 7,740,581		\$ 7,740,581	\$ 7,411,113		\$ 7,411,113	\$ 9,270,938		\$ 9,270,938
460,125		460,125	478,500		478,500	541,125		541,125				627,750		627,750			
867,585		867,585	622,432		622,432	984,475		984,475	802,518		802,518	802,227		802,227	910,631		910,631
4,491		4,491	4,491		4,491	4,491		4,491	4,491		4,491	4,491		4,491	4,491		4,491
467,537		467,537	477,962		477,962	721,755		721,755	626,323		626,323	581,414		581,414	793,129		793,129
319,315		319,315	333,153		333,153	478,443		478,443	473,317		473,317	457,900		457,900	453,683		453,683
76,256		76,256	76,755		76,755	127,618		127,618	109,553		109,553	100,198		100,198	131,115		131,115
95,533		95,533	72,680		72,680	230,498		230,498	666,742		666,742	80,334		80,334	937,394		937,394
30,187	\$ 358,361	388,548	14,686	\$ 10,000	24,686	3,500	\$ 185,287	188,787	7,330	\$ 50,000	57,330	14,548	\$ 44,475	59,023	6,855	\$ 5,000	11,855
34,929		34,929	36,324		36,324	88,419		88,419	16,369		16,369	47,654		47,654	60,037		60,037
288,238		288,238	248,517		248,517	533,841		533,841	416,525		416,525	433,328		433,328	489,678		489,678
37,447		37,447	31,453		31,453				46,440		46,440				52,162		52,162
8		8	11		11												
13,508		13,508	9,910		9,910	22,762		22,762	20,735		20,735	2,685		2,685	27,062		27,062
3,485		3,485	9,968		9,968	3,574		3,574	47,052		47,052	710		710	191		191
132,052		132,052	218,317		218,317	269,197		269,197	238,735		238,735	229,397		229,397	314,256		314,256
810		810				1,742		1,742	16,978		16,978	3,860		3,860			
(20,000)		(20,000)	(30,000)		(30,000)	(16,000)		(16,000)	(17,000)		(17,000)	(90,000)		(90,000)	(25,000)		(25,000)
143		143	21,310		21,310	41,586		41,586	19,920		19,920	25,820		25,820	32,617		32,617
32,206		32,206	36,602		36,602	54,582		54,582	49,126		49,126	35,636		35,636	72,828		72,828
109,863		109,863	114,157		114,157	180,719		180,719	156,921		156,921	149,764		149,764	188,592		188,592
(682,967)		(682,967)	(710,820)		(710,820)	(1,126,394)		(1,126,394)	(978,214)		(978,214)	(932,534)		(932,534)	(1,175,416)		(1,175,416)
777,640	(777,640)		10,000	(10,000)		197,605	(197,605)		63,769	(63,769)		86,886	(86,886)		4,516	(4,516)	
8,446,403	(419,279)	8,027,124	7,720,944		7,720,944	12,205,903	(12,318)	12,193,585	10,528,211	(13,769)	10,514,442	10,073,181	(42,411)	10,030,770	12,549,759	484	12,550,243
8,357,587		8,357,587	7,153,919		7,153,919	11,958,921		11,958,921	8,638,885		8,638,885	10,176,078		10,176,078	11,079,267		11,079,267
1,650		1,650	3,825		3,825	450		450	1,885		1,885	3,000		3,000	6,450		6,450
8,359,237		8,359,237	7,157,744		7,157,744	11,959,371		11,959,371	8,640,770		8,640,770	10,179,078		10,179,078	11,085,717		11,085,717
\$ 87,166	\$ (419,279)	\$ (332,113)	\$ 563,200	\$ -	\$ 563,200	\$ 246,532	\$ (12,318)	\$ 234,214	\$ 1,887,441	\$ (13,769)	\$ 1,873,672	\$ (105,897)	\$ (42,411)	\$ (148,308)	\$ 1,464,042	\$ 484	\$ 1,464,526

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATING STATEMENT OF ACTIVITIES (CONTINUED)

Year ended June 30, 2015	Johnson College Prep			Hansberry College Prep			DRW College Prep			Baker College Prep		
	Unrestricted	Temporarily		Unrestricted	Temporarily		Unrestricted	Temporarily		Unrestricted	Temporarily	
		Restricted	Total		Restricted	Total		Restricted	Total		Restricted	Total
Revenue:												
Chicago Public Schools:												
Per-capita tuition	\$ 7,246,874		\$ 7,246,874	\$ 5,576,433		\$ 5,576,433	\$ 3,960,163		\$ 3,960,163	\$ 2,214,422		\$ 2,214,422
Facilities				480,000		480,000	340,125		340,125			
Special education	1,147,590		1,147,590	930,820		930,820	603,782		603,782	425,202		425,202
Case manager stipends	4,491		4,491	4,491		4,491	4,491		4,491	4,491		4,491
Chapter I	645,570		645,570	442,676		442,676	351,254		351,254	202,893		202,893
Title I	454,920		454,920	263,785		263,785	250,152		250,152	131,833		131,833
Title II	104,912		104,912	78,993		78,993	55,097		55,097	33,297		33,297
Growth funds											\$ 53,400	53,400
Contributed services	594,998		594,998	86,048		86,048	99,142		99,142	621,093		621,093
Contributions and grants	17,067		17,067	9,250	\$ 467,926	477,176		\$ 371,731	371,731	19,000	408,255	427,255
E-rate discount funding	49,960		49,960	36,438		36,438	25,820		25,820	14,717		14,717
Food program	470,333		470,333	372,395		372,395	262,229		262,229	115,601		115,601
Instructional program - ROTC	44,844		44,844									
Interest and dividends				209		209						
Net realized and unrealized loss on investments												
Night school fees	355		355	17,880		17,880	10,700		10,700	16,348		16,348
Other revenue	1,148		1,148	44		44	36,906		36,906	4,455		4,455
Registration and tuition - Noble Day Care												
School fees	106,838		106,838	141,489		141,489	72,308		72,308	42,204		42,204
School fundraising												
Summer of a Lifetime, A Noble Network Program												
Summer of a Lifetime, A Noble Network Program - transfers	(30,000)		(30,000)	(26,000)		(26,000)	(15,000)		(15,000)	(12,095)		(12,095)
Summer school fees	17,935		17,935	15,838		15,838	13,950		13,950	925		925
Uniform fees	18,946		18,946	38,228		38,228	21,080		21,080	21,698		21,698
Transfer of grant funds from NNST	290,955		290,955	224,081		224,081	158,607		158,607	90,335		90,335
NNST school management fees (expenses)	(926,963)		(926,963)	(713,049)		(713,049)	(502,476)		(502,476)	(289,676)		(289,676)
Net assets released from restrictions:												
Satisfaction of purpose or time restrictions				880,262	(880,262)		541,542	(541,542)		569,498	(569,498)	
Total revenue	10,260,773		10,260,773	8,860,311	(412,336)	8,447,975	6,289,872	(169,811)	6,120,061	4,226,241	(107,843)	4,118,398
Expenses:												
Program services	9,900,390		9,900,390	8,795,184		8,795,184	6,576,531		6,576,531	4,369,525		4,369,525
Supporting services:												
Management and general	150		150				67,929		67,929			
Fundraising												
Total expenses	9,900,540		9,900,540	8,795,184		8,795,184	6,644,460		6,644,460	4,369,525		4,369,525
Change in net assets	\$ 360,233		\$ 360,233	\$ 65,127	\$ (412,336)	\$ (347,209)	\$ (354,588)	\$ (169,811)	\$ (524,399)	\$ (143,284)	\$ (107,843)	\$ (251,127)

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2016

	Noble Network Charter of Charter Schools				Noble Day Care			Noble Network Education Foundation	Eliminations	Consolidated Total
	Program services	Supporting Services		Total	Program services	Supporting Services		Management and general		
		Management and general	Fundraising			Management and general	Total			
Building maintenance and repairs	\$ 1,335,917	\$ 68,267		\$ 1,404,184	\$ 11,895		\$ 11,895			\$ 1,416,079
Bonus salaries	6,711,238	611,698	\$ 52,400	7,375,336						7,375,336
Classroom furniture	677,365			677,365						677,365
Contracted maintenance services	2,232,621	14,248		2,246,869	28,070		28,070			2,274,939
Contractual services and stipends	1,109,530	1,350,315	125,960	2,585,805				\$ 63,000	\$ (63,000)	2,585,805
Contributed services	427,520			427,520						427,520
CPS administrative fee	3,479,177			3,479,177						3,479,177
CPS facility fee	983,208			983,208						983,208
Educational materials	2,536,327	104,907		2,641,234	7,656		7,656			2,648,890
Employee benefits and payroll taxes	14,918,077	1,250,919	58,945	16,227,941	77,684	\$ 14,347	92,031			16,319,972
Extracurricular activities	1,547,034			1,547,034						1,547,034
Field studies	1,336,656	10,145		1,346,801						1,346,801
Food program	5,706,361	2,943		5,709,304	21,207		21,207			5,730,511
Fundraising events			44,019	44,019						44,019
Graduation	260,157			260,157						260,157
Insurance	540,217			540,217	3,375		3,375			543,592
Interest	3,577,843	213,013		3,790,856						3,790,856
Music program	227,077			227,077						227,077
Night school	273,483			273,483						273,483
Office furniture	80,174	57,471		137,645						137,645
Other expenses	370,850	422,784	10,032	803,666	1,145		1,145	214		805,025
Payroll processing fees		156,996		156,996						156,996
Postage and delivery	77,743	67,276	67	145,086						145,086
Printing and copying	1,178,859	87,995	4,783	1,271,637						1,271,637
Professional development	1,440,658	485,912	38,169	1,964,739	3,034		3,034			1,967,773
Rent	8,790,635	350,938		9,141,573	91,495	10,166	101,661			9,243,234
Salaries	58,904,554	6,981,632	442,322	66,328,508	347,969	64,263	412,232			66,740,740
Scholarships	1,113,195			1,113,195						1,113,195

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

Year ended June 30, 2016

	Noble Network Charter of Charter Schools				Noble Day Care			Noble Network Education Foundation	Eliminations	Consolidated Total
	Program services	Supporting Services		Total	Program services	Supporting Services	Total	Supporting Services		
		Management and general	Fundraising			Management and general				
Sports activities	\$ 1,368,878	\$ 229,228		\$ 1,598,106						\$ 1,598,106
Staff advertising and recruitment	103,373	120,503	\$ 331	224,207						224,207
Summer of a Lifetime, A Noble Network Program	1,115,052	192,541	94,103	1,401,696						1,401,696
Summer school	338,465			338,465						338,465
Supplies	499,266	124,786	1,128	625,180	\$ 2,615		\$ 2,615			627,795
Technology	3,768,188	178,339	5,629	3,952,156						3,952,156
Telecommunications	4,106	678	20	4,804						4,804
Transportation	1,072,495	1,386		1,073,881						1,073,881
Uniforms	833,380			833,380						833,380
Utilities	1,347,357	36		1,347,393	12,403		12,403			1,359,796
Total expenses before depreciation and amortization	130,287,036	13,084,956	877,908	144,249,900	608,548	\$ 88,776	697,324	\$ 63,214	\$ (63,000)	144,947,438
Depreciation and amortization	4,497,907	151,474		4,649,381	15,980	1,775	17,755			4,667,136
Total expenses	\$ 134,784,943	\$ 13,236,430	\$ 877,908	\$ 148,899,281	\$ 624,528	\$ 90,551	\$ 715,079	\$ 63,214	\$ (63,000)	\$ 149,614,574

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

Year ended June 30, 2015

	Noble Network Charter of Charter Schools				Noble Day Care			Noble Network Education Foundation	Eliminations	Consolidated Total
	Program services	Supporting Services		Total	Program services	Supporting Services		Management and general		
		Management and general	Fundraising			Management and general	Total			
Building maintenance and repairs	\$ 1,610,114	\$ 47,954		\$ 1,658,068	\$ 33,632		\$ 33,632			\$ 1,691,700
Bonus salaries	6,405,567	902,735	\$ 69,219	7,377,521						7,377,521
Classroom furniture	955,455			955,455						955,455
Contracted maintenance services	2,333,771	2,066		2,335,837	8,427		8,427			2,344,264
Contractual services and stipends	1,115,318	1,017,609	120,114	2,253,041				\$ 63,000	\$ (63,000)	2,253,041
Contributed services	576,000			576,000						576,000
CPS administrative fee	3,226,361			3,226,361						3,226,361
CPS facility fee	691,263			691,263						691,263
Educational materials	3,379,031	58,378		3,437,409	10,821		10,821			3,448,230
Employee benefits and payroll taxes	13,532,320	1,150,909	51,927	14,735,156	60,013	\$ 12,715	72,728			14,807,884
Extracurricular activities	1,461,972			1,461,972						1,461,972
Field studies	1,594,432	28,141		1,622,573						1,622,573
Food program	5,051,603	35,657		5,087,260	20,600		20,600			5,107,860
Fundraising events			76,157	76,157						76,157
Graduation	276,484			276,484						276,484
Grant to Noble Network Education Foundation		5,819,200		5,819,200					(5,819,200)	
Insurance	403,104			403,104	1,224		1,224			404,328
Interest	2,533,187	213,334		2,746,521						2,746,521
Music program	289,388			289,388						289,388
Night school	215,640			215,640						215,640
Office furniture	119,285	41,235		160,520						160,520
Other expenses	385,633	363,242	784	749,659	2,610		2,610	75		752,344
Payroll processing fees		152,145		152,145						152,145
Postage and delivery	117,061	56,238	209	173,508						173,508
Printing and copying	1,157,302	69,499	2,420	1,229,221						1,229,221
Professional development	1,358,594	604,586	28,582	1,991,762	4,799		4,799			1,996,561

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

Year ended June 30, 2015

	Noble Network Charter of Charter Schools				Noble Day Care			Noble Network Education Foundation	Eliminations	Consolidated Total
	Program services	Supporting Services		Total	Program services	Supporting Services	Total	Supporting Services		
		Management and general	Fundraising			Management and general		Management and general		
Refund of grant funds		\$ 110,967		\$ 110,967						\$ 110,967
Rent	\$ 6,964,395	343,197		7,307,592	\$ 71,782	\$ 7,976	\$ 79,758			7,387,350
Salaries	52,284,502	6,021,774	\$ 269,246	58,575,522	350,483	74,258	424,741			59,000,263
Scholarships	544,159			544,159						544,159
Sports activities	1,409,306	87,052		1,496,358						1,496,358
Staff advertising and recruitment	145,593	128,147	1,592	275,332						275,332
Summer of a Lifetime, A Noble Network Program	1,075,135	127,962	98,361	1,301,458						1,301,458
Summer school	303,572			303,572						303,572
Supplies	590,688	110,197	1,273	702,158	4,102		4,102			706,260
Technology	4,868,641	231,088		5,099,729						5,099,729
Telecommunications	3,429	377	45	3,851						3,851
Transportation	910,340	7,318		917,658						917,658
Uniforms	846,204			846,204						846,204
Utilities	1,202,865	7,387		1,210,252	19,522		19,522			1,229,774
Total expenses before depreciation and amortization	119,937,714	17,738,394	719,929	138,396,037	588,015	94,949	682,964	\$ 63,075	\$ (5,882,200)	133,259,876
Depreciation and amortization	3,815,643	158,844		3,974,487	15,980	1,775	17,755			3,992,242
Total expenses	\$ 123,753,357	\$ 17,897,238	\$ 719,929	\$ 142,370,524	\$ 603,995	\$ 96,724	\$ 700,719	\$ 63,075	\$ (5,882,200)	\$ 137,252,118

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – NOBLE NETWORK SUPPORT TEAM (NNST)

Years ended June 30,	2016				2015			
	Program services	Supporting Services		Total	Program services	Supporting Services		Total
		Management and general	Fundraising			Management and general	Fundraising	
Building maintenance and repairs		\$ 68,267		\$ 68,267		\$ 47,954		\$ 47,954
Bonus salaries		611,698	\$ 52,400	664,098		902,735	\$ 69,219	971,954
Contracted maintenance services		14,248		14,248		2,066		2,066
Contractual services and stipends		1,350,315	125,960	1,476,275		1,017,609	120,114	1,137,723
CPS administrative fee	\$ 23,023			23,023	\$ 12,060			12,060
Educational materials		104,907		104,907		58,378		58,378
Employee benefits and payroll taxes		1,250,919	58,945	1,309,864		1,150,909	51,927	1,202,836
Field studies		10,145		10,145		28,141		28,141
Food program		2,943		2,943		35,657		35,657
Fundraising events			44,019	44,019			76,157	76,157
Interest		213,013		213,013		213,334		213,334
Office furniture		57,471		57,471		41,235		41,235
Other expenses		422,784	10,032	432,816		363,242	784	364,026
Payroll processing fees		156,996		156,996		152,145		152,145
Postage and delivery		67,276	67	67,343		56,238	209	56,447
Printing and copying		87,995	4,783	92,778		69,499	2,420	71,919
Professional development		485,912	38,169	524,081		604,586	28,582	633,168
Rent		350,938		350,938		343,197		343,197
Salaries		6,981,632	442,322	7,423,954		6,021,774	269,246	6,291,020
Scholarships	641,976			641,976	28,432			28,432
Sports activities		229,228		229,228		87,052		87,052
Staff advertising and recruitment		120,503	331	120,834		128,147	1,592	129,739
Summer of a Lifetime, A Noble Network Program	1,115,052	192,541	94,103	1,401,696	1,075,135	127,962	98,361	1,301,458
Supplies		124,786	1,128	125,914		110,197	1,273	111,470
Technology		178,339	5,629	183,968		231,088		231,088
Telecommunications		678	20	698		377	45	422
Transportation		1,386		1,386		7,318		7,318
Utilities		36		36		7,387		7,387
Total expenses before depreciation and amortization	1,780,051	13,084,956	877,908	15,742,915	1,115,627	11,808,227	719,929	13,643,783
Depreciation and amortization		151,474		151,474		158,844		158,844
Total expenses	\$ 1,780,051	\$ 13,236,430	\$ 877,908	\$ 15,894,389	\$ 1,115,627	\$ 11,967,071	\$ 719,929	\$ 13,802,627

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – NOBLE STREET COLLEGE PREP

Years ended June 30,	2016		2015	
	Program services	Program services	Management and general	Total
Building maintenance and repairs	\$ 90,696	\$ 70,604		\$ 70,604
Bonus salaries	240,775	249,525		249,525
Classroom furniture	77,185	21,438		21,438
Contracted maintenance services	41,046	77,829		77,829
Contractual services and stipends	54,619	88,039		88,039
Contributed services	26,333	27,000		27,000
CPS administrative fee	191,760	196,363		196,363
Educational materials	93,485	188,546		188,546
Employee benefits and payroll taxes	903,085	1,046,954		1,046,954
Extracurricular activities	99,727	122,831		122,831
Field studies	30,745	51,698		51,698
Food program	258,849	243,551		243,551
Graduation	16,265	6,632		6,632
Insurance	84,557	78,134		78,134
Interest	224,175	154,465		154,465
Music program	1,267	1,262		1,262
Night school	10,042	16,053		16,053
Office furniture	7,797	3,899		3,899
Other expenses	8,157	20,106		20,106
Postage and delivery	3,501	8,299		8,299
Printing and copying	56,099	57,633		57,633
Professional development	21,644	30,036		30,036
Refund of grant funds			\$ 6,363	6,363
Rent	266,096	277,996		277,996
Salaries	3,380,288	3,474,744		3,474,744
Scholarships	19,591	19,561		19,561
Sports activities	70,844	96,417		96,417
Staff advertising and recruitment	1,896	1,471		1,471
Summer school	41,250	41,250		41,250
Supplies	23,740	23,569		23,569
Technology	190,745	217,125		217,125
Telecommunications	626			
Transportation	41,502	57,992		57,992
Uniforms	36,222	25,664		25,664
Utilities	110,808	118,508		118,508
Total expenses before depreciation and amortization	6,725,417	7,115,194	6,363	7,121,557
Depreciation and amortization	137,882	128,509		128,509
Total expenses	\$ 6,863,299	\$ 7,243,703	\$ 6,363	\$ 7,250,066

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – RAUNER COLLEGE PREP

Years ended June 30,	2016	2015
	Program services	
Building maintenance and repairs	\$ 85,728	\$ 75,935
Bonus salaries	377,275	377,585
Classroom furniture	44,894	9,070
Contracted maintenance services	114,445	104,774
Contractual services and stipends	44,162	97,424
Contributed services	26,420	36,000
CPS administrative fee	184,694	191,325
Educational materials	146,478	112,882
Employee benefits and payroll taxes	825,649	821,051
Extracurricular activities	86,769	96,013
Field studies	64,597	62,752
Food program	205,423	191,476
Graduation	13,983	25,448
Insurance	24,235	17,490
Interest	381,772	247,105
Music program	22,573	33,826
Night school	17,200	17,251
Office furniture	42	
Other expenses	4,343	16,492
Postage and delivery	3,248	7,129
Printing and copying	52,196	67,956
Professional development	58,497	56,648
Rent	194,286	182,250
Salaries	3,234,017	3,098,974
Scholarships	1,733	1,323
Sports activities	70,992	72,266
Staff advertising and recruitment	5,260	5,512
Summer school	18,576	19,071
Supplies	17,759	14,893
Technology	172,609	203,325
Transportation	86,795	75,085
Uniforms	45,690	42,569
Utilities	52,063	49,164
Total expenses before depreciation and amortization	6,684,403	6,430,064
Depreciation and amortization	188,733	182,806
Total expenses	\$ 6,873,136	\$ 6,612,870

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – PRITZKER COLLEGE PREP

Years ended June 30,	2016	2015		
	Program services	Program services	Management and general	Total
Building maintenance and repairs	\$ 122,490	\$ 161,318		\$ 161,318
Bonus salaries	453,585	431,825		431,825
Classroom furniture	22,704	45,464		45,464
Contracted maintenance services	159,507	177,819		177,819
Contractual services and stipends	65,819	124,632		124,632
Contributed services	31,832	27,000		27,000
CPS administrative fee	281,433	290,225		290,225
Educational materials	262,750	477,651		477,651
Employee benefits and payroll taxes	1,155,752	1,182,903		1,182,903
Extracurricular activities	106,309	105,804		105,804
Field studies	161,863	189,466		189,466
Food program	514,846	470,698		470,698
Graduation	41,831	42,761		42,761
Insurance	35,318	27,065		27,065
Interest	399,285	256,585		256,585
Music program	40,970	41,029		41,029
Night school	7,500	8,525		8,525
Office furniture	3,304	2,327		2,327
Other expenses	28,049	46,198		46,198
Postage and delivery	9,838	7,651		7,651
Printing and copying	43,872	50,250		50,250
Professional development	86,155	111,160		111,160
Refund of grant funds			\$ 3,650	3,650
Rent	358,092	160,903		160,903
Salaries	4,531,962	4,606,617		4,606,617
Scholarships	156	2,677		2,677
Sports activities	115,889	134,867		134,867
Staff advertising and recruitment	8,922	11,488		11,488
Summer school	11,248	40,021		40,021
Supplies	22,537	40,821		40,821
Technology	248,642	310,494		310,494
Transportation	135,533	80,728		80,728
Uniforms	29,944	50,608		50,608
Utilities	86,475	89,100		89,100
Total expenses before depreciation and amortization	9,584,412	9,806,680	3,650	9,810,330
Depreciation and amortization	202,678	184,300		184,300
Total expenses	\$ 9,787,090	\$ 9,990,980	\$ 3,650	\$ 9,994,630

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – ROWE CLARK COLLEGE PREP

Years ended June 30,	2016		2015	
	Program services	Program services	Management and general	Total
Building maintenance and repairs	\$ 65,613	\$ 97,032		\$ 97,032
Bonus salaries	264,368	478,179		478,179
Classroom furniture	1,370	782		782
Contracted maintenance services	134,947	150,786		150,786
Contractual services and stipends	40,341	154,181		154,181
Contributed services	28,082	36,000		36,000
CPS administrative fee	178,541	201,786		201,786
Educational materials	100,437	151,440		151,440
Employee benefits and payroll taxes	937,434	996,125		996,125
Extracurricular activities	68,627	116,403		116,403
Field studies	69,172	58,287		58,287
Food program	314,088	266,787		266,787
Graduation	15,563	25,870		25,870
Insurance	28,045	22,507		22,507
Interest	512,462	319,098		319,098
Music program	3,396	4,705		4,705
Night school	21,625	26,000		26,000
Office furniture		196		196
Other expenses	40,478	28,754		28,754
Postage and delivery	6,447	10,200		10,200
Printing and copying	95,388	95,326		95,326
Professional development	43,946	68,952		68,952
Refund of grant funds			\$ 1,650	1,650
Salaries	3,617,646	3,722,447		3,722,447
Scholarships	302,903	340,418		340,418
Sports activities	36,112	79,268		79,268
Staff advertising and recruitment	2,056	3,000		3,000
Summer school	31,090	19,000		19,000
Supplies	35,056	46,411		46,411
Technology	206,463	198,139		198,139
Telecommunications	96	616		616
Transportation	43,324	49,952		49,952
Uniforms	18,861	55,844		55,844
Utilities	96,625	104,428		104,428
Total expenses before depreciation and amortization	7,360,602	7,928,919	1,650	7,930,569
Depreciation and amortization	412,666	428,668		428,668
Total expenses	\$ 7,773,268	\$ 8,357,587	\$ 1,650	\$ 8,359,237

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – GOLDER COLLEGE PREP

Years ended June 30,	2016		2015	
	Program services	Program services	Management and general	Total
Building maintenance and repairs	\$ 59,407	\$ 51,274		\$ 51,274
Bonus salaries	480,689	385,988		385,988
Classroom furniture	68,253	10,657		10,657
Contracted maintenance services	142,369	136,365		136,365
Contractual services and stipends	4,735	193,205		193,205
Contributed services	28,554	27,000		27,000
CPS administrative fee	197,774	201,886		201,886
Educational materials	80,175	146,245		146,245
Employee benefits and payroll taxes	841,474	778,643		778,643
Extracurricular activities	99,091	95,141		95,141
Field studies	37,460	80,727		80,727
Food program	231,918	212,358		212,358
Graduation	14,073	16,007		16,007
Insurance	41,565	24,338		24,338
Interest	704,934	441,287		441,287
Music program	13,252	37,075		37,075
Night school	3,000	5,144		5,144
Office furniture	18,260	180		180
Other expenses	24,236	22,563		22,563
Postage and delivery	1,866	5,370		5,370
Printing and copying	49,334	41,541		41,541
Professional development	70,706	75,386		75,386
Refund of grant funds			\$ 3,825	3,825
Rent	262,551	277,385		277,385
Salaries	3,082,219	2,869,484		2,869,484
Scholarships	12,499	4,875		4,875
Sports activities	91,458	128,351		128,351
Staff advertising and recruitment	1,594	6,810		6,810
Summer school	12,000	18,700		18,700
Supplies	13,096	15,628		15,628
Technology	216,444	213,763		213,763
Transportation	64,202	73,079		73,079
Uniforms	44,398	57,351		57,351
Utilities	123,378	102,637		102,637
Total expenses before depreciation and amortization	7,136,964	6,756,443	3,825	6,760,268
Depreciation and amortization	388,489	397,476		397,476
Total expenses	\$ 7,525,453	\$ 7,153,919	\$ 3,825	\$ 7,157,744

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – GARY COMER COLLEGE PREP

Years ended June 30,	2016		2015	
	Program services	Program services	Management and general	Total
Building maintenance and repairs	\$ 56,938	\$ 68,122		\$ 68,122
Bonus salaries	663,115	840,173		840,173
Classroom furniture	13,188	24,557		24,557
Contracted maintenance services	127,787	152,563		152,563
Contractual services and stipends	208,226	132,270		132,270
Contributed services	34,027	54,000		54,000
CPS administrative fee	324,697	318,814		318,814
CPS facility fee	274,344	243,366		243,366
Educational materials	174,091	229,137		229,137
Employee benefits and payroll taxes	1,442,169	1,296,146		1,296,146
Extracurricular activities	136,317	104,326		104,326
Field studies	166,617	220,723		220,723
Food program	542,820	561,028		561,028
Graduation	30,283	25,935		25,935
Insurance	33,278	24,742		24,742
Music program		17,951		17,951
Night school	36,637	54,500		54,500
Office furniture	7,546	1,340		1,340
Other expenses	34,314	17,138		17,138
Postage and delivery	8,752	12,722		12,722
Printing and copying	160,223	178,537		178,537
Professional development	160,329	138,318		138,318
Refund of grant funds			\$ 450	450
Rent	975,304	970,210		970,210
Salaries	5,807,436	5,253,875		5,253,875
Scholarships	18,982	22,676		22,676
Sports activities	149,605	143,441		143,441
Staff advertising and recruitment	12,624	12,499		12,499
Summer school	42,710	25,570		25,570
Supplies	52,269	75,822		75,822
Technology	286,817	380,630		380,630
Telecommunications	10			
Transportation	90,624	131,003		131,003
Uniforms	125,666	62,232		62,232
Utilities	115,249	124,943		124,943
Total expenses before depreciation and amortization	12,312,994	11,919,309	450	11,919,759
Depreciation and amortization	57,159	39,612		39,612
Total expenses	\$ 12,370,153	\$ 11,958,921	\$ 450	\$ 11,959,371

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – UIC COLLEGE PREP

Years ended June 30,	2016		2015	
	Program services	Program services	Management and general	Total
Building maintenance and repairs	\$ 167,257	\$ 121,399		\$ 121,399
Bonus salaries	628,337	492,999		492,999
Classroom furniture	18,471	12,606		12,606
Contracted maintenance services	158,968	170,067		170,067
Contractual services and stipends	21,826	44,367		44,367
Contributed services	29,733	36,000		36,000
CPS administrative fee	270,157	275,248		275,248
Educational materials	166,324	192,102		192,102
Employee benefits and payroll taxes	1,096,081	1,093,175		1,093,175
Extracurricular activities	83,339	84,500		84,500
Field studies	71,212	84,603		84,603
Food program	493,768	376,167		376,167
Graduation	267	37,009		37,009
Insurance	26,989	20,005		20,005
Music program	65,066	47,193		47,193
Night school	55,375	23,500		23,500
Office furniture	4,442	10,199		10,199
Other expenses	22,167	13,007		13,007
Postage and delivery	4,190	2,468		2,468
Printing and copying	104,749	113,510		113,510
Professional development	108,033	86,170		86,170
Refund of grant funds			\$ 1,885	1,885
Rent	588,753	571,605		571,605
Salaries	4,226,844	3,870,665		3,870,665
Scholarships	57,032	39,250		39,250
Sports activities	62,412	72,724		72,724
Staff advertising and recruitment	6,001	7,667		7,667
Summer school	10,000	15,300		15,300
Supplies	32,624	37,336		37,336
Technology	359,705	329,931		329,931
Telecommunications	252	605		605
Transportation	72,379	60,114		60,114
Uniforms	48,492	52,127		52,127
Utilities	97,578	105,332		105,332
Total expenses before depreciation and amortization	9,158,823	8,498,950	1,885	8,500,835
Depreciation and amortization	169,349	139,935		139,935
Total expenses	\$ 9,328,172	\$ 8,638,885	\$ 1,885	\$ 8,640,770

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – MUCHIN COLLEGE PREP

Years ended June 30,	2016		2015	
	Program services	Program services	Management and general	Total
Building maintenance and repairs	\$ 85,000	\$ 82,482		\$ 82,482
Bonus salaries	461,295	434,950		434,950
Classroom furniture	3,740	769		769
Contracted maintenance services	68,098	61,791		61,791
Contractual services and stipends	708	3,671		3,671
Contributed services	23,016	27,000		27,000
CPS administrative fee	260,999	263,217		263,217
Educational materials	135,835	202,557		202,557
Employee benefits and payroll taxes	1,042,787	1,023,612		1,023,612
Extracurricular activities	62,248	86,238		86,238
Field studies	238,619	188,000		188,000
Food program	515,190	446,692		446,692
Graduation	26,040	23,259		23,259
Insurance	41,262	32,813		32,813
Interest	31,778	37,853		37,853
Music program	1,940	253		253
Night school	4,670	6,000		6,000
Office furniture	6,568	48,499		48,499
Other expenses	14,044	12,786		12,786
Postage and delivery	4,854	3,975		3,975
Printing and copying	62,481	86,076		86,076
Professional development	163,257	146,954		146,954
Refund of grant funds			\$ 3,000	3,000
Rent	1,396,784	1,365,589		1,365,589
Salaries	4,191,855	3,947,835		3,947,835
Scholarships	53,875	82,347		82,347
Sports activities	121,415	153,080		153,080
Staff advertising and recruitment	3,710	3,276		3,276
Summer school	25,053	8,200		8,200
Supplies	40,359	58,168		58,168
Technology	373,902	397,242		397,242
Telecommunications	900			
Transportation	116,507	68,307		68,307
Uniforms	66,619	58,881		58,881
Utilities	122,356	106,794		106,794
Total expenses before depreciation and amortization	9,767,764	9,469,166	3,000	9,472,166
Depreciation and amortization	709,237	706,912		706,912
Total expenses	\$ 10,477,001	\$ 10,176,078	\$ 3,000	\$ 10,179,078

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – CHICAGO BULLS COLLEGE PREP

Years ended June 30,	2016		2015	
	Program services	Program services	Management and general	Total
Building maintenance and repairs	\$ 134,741	\$ 128,563		\$ 128,563
Bonus salaries	646,467	652,796		652,796
Classroom furniture	10,909	22,767		22,767
Contracted maintenance services	212,085	273,317		273,317
Contractual services and stipends	11,815	11,328		11,328
Contributed services	24,408	45,000		45,000
CPS administrative fee	331,345	329,480		329,480
Educational materials	114,168	143,575		143,575
Employee benefits and payroll taxes	1,364,869	1,289,012		1,289,012
Extracurricular activities	190,684	219,985		219,985
Field studies	138,127	119,372		119,372
Food program	601,788	492,334		492,334
Graduation	28,490	27,549		27,549
Insurance	32,245	24,549		24,549
Music program	12,807	24,089		24,089
Night school	22,500			
Office furniture		675		675
Other expenses	17,205	23,720		23,720
Postage and delivery	4,165	8,839		8,839
Printing and copying	131,116	132,810		132,810
Professional development	87,098	137,748		137,748
Refund of grant funds			\$ 6,450	6,450
Rent	845,731	821,098		821,098
Salaries	5,445,122	5,125,554		5,125,554
Scholarships	4,448	2,600		2,600
Sports activities	100,856	97,994		97,994
Staff advertising and recruitment	8,710	27,454		27,454
Summer school	31,450	41,736		41,736
Supplies	32,106	31,625		31,625
Technology	208,437	378,459		378,459
Transportation	78,102	54,355		54,355
Uniforms	50,585	88,189		88,189
Utilities	126,538	131,947		131,947
Total expenses before depreciation and amortization	11,049,117	10,908,519	6,450	10,914,969
Depreciation and amortization	173,515	170,748		170,748
Total expenses	\$ 11,222,632	\$ 11,079,267	\$ 6,450	\$ 11,085,717

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – JOHNSON COLLEGE PREP

Years ended June 30,	2016		2015	
	Program services	Program services	Management and general	Total
Building maintenance and repairs	\$ 141,056	\$ 91,319		\$ 91,319
Bonus salaries	567,179	610,190		610,190
Classroom furniture	15,371	35,473		35,473
Contracted maintenance services	148,048	215,080		215,080
Contractual services and stipends	41,116	28,395		28,395
Contributed services	28,186	72,000		72,000
CPS administrative fee	267,210	271,224		271,224
Educational materials	198,489	458,312		458,312
Employee benefits and payroll taxes	1,080,232	1,148,386		1,148,386
Extracurricular activities	130,164	163,379		163,379
Field studies	107,197	187,667		187,667
Food program	476,536	451,133		451,133
Graduation	28,086	42,516		42,516
Insurance	27,101	20,258		20,258
Night school	6,000	6,000		6,000
Office furniture	2,332	42,264		42,264
Other expenses	54,095	100,670		100,670
Postage and delivery	4,477	9,851		9,851
Printing and copying	132,574	127,964		127,964
Professional development	84,453	187,896		187,896
Refund of grant funds			\$ 150	150
Rent	459,153	445,780		445,780
Salaries	4,211,459	4,314,819		4,314,819
Sports activities	54,178	65,918		65,918
Staff advertising and recruitment	5,497	14,008		14,008
Summer school	18,500	14,006		14,006
Supplies	36,223	108,837		108,837
Technology	274,346	254,592		254,592
Telecommunications	1,233	445		445
Transportation	80,215	67,158		67,158
Uniforms	81,136	70,354		70,354
Utilities	102,265	92,123		92,123
Total expenses before depreciation and amortization	8,864,107	9,718,017	150	9,718,167
Depreciation and amortization	211,027	182,373		182,373
Total expenses	\$ 9,075,134	\$ 9,900,390	\$ 150	\$ 9,900,540

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – HANSBERRY COLLEGE PREP

Years ended June 30,	2016	2015
	Program services	
Building maintenance and repairs	\$ 46,303	\$ 105,440
Bonus salaries	353,710	332,025
Classroom furniture	61,777	169,326
Contracted maintenance services	151,052	166,524
Contractual services and stipends	45,000	12,189
Contributed services	25,365	27,000
CPS administrative fee	232,335	208,268
Educational materials	218,690	293,573
Employee benefits and payroll taxes	977,289	818,799
Extracurricular activities	95,675	79,046
Field studies	59,787	102,441
Food program	475,954	403,615
Graduation	32,099	998
Insurance	55,113	44,997
Interest	1,019,368	1,021,993
Music program	12,526	15
Night school	1,000	5,000
Office furniture	3,791	1,182
Other expenses	18,033	13,525
Postage and delivery	4,334	2,758
Printing and copying	80,675	72,260
Professional development	126,647	72,923
Rent	171,028	171,028
Salaries	3,945,708	3,264,112
Sports activities	57,889	75,135
Staff advertising and recruitment	10,141	12,630
Summer school	22,027	15,705
Supplies	70,021	26,859
Technology	220,675	332,933
Telecommunications	570	1,030
Transportation	58,775	39,847
Uniforms	42,397	36,580
Utilities	83,041	100,586
Total expenses before depreciation and amortization	8,778,795	8,030,342
Depreciation and amortization	775,655	764,842
Total expenses	\$ 9,554,450	\$ 8,795,184

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – DRW COLLEGE PREP

Years ended June 30,	2016		2015	
	Program services	Program services	Management and general	Total
Building maintenance and repairs	\$ 23,269	\$ 28,350		\$ 28,350
Bonus salaries	354,172	311,835		311,835
Classroom furniture	8,895	123,417		123,417
Contracted maintenance services	639,245	584,686		584,686
Contractual services and stipends	46,666	28,226		28,226
Contributed services	27,930	58,500		58,500
CPS administrative fee	189,890	147,250		147,250
Educational materials	187,876	239,973		239,973
Employee benefits and payroll taxes	830,595	726,211		726,211
Extracurricular activities	141,546	135,768		135,768
Field studies	71,899	115,013		115,013
Food program	235,859	242,285		242,285
Graduation	13,177	2,500		2,500
Insurance	17,445	12,343		12,343
Music program	12,358	7,759		7,759
Night school	22,500	21,750		21,750
Office furniture	41	1,178		1,178
Other expenses	52,004	28,660		28,660
Postage and delivery	5,352	9,008		9,008
Printing and copying	68,170	57,646		57,646
Professional development	70,655	44,183		44,183
Refund of grant funds			\$ 67,929	67,929
Rent	214,651	203,446		203,446
Salaries	3,392,025	2,777,918		2,777,918
Sports activities	115,955	107,586		107,586
Staff advertising and recruitment	3,675	4,653		4,653
Summer school	32,830	8,500		8,500
Supplies	15,307	25,030		25,030
Technology	235,630	296,054		296,054
Transportation	62,960	58,957		58,957
Uniforms	46,637	44,894		44,894
Total expenses before depreciation and amortization	7,139,214	6,453,579	67,929	6,521,508
Depreciation and amortization	157,498	122,952		122,952
Total expenses	\$ 7,296,712	\$ 6,576,531	\$ 67,929	\$ 6,644,460

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – BAKER COLLEGE PREP

Years ended June 30,	<u>2016</u>	<u>2015</u>
	Program services	
Building maintenance and repairs	\$ 19,325	\$ 52,008
Bonus salaries	255,299	210,501
Classroom furniture	81,437	176,045
Contractual services and stipends	52,541	56,086
Contributed services	21,894	35,538
CPS administrative fee	129,125	85,503
CPS facility fee	333,558	220,065
Educational materials	86,563	72,465
Employee benefits and payroll taxes	602,265	402,349
Extracurricular activities	50,650	16,717
Field studies	41,855	32,765
Food program	168,217	181,341
Insurance	12,828	7,251
Night school	17,420	3,250
Office furniture	1,656	194
Other expenses	2,791	25,489
Postage and delivery	5,861	7,757
Printing and copying	31,248	21,535
Professional development	37,134	27,008
Rent	577,209	560,398
Salaries	2,329,832	1,669,745
Sports activities	47,063	22,980
Staff advertising and recruitment	1,889	10,530
Summer school	11,281	5,953
Supplies	17,751	22,877
Technology	176,002	330,644
Telecommunications		199
Transportation	30,144	32,965
Uniforms	49,139	28,972
Total expenses before depreciation and amortization	5,191,977	4,319,130
Depreciation and amortization	70,177	50,395
Total expenses	\$ 5,262,154	\$ 4,369,525

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – BUTLER COLLEGE PREP

Years ended June 30,	2016	2015
	Program services	
Building maintenance and repairs	\$ 65,727	\$ 54,482
Bonus salaries	328,171	294,197
Classroom furniture	141,540	113,312
Contracted maintenance services		285
Contractual services and stipends	103,169	94,639
Contributed services	24,718	31,962
CPS administrative fee	134,369	87,018
CPS facility fee	375,306	227,832
Educational materials	80,112	55,062
Employee benefits and payroll taxes	626,995	428,523
Extracurricular activities	91,127	25,712
Field studies	19,207	56,392
Food program	229,514	269,302
Insurance	15,419	9,085
Music program	35,589	495
Night school	28,480	14,667
Office furniture	22,015	2,701
Other expenses	15,089	12,927
Postage and delivery	3,275	7,458
Printing and copying	28,378	31,711
Professional development	92,796	47,006
Rent	423,572	411,021
Salaries	2,593,452	1,808,830
Sports activities	96,583	59,055
Staff advertising and recruitment	6,813	14,250
Summer school	24,400	30,522
Supplies	29,352	18,386
Technology	174,723	273,709
Telecommunications	190	320
Transportation	43,537	22,286
Uniforms	17,056	81,462
Total expenses before depreciation and amortization	5,870,674	4,584,609
Depreciation and amortization	69,419	48,451
Total expenses	\$ 5,940,093	\$ 4,633,060

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – ITW DAVID SPEER ACADEMY

Years ended June 30,	2016		2015	
	Program services	Program services	Management and general	Total
Building maintenance and repairs	\$ 89,581	\$ 174,507		\$ 174,507
Bonus salaries	480,000	202,066		202,066
Classroom furniture	85,049	80,261		80,261
Contracted maintenance services	45,590	31,264		31,264
Contractual services and stipends	42,629	20,505		20,505
Contributed services	27,151	18,000		18,000
CPS administrative fee	209,470	88,454		88,454
Educational materials	390,870	255,142		255,142
Employee benefits and payroll taxes	849,925	297,735		297,735
Extracurricular activities	88,698	6,319		6,319
Field studies	15,993	30,192		30,192
Food program	322,244	123,804		123,804
Grant to Noble Network Education Foundation			\$ 5,819,200	5,819,200
Insurance	43,004	28,547		28,547
Interest	304,069	54,801		54,801
Music program	1,300			
Night school	16,534	8,000		8,000
Office furniture	2,380	1,934		1,934
Other expenses	24,631	2,944		2,944
Postage and delivery	4,151	2,860		2,860
Printing and copying	56,978	14,551		14,551
Professional development	154,415	56,439		56,439
Rent		161,538		161,538
Salaries	3,298,602	1,405,199		1,405,199
Sports activities	157,731	60,155		60,155
Staff advertising and recruitment	14,558	2,141		2,141
Supplies	50,850	26,171		26,171
Technology	208,033	520,827		520,827
Telecommunications		214		214
Transportation	52,443	32,372		32,372
Uniforms	97,679	71,447		71,447
Utilities	97,994	67,844		67,844
Total expenses before depreciation and amortization	7,232,552	3,846,233	5,819,200	9,665,433
Depreciation and amortization	735,778	244,636		244,636
Total expenses	\$ 7,968,330	\$ 4,090,869	\$ 5,819,200	\$ 9,910,069

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – THE NOBLE ACADEMY

Years ended June 30,	2016		2015	
	Program services	Program services	Management and general	Total
Building maintenance and repairs	\$ 69,261	\$ 247,279		\$ 247,279
Bonus salaries	141,301	100,733		100,733
Classroom furniture	22,582	109,511		109,511
Contracted maintenance services	89,434	30,621		30,621
Contractual services and stipends	317,638	26,161		26,161
Contributed services	19,871	18,000		18,000
CPS administrative fee	72,355	58,240		58,240
Educational materials	95,909	160,369		160,369
Employee benefits and payroll taxes	327,092	182,696		182,696
Extracurricular activities	15,763	3,790		3,790
Field studies	42,047	14,334		14,334
Food program	119,347	119,032		119,032
Insurance	21,813	8,980		8,980
Music program	4,033	73,736		73,736
Night school	3,000			
Office furniture		2,517		2,517
Other expenses	10,022	654		654
Postage and delivery	2,878	10,716		10,716
Printing and copying	25,237	7,996		7,996
Professional development	72,534	71,767		71,767
Refund of grant funds			\$ 15,615	15,615
Rent	2,057,425	384,148		384,148
Salaries	1,574,587	1,073,684		1,073,684
Sports activities	19,896	40,069		40,069
Staff advertising and recruitment	3,555	8,204		8,204
Summer school	6,050	38		38
Supplies	9,247	18,255		18,255
Technology	214,761	230,774		230,774
Transportation	15,453	6,140		6,140
Uniforms	21,649	19,030		19,030
Utilities	132,987	9,459		9,459
Total expenses before depreciation and amortization	5,527,727	3,036,933	15,615	3,052,548
Depreciation and amortization	38,645	23,028		23,028
Total expenses	\$ 5,566,372	\$ 3,059,961	\$ 15,615	\$ 3,075,576

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – MANSUETO HIGH SCHOOL

Year ended June 30, 2016	Program services
Building maintenance and repairs	\$ 13,525
Bonus salaries	15,500
Contractual services and stipends	8,520
Educational materials	4,075
Employee benefits and payroll taxes	14,384
Extracurricular activities	300
Field studies	259
Other expenses	1,192
Postage and delivery	554
Printing and copying	141
Professional development	2,359
Salaries	41,500
Staff advertising and recruitment	6,472
Supplies	969
Technology	254
Telecommunications	229
Uniforms	11,210
Total expenses	\$ 121,443

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – NOBLE DAY CARE

Years ended June 30,	2016			2015		
	Program services	Supporting Services Management and general	Total	Program services	Supporting Services Management and general	Total
Building maintenance and repairs	\$ 11,895		\$ 11,895	\$ 33,632		\$ 33,632
Contracted maintenance services	28,070		28,070	8,427		8,427
Educational materials	7,656		7,656	10,821		10,821
Employee benefits and payroll taxes	77,684	\$ 14,347	92,031	60,013	\$ 12,715	72,728
Food program	21,207		21,207	20,600		20,600
Insurance	3,375		3,375	1,224		1,224
Other expenses	1,145		1,145	2,610		2,610
Professional development	3,034		3,034	4,799		4,799
Rent	91,495	10,166	101,661	71,782	7,976	79,758
Salaries	347,969	64,263	412,232	350,483	74,258	424,741
Supplies	2,615		2,615	4,102		4,102
Utilities	12,403		12,403	19,522		19,522
Total expenses before depreciation and amortization	608,548	88,776	697,324	588,015	94,949	682,964
Depreciation and amortization	15,980	1,775	17,755	15,980	1,775	17,755
Total expenses	\$ 624,528	\$ 90,551	\$ 715,079	\$ 603,995	\$ 96,724	\$ 700,719

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF FUNCTIONAL EXPENSES – NOBLE NETWORK EDUCATION FOUNDATION

Years ended June 30,	2016	2015
	Supporting Services	Management and general
Contractual services and stipends	\$ 63,000	\$ 63,000
Other expenses	214	75
Total expenses	\$ 63,214	\$ 63,075

**NOBLE NETWORK OF CHARTER SCHOOLS,
SUBSIDIARIES AND AFFILIATE**

STATEMENT OF ACTIVITIES – SUMMER OF A LIFETIME, A NOBLE NETWORK PROGRAM

Years ended June 30,	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue:						
Contributions and grants	\$ 666,005	\$ 580,822	\$ 1,246,827	\$ 462,444	\$ 255,338	\$ 717,782
Fundraising events	86,359		86,359	77,630		77,630
Transfer of revenues from campuses	345,850		345,850	531,095		531,095
Net assets released from restrictions:						
Satisfaction of purpose or time restrictions	355,338	(355,338)		457,000	(457,000)	
Total revenue	1,453,552	225,484	1,679,036	1,528,169	(201,662)	1,326,507
Expenses:						
Administrative expenses	25,538		25,538	13,128		13,128
Credit card processing fees	2,280		2,280	1,748		1,748
Event expenses	94,103		94,103	98,361		98,361
Executive director fees and other salaries	164,723		164,723	113,086		113,086
SOL program support	1,115,052		1,115,052	1,075,135		1,075,135
Total expenses	1,401,696		1,401,696	1,301,458		1,301,458
Change in net assets	\$ 51,856	\$ 225,484	\$ 277,340	\$ 226,711	\$ (201,662)	\$ 25,049