

Melissa Manriquez
Deputy Clerk

Pima County Clerk of the Board

Julie Castañeda

Administration Division
130 W. Congress, 5th Floor
Tucson, AZ 85701
Phone: (520) 724-8449 • Fax: (520) 222-0448

Document and Micrographics Mgt. Division
1640 East Benson Highway
Tucson, Arizona 85714
Phone: (520) 351-8454 • Fax: (520) 791-6666

MEMORANDUM

TO: Honorable Chair and Board Members
Pima County Board of Supervisors

FROM: Julie Castañeda, Clerk of the Board

DATE: April 2, 2019

RE: Petition for Relief – Science Technology Engineering & Math (STEM) AZ

Pursuant to A.R.S. §42-11104 et seq., Science Technology Engineering & Math (STEM) AZ, 8055 E 22nd Street, Parcel No. 134-11-3740, filed a petition on February 28, 2019, for relief of their 2018 Real Property Taxes as follows:

<u>Parcel No.</u>	<u>Year</u>	<u>Taxes Due</u>	<u>Interest/Fees/Penalties</u>	<u>Total*</u>
134-11-3740-1	2018	\$6,937.82	\$462.52	\$7,400.34
134-11-3740-2	2018	\$6,937.81	\$.00	\$6,937.81
Total		\$13,875.63	\$462.52	\$14,338.15

A.R.S. §42-11104, allows a non-profit organization who holds title to property used primarily for education, who failed to file their request for exemption in a timely manner and who otherwise qualifies for exemption, to petition the Board of Supervisors to direct the County Treasurer to forgive and strike off property taxes, interest and penalties, under A.R.S. §42-11104 et. seq., that are due but not paid.

Please be advised that the Assessor's review of this exemption indicates that the required ownership of the property was not in effect during the time period required by statute.

/jc

Attachments

- Notice of Hearing
- Treasurer's Tax Reports
- Assessor's Review Form
- Academy Del Sol's submission



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March 20, 2019

Science Technology Engineering and Math (STEM) AZ
c/o Matt Roll, Principal
Da Vinci Tree Academy
8055 E. 22nd Street
Tucson, Arizona 85710

RE: Petition for Relief of Real Property Taxes - Parcel No. 134-11-3740

Dear Mr. Roll:

Please be advised that your Petition for Relief of Real Property Taxes for 2018 has been scheduled before the Pima County Board of Supervisors on Tuesday, April 2, 2019, at 9:00 a.m. or thereafter, at the following location:

Pima County Administration Building
Board of Supervisors Hearing Room
130 West Congress, 1st Floor
Tucson, AZ 85701

If you have any questions regarding this hearing, please contact this office at 724-8449.

Sincerely,

A handwritten signature in black ink, appearing to read "Castañeda", with a large, stylized initial "J" or "C" at the beginning.

Julie Castañeda
Clerk of the Board



PIMA COUNTY TREASURER'S OFFICE

Beth Ford, CPA
Pima County Treasurer

240 North Stone Avenue
Tucson AZ, 85701-1199
(520) 724-8341

ACCOUNT BALANCE

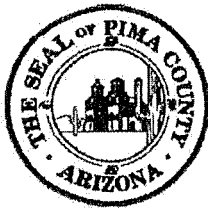
SCIENCE TECHNOLOGY ENGINEERING & MATH AZ
ATTN: MATTHEW ROLL
8323 E 22ND ST
TUCSON AZ 85710-6520

ACCOUNT: 134113740
PROPERTY TYPE: Real Estate
PROPERTY LOCATION: 8055 E 22ND ST
LEGAL DESC: SHERWOOD VILLAGE TERRACE S250' W124.2'
E274.2' BLK B

Account Balance as of March 12, 2019

Tax Year	Cert No	Interest Date	Interest Percent	Amount	Interest Due	Fees Due	Penalties Due	Total Due
2018 - 1		11/2/2018	16.0	6,937.82	462.52	0.00	0.00	7,400.34
2018 - 2		5/2/2019	16.0	6,937.81	0.00	0.00	0.00	6,937.81
Totals				\$13,875.63	\$462.52	\$0.00	\$0.00	\$14,338.15

If you have any questions about the items on this statement, please contact our offices.



Pima County Clerk of the Board

Julie Castañeda

Melissa Manriquez
Deputy Clerk

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Tucson, AZ 85701
Phone: (520) 724-8449 • Fax: (520) 222-0448

Management of Information & Records Division
1640 East Benson Highway
Tucson, Arizona 85714
Phone: (520) 351-8454 • Fax: (520) 791-6666

Petition to the Board of Supervisors - Review Form

Pursuant to ☒ A.R.S. §42-11104(G) (educational/library property) or
☐ A.R.S. §42-11109(E) (religious property)

Taxpayer Science Technology Engineering and Math Arizona (d.b.a.: Da Vinci Tree Academy)

For tax year(s) 2018 - Parcel Number 134-11-3740

- 1) Did the organization file an affidavit as required by A.R.S. §42-11153?
☐ Yes ☒ No
- 2) Was the affidavit filed on or before March 1 of the tax year as required by A.R.S. §42-11153?
☐ Yes ☒ No
- 3) If the affidavit had been filed timely, would the Assessor have granted the exemption?
☐ Yes ☒ No
- 4) If the answer to Number 3 is "No", why was the exemption denied?
☒ The required ownership of the property was not in effect during the time period required by statute.
☐ The property was not being used for the exempt purpose during the time period required by statute.
☐ The requesting church, educational or library property did not furnish the required documents requested by the Assessor at the time of application per A.R.S. §42-11152(3)&(B)
☐ Other:

Completed by:

Maria Z. Ardo

Date:

3/4/2019

c: Honorable Bill Staples, Pima County Assessor

Science Technology Engineering and Math Arizona (DBA: Da Vinci Tree Academy)

Letter of Specific Intent for 2018 Property Tax Forgiveness - February 28, 2019

February 28, 2019

To Whom It May Concern,

Science Technology Engineering and Math Arizona, a Tucson-based non-profit formed exclusively for charitable and educational purposes under IRS code 501c3, formally requests forgiveness for property taxes, fees, accrued interest and penalties for tax year 2018 for our property located at 8055 E 22nd St, Tucson AZ 85710. It is our humble opinion that our property qualifies for this tax forgiveness consideration under Arizona Revised Statute Title 42, Chapter 11, Article 3, subsection 42-11104.g.2. This section states that, "If a nonprofit organization... fails to file the affidavit required by section 42-11152 in a timely manner, but otherwise qualifies for exemption, the county board of supervisors, on petition by the organization, shall direct the county treasurer to: ...Forgive and strike off from the tax roll any property taxes and accrued interest and penalties that are due but not paid."

The property at 8055 E 22nd St in Tucson, Parcel #134-11-37406, was acquired through a purchase on April 10, 2018. Since we did not own the property in March, we were unable to file the tax exemption request by the 2018 filing deadline on March 1, 2018. This property serves as a charter school. It has no other function. The building currently hosts students between grades Kindergarten through Seventh grade. It contains five large classrooms, three offices, and six bathrooms, all of which are used to serve the needs of the students, parents/guardians, and staff at Da Vinci Tree Academy.

Please contact me with any questions or concerns.

Kind Regards,
Matt Roll
Principal, Da Vinci Tree Academy
Board Member, STEM Arizona

FEB 28 19M1248PC CLK OF RD



QUESTIONNAIRE FOR PROPERTY TAX EXEMPTION
APPLICATION

1. Name & Address of Non-Profit or Religious organization: *(DBA: Da Vinci Tree Academy)*
Science Technology Engineering and Math Arizona *8055 E 22nd St*
Tucson AZ 85710
2. From which subsection of Title 42, Chapter 11, Article 3-Exemptions do you base your claim for exemption? *42-11104.g.2*
(Arizona Revised Statutes can be found at: www.azleg.gov)
3. Are there any type of business activities such as snack bars, cafés or restaurants operating on the premises?
No, only a Charter School
4. Is the organization exempt from Federal and/or State income taxes?
yes
5. Give day, month, and year deed/title was acquired by applicant.
4/10/2018
6. Claimant is: Owner/Operator *X* Owner only _____ Operator only _____
7. Exemption is claimed on:
All land *X* Buildings & Improvements *X* Personal Property _____
8. Is any portion of the property used as a place of residence?
If yes, state number of individuals occupying the premises and the duration of the occupancy:
No
9. Does applicant receive any income? (other than free will offerings in connection with this property)
No
10. Is any portion of the property being leased or rented to a non-profit and/or a for-profit organization(s)? Yes _____ No *X*. If yes, please list the name(s) of the organization(s)
11. List date of occupancy: Day *13* Month *8* Year *2018*

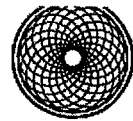
AZ CORPORATION COMMISSION
FILED

FEB 07 2012

FILE NO. 1737776-1



03751589



Science Technology Engineering
and Math Arizona

Science Technology Engineering and Math Arizona

Articles of Incorporation

February 8th, 2012

Articles of Incorporation

Article 1: Name/Registered Office

The name of this corporation shall be: Science Technology Engineering and Math Arizona (hereafter referred to by name or as "the Corporation"). The Corporation's registered office is located at: 7043 S. Gull Lane, Tucson, Az. 85756 (this address also functions as the mailing address).

Article 2: Place of Business

The principle place of transacting business of this corporation within the United States of America is the Greater Tucson Metropolitan Area, Pima County, Arizona. It may have other such offices and places of business within or outside the State of Arizona as the Board of Directors shall establish.

Article 3: Stock

This corporation shall have no capital stock.

Article 4: Character of Affairs

This corporation, Science Technology Engineering and Math Arizona, is organized exclusively for charitable, educational, and scientific purposes within the meaning of Section 501(c)(3) on the Internal Revenue Code of 1986, as now enacted or hereafter amended, including, for such purposes, the making of distributions to organizations that also qualify as Section 501(c)(3) exempt organizations.

This corporation may take and hold by gift, devise, bequest, purchase or lease either absolute or in trust any real or personal property necessary or proper for the purposes for which it is organized.

Article 5: Limitations

The corporation shall always restrict its operation and activities under these conditions:

- I. No part of the net earnings of the corporation shall inure to any member of the corporation not qualifying as exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, as now enacted or hereafter amended, nor to any Director or officer of the corporation, nor to any other private persons, excepting solely such reasonable compensation that the corporation shall pay for services actually rendered to the corporation, or allowed by the corporation as a reasonable allowance for authorized expenditures incurred on behalf of the corporation.
- II. No substantial part of the activities of the corporation shall constitute the carrying on of propaganda or otherwise attempting to influence legislation, or any initiative or referendum before the public. The Science Technology Engineering and Math Arizona shall not participate in, or intervene in (including by

publication or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

- III. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as now enacted or hereafter amended.
- IV. The Science Technology Engineering and Math Arizona shall not lend any of its assets to any officer or director of this corporation (unless such loan program is regularly conducted as part of the activities of the Science Technology Engineering and Math Arizona and the qualification of the individual to participate is determined by a panel comprised of a mix of non-Board members and Board members).

Article 6: Initial Activities

Consistent with its stated purposes, the Foundation initially intends to promote education and social welfare by forming and maintaining a K-8 charter school to benefit, improve, and educate the youth of Arizona.

Article 7: Nonmembership Foundation

The Foundation shall have no members.

Article 8: Directors and Members

The management and affairs of the corporation shall be at all times under the direction of a Board of Directors, whose operations in governing the corporation shall be defined by statute and by the corporation's by-laws. The Board of Directors shall oversee the work of the corporation. No Director shall have any right, title, or interest in or to any property of the corporation.

The initial board of directors shall consist of three directors. The name and address of the people who are to serve as the director until his or her successors are elected and qualifies are:

Peter Meehan:	6827 E Victoria St	Tucson, Arizona 85730
Peter Sheehan:	5526 E. Glenn Apt. A	Tucson, Arizona 85712
Matthew Roll:	7043 S. Gull Lane	Tucson, Arizona 85756

The number of persons to serve on the board of directors thereafter shall be fixed by the bylaws.

Article 9: Officers

The officers, who serve at the pleasure of the board of directors, are:

Matthew Roll	President
Peter Sheehan	Vice President
Peter Meehan	Treasurer/Secretary

Article 10: Incorporators

The names and addresses of the incorporators are:

Peter Meehan: 6827 E Victoria St. Tucson, Arizona 85730

Matthew Roll: 7043 S. Gull Lane Tucson, Arizona 85756

Article 11: Debt, Obligations and Personal Liability

No employee, officer or director of this corporation shall be personally liable for the debts or obligations of this corporation of any nature whatsoever, nor shall any of the property of the employees, officers or directors be subject to the payment of the debts or obligations of this corporation. This article shall not eliminate or limit the liability of a director for any conduct described in clauses (a) through (d) of Section 10-3203.B.1, Arizona Revised Statutes. If the Arizona Corporation Law is amended to authorize further elimination or limitation of the liability of a director, then the liability of a director of the corporation shall be eliminated or limited to the fullest extent permitted by the Arizona Corporation Law as so amended. Any repeal or modification of this article shall not increase the liability of a director of the corporation arising out of acts or omissions occurring before the repeal or modification becomes effective.

The Board of Directors shall adopt a conflict of interest policy in the corporation's bylaws regarding transactions between the corporation and directors of the corporation, including the sale, lease or exchange of property to or from directors and the corporation, the lending or borrowing of monies to or from directors by the corporation or the payment of compensation by the corporation for services provided by directors.

Article 12: Dissolution

Upon the time of dissolution of the corporation, assets shall be distributed by the acting President in conjunction with the Board of Directors as will be defined in the corporation's bylaws, after paying or making provisions for the payment of all debts, obligations, liabilities, costs and expenses of the corporation, for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

Article 13: Amending Articles

These Articles of Incorporation may be amended at a special meeting of the Board of Directors by majority vote. The President does not have to be present. There must be a quorum with a majority of the Board of Directors agreeing upon the amendment. Notice must be sent to all members of the Board of Directors at least 30 days before the meeting at which the action is being taken.

Article 14: Other Educational Institutions

The corporation, at the discretion of the President and under the oversight of the Board of Directors, may encourage, help to start, and operate other educational ventures and institutions provided the President

and Board of Directors are in agreement (as will be detailed in the corporation bylaws). In the event that the Science Technology Engineering and Math Arizona will be operating or establishing another educational group, foundation or institution, authority and liability for that group will be held by the Science Technology Engineering and Math Arizona and will be stipulated as so in an explicit legal agreement between the group and the corporation. These activities shall be limited inasmuch as they will not be permitted to be carried on by the corporation if they violate the federal income tax code under Section 501(c)(3) of the Internal Revenue Code of 1986, or any other local or federal laws as now enacted or hereafter amended.

Any donations or requests for donations from or to the corporation from any outside party that will be used for the purpose of benefiting another group, foundation or institution will be explicitly stated as such. A donation of any kind which has been donated without this acknowledgement of use must either be used towards the Science Technology Engineering and Math Arizona's core purposes (as all normal donations are) or must be returned to the donating party. Core purposes of the Science Technology Engineering and Math Arizona include the promotion of charitable, educational, and scientific purposes within the meaning of Section 501(c)(3) on the Internal Revenue Code of 1986, as now enacted or hereafter amended, including, for such purposes, and the making of distributions to organizations that also qualify as Section 501(c)(3) exempt organizations. Funds or items donated to the Foundation without explicit instructions per their use may be used for any of those purposes.

Article 15: Private Foundation

Notwithstanding other provisions, if this corporation becomes a private foundation, as defined in Section 509 of the Internal Revenue Code of 1986, as amended, while it is a private foundation, the corporation:

- (a) shall not engage in any act of self-dealing as defined in Section 4941(d) thereof;
- (b) shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 thereof;
- (c) shall not retain any excess business holdings as defined in Section 4943(c) thereof;
- (d) shall not make any investment in such manner as to subject it to tax under Section 4944 thereof;
- (e) shall not make any taxable expenditures as defined in Section 4945(d) thereof.

Article 16: Discrimination Not Permitted

In rendering its functions and in exercising its purposes, the corporation shall not practice or permit discrimination on the basis of sex, gender identity, sexual orientation, age, race, ethnicity, national origin, citizenship, religious belief, creed, marital/familial status, veteran status, or physical handicap or disability.

Execution and Statutory Agent

Executed this 7th day of February, 2012 by all of the incorporators.

Signed: Matthew Roll

Matthew Roll

Peter Meehan

Peter Meehan

Statutory Agent (In Arizona) The name and address of the statutory agent of the Corporation is:

Name: Matthew Roll Address: 7043 S. Gull Lane Tucson, AZ. 85756

I hereby agree and consent to serve as Statutory Agent of the above Corporation.

Matthew Roll

Matthew Roll

Statutory Agent

CERTIFICATE OF DISCLOSURE

A.R.S. §10-202(D) (for-profits and financial institutions) or §10-3202(D) (nonprofits)

Science Technology Engineering and Math Arizona
EXACT CORPORATE NAME

- A. Has any person (i) who is currently an officer, director, trustee, incorporator, or (ii) (for-profits and financial institutions only) who controls or holds over 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation been:
1. Convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 2. Convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraint of trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 3. Subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate wherein such injunction, judgment, decree or permanent order:
 - (a) Involved the violation of fraud or registration provisions of the securities laws of that jurisdiction; or
 - (b) Involved the violation of the consumer fraud laws of that jurisdiction; or
 - (c) Involved the violation of the antitrust or restraint of trade laws of that jurisdiction?

Yes _____ No X

B. IF YES, the following information MUST be attached:

1. Full name, prior name(s) and aliases, if used.
2. Full birth name.
3. Present home address.
4. Prior addresses (for immediate preceding 7-year period).
5. Date and location of birth.
6. The nature and description of each conviction or judicial action, including the date and location, the court and public agency involved and file or cause number of case.

- C. Has any person (i) who is currently an officer, director, trustee, incorporator, or (ii) (for-profits and financial institutions only) who controls or holds over twenty per cent of the issued and outstanding common shares or twenty per cent of any other proprietary, beneficial or membership interest in the corporation served in any such capacity or held a twenty per cent interest in any other corporation in any jurisdiction on the bankruptcy or receivership of the other corporation?

Yes _____ No X

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

1. Name and address of the other corporation.
2. Full name (including aliases) and address of each person involved.
3. State(s) in which the other corporation:
 - (a) was incorporated.
 - (b) has transacted business.
4. Dates of corporate operation.
5. Case information for bankruptcy or receivership (date, case number, court).

Under penalties of law, the undersigned incorporator(s)/officer(s)/director(s) declare(s) that I(we) have examined this Certificate, including any attachments, and to the best of my(our) knowledge and belief it is true, correct and complete, and hereby declare as indicated above.
THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE.

BY Matthew Roll

PRINT NAME Matthew Roll

TITLE Incorporator

DATE 2/7/2012

BY Peter S. Meenan

PRINT NAME PETER S. MEENAN

TITLE Incorporator

DATE 2/7/2012

ARIZONA CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. If within sixty days any person becomes an officer, director, trustee or (for-profits or financial institutions) person controlling or holding over 10% of the issued and outstanding shares or 10% of any other proprietary, beneficial, or membership interest in the corporation and the person was not included in this disclosure, the corporation must file a SUPPLEMENTAL certificate signed by at least one duly authorized officer of the corporation.

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.

FINANCIAL INSTITUTIONS: MUST BE SIGNED BY TWO (2) DULY AUTHORIZED OFFICERS OR DIRECTORS OF THE CORPORATION.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: MAY 26 2016

SCIENCE TECHNOLOGY ENGINEERING AND
MATH ARIZONA
C/O STORYBOOK COTTAGE PRESCHOOL
3645 W AVENIDA DEL MAR
TUCSON, AZ 85746

Employer Identification Number:
46-4956863

DLN:

17053063436026

Contact Person:

RICHARD COMBS

ID# 31024

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

December 31

Public Charity Status:

170(b)(1)(A)(ii)

Form 990/990-EZ/990-N Required:

Yes

Effective Date of Exemption:

May 15, 2015

Contribution Deductibility:

Yes

Addendum Applies:

Yes

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

~~Based on the information you submitted with your application, we approved your request for reinstatement under Revenue Procedure 2014-11. Your effective date of exemption, as listed at the top of this letter, is retroactive to your date of revocation.~~

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt

Letter 947

SCIENCE TECHNOLOGY ENGINEERING AND

organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,



Jeffrey I. Cooper
Director, Exempt Organizations
Rulings and Agreements

Enclosure:
Addendum

SCIENCE TECHNOLOGY ENGINEERING AND

ADDENDUM

If you have been in existence for at least three years and you have not filed a Form 990 return or notice for three consecutive years, you may soon receive a letter (Notice CP120A) that we automatically revoked your exempt status, as required by law, for failure to file a return or notice for three consecutive years. This letter will serve to reinstate your exempt status, so you will not need to re-apply. However, you may need to file the appropriate delinquent Forms 990 for all years you have operated as a tax-exempt organization.

Science Technology Engineering and Math Arizona

Non-Profit Corporate Bylaws

Created: February 24th, 2012

Last Adopted Update: July 23rd, 2014

Article 1: Name and Members

Section 1: Name

The name of this corporation is Science Technology Engineering and Math Arizona which can be abbreviated as STEM AZ, STEMAZ, or STEM Arizona. The business of the corporation may be conducted under the name of the corporation, the abbreviated name of the corporation, or any of the corporation's "doing business as" (DBA) names. These are including but not limited to Storybook Cottage and Da Vinci Academy of Science. The corporation will do this in compliance with all state and federal regulations regarding business trade names.

Section 2: Members

There are no members of the corporation.

Article 2: Purpose and Powers**Section 1: Purpose**

Science Technology Engineering and Math Arizona is a non-profit corporation and shall be operated exclusively for educational and charitable purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code.

STEM Arizona's purpose is to promote, address, facilitate, educate and advise towards the interests of science, technology, engineering and mathematics. The scope of this purpose is primarily local to Arizona, but may include activities in other parts of the world.

We promote, address, and facilitate the interests of the STEM subjects by creating safe childcare environments for children to be cared for and learn STEM topics. This allows their parents to pursue careers, possibly in STEM subjects. In the future, STEM Arizona may also participate in other activities that will directly or indirectly promote STEM interests as long as they are applied within the meaning of Section 501 (c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code.

We educate the STEM fields through opening and maintaining schools ranging from Pre-Kindergarten through high school. We advise on the STEM subjects by giving talks to community groups and others.

To maximize our impact on current efforts, we may seek to collaborate with other non-profit organizations which fall under the 501(c) (3) section of the internal revenue code and are operated exclusively for educational and charitable purposes.

At times, per the discretion of the board of directors, we may provide internships or volunteer opportunities which shall provide opportunities for involvement in said activities and programs in order to have a greater impact for change.

Section 2: Powers

The corporation shall have the power, directly or indirectly, alone or in conjunction or cooperation with others, to do any and all lawful acts which may be necessary or convenient to affect the charitable purposes, for which the corporation is organized, and to aid or assist other organizations or persons whose activities further accomplish, foster, or attain such purposes. The powers of the corporation may include, but not be limited to, the acceptance of contributions from the public and private sectors, whether financial or in-kind contributions.

Section 3: Nonprofit Status and Exempt Activities Limitation

(a) Nonprofit Legal Status. STEM Arizona. is a Arizona non-profit public benefit corporation, recognized as tax exempt under Section 501(c)(3) of the United States Internal Revenue Code.

(b) Exempt Activities Limitation. Notwithstanding any other provision of these Bylaws, no director, officer, employee, member, or representative of this corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code as it now exists or may be amended, or by any organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as it now exists or may be amended. No part of the net earnings of the corporation shall inure to the benefit or be distributable to any director, officer, member, or other private person, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.

(c) Distribution Upon Dissolution. Upon termination or dissolution of the STEM Arizona., any assets lawfully available for distribution shall be distributed to one (1) or more qualifying organizations described in Section 501(c)(3) of the 1986 Internal Revenue Code (or described in any corresponding provision of any successor statute) which organization or organizations have a charitable purpose which, at least generally, includes a purpose similar to the terminating or dissolving corporation.

The organization to receive the assets of the STEM Arizona hereunder shall be selected in the discretion of a majority of the managing body of the corporation, and if its members cannot so agree, then the recipient organization shall be selected pursuant to a verified petition in equity filed in a court of proper jurisdiction against the STEM Arizona by one (1) or more of its managing body which verified petition shall contain such statements as reasonably indicate the applicability of this section. The court upon a finding that this section is applicable shall select the quali-

fyng organization or organizations to receive the assets to be distributed, giving preference if practicable to organizations located within the State of Arizona.

In the event that the court shall find that this section is applicable but that there is no qualifying organization known to it which has a charitable purpose, which, at least generally, includes a purpose similar to the STEM Arizona., then the court shall direct the distribution of its assets lawfully available for distribution to the Treasurer of the State of Arizona to be added to the general fund.

Section 4: Compensation for Board Services

Directors shall receive no compensation for carrying out their duties as directors. The board may adopt policies providing for reasonable reimbursement of directors for expenses incurred in conjunction with carrying out board responsibilities, such as travel expenses to attend board meetings.

Section 5: Compensation for Professional Services by Directors

Directors are not restricted from being remunerated for professional services provided to the corporation. Such remuneration shall be reasonable and fair to the corporation and must be reviewed and approved in accordance with the board Conflict of Interest policy and state law.

Article 3: Board of Directors

Section 1: Number of Election

The Board of Directors shall consist of three (3) or more directors, the number of which shall be fixed by the directors. The directors shall be elected at an annual meeting of the directors, for a three year term, with the exceptions as provided in Section 2 and 12 of this Article concerning unexpected vacancies and the initial Board of Directors. Each director elected shall hold office until his or her successor is elected and qualified, or until earlier resignation or removal. Any director may resign at any time upon written notice to the Corporation. No director shall serve more than three consecutive terms except as indicated below in Section 12 of this Article.

Section 2: Vacancies

Any vacancies resulting from an increase in the authorized number of directors or resulting from a resignation may be filled by the affirmative vote of a majority of the remaining directors though not less than a quorum, or by a sole remaining director. Any director so chosen shall hold office until the next election of directors when his or her successor is elected and qualified or until his or her earlier resignation or removal. If at any time, by reason of death or resignation or other cause, the Corporation should have no directors in office, then any of the Corporation's incorporators may call a special meeting of the incorporators for the purpose of electing a new Board of Directors. Other than the above events, the normal process of the Board of Directors shall recommend a team of officers and directors at each annual meeting of the Board of Directors.

Section 3: Removal

At a meeting of directors called expressly for the purpose, directors may be removed, with or without cause, by a vote of a two thirds (2/3) majority of the entire Board of Directors. Members of the Board of Directors shall be automatically deemed unfit for service on the Board of Directors if they are convicted of a felony during their term of service. Directors so removed shall be replaced under the guidelines stipulated in Article 2 Section 2 of the Corporation's bylaws.

Section 4: Quorum

A majority of the number of directors then serving shall constitute a quorum for the transaction of business. The act of a majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board. If a quorum shall not be present at any meeting of the Board of Directors, the directors then present may adjourn the meeting to another time or place, without notice other than an announcement at the meeting and that required by Open Meeting Laws, until such time that a quorum shall be present. Directors meeting via some form of digital telepresence are to be counted as present.

Section 5: Place of Meetings

All meetings of the Board of Directors, either regular or special, shall have notice and arrangements posted for members of the public under the Open Meeting Law should members of the public wish to listen and participate. Any such meetings of the Board of Directors, and any committee meetings may be held either within or without the State of Arizona. Meetings may be held in person, by means of telephone conference, email, video conference, or any similar communications equipment, as allowed by Arizona law, by means of which all persons participating in the meeting can hear or communicate with each other, and participation in a meeting pursuant to this Section shall constitute presence in person at such a meeting.

Section 6: Meetings and Notice to Directors Only

The annual meeting of the Board of Directors shall be held on the second Monday of October at 12:00 p.m. at 8323 E 22nd Street, Tucson, Arizona 85710, or at such other place and time as designated by the Board of Directors. In the event that the annual meeting is not held, an alternate replacement meeting may be held as shall be specified in a written waiver by all President of the Board of Directors and notice to all Directors as described below shall be given. Regular meetings of the Board of Directors will be held at a minimum of each quarter at a time and place established by the Board of Directors at the annual meeting of the Board of Directors. Special meetings of the Board may be called at any time by the President or by a majority of the Board of Directors. The Secretary shall give notice of the time and place of each special meeting to the directors as described in these bylaws. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, with the exception of when a director attends of the

express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Accordingly, whenever any notice is required to be given to any director, a waiver thereon in writing signed by the person entitled to such notice, either before or after the time stated therein, shall be equivalent to the giving of such notice.

Irrespective of the above, the Board of Directors of Science Technology Engineering and Math Arizona shall meet all of the requirements of the State of Arizona Open Meeting Law and abide by any notice requirements of the State of Arizona related to Notice to Directors and notices to directors shall be posted as required by the Open Meeting Law for the State of Arizona as described below.

Section 7: Open Meeting Law Requirements

Science Technology Engineering and Math Arizona's Board of Directors will comply with Open Meeting Laws as stated in A.R.S. § 38-431.02 (A)(1) through (4). Notices of meetings and agenda shall be posted on the school's website and around campus at least one day (24 hours) in advance of the Board of Directors meetings. Minutes of the meetings will be made available to the public within three business days. The Board of Directors shall take all legal actions required by law during public meetings. The Corporation shall file a statement with the Secretary of State of Arizona indicating where all public notes of the Board of Directors meetings will be posted at the School. No meetings shall be held without the proper notification of members of the Board of Directors, and to the general public. In the event that action is taken in violation of the Open Meeting Law, such action shall be null and void, unless the Board of Directors in accordance with A.R.S. § 38-431.05 ratifies such action. The Board of Directors will have a quorum present when conducting business as specified in the bylaws. The open meetings will permit any persons wanting to attend and listen to the deliberations and proceedings. All Directors will participate in Open Meeting Law Training. Additionally, all other requirements of the Open Meeting Laws will be met.

Section 8: Election of Positions on the Board of Directors

At the annual meeting of the Board of Directors, the Board shall elect a President, Vice President, Treasurer, and Secretary. The Board may also elect other such officers as the Board of Directors deems necessary. Whenever a vacancy shall occur in such offices, it shall be filled by a vote of the Board of Directors at a regular or special meeting of the Board of Directors.

Section 9: Payment and Expense Reimbursement Policy

Members of the Board of Directors shall not be entitled to salary or compensation of any kind for serving as a member of the Board of Directors only. If a member of the Board of Directors serves in another capacity that is paid, they are entitled to all the pay and benefits that the position has to offer, but are not entitled to any additional compensatory rewards in return for their service on the Board. Having a position on the Board shall not preclude any Director from serving the corporation in any other capacity and receiving compensation therefore. The school's Leader/Principal, the President of the Board of Directors, and the school's Business Manager shall have the authority to approve expense reimbursements. The Business Manager shall have the authority to put a moratorium on expense reimbursements for the Board of Directors if he or she believes the financial position of the corporation merits it.

The members of the Board of Directors and other individuals appointed to do work for the Board, may be paid their expenses, approved by President of the Board of Directors or a Business Manager, only if the expense related to out of city travel and lodging, or meals. These expense reimbursements explicitly do not cover in city travel. The Board of Directors may make other policies related to expense and reimbursements within the parameters of the existing bylaws.

Section 10: Committees

10.1: Committee Formation and Function

The Board may establish committees, either regular or special. Committees' powers shall be set forth in their resolution, put together by the Board. In a committee's resolution, the Board shall also assign the committee a chairperson. Each committee chairperson shall keep, or cause to be kept, minutes on all meetings of the committee. These minutes shall be filed with the Secretary of the Board of Directors within one week (seven calendar days) of the meeting. The notice requirements state in this document for the Board of Directors shall apply to any and all committees.

The board of directors may, by the resolution adopted by a majority of the directors then in office, designate one or more committees, each consisting of two or more directors, to serve at the pleasure of the board. Any committee, to the extent provided in the resolution of the board, shall have all the authority of the board, except that no committee, regardless of board resolution, may:

- (a) take any final action on matters which also requires board members' approval or approval of a majority of all members;
- (b) fill vacancies on the board of directors or in any committee which has the authority of the board;
- (c) amend or repeal Bylaws or adopt new Bylaws;
- (d) amend or repeal any resolution of the board of directors which by its express terms is not so amendable or repealable;
- (e) appoint any other committees of the board of directors or the members of these committees;
- (f) expend corporate funds to support a nominee for director; or
- (g) approve any transaction;
- (i) to which the corporation is a party and one or more directors have a material financial interest; or
- (ii) between the corporation and one or more of its directors or between the corporation and any person in which one or more of its directors have a material financial interest.

10.2: Meetings and Actions of Committees

Meetings and action of the committees shall be governed by and held and taken in accordance with, the provisions of Article IV of these Bylaws concerning meetings of the directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the board of directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the board of directors or by resolution of the committee. Special meetings of the committee may also be called by resolution of the board of directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The board of directors may adopt rules for the governing of the committee not inconsistent with the provision of these Bylaws.

10.3: Informal Action Taken by the Board of Directors

Any action required or permitted to be taken by the board of directors at a meeting may be taken without a meeting if consent in writing, setting forth the action so taken, shall be agreed by the consensus of a quorum. For purposes of this section an e-mail transmission from an e-mail address on record constitutes a valid writing. The intent of this provision is to allow the board of directors to use email to approve actions, as long as a quorum of board members gives consent.

Section 11: Non-Discrimination

Science Technology Engineering and Math Arizona's Board of Directors shall not practice or permit the practice of discrimination on the basis of sex, gender identity, age, race, ethnicity, national origin, citizenship, religious belief, creed, marital/familial status, veteran status, political stance, or physical handicap or disability in the rendering of its functions in the exercise of its purpose.

Section 12: Staggered Terms and Other Board Matters

Science Technology Engineering and Math Arizona's initial Board of Directors named in the Articles of Incorporation shall serve until the annual meeting of the Board of Directors. Successor Directors, other than any ex officio Director, shall be elected by the affirmative vote of a majority (51%) of the Directors then in office at the annual meeting of the Board of Directors in the year a vacancy occurs.

Directors shall be classified with respect to the time for which they shall hold office. Three Year directors shall hold office for three years. Two Year directors shall hold office for two years. When a Three Year director leaves office, their elected replacement shall then be a Three Year director and vice versa. At the close of each annual meeting of this Corporation, the successors to the directors whose term expire that year shall commence to hold office for the term to which they were elected. In the event of an increase in the number of directors on the Board of Directors, the remaining directors shall assign the newly created directorship(s) to the appropriate number of years

the position shall consist of. Each type of director shall consist of, as nearly as possible, an equal number of directors. There shall ideally be an odd number of directors to avoid director deadlock.

An individual may only serve in a director's position for three consecutive terms. After three consecutive terms, the individual must step down and may not be elected back to the Board of Directors for another two years. These terms limits do not apply to any ex-officio members of the Board such as the School Leader/Principal, and do not apply to any members of the Advisory Board. During the two years in which a former Board of Directors member is waiting to be eligible for reelection, he or she may serve on the Corporation's Advisory Board.

In order to fill vacancies on the Board of Directors, any one of the Board of Directors or any member of one of Science Technology Engineering and Math Arizona's school administrative teams can make nominations. These nominations will be voted on along with any other suggestions by the Board themselves in order to elect new board members.

Section 13: Director Deadlock

If a quorum of directors is convened at a public meeting, and the quorum votes on an issue and is deadlocked, members of the Board not present shall be contacted for their vote. Any member not present has until the following meeting to submit their vote. In the interim, any deadlocked issue will remain unresolved until the next meeting. In the unlikely event that a vacancy is created and there are an even number of directors for a single meeting who are experiencing deadlock, the deciding vote shall be that of the School Leader/Principal.

Article 4: Officers**Section 1: Board Officers**

The officers of the corporation shall be a board president, vice-president, secretary, and treasurer, all of whom shall be chosen by, and serve at the pleasure of, the board of directors. Each board officer shall have the authority and shall perform the duties set forth in these Bylaws or by resolution of the board or by direction of an officer authorized by the board to prescribe the duties and authority of other officers. The board may also appoint additional vice-presidents and such other officers as it deems expedient for the proper conduct of the business of the corporation, each of whom shall have such authority and shall perform such duties as the board of directors may determine. One person may hold two or more board offices, but no board officer may act in more than one capacity where action of two or more officers is required.

Section 2: Term of Office

Each officer shall serve their term of office and may not serve more than three (3) consecutive terms of office. Unless unanimously elected by the board at the end of his/her three (3) year terms or to fill a vacancy in an officer position, each board officer's term of office shall begin upon the adjournment of the board meeting at which elected and shall end upon the adjournment of the board meeting during which a successor is elected.

Section 3: Removal and Resignation

The board of directors may remove an officer at any time, with or without cause. Any officer may resign at any time by giving written notice to the corporation without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice, unless otherwise specified in the notice. The acceptance of the resignation shall not be necessary to make it effective.

Section 4: Board President

The board president shall be the chief volunteer officer of the corporation. The board president shall lead the board of directors in performing its duties and responsibilities, including, if present, presiding at all meetings of the board of directors, and shall perform all other duties incident to the office or properly required by the board of directors.

Section 5: Vice President

In the absence or disability of the board president, the ranking vice-president or vice-president designated by the board of directors shall perform the duties of the board president. When so acting, the vice-president shall have all the powers of and be subject to all the restrictions upon the board president. The vice-president shall have such other powers and perform such other duties prescribed for them by the board of directors or the board president. The vice-president shall normally accede to the office of board president upon the completion of the board president's term of office.

Section 6: Secretary

The secretary shall keep or cause to be kept a book of minutes of all meetings and actions of directors and committees of directors. The minutes of each meeting shall state the time and place that it was held and such other information as shall be necessary to determine the actions taken and whether the meeting was held in accordance with the law and these Bylaws. The secretary shall cause notice to be given of all meetings of directors and committees as required by the Bylaws. The secretary shall have such other powers and perform such other duties as may be prescribed by the board of directors or the board president. The secretary may appoint, with approval of the board, a director to assist in performance of all or part of the duties of the secretary.

Section 7: Treasurer

The treasurer shall be the lead director for oversight of the financial condition and affairs of the corporation. The treasurer shall oversee and keep the board informed of the financial condition of the corporation and of audit or financial review results. In conjunction with other directors or officers, the treasurer shall oversee budget

preparation and shall ensure that appropriate financial reports, including an account of major transactions and the financial condition of the corporation, are made available to the board of directors on a timely basis or as may be required by the board of directors. The treasurer shall perform all duties properly required by the board of directors or the board president. The treasurer may appoint, with approval of the board a qualified fiscal agent or member of the staff to assist in performance of all or part of the duties of the treasurer.

Section 8: Non-Director Officers

The board of directors may designate additional officer positions of the corporation and may appoint and assign duties to other non-director officers of the corporation.

Article 5: Contracts, Checks, Loans, Indemnification and Related Matters**Section 1: Contracts and other Writings**

Except as otherwise provided by resolution of the board or board policy, all contracts, deeds, leases, mortgages, grants, and other agreements of the corporation shall be executed on its behalf by the treasurer or other persons to whom the corporation has delegated authority to execute such documents in accordance with policies approved by the board.

Section 2: Checks and Drafts

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the board.

Section 3: Deposits

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depository as the board or a designated committee of the board may select.

Section 4: Loans

No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the board. Such authority may be general or confined to specific instances.

Section 5: Indemnification

(a) Mandatory Indemnification. The corporation shall indemnify a director or former director, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was a director of the corporation against reasonable expenses incurred by him or her in connection with the proceedings.

(b) Permissible Indemnification. The corporation shall indemnify a director or former director made a party to a proceeding because he or she is or was a director of the corporation, against liability incurred in the proceeding, if the determination to indemnify him or her has been made in the manner prescribed by the law and payment has been authorized in the manner prescribed by law.

(c) Advance for Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the board of directors in the specific case, upon receipt of (I) a written affirmation from the director, officer, employee or agent of his or her good faith belief that he or she is entitled to indemnification as authorized in this article, and (II) an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation in these Bylaws.

(d) Indemnification of Officers, Agents and Employees. An officer of the corporation who is not a director is entitled to mandatory indemnification under this article to the same extent as a director. The corporation may also indemnify and advance expenses to an employee or agent of the corporation who is not a director, consistent with Arizona Law and public policy, provided that such indemnification, and the scope of such indemnification, is set forth by the general or specific action of the board or by contract.

Article 6: Miscellaneous**Section 1: Books and Records**

The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its board of directors, a record of all actions taken by board of directors without a meeting, and a record of all actions taken by committees of the board. In addition, the corporation shall keep a copy of the corporation's Articles of Incorporation and Bylaws as amended to date.

Section 2: Fiscal Year

The fiscal year of the corporation shall be from January 1 to December 31 of each year.

Section 3: Conflict of Interest

The board shall adopt and periodically review a conflict of interest policy to protect the corporation's interest when it is contemplating any transaction or arrangement which may benefit any director, officer, employee, affiliate, or member of a committee with board-delegated powers.

Section 4: Nondiscrimination Policy

The officers, directors, committee members, employees, and persons served by this corporation shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin, and sexual orientation. It is the policy of Science Technology Engineering and Math Arizona not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, or national origin.

Section 5: Bylaw Amendment

These Bylaws may be amended, altered, repealed, or restated by a vote of the majority of the board of directors then in office at a meeting of the Board, provided, however,

- (a) that no amendment shall be made to these Bylaws which would cause the corporation to cease to qualify as an exempt corporation under Section 501 (c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code; and,
- (b) that an amendment does not affect the voting rights of directors. An amendment that does affect the voting rights of directors further requires ratification by a two-thirds (2/3) vote of a quorum of directors at a Board meeting.
- (c) that all amendments be consistent with the Articles of Incorporation.

Article 7: Document Retention Policy

Section 1: Purpose

The purpose of this document retention policy is establishing standards for document integrity, retention, and destruction and to promote the proper treatment of Science Technology Engineering and Math Arizona records.

Section 2: Policy

Section 2.1. General Guidelines. Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files. The cost of maintaining records is an expense which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records.

From time to time, Science Technology Engineering and Math Arizona may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception for litigation relevant documents and any other pertinent factors.

Section 2.2. Exception for Litigation Relevant Documents. Science Technology Engineering and Math Arizona expects all officers, directors, and employees to comply fully with any published records retention or destruction policies and schedules, provided that all officers, directors, and employees should note the following general exception to any stated destruction schedule: If you believe, or Science Technology Engineering and Math Arizona informs you, that corporate records are relevant to litigation, or potential litigation (i.e. a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

Section 3: Minimum Retention Periods for Specific Categories

(a) Corporate Documents. Corporate records include the corporation's Articles of Incorporation, By-Laws and IRS Form 1023 and Application for Exemption. Corporate records should be retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request.

(b) Tax Records. Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of contributions made by donors, accounting procedures, and other documents concerning the corporation's revenues. Tax records should be retained for at least seven years from the date of filing the applicable return.

(c) Employment Records/Personnel Records. State and federal statutes require the corporation to keep certain recruitment, employment and personnel information. The corporation should also keep personnel files that reflect performance reviews and any complaints brought against the corporation or individual employees under applicable state and federal statutes. The corporation should also keep in the employee's personnel file all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel. Employment applications should be retained for three years. Retirement and pension records should be kept permanently. Other employment and personnel records should be retained for seven years.

(d) Board and Board Committee Materials. Meeting minutes should be retained in perpetuity in the corporation's minute book. A clean copy of all other Board and Board Committee materials should be kept for no less than three years by the corporation.

(e) Press Releases/Public Filings. The corporation should retain permanent copies of all press releases and publicly filed documents under the theory that the corporation should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the corporation.

(f) Legal Files. Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten years.

(g) Marketing and Sales Documents. The corporation should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally three years. An exception to the three-year policy may be sales invoices, contracts, leases, licenses, and other legal documentation. These documents should be kept for at least three years beyond the life of the agreement.

(h) Development/Intellectual Property and Trade Secrets. Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to the corporation and are protected as a trade secret where the corporation:

(i) derives independent economic value from the secrecy of the information; and

(ii) has taken affirmative steps to keep the information confidential.

The corporation should keep all documents designated as containing trade secret information for at least the life of the trade secret.

(i) Contracts. Final, execution copies of all contracts entered into by the corporation should be retained. The corporation should retain copies of the final contracts for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.

(j) Correspondence. Unless correspondence falls under another category listed elsewhere in this policy, correspondence should generally be saved for two years.

(k) Banking and Accounting. Accounts payable ledgers and schedules should be kept for seven years. Bank reconciliations, bank statements, deposit slips and checks (unless for important payments and purchases) should be kept for three years. Any inventories of products, materials, and supplies and any invoices should be kept for seven years.

(l) Insurance. Expired insurance policies, insurance records, accident reports, claims, etc. should be kept permanently.

(m) Audit Records. External audit reports should be kept permanently. Internal audit reports should be kept for three years.

Section 4: Electronic Mail

E-mail that needs to be saved should be either:

(i) printed in hard copy and kept in the appropriate file; or

(ii) downloaded to a computer file and kept electronically or on disk as a separate file. The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.

Article 8: Transparency and Accountability, Disclosure of Financial Information With The General Public**Section 1: Purpose**

By making full and accurate information about its mission, activities, finances, and governance publicly available, Science Technology Engineering and Math Arizona practices and encourages transparency and accountability to the general public. This policy will:

- (a) indicate which documents and materials produced by the corporation are presumptively open to staff and/or the public
- (b) indicate which documents and materials produced by the corporation are presumptively closed to staff and/or the public
- (c) specify the procedures whereby the open/closed status of documents and materials can be altered.

The details of this policy are as follow:

Section 2: Financial and IRS documents (The form 1023 and the form 990)

Science Technology Engineering and Math Arizona shall provide its Internal Revenue forms 990, 990-T, 1023 and 5227, bylaws, conflict of interest policy, and financial statements to the general public for inspection free of charge.

Section 3: Means and Conditions of Disclosure

Science Technology Engineering and Math Arizona shall make "Widely Available" the aforementioned documents on its internet website: www.motorcyclememoir.com to be viewed and inspected by the general public.

- (a) The documents may be posted in a format that allows an individual using the Internet to access, download, view and print them in a manner that exactly reproduces the image of the original document filed with the IRS (except information exempt from public disclosure requirements, such as contributor lists).
- (b) The website may clearly inform readers that the document is available and provide instructions for downloading it.
- (c) Science Technology Engineering and Math Arizona shall not charge a fee for downloading the information. Documents shall not be posted in a format that would require special computer hardware or software (other than software readily available to the public free of charge).
- (d) Science Technology Engineering and Math Arizona shall inform anyone requesting the information where this information can be found, including the web address. This information must be provided immediately for in-person requests and within 7 days for mailed requests.

Section 4: IRS Annual Information Returns (Form 990)

Science Technology Engineering and Math Arizona shall submit the Form 990 to its board of directors prior to the filing of the Form 990. While neither the approval of the Form 990 or a review of the 990 is required under Federal law, the corporation's Form 990 shall be submitted to each member of the board of director's via (hard copy or email) at least 10 days before the Form 990 is filed with the IRS.

Section 5: Board

- (a) All board deliberations shall be open to the public except where the board passes a motion to make any specific portion confidential.
- (b) All board minutes shall be open to the public once accepted by the board, except where the board passes a motion to make any specific portion confidential.
- (c) All papers and materials considered by the board shall be open to the public following the meeting at which they are considered, except where the board passes a motion to make any specific paper or material confidential.

Section 6: Staff Records

- (a) All staff records shall be available for consultation by the staff member concerned or by their legal representatives.
- (b) No staff records shall be made available to any person outside the corporation except the authorized governmental agencies.

- (c) Within the corporation, staff records shall be made available only to those persons with managerial or personnel responsibilities for that staff member, except that
- (d) Staff records shall be made available to the board when requested.

Section 7: Donor Records

- (a) All donor records shall be available for consultation by the members and donors concerned or by their legal representatives.
- (b) No donor records shall be made available to any other person outside the corporation except the authorized governmental agencies.
- (c) Within the corporation, donor records shall be made available only to those persons with managerial or personnel responsibilities for dealing with those donors, except that ;
- (d) donor records shall be made available to the board when requested.

Article 9: Code of Ethics and Whistleblower Policy**Section 1: Purpose**

Science Technology Engineering and Math Arizona requires and encourages directors, officers and employees to observe and practice high standards of business and personal ethics in the conduct of their duties and responsibilities. The employees and representatives of the corporation must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. It is the intent of Science Technology Engineering and Math Arizona to adhere to all laws and regulations that apply to the corporation and the underlying purpose of this policy is to support the corporation's goal of legal compliance. The support of all corporate staff is necessary to achieving compliance with various laws and regulations.

Section 2: Reporting Violations

If any director, officer, staff or employee reasonably believes that some policy, practice, or activity of Science Technology Engineering and Math Arizona is in violation of law, a written complaint must be filed by that person with the vice president or the board president.

Section 3: Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false shall be viewed as a serious disciplinary offense.

Section 4: Retaliation

Said person is protected from retaliation only if she/he brings the alleged unlawful activity, policy, or practice to the attention of Science Technology Engineering and Math Arizona and provides the Science Technology Engineering and Math Arizona with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to individuals that comply with this requirement.

Science Technology Engineering and Math Arizona shall not retaliate against any director, officer, staff or employee who in good faith, has made a protest or raised a complaint against some practice of Science Technology Engineering and Math Arizona or of another individual or entity with whom Science Technology Engineering and Math Arizona has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

Science Technology Engineering and Math Arizona shall not retaliate against any director, officer, staff or employee who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of Science Technology Engineering and Math Arizona that the individual reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

Section 5: Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Section 6: Handling of Reported Violations

The board president or vice president shall notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports shall be promptly investigated by the board and its appointed committee and appropriate corrective action shall be taken if warranted by the investigation.

This policy shall be made available to all directors, officers, staffs or employees and they shall have the opportunity to ask questions about the policy.

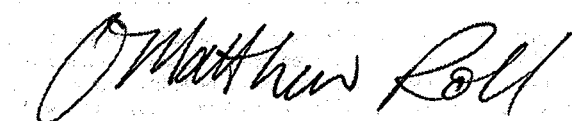
Article 10: Amendment of Articles of Incorporation

Any amendment of the Articles of Incorporation or the Bylaws may be adopted by approval of two-thirds (2/3) of the board of directors. For information regarding details on amending the Bylaws, See Article 6 Section 5.

CERTIFICATE OF ADOPTION OF BYLAWS

I do hereby certify that the above stated Bylaws of Science Technology Engineering and Math Arizona were approved by the Science Technology Engineering and Math Arizona 's board of directors on Wednesday, July 23, 2014 and constitute a complete copy of the Bylaws of the corporation.

President

A handwritten signature in black ink, reading "Matthew Roll". The signature is written in a cursive style with a large, stylized "M" and "R".

Date Authorized/Executed: 7/23/14

Storybook Cottage
BALANCE SHEET
DECEMBER 31, 2016

ASSETS

CURRENT ASSETS

103	Chase Checking-0279	\$	2,266.34
104	Chase Payroll-8355		1,356.04
105	Chase Savings		645.51
106	Charter School Account		136,532.61

TOTAL CURRENT ASSETS

\$ 140,800.50

FIXED ASSETS

233	Cribs/Bursery Furn 2/15	2,415.36
235	Tables/Chairs/Mats 2/15	1,463.96
237	Swing Sets 2/15	835.00
241	Computers 8/14	1,638.84
243	Ford Van 9/14	3,250.00
247	Alarm System 10/14	8,390.00
249	Computer-DayCare 10/14	2,398.46
251	Refrige/Dishwasher 11/14	2,706.89
253	Iphone 9/16	565.39
255	Computer 11/16	2,542.87
257	Iphone 11/16	405.30
259	Computer 12/16	4,688.37
261	Textbooks 12/16	1,550.00
263	Storage-Textbook 12/16	7,698.00

NET FIXED ASSETS

40,548.44

OTHER ASSETS

352	Improvements-2015	16,199.01
353	Improvements-2014	42,276.04
354	Improvements-2016	9,007.00

TOTAL OTHER ASSETS

67,482.05

TOTAL ASSETS

\$ 248,830.99

LIABILITIES & NET WORTH

CURRENT LIABILITIES

402	A/P-Patricia Stevens	\$	34,106.47
403	A/P-Bernice Roll		31,077.90
404	A/P-Matt Roll		4,730.00
405	A/P-Garrett Stevens		20,000.00
406	A/P-Ron Hom		800.00

TOTAL CURRENT LIABILITIES

\$ 90,714.37

SHORT-TERM LIABILITIES

412	American Express	2,129.49
414	BOA Mastercard-3953	5,621.79
416	Lowes	900.00
417	USAA Credit Card	5,966.04

Storybook Cottage
BALANCE SHEET
DECEMBER 31, 2016

TOTAL S/T LIABILITIES		14,617.32
OTHER LIABILITIES		
461	SS/Medicare Withheld	517.67
462	FWT Withheld	525.03
463	AWT Withheld	736.35
TOTAL OTHER LIABILITIES		1,779.05
EQUITY		
595	RETAINED EARNINGS	(40,886.46)
598	YTD PROFIT OR (LOSS)	182,606.71
TOTAL EQUITY		141,720.25
TOTAL LIABILITIES & NET WORTH		\$ 248,830.99

Storybook Cottage
BALANCE SHEET
Subsidiary Schedule
DECEMBER 31, 2016

Improvements-2015	
352.02 Landscaping	\$ 3,355.00
352.03 Painting	1,718.89
352.04 Flooring	4,798.05
352.05 Carpentry Work	2,127.00
352.06 Carpeting	1,594.84
352.07 Architecture Fees	350.00
352.08 Tile Work	360.00
352.25 LH Improvements-Supplies	1,895.23
TOTAL Improvements-2015	<u>\$ 16,199.01</u>

Improvements-2014	
353.01 Carpentry/Labor	\$ 4,125.99
353.02 Tile Floor	4,587.84
353.03 Windows	395.10
353.04 Plumbing	5,577.18
353.05 Electrical	4,364.92
353.06 Cabinets	5,600.00
353.07 Painting	7,335.35
353.08 Concrete Work	545.00
353.09 Landscaping	280.00
353.10 Doors	3,183.67
353.25 Improvements-Supplies	6,280.99
TOTAL Improvements-2014	<u>\$ 42,276.04</u>

Improvements-2016	
354.01 Architecture Fees	\$ 3,724.50
354.02 Kitchen Remodel	5,282.50
TOTAL Improvements-2016	<u>\$ 9,007.00</u>

S.T.E.M. DBA Storybook Cottage
BALANCE SHEET
DECEMBER 31, 2017

ASSETS

CURRENT ASSETS

103	Chase Checking-0279	\$	11,266.43
104	Chase Payroll-8355		(2,161.39)
105	Chase Savings		3,220.18
106	Charter School Account		148,462.09

TOTAL CURRENT ASSETS

\$ 160,787.31

FIXED ASSETS

213	AirConditioning 6/17	5,300.00
215	Shelving 1/17	1,197.82
217	Computers 1/17	5,240.79
219	Computers 3/17	3,938.38
221	Textbooks 5/17	11,500.00
223	Computers 6/17	2,817.11
225	Computers 11/17	1,511.82
227	Computers 12/17	4,829.40
229	Texbooks 2/17	11,820.00
231	Tuff Shed 2/17	6,781.00
233	Cribs/Nursery Furn 2/15	2,415.36
235	Tables/Chair/Mats 2/15	1,463.96
237	Swing Sets 2/15	835.00
241	Computers 8/14	1,638.84
243	Ford Van 9/14	3,250.00
247	Alarm System 10/14	8,390.00
249	Computer-Daycare 10/14	2,398.46
251	Refridge/Dishwasher 11/14	2,706.89
253	Iphone 9/16	565.39
255	Computer 11/16	2,542.87
257	Iphone 11/16	405.30
259	Computer 12/16	4,688.37
261	Textbooks 12/16	1,550.00
263	Storage-Textbooks 12/16	7,698.00

NET FIXED ASSETS

95,484.76

OTHER ASSETS

352	Improvements-2015	5,960.23
353	Improvements-2014	52,514.82
354	Improvements-2016	9,007.00

TOTAL OTHER ASSETS

67,482.05

TOTAL ASSETS

\$ 323,754.12

LIABILITIES & NET WORTH

CURRENT LIABILITIES

402	A/P-Patricia Stevens	\$	12,982.07
403	A/P-Bernice Roll		1,603.50
404	A/P-Matt Roll		4,480.00

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S.T.E.M. DBA Storybook Cottage
BALANCE SHEET
DECEMBER 31, 2017

405	A/P-Garrett Stevens	17,000.00	
	TOTAL CURRENT LIABILITIES		\$ 36,065.57
	SHORT-TERM LIABILITIES		
412	American Express	50.00	
414	BOA Mastercard-3953	3,438.44	
415	BOA Visa-8103	506.00	
417	USAA Credit Card	5,966.04	
	TOTAL S/T LIABILITIES		9,960.48
	OTHER LIABILITIES		
461	SS/Medicare Withheld	695.66	
462	FWT Withheld	681.37	
463	AWT Withheld	817.63	
	TOTAL OTHER LIABILITIES		2,194.66
	EQUITY		
595	RETAINED EARNINGS	141,719.90	
598	YTD PROFIT OR (LOSS)	133,813.51	
	TOTAL EQUITY		275,533.41
	TOTAL LIABILITIES & NET WORTH		\$ 323,754.12

S.T.E.M. DBA Storybook Cottage
BALANCE SHEET
Subsidiary Schedule
DECEMBER 31, 2017

Improvements-2015	
352.02 Landscaping	\$ 3,355.00
352.07 Architecture Fees	350.00
352.08 Tile Work	360.00
352.25 LH Improvements-Supplies	1,895.23
	<hr/>
TOTAL Improvements-2015	\$ 5,960.23
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Improvements-2014	
353.01 Carpentry/Labor	\$ 4,125.99
353.02 Tile Floor	4,587.84
353.03 Windows	2,113.99
353.04 Plumbing	10,375.23
353.05 Electrical	6,491.92
353.06 Cabinets	7,194.84
353.07 Painting	7,335.35
353.08 Concrete Work	545.00
353.09 Landscaping	280.00
353.10 Doors	3,183.67
353.25 LH Improvements-Supplies	6,280.99
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TOTAL Improvements-2014	\$ 52,514.82
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Improvements-2016	
354.01 Architecture Fees	\$ 3,724.50
354.02 Kitchen Remodel	5,282.50
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TOTAL Improvements-2016	\$ 9,007.00
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Storybook Cottage
STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2016

		Current		Year To Date	
		Actual	Percent	Actual	Percent
INCOME					
601	Day Care Income	\$ 155,070.59	47.3	\$ 155,070.59	47.3
612	Miscellaneous	172,697.57	52.7	172,697.57	52.7
626	Returned Cks/Deposits	(143.00)	(0.0)	(143.00)	(0.0)
* TOTAL INCOME		327,625.16	100.0	327,625.16	100.0
COST OF SALES					
702	Purchases-Supplies	482.88	0.1	482.88	0.1
703	Purchases-Food	8,756.10	2.7	8,756.10	2.7
704	Craft Supplies	556.87	0.2	556.87	0.2
705	Misc Supplies	4,155.71	1.3	4,155.71	1.3
706	CPR-Fingerprinting Etc	234.00	0.1	234.00	0.1
* TOTAL COST OF SALES		14,185.56	4.3	14,185.56	4.3
* GROSS MARGIN		313,439.60	95.7	313,439.60	95.7
EXPENSES					
801	Accounting	1,306.85	0.4	1,306.85	0.4
803	Advertising	2,702.86	0.8	2,702.86	0.8
807	Auto/Truck Expenses	1,163.92	0.4	1,163.92	0.4
809	Bank Charges	489.21	0.1	489.21	0.1
812	Charter School Expenses	435.01	0.1	435.01	0.1
814	Cleaning & Janitorial	20.11	0.0	20.11	0.0
817	Contract Labor	430.25	0.1	430.25	0.1
819	Copying/Printing	29.32	0.0	29.32	0.0
820	Computer Fees/Expenses	272.28	0.1	272.28	0.1
821	Donations	14,746.17	4.5	14,746.17	4.5
825	Entertainment	557.93	0.2	557.93	0.2
826	Equipment Rental & Repair	214.49	0.1	214.49	0.1
827	FICA Expense	5,546.97	1.7	5,546.97	1.7
833	Insurance	4,279.03	1.3	4,279.03	1.3
834	Interest	1,454.63	0.4	1,454.63	0.4
839	Miscellaneous	200.00	0.1	200.00	0.1
842	Office Expense	1,691.02	0.5	1,691.02	0.5
844	Penalties	43.06	0.0	43.06	0.0
845	Permits & Fees	801.59	0.2	801.59	0.2
846	Pest Control	937.00	0.3	937.00	0.3
847	Postage	358.47	0.1	358.47	0.1
853	Repairs & Maintenance	2,265.48	0.7	2,265.48	0.7
854	Security	123.72	0.0	123.72	0.0
861	Supplies	41.28	0.0	41.28	0.0
863	Taxes	1,081.51	0.3	1,081.51	0.3
865	Telephone	2,442.30	0.7	2,442.30	0.7
869	Travel	20.82	0.0	20.82	0.0
870	Unemployment Insurance	894.65	0.3	894.65	0.3
872	Utilities	5,248.16	1.6	5,248.16	1.6
874	Wages, General	55,316.20	16.9	55,316.20	16.9
876	Wages, Officer	23,960.03	7.3	23,960.03	7.3

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Storybook Cottage
STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2016

		<u>Current</u>		<u>Year To Date</u>	
		Actual Percent		Actual Percent	
881	Workmens Compensation	1,758.78	0.5	1,758.78	0.5
	* TOTAL EXPENSES	130,833.10	39.9	130,833.10	39.9
	* NET OPERATING PFT/(LOSS)	182,606.50	55.7	182,606.50	55.7
OTHER INCOME					
951	Interest Income	(0.21)	(0.0)	(0.21)	(0.0)
	* TOTAL OTHER INCOME	(0.21)	(0.0)	(0.21)	(0.0)
	* NET PROFIT OR (LOSS)	\$ 182,606.71	55.7	\$ 182,606.71	55.7

Storybook Cottage
STATEMENT OF INCOME
Subsidiary Schedule
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2016

	<u>Current</u>		<u>Year To Date</u>	
	Actual	Percent	Actual	Percent
Advertising				
803.03 Advertising-Other	\$ 2,702.86	0.8	\$ 2,702.86	0.8
* TOTAL Advertising	\$ 2,702.86	0.8	\$ 2,702.86	0.8
Auto/Truck Expenses				
807.01 Auto/Truck-Gas & Oil	\$ 417.95	0.1	\$ 417.95	0.1
807.02 Auto/Truck-Repair & Maint	55.06	0.0	55.06	0.0
807.03 Auto/Truck-Insurance	615.66	0.2	615.66	0.2
807.04 Auto/Truck-License & Reg	75.25	0.0	75.25	0.0
* TOTAL Auto/Truck Expenses	\$ 1,163.92	0.4	\$ 1,163.92	0.4
Bank Charges				
809.02 Bank Chgs-Service & Cks	\$ 489.21	0.1	\$ 489.21	0.1
* TOTAL Bank Charges	\$ 489.21	0.1	\$ 489.21	0.1
Charter School Expenses				
812.03 CS-Entertainment	\$ 122.93	0.0	\$ 122.93	0.0
812.04 CS-Supplies	203.99	0.1	203.99	0.1
812.09 CS-Software	108.09	0.0	108.09	0.0
* TOTAL Charter School Expenses	\$ 435.01	0.1	\$ 435.01	0.1
Insurance				
833.03 Insurance-Liability	\$ 4,279.03	1.3	\$ 4,279.03	1.3
* TOTAL Insurance	\$ 4,279.03	1.3	\$ 4,279.03	1.3
Taxes				
863.02 Taxes-Real Estate	\$ 1,081.51	0.3	\$ 1,081.51	0.3
* TOTAL Taxes	\$ 1,081.51	0.3	\$ 1,081.51	0.3
Telephone				
865.01 Telephone-Cox Comm	\$ 2,442.30	0.7	\$ 2,442.30	0.7
* TOTAL Telephone	\$ 2,442.30	0.7	\$ 2,442.30	0.7
Travel				
869.03 Travel-Meals	\$ 20.82	0.0	\$ 20.82	0.0
* TOTAL Travel	\$ 20.82	0.0	\$ 20.82	0.0

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Storybook Cottage
STATEMENT OF INCOME
Subsidiary Schedule
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2016

	<u>Current</u>		<u>Year To Date</u>	
	Actual Percent		Actual Percent	
Utilities				
872.01 Utilities-Gas & Electric	\$ 2,495.50	0.8	\$ 2,495.50	0.8
872.02 Utilities-Water	1,892.86	0.6	1,892.86	0.6
872.03 Utilities-SW Gas	859.80	0.3	859.80	0.3
* TOTAL Utilities	\$ 5,248.16	1.6	\$ 5,248.16	1.6

S.T.E.M. DBA Storybook Cottage
STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

		Current		Year To Date	
		Actual	Percent	Actual	Percent
INCOME					
601	Day Care Income	\$ 220,619.88	58.4	\$ 220,619.88	58.4
612	Miscellaneous	157,653.33	41.7	157,653.33	41.7
626	Returned Cks/Deposits	(180.00)	(0.0)	(180.00)	(0.0)
627	Refunds/Rebates	(223.20)	(0.1)	(223.20)	(0.1)
* TOTAL INCOME		377,870.01	100.0	377,870.01	100.0
COST OF SALES					
703	Purchases-Food	8,046.31	2.1	8,046.31	2.1
704	Craft Supplies	465.36	0.1	465.36	0.1
705	Misc Supplies	1,186.09	0.3	1,186.09	0.3
* TOTAL COST OF SALES		9,697.76	2.6	9,697.76	2.6
* GROSS MARGIN		368,172.25	97.4	368,172.25	97.4
EXPENSES					
801	Accounting	1,643.60	0.4	1,643.60	0.4
803	Advertising	1,970.76	0.5	1,970.76	0.5
807	Auto/Truck Expenses	2,517.96	0.7	2,517.96	0.7
809	Bank Charges	392.00	0.1	392.00	0.1
812	Charter School Expenses	11,536.28	3.1	11,536.28	3.1
817	Contract Labor	2,400.00	0.6	2,400.00	0.6
819	Copying/Printing	20.38	0.0	20.38	0.0
820	Computer Fees/Expenses	45.38	0.0	45.38	0.0
821	Donations	72,150.00	19.1	72,150.00	19.1
822	Dues	202.04	0.1	202.04	0.1
825	Entertainment	496.04	0.1	496.04	0.1
826	Equipment Rental & Repair	760.42	0.2	760.42	0.2
827	FICA Expense	6,161.85	1.6	6,161.85	1.6
833	Insurance	4,206.49	1.1	4,206.49	1.1
834	Interest	820.58	0.2	820.58	0.2
839	Miscellaneous	196.45	0.1	196.45	0.1
842	Office Expense	1,518.86	0.4	1,518.86	0.4
845	Permits & Fees	372.00	0.1	372.00	0.1
846	Pest Control	1,783.00	0.5	1,783.00	0.5
847	Postage	141.79	0.0	141.79	0.0
850	Rent	6,000.00	1.6	6,000.00	1.6
853	Repairs & Maintenance	5,228.52	1.4	5,228.52	1.4
854	Security	1,423.70	0.4	1,423.70	0.4
861	Supplies	642.15	0.2	642.15	0.2
863	Taxes	2,995.67	0.8	2,995.67	0.8
865	Telephone	2,074.90	0.5	2,074.90	0.5
868	Trash Removal	828.50	0.2	828.50	0.2
870	Unemployment Insurance	1,071.02	0.3	1,071.02	0.3
872	Utilities	5,083.39	1.3	5,083.39	1.3
873	Wages, Curriculum	5,000.00	1.3	5,000.00	1.3
874	Wages, General	92,387.00	24.4	92,387.00	24.4
878	Weed Control	120.00	0.0	120.00	0.0

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S.T.E.M. DBA Storybook Cottage
STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

		<u>Current</u>		<u>Year To Date</u>	
		<u>Actual</u>	<u>Percent</u>	<u>Actual</u>	<u>Percent</u>
881	Workmens Compensation	2,168.26	0.6	2,168.26	0.6
	* TOTAL EXPENSES	234,358.99	62.0	234,358.99	62.0
	* NET OPERATING PFT/ (LOSS)	133,813.26	35.4	133,813.26	35.4
OTHER INCOME					
951	Interest Income	(0.25)	(0.0)	(0.25)	(0.0)
	* TOTAL OTHER INCOME	(0.25)	(0.0)	(0.25)	(0.0)
	* NET PROFIT OR (LOSS)	\$ 133,813.51	35.4	\$ 133,813.51	35.4

Unaudited
Digits & Docs

S.T.E.M. DBA Storybook Cottage
STATEMENT OF INCOME
Subsidiary Schedule
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

	<u>Current</u>		<u>Year To Date</u>	
	Actual	Percent	Actual	Percent
Advertising				
803.03 Advertising-Other	\$ 1,970.76	0.5	\$ 1,970.76	0.5
* TOTAL Advertising	\$ 1,970.76	0.5	\$ 1,970.76	0.5
Auto/Truck Expenses				
807.01 Auto/Truck-Gas & Oil	\$ 479.78	0.1	\$ 479.78	0.1
807.02 Auto/Truck-Repair & Maint	182.87	0.0	182.87	0.0
807.03 Auto/Truck-Insurance	1,789.63	0.5	1,789.63	0.5
807.04 Auto/Truck-License & Reg	53.68	0.0	53.68	0.0
807.05 Auto/Truck-Parking	12.00	0.0	12.00	0.0
* TOTAL Auto/Truck Expenses	\$ 2,517.96	0.7	\$ 2,517.96	0.7
Bank Charges				
809.02 Bank Chgs-Service & Cks	\$ 377.00	0.1	\$ 377.00	0.1
809.03 Bank Charges-Late Fee	15.00	0.0	15.00	0.0
* TOTAL Bank Charges	\$ 392.00	0.1	\$ 392.00	0.1
Charter School Expenses				
812.01 CS-Application Fees	\$ 4,380.00	1.2	\$ 4,380.00	1.2
812.02 CS-Auto & Truck Expenses	126.92	0.0	126.92	0.0
812.03 CS-Entertainment	863.01	0.2	863.01	0.2
812.04 CS-Supplies	2,852.59	0.8	2,852.59	0.8
812.05 CS-Website Expenses	66.32	0.0	66.32	0.0
812.06 CS-Office Supplies	75.99	0.0	75.99	0.0
812.07 CS-Travel-Hotels	1,916.21	0.5	1,916.21	0.5
812.08 CS-Travel-Meals	483.39	0.1	483.39	0.1
812.09 CS-Software	134.65	0.0	134.65	0.0
812.10 CS-Grant Writing	637.20	0.2	637.20	0.2
* TOTAL Charter School Expenses	\$ 11,536.28	3.1	\$ 11,536.28	3.1
Insurance				
833.03 Insurance-Liability	\$ 4,206.49	1.1	\$ 4,206.49	1.1
* TOTAL Insurance	\$ 4,206.49	1.1	\$ 4,206.49	1.1
Taxes				
863.02 Taxes-Real Estate	\$ 2,995.67	0.8	\$ 2,995.67	0.8
* TOTAL Taxes	\$ 2,995.67	0.8	\$ 2,995.67	0.8

Unaudited
Digits & Docs

S.T.E.M. DBA Storybook Cottage
STATEMENT OF INCOME
Subsidiary Schedule
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

	<u>Current</u>		<u>Year To Date</u>	
	<u>Actual</u>	<u>Percent</u>	<u>Actual</u>	<u>Percent</u>
Telephone				
865.01 Telephone-Cox Comm	\$ 2,074.90	0.5	\$ 2,074.90	0.5
* TOTAL Telephone	\$ 2,074.90	0.5	\$ 2,074.90	0.5
Utilities				
872.01 Utilities-Gas & Electric	\$ 3,408.44	0.9	\$ 3,408.44	0.9
872.02 Utilities-Water	985.43	0.3	985.43	0.3
872.03 Utilities-SW Gas	689.52	0.2	689.52	0.2
* TOTAL Utilities	\$ 5,083.39	1.3	\$ 5,083.39	1.3