

I. SCHOOL INFORMATION AND COVER PAGE

Created Monday, July 21, 2014

Updated Friday, August 01, 2014

Page 1

1. SCHOOL NAME

(Select School name from dropdown menu; BEDS # appears first)

310300860871 OPPORTUNITY CS

2. CHARTER AUTHORIZER

NYCDOE-Authorized Charter School

3. DISTRICT / CSD OF LOCATION

NYC CSD 3

4. SCHOOL INFORMATION

PRIMARY ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS
Opportunity Charter 240 W. 113th Street 4th Floor New York, NY 10026	212-866-6137	212-665-7436	info@opportunitycharter.org

4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES

Contact Name	Leonard Goldberg
Title	CEO
Emergency Phone Number (###-###-####)	

5. SCHOOL WEB ADDRESS (URL)

www.opportunitycharter.org

6. DATE OF INITIAL CHARTER

2004-05-01 00:00:00

7. DATE FIRST OPENED FOR INSTRUCTION

2004-08-01 00:00:00

8. TOTAL NUMBER OF STUDENTS ENROLLED IN 2013-14 (as reported on BEDS Day)

(as reported on BEDS Day)

449

9. GRADES SERVED IN SCHOOL YEAR 2013-14

Check all that apply

• 6

• 7

• 8

• 9

• 10

• 11

• 12

• Ungraded

10. DOES THE SCHOOL CONTRACT WITH A CHARTER OR EDUCATIONAL MANAGEMENT ORGANIZATION?

Yes/No	Name of CMO/EMO
No	

11. FACILITIES

Will the School maintain or operate multiple sites?

No, just one site.

12. SCHOOL SITES

Please list the sites where the school will operate in 2014-15.

	Physical Address	Phone Number	District/CSD	Grades Served at Site	School at Full Capacity at Site	Facilities Agreement
Site 1 (same as primary site)	240 W. 113th 4th Floor New York, NY 10026	212-866-61 37	CSD 3	6-12	Yes	DOE space

12a. Please provide the contact information for Site 1 (same as the primary site).

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Leonard Golberg	[REDACTED]	[REDACTED]	[REDACTED]
Operational Leader	Anthony Rivera	[REDACTED]	[REDACTED]	[REDACTED]
Compliance Contact	Leonard Goldberg	[REDACTED]	[REDACTED]	[REDACTED]
Complaint Contact	Aaron Hawn	[REDACTED]	[REDACTED]	[REDACTED]

13. Are the School sites co-located?

Yes

13a. Please list the terms of your current co-location.

	Date School will leave current co-location	Is school working with NYCDOE to expand into current space?	If so, list year expansion will occur.	Is school working with NYCDOE to move to separate space?	If so, list the proposed space and year planned for move	School at Full Capacity at Site
Site 1 (primary site)						Yes

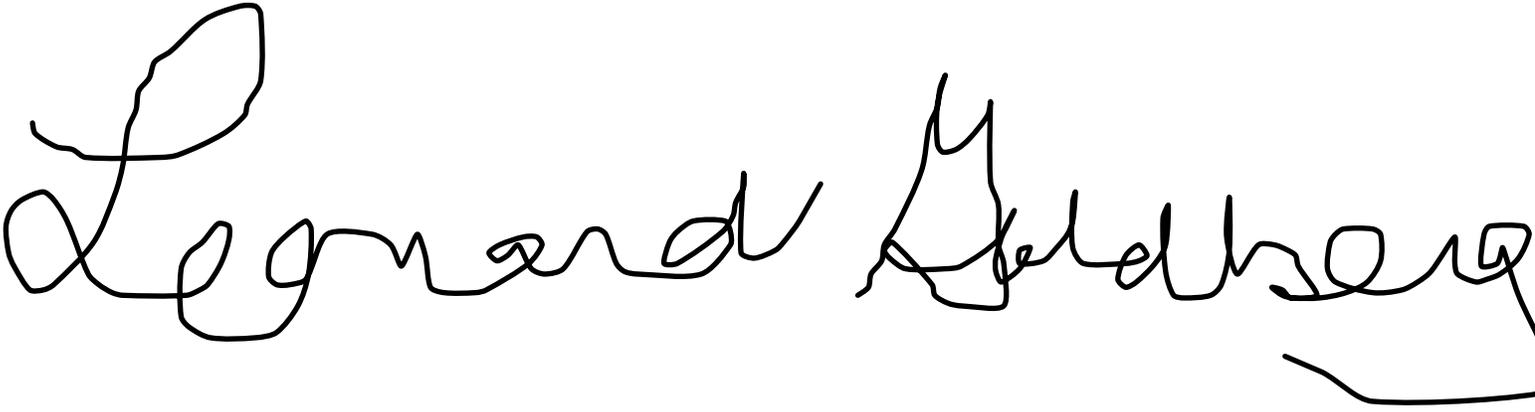
14. Were there any revisions to the school's charter during the 2013-2014 school year? (Please include both those that required authorizer approval and those that did not require authorizer approval).

No

16. Our signatures below attest that all of the information contained herein is truthful and accurate and that this charter school is in compliance with all aspects of its charter, and with all pertinent Federal, State, and local laws, regulations, and rules. We understand that if any information in any part of this report is found to have been deliberately misrepresented, that will constitute grounds for the revocation of our charter. Check YES if you agree and use the mouse on your PC or the stylus on your mobile device to sign your name).

• Yes

Signature, Head of Charter School

A handwritten signature in black ink that reads "Leonard Goldberg". The signature is written in a cursive style with a large initial 'L' and 'G'.

Signature, President of the Board of Trustees

A handwritten signature in black ink that reads "June Smith". The signature is written in a cursive style with a large initial 'J' and 'S'.

Thank you.

Appendix A: Progress Toward Goals

Created Monday, July 28, 2014

Updated Friday, August 01, 2014

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Charter School Name: 310300860871 OPPORTUNITY CS

1. NEW YORK STATE REPORT CARD

Provide a direct URL or web link to the most recent New York State School Report Card for the charter school (See <https://reportcards.nysed.gov/>).

(Charter schools completing year one will not yet have a School Report Card or link to one. Please type "URL is not available" in the space provided).

<http://data.nysed.gov/reportcard.php?year=2013&instid=800000057639>

2. APPENDIX A: PROGRESS TOWARD CHARTER GOALS

2a. ACADEMIC STUDENT PERFORMANCE GOALS

If the results are not available by August 1st, please list the goals and explain this in the "progress toward goal attainment" column. This task will reopen for the school to update and finalize by the November 1, 2014 due date.

2013-14 Progress Toward Attainment of Academic Goals

Academic Student Performance Goal	Measure Used to Evaluate Progress	2013-2014 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Academic Goal 1	As noted in Exhibit C of its Third Renewal Charter, Opportunity Charter School's goals are pending until the 2014-15 school year.		

2a1. Do have more academic goals to add?

No

2a2. Do have more academic goals to add?

No

2b. ORGANIZATIONAL GOALS

2013-14 Progress Toward Attainment of Organizational Goals

Organizational Goal	Measure Used to Evaluate Progress	2013-14 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
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2b.1 Do you have more organizational goals to add?

No

2c. FINANCIAL GOALS

2013-14 Progress Toward Attainment of Financial Goals

Financial Goals	Measure Used to Evaluate Progress	2013-2014 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
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Appendix B: Total Expenditures and Administrative Expenditures per Child

Created Friday, July 25, 2014

Updated Friday, August 01, 2014

Page 1

Charter School Name: 310300860871 OPPORTUNITY CS

B. Financial Information

This information is required of ALL charter schools. Provide the following measures of fiscal performance of the charter school in Appendix B (Total Expenditures and Administrative Expenditures Per Child):

1. Total Expenditures Per Child

To calculate 'Total Expenditures per Child' take total expenditures (from the unaudited 2013-14 Schedule of Functional Expenses) and divide by the count of students you reported on of BEDS Day. (Integers Only. No dollar signs or commas).

1. Total Expenditures Per Child Line 1: Total Expenditures	8219569
1. Total Expenditures Per Child Line 2: BEDS Day Pupil Count	416
1. Total Expenditures Per Child Line 3: Divide Line 1 by Line 2	19758

2. Administrative Expenditures per Child

To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the unaudited 2013-14 Schedule of Functional Expenses) and divide by the BEDS per pupil count. The relevant portion that must be included in this calculation is defined as follows:

Administrative Expenditures: Administration and management of the charter school includes the activities and personnel of the offices of the chief school officers, the treasurer, the finance or business offices, the purchasing unit, the employee personnel offices, the records management offices, or a public information and services offices. It also includes those administrative and management services provided by other organizations or corporations on behalf of the charter school for which the charter school pays a fee or other compensation.

Please note the following:

Do not include the FTE of personnel dedicated to administration of the instructional programs.

Do not include Employee Benefit costs or expenditures in the above calculations.

A template for the Schedule of Functional Expenses is provided on page 21 of the 2012 Annual Report Guidelines to assist schools identify the categories of expenses needed to compute the two per pupil calculations. This template does not need to be completed or submitted on August 1st as it will be submitted November 1st as part of the audited financial statements. Therefore schools should use unaudited amounts for these per pupil calculations. (See the 2013-14 Annual Report Guidelines in "Resources" area of your portal task page).

To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas).

To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas). Line 1: Relevant Personnel Services Cost (Row)	199735
To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas). Line 2: Management and General Cost (Column)	540025
To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas). Line 3: Sum of Line 1 and Line 2	739761
To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas). Line 4: BEDS Day Pupil Count	416
To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas). Line 5: Divide Line 3 by the BEDS Day Pupil Count	1778

Thank you.

Audited Financial Statement Checklist

Created Thursday, October 30, 2014

Updated Friday, October 31, 2014

Page 1

Charter School Name:

1. Please check each item that is included in the 2013-14 Audited Financial Statement submitted for your charter school.

	Yes/No
Audited Financial Statements (including report on compliance and report on internal control over financial reporting)	Yes
Single Audit (if applicable)	No
CSP Agreed Upon Procedures (if applicable)	No
Management Letter	No
Report on Extracurricular Student Activity Accounts (if applicable)	No
Corrective Action Plans for any Findings	No

2. Please indicated if there is a finding(s) noted in any of the following sections of your charter school's 2013-14 Audited Financial Statement.

	Yes/No
Report on Compliance	No
Report on Internal Control over Financial Reporting	No
Single Audit	No
CSP Agreed Upon Procedures Report	No
Management Letter	No

Thank you.

Opportunity Charter School

Financial Report
June 30, 2014

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Independent Auditor's Report

To the Board of Directors
Opportunity Charter School
New York, New York

Report on the Financial Statements

We have audited the accompanying financial statements of Opportunity Charter School (the Charter School), which comprised the statement of financial position as of June 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Charter School as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Charter School's 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 30, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2014 on our consideration of the Charter 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 Charter School's internal control over financial reporting and compliance.



New York, New York
October 29, 2014

Opportunity Charter School

Statement of Financial Position

June 30, 2014

(with summarized financial information for the year ended June 30, 2013)

Assets	2014	2013
Cash and Cash Equivalents	\$ 2,514,119	\$ 2,631,336
Accounts Receivable	258,890	153,782
Prepaid Expenses and Other	92,610	269,278
Property and Equipment, Net	236,650	232,666
Total assets	\$ 3,102,269	\$ 3,287,062
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 977,200	\$ 1,208,134
Capital lease obligations	15,740	29,056
Total liabilities	992,940	1,237,190
Net Assets		
Unrestricted	2,109,329	2,049,872
Total net assets	2,109,329	2,049,872
Total liabilities and net assets	\$ 3,102,269	\$ 3,287,062

See Notes to Financial Statements.

Opportunity Charter School

Statement of Activities

Year Ended June 30, 2014

(with summarized financial information for the year ended June 30, 2013)

	2014			Summarized Comparative Total
	Unrestricted	Temporarily Restricted	Total	
Operating Revenue				
State and local per pupil operating revenue	\$ 9,660,301	\$ -	\$ 9,660,301	\$ 9,558,842
Government grants	457,169	-	457,169	414,961
Total operating revenue	10,117,470	-	10,117,470	9,973,803
Operating Expenses				
Program services:				
General education	3,708,292	-	3,708,292	3,391,401
Special education	5,390,151	-	5,390,151	5,302,712
General and administrative	1,050,438	-	1,050,438	872,278
Total operating expenses	10,148,881	-	10,148,881	9,566,391
(Deficit) excess on school operations from government funding	(31,411)	-	(31,411)	407,412
Support and Other Revenue (Expenses)				
Contributions	33,169	3,100	36,269	56,566
Event income	-	32,055	32,055	21,952
Net assets released from restrictions - satisfaction of purpose restriction	35,155	(35,155)	-	-
Other income	40,325	-	40,325	44,325
Fund-raising expenses	(17,781)	-	(17,781)	(150,763)
Total support and other revenue (expenses)	90,868	-	90,868	(27,920)
Change in net assets	59,457	-	59,457	379,492
Net Assets				
Beginning	2,049,872	-	2,049,872	1,670,380
Ending	\$ 2,109,329	\$ -	\$ 2,109,329	\$ 2,049,872

See Notes to Financial Statements.

Opportunity Charter School

Statement of Functional Expenses

Year Ended June 30, 2014

(with summarized financial information for the year ended June 30, 2013)

2014

	Program Services			Supporting Services			Total	Summarized Comparative Total
	General Education	Special Education	Total Program Services	General and Administrative	Fund-Raising	Total Supporting Services		
Salaries	\$ 2,369,601	\$ 4,005,696	\$ 6,375,297	\$ 293,764	\$ 16,517	\$ 310,281	\$ 6,685,578	\$ 6,610,357
Employee Benefits and Payroll Taxes	830,480	841,852	1,672,332	141,404	1,264	142,668	1,815,000	1,664,849
Classroom Supplies and Other Instructional Materials	105,680	107,127	212,807	618	-	618	213,425	180,698
Texts and Instructional Materials	58,802	59,608	118,410	-	-	-	118,410	87,929
Professional Development	72,169	79,612	151,781	-	-	-	151,781	38,797
Accounting and Financial Audit	-	-	-	148,268	-	148,268	148,268	104,467
Computer and Other Consultants	161,047	163,252	324,299	84,184	-	84,184	408,483	433,900
Insurance	1,794	1,818	3,612	77,778	-	77,778	81,390	104,080
Printing and Copying	-	-	-	-	-	-	-	3,002
Legal and Other Filing Fees	5,214	5,286	10,500	93,195	-	93,195	103,695	69,601
Meetings and Conferences	2,834	2,873	5,707	801	-	801	6,508	11,390
Office Equipment and Other Supplies	3,826	3,879	7,705	87,574	-	87,574	95,279	73,402
Postage and Delivery	8,086	8,197	16,283	857	-	857	17,140	11,440
Student and Teacher Recruitment	16,382	16,606	32,988	11,648	-	11,648	44,636	33,213
Facility Costs and Utilities	44,239	44,845	89,084	7,112	-	7,112	96,196	112,534
Interest Expense	733	743	1,476	78	-	78	1,554	2,432
Depreciation and Amortization	27,405	48,757	76,162	103,157	-	103,157	179,319	175,063
	\$ 3,708,292	\$ 5,390,151	\$ 9,098,443	\$ 1,050,438	\$ 17,781	\$ 1,068,219	\$ 10,166,662	\$ 9,717,154

See Notes to Financial Statements.

Opportunity Charter School

Statement of Cash Flows

Year Ended June 30, 2014

(with summarized financial information for the year ended June 30, 2013)

	2014	2013
Cash Flows From Operating Activities		
Change in net assets	\$ 59,457	\$ 379,492
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	179,318	175,063
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(105,108)	625,598
Decrease (increase) in prepaid expenses and other	176,668	(165,171)
(Decrease) increase in accounts payable and accrued expenses	(230,934)	239,472
Net cash provided by operating activities	79,401	1,254,454
Cash Flows Used In Investing Activity - acquisition of property and equipment	(183,302)	(77,976)
Cash Flows Used In Financing Activity - payment on capital lease obligations	(13,316)	(12,404)
Net (decrease) increase in cash and cash equivalents	(117,217)	1,164,074
Cash and Cash Equivalents		
Beginning	2,631,336	1,467,262
Ending	<u>\$ 2,514,119</u>	<u>\$ 2,631,336</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest	<u>\$ 1,554</u>	<u>\$ 2,432</u>

See Notes to Financial Statements.

Opportunity Charter School

Notes to Financial Statements

Note 1. Principal Business Activity

Opportunity Charter School (the Charter School) is an educational corporation that operates a charter school in the borough and county of Manhattan, New York. The Charter School was granted a charter valid for a term of five years from May 18, 2004 that is renewable by the Board of Regents of the University of the State of New York. In May 2012, the Charter School was awarded its third renewal, which is a five-year renewal and expires on June 30, 2017. The Charter School was established to prepare underserved middle and high school students for higher education, civic involvement and lifelong success through a structured, caring environment of high academic expectations. The Charter School is unique in that each year it accepts an incoming grade of students, more than half of whom have been classified by their previous schools as requiring special education services. Fostering true democratic principles, the Charter School successfully educates all students together in a general education setting.

In fiscal year 2014, the Charter School operated classes for students in grades six through twelve.

The New York City Department of Education provides free lunches and transportation directly to a majority of the Charter School's students. Such costs are not included in these financial statements. The Charter School covers the cost of lunches for children not entitled to free lunches.

Note 2. Summary of Significant Accounting Policies

Basis of presentation: The financial statements of the Charter School have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Accordingly, net assets are classified as unrestricted, temporarily restricted or permanently restricted based on the designation of donors.

The statement of activities includes certain prior-year summarized comparative information in total but not by functional and net asset classification. In addition, the statement of functional expenses includes certain prior-year summarized comparative information in total but not by its functional classification. Such statements do not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Charter School's 2013 financial statements from which the summarized information was derived.

Accounting estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents: For the purposes of the statement of cash flows, cash and cash equivalents consist of money market accounts and any short-term investments with maturity of 30 days or less (at the time purchased).

The Charter School maintains cash in bank deposit accounts which, at times, may exceed federally insured limits. The Charter School has not experienced any losses in such accounts.

The Charter School maintains a separate account, pursuant to its charter agreement, with a balance of \$75,635 and \$75,409 at June 30, 2014 and 2013, respectively, to pay off expenses in the event of dissolution of the Charter School.

Opportunity Charter School

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Property and equipment: Property and equipment is recorded at cost and donated assets at their fair values. Additions and improvements in excess of \$1,000 with an estimated useful life of more than one year are capitalized. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the respective assets.

Revenue recognition: Contributions are recognized as revenue in the year the pledge is received and documented. Contributions and unconditional promises to give are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted support, which increases that net asset class. When the specified purpose of donor-restricted contributions is met, the net asset is released from restrictions and transferred to unrestricted net assets. Contributions of assets other than cash are recorded at their estimated fair value. Revenue from the state and local governments resulting from the Charter School's charter status and based on the number of students enrolled is recorded when services are performed in accordance with the charter agreement. Federal funds obligated under a government grant agreement are recorded by the Charter School when the expenditures are incurred and billable to the government or when required services have been provided.

All the Charter School's accounts receivable are expected to be collected within one year. The Charter School estimates an allowance for bad debts based on historical bad debt factors related to the donor's ability to pay and current economic trends. As of June 30, 2014 and 2013, there was no allowance.

Contributed services that create or enhance nonfinancial assets, or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at fair value in the period received. The fair value of donated services amounted to \$35,000 and \$32,800 for the years ended June 30, 2014 and 2013, respectively.

Functional expenses: The Charter School's program services consist of both general education and special education costs. General education includes costs incurred directly in connection with the Charter School providing a rigorous extended-year college preparatory middle school and high school education. Special education includes costs incurred for the Charter School to provide certain students with additional assistance.

Certain costs and expenses are allocated between program and supporting services.

Income taxes: The Charter School is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Charter School is not classified as a private foundation. The Charter School is subject to taxes on unrelated business income (UBIT), if applicable. For the tax years ended June 30, 2014 and 2013, the Charter School did not owe any UBIT.

Management evaluated the Charter School's tax positions and concluded that the Charter School had taken no uncertain tax positions that require adjustment to the financial statements. Generally, the Charter School is no longer subject to income tax examinations by U.S. federal tax authorities for years before 2011, which is the standard statute of limitations look-back period.

Reclassification: Certain 2013 account balances have been reclassified to conform with the 2014 financial statement presentation. The reclassifications had no effect on the 2013 total assets, total liabilities, total net assets and changes in net assets.

Opportunity Charter School

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Subsequent events: The Charter School evaluates events occurring after the date of the financial statements to consider whether or not the impact of such events needs to be reflected and/or disclosed in the financial statements. Such evaluation is performed through the date the financial statements are available to be issued, which was October 29, 2014 for these financial statements.

Note 3. Property and Equipment, Net

Property and equipment, net, at cost, consists of the following at June 30:

	2014	2013	Estimated Useful Life
Computer equipment	\$ 449,124	\$ 399,226	5 years
Classroom furniture	186,422	164,839	5 years
Musical instruments	20,776	20,776	5 years
Nonclassroom equipment	563,172	489,923	3 to 5 years
Nonclassroom furniture	56,645	54,578	5 years
Equipment obtained under capital leases	129,170	129,170	5 years
Building improvement	324,887	288,382	5 years
	<u>1,730,196</u>	<u>1,546,894</u>	
Less accumulated depreciation and amortization	<u>(1,493,546)</u>	<u>(1,314,228)</u>	
	<u>\$ 236,650</u>	<u>\$ 232,666</u>	

Note 4. Employee Benefit Plan

The Charter School is a participating employer in the Teachers' Retirement System of the City of New York (the Plan), a cost-sharing multiple-employer public employee retirement system that provides pension benefits for all the teachers and administrative personnel employed by the Department of Education and certain employees of Charter Schools and the City University of New York. As a participating employer of the Plan, the School is not permitted to withdraw from the Plan.

Employer contributions to the Plan are determined by the Plan's Chief Actuary of the Office of the Actuary in accordance with the State statutes and City laws, and include amounts to reduce the Plan's underfunding. During the years ended June 30, 2014 and 2013, the Charter School contributed \$584,070 and \$535,053, respectively, to the Plan.

Opportunity Charter School

Notes to Financial Statements

Note 4. Employee Benefit Plan (Continued)

The audited financial statements of the Plan, as of and for the year ended June 30, 2013, reported total assets of \$44,569,555,000. The funded status of the Plan as of June 30, 2011, the most recent actuarial valuation date, is as follows:

	Amounts (in Thousands)
Actuarial value of assets	\$ 33,601,537
Actuarial accrued liability	<u>57,702,731</u>
Unfunded actuarial accrued liability	<u><u>\$ (24,101,194)</u></u>
Funded status	<u><u>58.2%</u></u>

Note 5. Facilities

As part of the New York City Chancellor's Charter School Initiative, the NYC Department of Education has committed space to charter schools within existing public schools. Beginning with fiscal year 2007, the Department of Education has facilitated Shared Use Agreements with charter schools outlining services and facility offerings to charter schools for a five-year period. Beginning with fiscal year 2012, the Department of Education renewed the Shared Use Agreements for a five-year period to expire on June 30, 2017. The Charter School currently shares space at a public school building and utilizes approximately 20,000 square feet at no cost to the Charter School. During the years ended June 30, 2014 and 2013, the Charter School paid approximately \$12,000 and \$11,000 for charges in accordance with the Shared Use Agreements.

Note 6. Temporarily Restricted Net Assets

As of June 30, 2014 and 2013, there were no balances in temporary restricted net assets.

During the fiscal years 2014 and 2013, the Charter School released \$35,155 and \$23,942, respectively, from temporarily restricted net assets for various school programs.

Opportunity Charter School

Notes to Financial Statements

Note 7. Obligations Under Capital Lease

The Charter School leases a copier and the lease agreement expires on August 20, 2015. At June 30, 2014, the lease requires a monthly payment of \$900. The original cost of the copier under capital lease was \$46,555 with accumulated depreciation of \$35,692. The imputed rate of interest is 6%. The Charter School also leases certain equipment that expires on May 4, 2015. At June 30, 2014, the lease requires a monthly payment of \$339. The original cost of the equipment under capital lease was \$10,640 with accumulated depreciation of \$7,389. The imputed rate of interest is 9.17%. The future minimum payments under the above-mentioned leases are as follows:

Year Ending June 30,

2015	\$	14,531
2016		1,800
		<u>16,331</u>
Less interest portion		(591)
Obligations under capital lease	\$	<u>15,740</u>

Note 8. Contingencies

Certain grants and contracts may be subject to audit by the funding sources. Such audits might result in disallowances of costs submitted for reimbursement. Management is of the opinion that such cost disallowances, if any, will not have a material effect on the accompanying financial statements. Accordingly, no amounts have been provided in the accompanying financial statements for such potential claims.

Various claims and regulatory reviews arise in the ordinary course of the Charter School's activities. Based upon information currently available, management believes that any liability arising therefrom will not materially affect the financial position or operations of the Charter School.



**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***

To the Board of Directors
Opportunity Charter School
New York, New York

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 financial statements of Opportunity Charter School (the Charter School), which comprise the statement of financial position as of June 30, 2014, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 29, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Charter School's internal control over financial reporting (internal controls) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter 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 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 Charter School's 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The signature of McGladrey LLP is written in a cursive, handwritten style.

New York, New York
October 29, 2014

New York State Education Department

Request for Proposals to Establish Charter Schools Authorized by the Board of Regents

2014-15 Budget & Cash Flow Template

General Instructions and Notes for New Application Budgets and Cash Flows Templates

1	Complete ALL SIX columns in BLUE
2	Enter information into the GRAY cells
3	Cells containing RED triangles in the upper right corner in columns B through G contain guidance on that particular item
4	Funding by School District information for all NYS School district is located on the State Aid website at https://stateaid.nysed.gov/charter/ . Refer to this website for per-pupil tuition funding for all school districts. Rows may be inserted in the worksheet to accommodate additional districts if necessary.
5	The Assumptions column should be completed for all revenue and expense items unless the item is self-explanatory. Where applicable, please reference the page number or section in the application narrative that indicates the assumption being made. For instance, student enrollment would reference the applicable page number in Section I, C of the application narrative.

Appendix E: Disclosure of Financial Interest Form

Created Friday, July 25, 2014

Page 1

310300860871 OPPORTUNITY CS

An Appendix E: Disclosure of Financial Interest Form must be completed for each active Trustee who served on the charter school's Board of Trustees during the 2013-14 school year. Trustees are at times difficult to track down in the summer months. Trustees may complete and submit at their leisure (but before the deadline) their individual form at:

<http://fluidsurveys.com/surveys/vickie-smith/appendix-e-trustee-disclosure-form/>. Trustees may download and/or email their forms to you upon completion.

Trustees who are technologically advanced may complete the survey using their smartphones or other mobile devices by downloading the this bar code link to the survey <https://fluidsurveys.com/account/surveys/540612/publish/qrcode/>. (Make sure you have the bar code application reader on your phone).

If a Trustee is unable to complete the form by the deadline (i.e, out of the country), the school is responsible for submitting the information required on the form for that individual trustee.

Just send the links via email today to your Trustees requesting that they each complete their form as soon as possible.
Thank you.

Yes, each member of the school's Board of Trustees has received a link to the Disclosure of Financial Interest Form.

Yes

Thank you.

Appendix F: BOT Membership Table

Created Friday, July 25, 2014

Updated Friday, August 01, 2014

Page 1

310300860871 OPPORTUNITY CS

1. Current Board Member Information

	Full Name of Individual Trustees	Position on Board (Officer or Rep).	Voting Member	Area of Expertise &/or Additional Role	Terms Served & Length (include date of election and expiration)	Committee affiliations
1	Alice Cutler	Vice Chair/Vice President	Yes		8; 1 yr terms; 2006	Academic
2	Philip Pallone	Member	Yes		6; 1 yr terms; 2008	Fundraising/Community Outreach & Fundraising
3	Robert Zellner	Secretary	Yes	Treasurer	8; 1 yrs terms; 2006	Chair Finance
4	Peggy Culver	Member	Yes		4; 1 yr terms; 2010	Chair Fundraising/Community Outreach
5	June Smith	Chair/President	Yes		4; 1 yr terms; 2010	Fundraising/Community Outreach & Fundraising
6	Julie McGee	Member	Yes		2; 1 yr terms; 2012	Chair Academic
7	Mark Alter	Member	Yes		1.5; 1 yr terms; 2012	Academic
8	Jerry Schwartz	Member	Yes		1.5; 1 yr terms; 2012	Fundraising/Community Outreach & Fundraising

2. Total Number of Members Joining Board during the 2013-14 school year

0

3. Total Number of Members Departing the Board during the 2013-14 school year

0

4. According to the School's by-laws, what is the maximum number of trustees that may comprise the governing board?

15

5. How many times did the Board meet during the 2013-14 school year?

12

6. How many times will the Board meet during the 2014-15 school year?

12

Thank you.

Key Focus Area-D. Appendix H. Enrollment and Retention Efforts

Opportunity Charter has consistently exceeded District 3 percentage enrollments for students with disabilities and eligible applicants for the free and reduced lunch program. At any one time, OCS serves approximately 50% students with IEPs, while in 2013-14, District 3 served, on average, 14.9% students with disabilities. In 2013-14, the District 3 percentage of students with free and reduced price lunch was 54.4%. In 2013-14, OCS enrollment consisted of 82.8% students identified for free/reduced lunch.

The OCS percentage of English Language Learners, 10.1%, also exceeds the District 3 percentage of 6.0% ELL students. OCS' annual efforts to advertise and appeal to parents of students with disabilities and with ELL designation has yielded enrollment percentages of these students consistently higher than the home district. OCS recruiters emphasize the additional staff support that OCS offers for ELL and IEP students, the smaller class size, and the intentional differentiation that OCS practices for these students.

As illustrated in the Chart below, Opportunity Charter School exceeds Community School District 3 in percentage enrolled of students with disabilities, English language learners, and students who are eligible for free and reduced lunch.

	CSD 3 2013-14	Opportunity Charter 2013-14 End of Year
Asian	7.8%	0.53%
Black	25.28%	63.23%
Hispanic	35.1%	35.19%
Other	2.4%	0.52%
White	28.9%	0.53%
Students w/ Disabilities	14.9%	53.17%
English Language Learners	6.0%	10.05%
Free/Reduced Lunch	54.4%	82.80%

Appendix I: Teacher and Administrator Attrition

Created Friday, July 25, 2014

Updated Friday, August 01, 2014

Page 1

Charter School Name: 310300860871 OPPORTUNITY CS

Instructions for completing the Teacher and Administrator Attrition Tables

ALL charter schools should provide, for teachers and administrators only, the full time equivalent (FTE) of staff on June 30, 2013, the FTE for added staff from July 1, 2013 through June 30, 2014, and the FTE for any departed staff from July 1, 2013 through June 30, 2014 using the two tables provided.

2013-14 Teacher Attrition Table

FTE Teachers on June 30, 2013	FTE Teachers Additions 7/1/13 – 6/30/14	FTE Teacher Departures 7/1/13 – 6/30/14
48	10	19

2013-14 Administrator Position Attrition Table

FTE Administrator Positions On 6/30/2013	FTE Administrator Additions 7/1/13 – 6/30/14	FTE Administrator Departures 7/1/13 – 6/30/14
2	3	2

Thank you

Appendix J: Uncertified Teachers

Created Monday, July 28, 2014

Updated Friday, August 01, 2014

Page 1

Charter School Name: 310300860871 OPPORTUNITY CS

Note Definition of FTE:

Full-time equivalent employees equal the number of employees on full-time schedules plus the number of employees on part-time schedules converted to a full-time basis. The number of full-time equivalent employees in each industry is the product of the total number of employees and the ratio of average weekly hours per employee for all employees to average weekly hours per employee on full-time schedules. An industry's full-time equivalent employment will be less than the number of its employees on full- and part-time schedules, unless it has no part-time employees (U.S. Commerce--Bureau of Economic Analysis at: http://www.bea.gov/faq/index.cfm?faq_id=368#sthash.8Rbj89kq.dpuf)

How many UNCERTIFIED Full-Time Equivalent Teachers were employed in the charter school as of last day of school in 2013-14?

For each applicable category (i-iv), input the relevant full time equivalent (FTE) count of teachers.

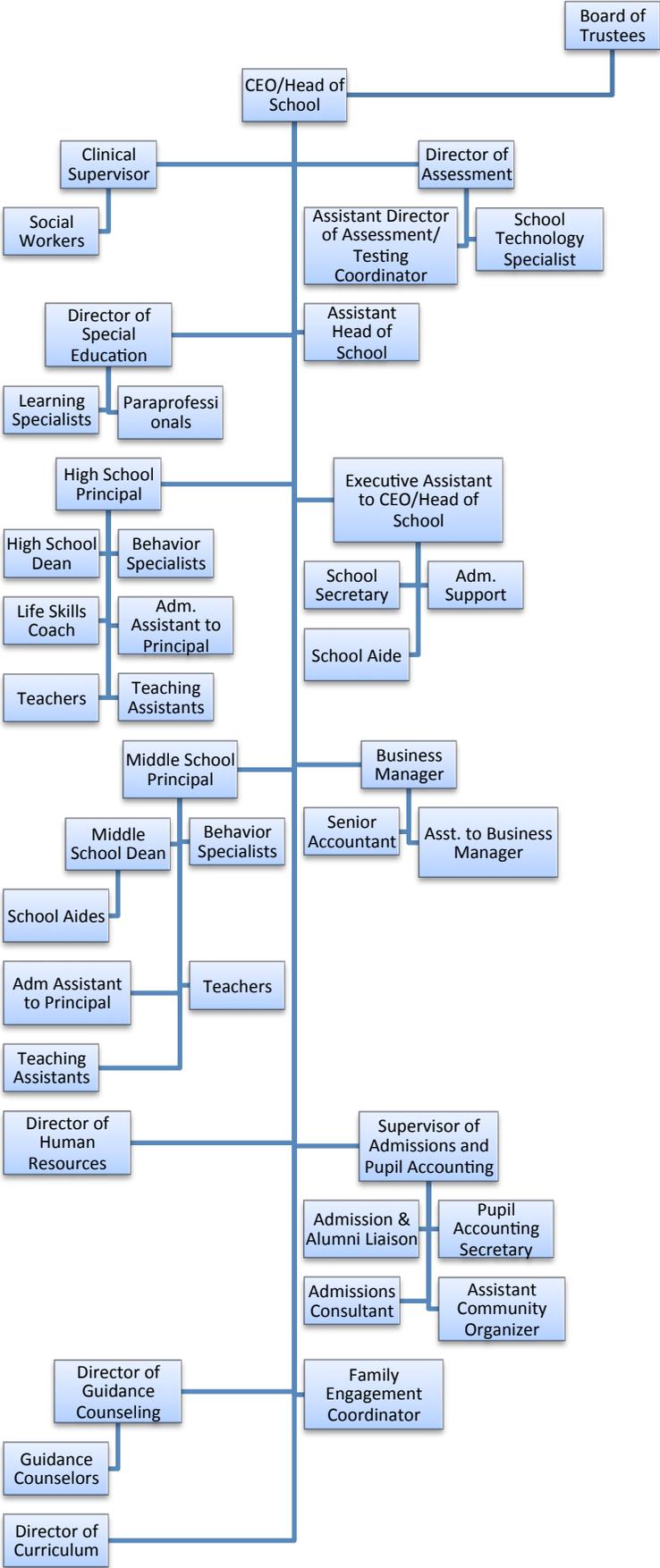
	FTE
(i) uncertified teachers with at least three years of elementary, middle or secondary classroom teaching experience	0
(ii) tenured or tenure track college faculty	0
(iii) individuals with two years satisfactory experience through Teach for America	0
(iv) individuals who possess exceptional business, professional, artistic, athletic, or military experience	0
Total FTE (Sum of all Uncertified Teaching Staff)	0

How many CERTIFIED Full-Time Equivalent Teachers were employed in the charter school as of the last day of school in 2013-14?

49

Thank you.

Opportunity Charter School: Organizational Chart 2013-14



Required Form: 2013-14 Appendix E - Disclosure of Financial Interest Form

Created Thursday, July 31, 2014

<https://fluidsurveys.com/account/surveys/540612/responses/export//surveys/vickie-smith/appendix-e-trustee-disclosure-form/c3ef0>

Page 1

Please open the link to this form using **Google Chrome** as your browser. Doing so will allow you to input your signature on page 2 of the form. Thank you.

1. Trustee Name:

Doretha McFadden

2. Charter School Name:

Peninsula Preparatory Academy Charter School

3. Charter Authorizer:

NYC Department of Education

4. *Your Home Address:

4. *Your Home Address: | Street Address

4. *Your Home Address: | City/State

4. *Your Home Address: | Zip

5. *Your Business Address

5. *Your Business Address | Street Address

5. *Your Business Address | City/State

5. *Your Business Address | Zip

6. *Daytime Phone Number:

7. *E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

-
- Vice Chair/Vice President
-

9. Are you a trustee and also an employee of the school?

No

10. Are you a trustee and an employee or agent of the management company or institutional partner of the charter school?

No

13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

14. Are you a member, director, officer or employee of an organization formally partnered with school that is doing business with the charter school and in which such entity, during your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or relationship?

No

Signature of Trustee

Donetta McFadden

Required Form: 2013-14 Appendix E - Disclosure of Financial Interest Form

Created Friday, August 01, 2014

<https://fluidsurveys.com/account/surveys/540612/responses/export//surveys/vickie-smith/appendix-e-trustee-disclosure-form/31331>

Page 1

Please open the link to this form using **Google Chrome** as your browser. Doing so will allow you to input your signature on page 2 of the form. Thank you.

1. Trustee Name:

Kimberly Paupaw

2. Charter School Name:

Peninsula Preparatory Academy Charter School

3. Charter Authorizer:

NYC Department of Education

4. *Your Home Address:

4. *Your Home Address: | Street Address

4. *Your Home Address: | City/State

4. *Your Home Address: | Zip

5. *Your Business Address

5. *Your Business Address | Street Address

5. *Your Business Address | City/State

5. *Your Business Address | Zip

6. *Daytime Phone Number:

7. *E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

-
- Parent Representative
-

9. Are you a trustee and also an employee of the school?

No

10. Are you a trustee and an employee or agent of the management company or institutional partner of the charter school?

No

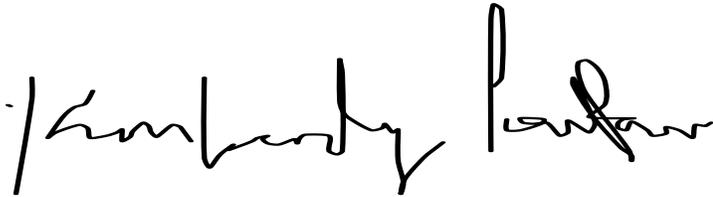
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

14. Are you a member, director, officer or employee of an organization formally partnered with school that is doing business with the charter school and in which such entity, during your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or relationship?

No

Signature of Trustee

A handwritten signature in black ink, appearing to read "Kimberly Pearson". The signature is written in a cursive style with a large initial "K" and a distinct "P".

Required Form: 2013-14 Appendix E - Disclosure of Financial Interest Form

Created Wednesday, July 16, 2014

<https://fluidsurveys.com/account/surveys/540612/responses/export//surveys/vickie-smith/appendix-e-trustee-disclosure-form/fc73e>

Page 1

Please open the link to this form using **Google Chrome** as your browser. Doing so will allow you to input your signature on page 2 of the form. Thank you.

1. Trustee Name:

Betty A. Leon

2. Charter School Name:

Peninsula Preparatory Academy Charter School

3. Charter Authorizer:

NYC Department of Education

4. *Your Home Address:

4. *Your Home Address: | Street Address

4. *Your Home Address: | City/State

4. *Your Home Address: | Zip

5. *Your Business Address

5. *Your Business Address | Street Address

5. *Your Business Address | City/State

5. *Your Business Address | Zip

6. *Daytime Phone Number:

7. *E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

- Chair/President

- Other, please specify...: Member

9. Are you a trustee and also an employee of the school?

No

10. Are you a trustee and an employee or agent of the management company or institutional partner of the charter school?

No

Page 2

13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

14. Are you a member, director, officer or employee of an organization formally partnered with school that is doing business with the charter school and in which such entity, during your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or relationship?

No

Signature of Trustee