

I. SCHOOL INFORMATION AND COVER PAGE

Created Friday, July 19, 2013

Updated Thursday, August 01, 2013

Page 1

1. SCHOOL NAME

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

310100861031 MANHATTAN CS II

2. CHARTER AUTHORIZER

SUNY-Authorized Charter School

3. DISTRICT / CSD OF LOCATION

NYC CSD 1

4. SCHOOL INFORMATION

PRIMARY ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS
220 Henry Street New York, NY 10002	212-964-3792	212-964-3794	info@manhattancharterschool.org

4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES

4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES Contact Name	Stephanie Mauterstock
4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES Title	Chief Operating Officer
4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES Emergency Phone Number (###-###-####)	

5. SCHOOL WEB ADDRESS (URL)

www.manhattancharterschool.org

6. DATE OF INITIAL CHARTER

2011-09-01 00:00:00

7. DATE FIRST OPENED FOR INSTRUCTION

2012-08-01 00:00:00

8. TOTAL NUMBER OF STUDENTS ENROLLED IN 2012-13 (as reported on BEDS Day)

(as reported on BEDS Day)

9. GRADES SERVED IN SCHOOL YEAR 2012-13

Check all that apply

- K

- 1

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 2013-14.

	Physical Address	Phone Number	District/CS D	Grades Served at Site	School at Full Capacity at Site	Facilities Agreement
Site 1 (same as primary site)	220 Henry Street New York, NY 10002	212-964-3792	CSD 1	K-2	No	DOE space
Site 2						
Site 3						

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

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Joanne Mejias	212-964-3792		jmejias@manhattancharterschool.org
Operational Leader	Stephanie Mauterstock	212-533-2743		smauterstock@manhattancharterschool.org
Compliance Contact	Stephanie Mauterstock	212-533-2743		smauterstock@manhattancharterschool.org
Complaint Contact	Stephanie Mauterstock	212-533-2743		smauterstock@manhattancharterschool.org

14. Were there any revisions to the school’s charter during the 2012-2013 school year? (Please include both those that required authorizer approval and those that did not require authorizer approval).

Yes

15. Summary of Charter Revisions

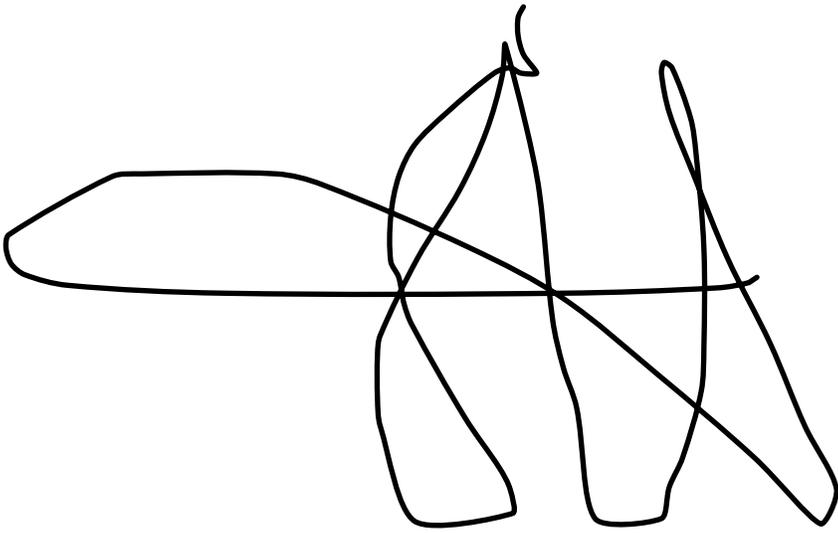
	Category (Select Best Description)	Specific Revision (150 word limit)	Date Approved by BOT (if applicable)	Date Approved by Authorizer (if applicable)
1	Change in admissions/enrollment policy	<p>On August 23, 2013, the school submitted the following revision to its admission policy: The School will give preferences to the following categories of pupils, in the following order of priority:</p> <ol style="list-style-type: none"> 1. to pupils returning to the School in its second and subsequent years of operation, 2. to the siblings of enrolled pupils, 3. to students within Community School District 1 who indicate on their admissions application that they speak a language other than English at home, and to students outside Community School District 1 who indicate on their admissions application that they speak a language other than English at home. 4. to all students who live within Community School District 1, where the School is located, consistent with New York State charter law, and 3.5. to all other eligible students. 	7/11/12	
2	Change in admissions/enrollment policy	<p>The above preferences will be absolute preferences with the exception of the third preference which will be a set aside. The School will set aside 18% of the available seats in each grade [that is open for enrollment] for students within Community School District 1 who indicate on their admissions application that they speak a language other than English at home. Students that reside within Community School District 1 will be given an absolute preference over any other student eligible for the set aside. . If there are more students who qualify for this set aside than there are seats available, the School will administer a lottery to randomly select a number of students equal to 18% of the seats available in the grade to receive initial offers and those students who were not selected will be merged into the Community School District 1 applicable preference pool. If a student offered admission as a result of the third preference declines the seat, the School will offer admission to the next student on the Community School District 1 waitlist who indicated on their admissions application that they speak a language other than English at home.</p>	7/11/12	

3	Change in admissions/enrollment policy	After implementing this policy during for the 20122013-13 14 school yearapplication cycle, the School's Board of Trustees will review it to determine if it was successful in raising the number of English Language Learner students enrolled in the school to a level at least comparable with that of the Community School District 1 average, as indicated on the Annual State Report Card issued by the New York State Education Department. The Board of Trustees will at that time make any necessary adjustments. The set-aside percentage for each year's lottery will be determined and communicated to the school's authorizer prior to January 1 of such year. If a change in the ELL set-aside percentage is not communicated to the school's authorizer prior to January 1, the set-aside percentage from the previous year shall apply.	7/11/12
4	Change in admissions/enrollment policy	On May 6, 2013, the school submitted the following revision to its waitlist management policy: Waiting lists will not be carried over from year to year. The School may send an application or other information directly to families who have previously applied. All applicants who apply after April 1 will be placed at the bottom of the wait list for their grade, except for siblings and students who reside in Community School District 1, who will be given preference. Sibling applications received after April 1 will be placed after all other siblings on the wait list, but before all other wait listed students. Community School District 1 applications received after April 1 will be placed after all other Community School District 1 applicants on the wait list, but before all other wait listed students.	5/2/13
5			

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, consisting of several overlapping loops and a horizontal line that crosses through them.

Signature, President of the Board of Trustees

Thank you.

Signature Page for President of Board of Trustees

Created Thursday, August 01, 2013

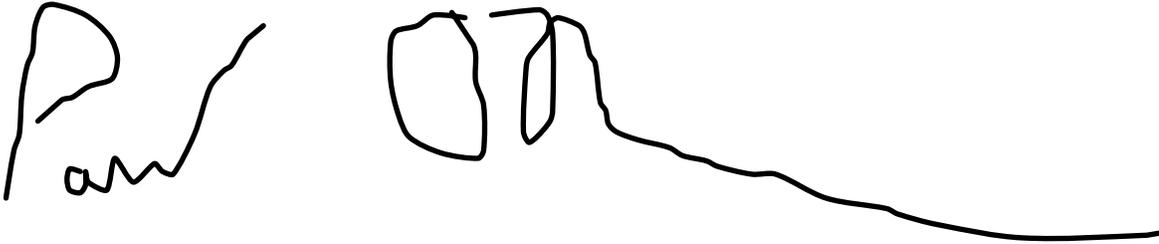
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310100861031 MANHATTAN CS II

16. My signature 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 stylist on your mobile device to sign your name).

- Yes
-

Signature, Board President

A handwritten signature in black ink, consisting of a large, stylized 'P' followed by a series of loops and a long horizontal stroke extending to the right.

Thank you.



**MANHATTAN CHARTER
SCHOOL 2**

**2012-13 ACCOUNTABILITY
PLAN
PROGRESS REPORT**

Submitted to the SUNY Charter Schools Institute on:

September 9, 2013

By Stephanie Mauterstock

Manhattan Charter School 2
220 Henry Street
New York, NY 10002

Stephanie Mauterstock, Chief Operating Officer, prepared this 2012-13 Accountability Progress Report on behalf of the school's board of trustees:

Trustee's Name	Board Position
Paul O'Neill	Chair
Ben Breen	Vice Chair
Ira Greenberg	Treasurer
Tom Alwood	Secretary
Joy Elaine Daley	
Jim Ford	
Jessica Aronin Leitner	

Joanne Mejias, Stephanie Mauterstock, Genie DePolo are school leaders since 2012.

ENGLISH LANGUAGE ARTS

Goal 1: English Language Arts

Students' academic performance in ELA meets or exceeds local, state, and national standards.

Background

The curricula of all core and enrichment subjects at MCS2 is aligned to the New York State standards and common core standards.

Daily literacy instruction encompasses reading, writing, spelling, grammar, vocabulary, phonics, phonological awareness, and word study. The daily literacy period will include time for shared and performance reading, interactive read alouds and literature discussions, independent reading, and guided reading. In the primary grades, a blend of phonetic, visual, and kinesthetic techniques will be used to teach spelling and decoding. Students in K-5 will be taught specific reading skills and metacognitive strategies which will enable them to construct meaning from both literary and non-fiction texts in all content areas. Students will also develop rich language experiences through daily reading, writing, speaking, viewing and listening. Embedded into the reading and writing program will be uniquely structured activities that foster the expression of personal ideas and memoirs, creative illustrated works, and expanded research and reflection beyond curriculum expectations. All students will build writing portfolios that exemplify all steps of the writing process for review and support. Students will participate in writing interviews and conferences weekly, and will be encouraged to use rubrics to guide, self-correct and edit their writing daily. Authors who have been lauded with national and global recognition will serve as mentors to our writers and readers. Mentor texts will be used daily as source of discussion and inspiration, and teachers will coach students to emulate the works they love.

Goal 1: Absolute Measure

Each year, 75 percent of all tested students enrolled in at least their second year will perform at proficiency on the New York State English language arts examination for grades 3-8.¹

Method

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the NYS ELA examination.

Results

¹ Because of the state's new 3-8 testing program, aligned to its high school college and career readiness standards, the Institute is no longer using Time Adjusted Level 3 cut scores. Please report results for previous years using the state's published results for scoring at proficiency.

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the NYS ELA examination.

Evaluation

n/a

Additional Evidence

n/a

Goal 1: Absolute Measure

Each year, the school's aggregate Performance Level Index (PLI) on the State English language arts exam will meet the Annual Measurable Objective (AMO) set forth in the state's NCLB accountability system.

Method

The federal No Child Left Behind law holds schools accountable for making annual yearly progress towards enabling all students to be proficient. As a result, the state sets an Annual Measurable Objective (AMO) each year to determine if schools are making satisfactory progress toward the goal of proficiency in the state's learning standards in English language arts. To achieve this measure, all tested students must have a Performance Level Index (PLI) value that equals or exceeds the current year's English language arts AMO. The PLI is calculated by adding the sum of the percent of all tested students at Levels 2 through 4 with the sum of the percent of all tested students at Levels 3 and 4. Thus, the highest possible PLI is 200.²

Results

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the NYS ELA examination.

Evaluation

The State Education Department has not recalibrated the AMO to align with the new English Language Arts 3-8 testing program

² In contrast to SED's Performance Index, the PLI does not account for year-to-year growth toward proficiency.

Leave Blank

Goal 1: Comparative Measure

Each year, the percent of all tested students who are enrolled in at least their second year and performing at proficiency on the state English language arts exam will be greater than that of all students in the same tested grades in the local school district.

Method

A school compares tested students enrolled in at least their second year to all tested students in the surrounding public school district. Comparisons are between the results for each grade in which the school had tested students in at least their second year at the school and the total result for all students at the corresponding grades in the school district.³

Results

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the NYS ELA examination.

Evaluation

N/A

Additional Evidence

N/A

Goal 1: Comparative Measure

Each year, the school will exceed its predicted level of performance on the state English language arts exam by an Effect Size of 0.3 or above (performing higher than expected to a small degree) according to a regression analysis controlling for students eligible for economically disadvantaged students among all public schools in New York State.⁴

Method

³ Schools can acquire these data when the State Education Department releases its Access database containing grade level ELA and math test results for all schools and districts statewide. The SED announces the release of the data on its [News Release webpage](#).

⁴ The Institute will begin using **economically disadvantaged** instead of **eligibility for free lunch** as the demographic variable in 2012-13. Schools should report previous year's results using reported free-lunch statistics.

The Charter Schools Institute conducts a Comparative Performance Analysis, which compares the school's performance to demographically similar public schools state-wide. The Institute uses a regression analysis to control for the percentage of economically disadvantaged students among all public schools in New York State. The Institute compares the school's actual performance to the predicted performance of public schools with a similar economically disadvantaged percentage. The difference between the schools' actual and predicted performance, relative to other schools with similar economically disadvantaged statistics, produces an Effect Size. An Effect Size of 0.3 or performing higher than expected to a small degree is the requirement for achieving this measure.

Given the timing of the state's release of economically disadvantaged data and the demands of the data analysis, the 2012-13 analysis is not yet available. This report contains 2011-12 results (using free-lunch eligible percentage), the most recent Comparative Performance Analysis available.

Results

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the NYS ELA examination.

Evaluation

N/A

Additional Evidence

N/A

Goal 1: Growth Measure⁵

Each year, under the state's Growth Model, the school's mean unadjusted growth percentile in English language arts for all tested students in grades 4-8 will be above the state's unadjusted median growth percentile.

Method

This measure examines the change in performance of the same group of students from one year to the next and the progress they are making in comparison to other students with the same score in the previous year. The analysis only includes students who took the state exam in 2012-13 and also have a state exam score in 2011-12 including students who were retained in the same grade. Students with the same 2011-12 scores are ranked by their 2012-13 scores and assigned a percentile based on their relative growth in performance (mean growth percentile). Students' growth percentiles are

⁵ See Guidelines for [Creating a SUNY Accountability Plan](#) for an explanation.

aggregated school-wide to yield a school’s mean growth percentile. In order for a school to perform above the statewide median, it must have a mean growth percentile greater than 50.

The State Education Department has not yet reported schools’ mean growth percentiles for the 2012-13 school year.⁶

Results

Leave Blank

Summary of the English Language Arts Goal

Type	Measure	Outcome
Absolute	Each year, 75 percent of all tested students who are enrolled in at least their second year will perform at proficiency on the New York State English language arts exam for grades 3-8.	N/A
Absolute	Each year, the school’s aggregate Performance Level Index (PLI) on the state English language arts exam will meet that year’s Annual Measurable Objective (AMO) set forth in the state’s NCLB accountability system.	N/A
Comparative	Each year, the percent of all tested students who are enrolled in at least their second year and performing at proficiency on the state English language arts exam will be greater than that of students in the same tested grades in the local school district.	N/A
Comparative	Each year, the school will exceed its predicted level of performance on the state English language arts exam by an Effect Size of 0.3 or above (performing higher than expected to a small degree) according to a regression analysis controlling for economically disadvantaged students among all public schools in New York State. (Using 2011-12 school district results.)	N/A
Growth	Each year, under the state’s Growth Model the school’s mean unadjusted growth percentile in English language arts for all tested students in grades 4-8 will be above the state’s unadjusted median growth percentile.	N/A

Action Plan

N/A

⁶ See the Guidelines.

MATHEMATICS

Goal 2: Mathematics

Students' academic performance in math meets or exceeds local, state, and national standards.

Background

The curricula of all core and enrichment subjects at MCS2 is aligned to the New York State standards and performance indicators.

As part of their daily math instruction, MCS2 students will read, write and discuss mathematics. Instruction will encompass both the New York State content and process strands for each grade level. Problem solving will be emphasized in mathematics, as MCS2 students explore, guess, evaluate and re-evaluate solutions, gaining confidence in their ability to tackle complex mathematical problems. Working in both heterogeneous and homogeneous groups, students will experience rigorous teaching and scaffolding of mathematical thinking processes. MCSII students will learn that they are capable of having mathematical ideas, applying what they know to new situations, and thinking and reasoning about unfamiliar problems. Cooperative learning groups and guided math groups will provide differentiated instruction for advanced mathematical conversation, and will reinforce foundational concepts for students. Students will also make conjectures and discuss the validity of those conjectures.

Goal 2: Absolute Measure

Each year, 75 percent of all tested students enrolled in at least their second year will perform at proficiency on the New York State mathematics examination for grades 3-8.⁷

Method

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the NYS Math examination.

Results

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the NYS Math examination.

Evaluation

⁷ Because of the state's new 3-8 testing program, aligned to its high school college and career readiness standards, the Institute is no longer using Time Adjusted Level 3 cut scores. Please report results for previous year's using the state's published results for scoring at proficiency.

N/A

Additional Evidence

N/A

Goal 2: Absolute Measure

Each year, the school's aggregate Performance Level Index (PLI) on the State mathematics exam will meet the Annual Measurable Objective (AMO) set forth in the state's NCLB accountability system.

Method

The federal No Child Left Behind law holds schools accountable for making annual yearly progress towards enabling all students to be proficient. As a result, the state sets an Annual Measurable Objective (AMO) each year to determine if schools are making satisfactory progress toward the goal of proficiency in the state's learning standards in mathematics. To achieve this measure, all tested students must have a Performance Level Index (PLI) value that equals or exceeds the current year's mathematics AMO. The PLI is calculated by adding the sum of the percent of all tested students at Levels 2 through 4 with the sum of the percent of all tested students at Levels 3 and 4. Thus, the highest possible PLI is 200.⁸

Results

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the NYS Math examination.

Evaluation

The State Education Department has not recalibrated the AMO to align with the new Mathematics 3-8 testing program

Leave Blank

⁸ In contrast to SED's Performance Index, the PLI does not account for year-to-year growth toward proficiency.

Goal 2: Comparative Measure

Each year, the percent of all tested students who are enrolled in at least their second year and performing at proficiency on the state mathematics exam will be greater than that of all students in the same tested grades in the local school district.

Method

A school compares tested students enrolled in at least their second year to all tested students in the surrounding public school district. Comparisons are between the results for each grade in which the school had tested students in at least their second year at the school and the total result for all students at the corresponding grades in the school district.⁹

Results

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the NYS Math examination.

Evaluation

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the NYS Math examination.

Additional Evidence

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the NYS Math examination.

Goal 2: Comparative Measure

Each year, the school will exceed its predicted level of performance on the state mathematics exam by an Effect Size of 0.3 or above (performing higher than expected to a small degree) according to a regression analysis controlling for students eligible for economically disadvantaged students among all public schools in New York State.¹⁰

Method

The Charter Schools Institute conducts a Comparative Performance Analysis, which compares the school's performance to demographically similar public schools state-wide. The Institute uses a regression analysis to control for the percentage of economically disadvantaged students among all public schools in New York State. The

⁹ Schools can acquire these data when the State Education Department releases its Access database containing grade level ELA and math test results for all schools and districts statewide. The SED announces the release of the data on its [News Release webpage](#).

¹⁰ The Institute will begin using *economically disadvantaged* instead of *eligibility for free lunch* as the demographic variable in 2012-13. Schools should report previous year's results using reported free-lunch statistics.

Institute compares the school's actual performance to the predicted performance of public schools with a similar economically disadvantaged percentage. The difference between the schools' actual and predicted performance, relative to other schools with similar economically disadvantaged statistics, produces an Effect Size. An Effect Size of 0.3 or performing higher than expected to a small degree is the requirement for achieving this measure.

Given the timing of the state's release of economically disadvantaged data and the demands of the data analysis, the 2012-13 analysis is not yet available. This report contains 2011-12 results (using free-lunch eligible percentage), the most recent Comparative Performance Analysis available.

Results

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the NYS Math examination.

Evaluation

N/A

Additional Evidence

N/A

Goal 2: Growth Measure¹¹

Each year, under the state's Growth Model, the school's mean unadjusted growth percentile in mathematics for all tested students in grades 4-8 will be above the state's unadjusted median growth percentile.

Method

This measure examines the change in performance of the same group of students from one year to the next and the progress they are making in comparison to other students with the same score in the previous year. The analysis only includes students who took the state exam in 2012-13 and also have a state exam score in 2011-12 including students who were retained in the same grade. Students with the same 2011-12 scores are ranked by their 2012-13 scores and assigned a percentile based on their relative growth in performance (mean growth percentile). Students' growth percentiles are aggregated school-wide to yield a school's mean growth percentile. In order for a school to perform above the statewide median, it must have a mean growth percentile greater than 50.

¹¹ See Guidelines for [Creating a SUNY Accountability Plan](#) for an explanation.

The State Education Department has not yet reported schools' mean growth percentiles for the 2012-13 school year.

Results

Leave Blank

Summary of the Mathematics Goal

Type	Measure	Outcome
Absolute	Each year, 75 percent of all tested students who are enrolled in at least their second year will perform at proficiency on the New York State mathematics exam for grades 3-8.	N/A
Absolute	Each year, the school's aggregate Performance Level Index (PLI) on the state mathematics exam will meet that year's Annual Measurable Objective (AMO) set forth in the state's NCLB accountability system.	N/A
Comparative	Each year, the percent of all tested students who are enrolled in at least their second year and performing at proficiency on the state mathematics exam will be greater than that of students in the same tested grades in the local school district.	N/A
Comparative	Each year, the school will exceed its predicted level of performance on the state mathematics exam by an Effect Size of 0.3 or above (performing higher than expected to a small degree) according to a regression analysis controlling for economically disadvantaged students among all public schools in New York State. (Using 2011-12 school district results.)	N/A
Growth	Each year, under the state's Growth Model the school's mean unadjusted growth percentile in mathematics for all tested students in grades 4-8 will be above the state's unadjusted median growth percentile.	N/A

Action Plan

N/A

SCIENCE

Goal 3: Science

Students' academic performance in science meets or exceeds local, state, and national standards.

Background

Science instruction will emphasize scientific inquiry and student investigation of scientific concepts. Students will use the processes of science, such as observing, classifying, describing, experimenting, measuring, inferring and predicting. Through hands-on investigations, collaborative learning, student discourse, inquiry, integration of disciplines and content areas, and multisensory methods, MCS2 students will explore key scientific concepts and principles in the physical and life sciences. MCS2 will be committed to establishing a foundation of scientific literacy for every student, advancing ideas that will prepare them for a life in an increasingly complex scientific and technological world. This scientific literacy is fostered with the introduction and scaffolding of instructional efficiency, and with the creation of a science classroom where students actively construct ideas through inquiries, investigations, and analyses. MCS2 students will be given feedback on their performance in science with a series of assessment forms and will participate in individual student interviews, portfolio assessments, summative and embedded formative assessments. MCS2 students, prepared with the knowledge and thinking capacities to excel in science in the 21st century, will be motivated to exceed societal expectations for the next generation of citizens.

Goal 3: Absolute Measure

Each year, 75 percent of all tested students enrolled in at least their second year will perform at proficiency on the New York State science examination.

Method

Because Manhattan Charter School 2 did not have any students in Grades 4 in 2012-13, no students took the NYS Science examination.

Results

Because Manhattan Charter School 2 did not have any students in Grades 4 in 2012-13, no students took the NYS Science examination.

Evaluation

N/A

Additional Evidence

N/A

Goal 3: Comparative Measure

Each year, the percent of all tested students enrolled in at least their second year and performing at proficiency on the state science exam will be greater than that of all students in the same tested grades in the local school district.

Method

The school compares tested students enrolled in at least their second year to all tested students in the surrounding public school district. Comparisons are between the results for each grade in which the school had tested students in at least their second year and the results for the respective grades in the local school district.

Results

Because Manhattan Charter School 2 did not have any students in Grades 4 in 2012-13, no students took the NYS Science examination.

Evaluation

N/A

Additional Evidence

N/A

Summary of the Science Goal

Type	Measure	Outcome
Absolute	Each year, 75 percent of all tested students enrolled in at least their second year will perform at proficiency on the New York State examination.	N/A
Comparative	Each year, the percent of all tested students enrolled in at least their second year and performing at proficiency on the state exam will be greater than that of all students in the same tested grades in the local school district.	N/A

Action Plan

N/A

NCLB

Goal 4: NCLB

The school will make Adequate Yearly Progress.

Goal 4: Absolute Measure

Under the state's NCLB accountability system, the school's Accountability Status is in good standing: the state has not identified the school as a Focus School nor determined that it has met the criteria to be identified as a local-assistance-plan school.

Method

Since *all* students are expected to meet the state's learning standards, the federal No Child Left Behind legislation stipulates that various sub-populations and demographic categories of students among all tested students must meet state proficiency standards. New York, like all states, established a system for making these determinations for its public schools. Each year the state issues School Report Cards which indicate each school's status under the state's No Child Left Behind (NCLB) accountability system.

Results

Because Manhattan Charter School 2 did not have any students in Grades 3, 4, or 5 in 2012-13, no students took the ELA examinations. The school is working on the self-assessment required by SED and will provide the results to CSI by October 4th (the SED deadline.)

Evaluation

n/a

Additional Evidence

n/a

NCLB Status by Year

Year	Status
2012-13	n/a

OTHER

Goal 5: OTHER

The school is a well-run, financially viable organization and capable of achieving long-term success.

Goal 5: Absolute Measure

Upon completion of the school's first year of operation and every year thereafter, the school will undergo an independent financial audit that will result in an unqualified opinion and no major findings.

Method

The school undergoes an annual financial audit every year.

Results

The audit status will be available by November 1, 2013.

Evaluation

n/a

Additional Evidence

n/a

Appendix B: Total Expenditures and Administrative Expenditures Per Child

Manhattan Charter School 2

Inception through 6/30/2013*

Total Number of Enrolled Students (FTE): **88.385**

	Total Expenditures	Administrative Expenditures
Total :	\$ 1,706,273.87	\$ 667,040.04
Expenditures Per Pupil:	\$ 19,305.02	\$ 7,546.98

*Please note that MCS2's inception was September 13, 2011.

MANHATTAN CHARTER SCHOOL II

FINANCIAL STATEMENTS

JUNE 30, 2013

MANHATTAN CHARTER SCHOOL II
FINANCIAL STATEMENTS
JUNE 30, 2013

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FRUCHTER ROSEN & COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

156 WEST 56TH STREET

NEW YORK, NEW YORK 10019

TEL: (212) 957-3600

FAX: (212) 957-3696

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF TRUSTEES OF
MANHATTAN CHARTER SCHOOL II

Report on the Financial Statements

We have audited the accompanying financial statements of Manhattan Charter School II (the "School") (a not-for-profit corporation), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, functional expenses, and cash flows for the period from September 13, 2011 (inception) to June 30, 2013, 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 School as of June 30, 2013, and the changes in its net assets and its cash flows for the period from September 13, 2011 (inception) to June 30, 2013 in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2013, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.


FRUCHTER ROSEN & COMPANY, P.C.
Certified Public Accountants

New York, New York
October 8, 2013

MANHATTAN CHARTER SCHOOL II
 STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2013

ASSETS	
Current assets:	
Cash and cash equivalents	\$ 234,317
Grants and contracts receivable	68,147
Prepaid expenses and other current assets	<u>10,710</u>
Total current assets	313,174
Property and equipment, net of accumulated depreciation and amortization of \$39,986	191,390
Restricted cash	<u>25,002</u>
TOTAL ASSETS	<u><u>\$ 529,566</u></u>
LIABILITIES AND UNRESTRICTED NET ASSETS	
Current liabilities:	
Accounts payable and accrued expenses	\$ 26,770
Accrued payroll and payroll taxes	141,022
Due to related party	<u>146,615</u>
Total current liabilities	314,407
Unrestricted net assets	<u>215,159</u>
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	<u><u>\$ 529,566</u></u>

The accompanying notes are an integral part of these financial statements.

MANHATTAN CHARTER SCHOOL II
STATEMENT OF ACTIVITIES
FOR THE PERIOD FROM SEPTEMBER 13, 2011 (INCEPTION) TO JUNE 30, 2013

Revenue and support:	
State and local per pupil operating revenue	\$ 1,273,644
Federal grants	451,521
State and city grants	95,140
Contributions and grants	70,000
Donated goods	37,120
Interest	<u>2</u>
Total revenue and support	<u>1,927,427</u>
Expenses:	
Program services:	
Regular education	1,240,516
Special education	184,958
Extended day	<u>17,879</u>
Total program services	1,443,353
Supporting services:	
Management and general	255,896
Fundraising	<u>13,019</u>
Total expenses	<u>1,712,268</u>
Changes in unrestricted net assets	215,159
Unrestricted net assets - beginning of period	<u>-</u>
Unrestricted net assets - end of period	<u><u>\$ 215,159</u></u>

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

MANHATTAN CHARTER SCHOOL II
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM SEPTEMBER 13, 2011 (INCEPTION) TO JUNE 30, 2013

CASH FLOWS FROM OPERATING ACTIVITIES:	
Changes in unrestricted net assets	\$ 215,159
Adjustments to reconcile changes in unrestricted net assets to net cash provided by operating activities:	
Depreciation and amortization	39,986
Donated property and equipment	(20,581)
Changes in certain assets and liabilities:	
(Increase) in grants and contracts receivable	(68,147)
(Increase) in prepaid expenses and other current assets	(10,710)
Increase in due to related party	146,615
Increase in accounts payable and accrued expenses	26,769
Increase in accrued payroll and payroll taxes	141,022
	<u>470,113</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>470,113</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Increase in restricted cash	(25,002)
Purchase of property and equipment	(210,794)
	<u>(235,796)</u>
NET CASH (USED IN) INVESTING ACTIVITIES	<u>(235,796)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	234,317
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	<u>-</u>
CASH AND CASH EQUIVALENTS - END OF PERIOD	<u><u>\$ 234,317</u></u>

NON-CASH INVESTING ACTIVITIES

For the period from September 13, 2011 (inception) to June 30, 2013, the School received \$20,581 of capitalized donated property.

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

MANHATTAN CHARTER SCHOOL II
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 - PRINCIPAL BUSINESS ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Manhattan Charter School II (the "School") is a New York State, not-for-profit educational corporation that was incorporated to operate a Charter School pursuant to Article 56 of the Education Law of the State of New York. The School was granted a provisional charter on September 13, 2011 valid for a term of five years and renewable upon expiration by the Board of Regents of the University of the State of New York. The School's mission is to prepare its students to achieve high academic levels in the four core subject areas, communicate effectively in verbal, mathematical and musical languages, and to apply critical thinking processes and ethical standards to learning, living and problem solving. Classes commenced in September 2012 and the School provided education to approximately 88 students in kindergarten and 1st grades during the 2012-2013 academic year.

The School shares space with a New York City public school beginning in August 2012. The School is not responsible for rent, utilities, custodial services, maintenance and school safety services other than security related to the School's programs that take place outside the district's school day.

Food and Transportation Services

The New York City Department of Education provides free lunches and reduced-price lunches and transportation to a majority of the School's students. Such costs are not included in these financial statements. The School covers the cost of lunches for children entitled to reduced – priced and free lunches. The School also receives reimbursement from parents who are charged full price for these lunches.

Tax Status

The School is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) and a similar provision under New York State income tax laws. The School has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in section 170(b)(1)(A)(ii). The School did not have net unrelated business income for the period from September 13, 2011 (inception) to June 30, 2013.

The School's accounting policy provides that a tax expense or benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. The School has no uncertain tax position resulting in an accrual of tax expense or benefit.

IRS Forms 990 filed by the School are subject to examination by the Internal Revenue Service up to three years from the extended due date of each return. All Forms 990 filed by the School are subject to examination.

MANHATTAN CHARTER SCHOOL II
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 - PRINCIPAL BUSINESS ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

Financial statement presentation follows the requirements of the Financial Accounting Standards Board (“FASB”) in its Accounting Standards Codification (“ASC”) 958-205. Under ASC 958-205, the School is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The net assets classifications are described as follows:

Unrestricted

Unrestricted net assets of the School consists of cash and otherwise unrestricted amounts that are available for use in carrying out the objectives of the School and include those expendable resources, which have been designated for special use by the School or the Board of Trustees.

Temporarily Restricted

Temporarily restricted net assets of the School represent those amounts that have been limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by actions of the School. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets, as net assets released from restrictions.

Permanently Restricted

Permanently restricted net assets of the School result from contributions whose use has been permanently limited by donor-imposed restrictions. Such assets include contributions required to be invested in perpetuity, the income from which is available to support charitable purposes designated by the donors.

The School had no temporarily or permanently restricted net assets at June 30, 2013.

Revenue and Support

Contributions are recognized when the donor makes a promise to give to the School that is, in substance, unconditional. Grants and other contributions of cash are reported as temporarily restricted support if they are received with donor stipulations. Restricted contributions and grants that are made to support the School’s current year activities are recorded as unrestricted revenue. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation.

Revenue from the state and local governments resulting from the 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 and other state and local funds are recorded when expenditures are incurred and billable to the government agency.

MANHATTAN CHARTER SCHOOL II
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 - PRINCIPAL BUSINESS ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, the School considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Concentration of Credit Risk

Financial instruments which potentially subject the School to concentrations of credit risk are cash and cash equivalents. The School places its cash and cash equivalents on deposit in what it believes to be highly credited financial institutions. Cash balances may exceed the FDIC insured levels of \$250,000 per institution at various times during the year. The School believes that there is little risk in any losses and has not experienced any losses in such accounts.

Property and Equipment

Purchased property and equipment are recorded at cost. Maintenance and repairs are expensed as incurred. Depreciation is provided on the straight line method over the estimated useful lives as follows:

Furniture and fixtures	7 years
Computers and equipment	3 and 5 years
Software	5 years

Restricted Cash

Under the provisions of its charter, the School established an escrow account to pay for legal and audit expenses that would be associated with a dissolution should it occur.

Refundable Advances

The School records certain government operating revenue as refundable advances until related services are performed, at which time they are recognized as revenue.

MANHATTAN CHARTER SCHOOL II
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 2 - GRANTS AND CONTRACTS RECEIVABLE

Grants and contracts receivable consist of federal, state, and city entitlements and grants. The School expects to collect these receivables within one year.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of June 30, 2013:

Furniture and fixtures	\$ 28,653
Computers and equipment	109,154
Software	3,690
Leasehold Improvements	<u>89,879</u>
	231,376
Less: Accumulated depreciation and amortization	<u>39,986</u>
	<u>\$ 191,390</u>

Depreciation and amortization expense was \$39,986 for the period from September 13, 2011 (inception) to June 30, 2013.

NOTE 4 - REVENUE CONCENTRATION

The School receives a substantial portion of its support and revenue from the New York City Department of Education. If the charter school laws were modified, reducing or eliminating these revenues, the School's finances could be materially adversely affected.

NOTE 5 - CONTINGENCY

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.

MANHATTAN CHARTER SCHOOL II
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 6 - FUNCTIONAL ALLOCATION OF EXPENSE

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expense includes those expenses that are not directly identifiable with any other specific function, but provide for the overall support and direction of the School.

NOTE 7 - DUE TO RELATED PARTY

The School is an affiliate of Manhattan Charter School (“MCS”), a New York State, not-for-profit corporation who both share common management and board members. For operational efficiency and purchasing power, the School shares expenses with MCS. Balance due to MCS at June 30, 2013 was \$146,615. For the period from September 13, 2011 (inception) to June 30, 2013, MCS charged the School \$553,934 for shared expenses paid on their behalf.

NOTE 8 - DONATED GOODS

The School received smart boards, computer, copier, printers and supplies at no charge. The value of these goods meets the criteria for recognition in the financial statements and was recorded at a fair value of \$37,120 for the period from September 13, 2011 (inception) to June 30, 2013.

NOTE 9 - RETIREMENT PLAN

The School maintains a retirement plan qualified under the Internal Revenue Code 403(b) for the benefit its eligible employees. Under the plan, the School provided matching contributions of 4% to the plan. The amount charged to operations for matching contributions to the plan was \$6,448 for the period from September 13, 2011 (inception) to June 30, 2013.

NOTE 10 - SUBSEQUENT EVENTS

In preparing these financial statements, the School has evaluated events and transactions for potential recognition or disclosure through October 8, 2013, the date the financial statements were available to be issued.

FRUCHTER ROSEN & COMPANY, P.C.

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INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION

TO THE BOARD OF TRUSTEES
MANHATTAN CHARTER SCHOOL II

We have audited the financial statements of Manhattan Charter School II as of June 30, 2013 and for the period from September 13, 2011 (inception) to June 30, 2013, and have issued our report thereon dated October 8, 2013, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.


FRUCHTER ROSEN & COMPANY, P.C.
Certified Public Accountants

New York, New York
October 8, 2013

MANHATTAN CHARTER SCHOOL II
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE PERIOD FROM SEPTEMBER 13, 2011 (INCEPTION) TO JUNE 30, 2013

	Program Services			Supporting Services			
	Regular Education	Special Education	Extended Day	Total	Management and General	Fundraising	Total
Salaries and wages	\$ 824,773	\$ 111,035	\$ -	\$ 935,808	\$ 145,414	\$ 10,934	\$ 1,092,156
Employee benefits and payroll taxes	91,570	12,328	-	103,898	16,144	1,214	121,256
Professional and accounting services	90,376	25,260	-	115,636	72,134	-	187,770
Professional development	8,478	1,141	-	9,619	4,701	-	14,320
Consultants	13,315	2,164	-	15,479	1,165	-	16,644
Leased equipment	1,023	166	-	1,189	91	-	1,280
Supplies and materials	32,441	5,490	-	37,931	5,265	406	43,602
Curriculum and classroom	53,936	7,261	-	61,197	-	-	61,197
Travel and conferences	3,368	453	17,879	21,700	858	95	22,653
Insurance	17,986	2,905	-	20,891	1,520	-	22,411
Postage and printing	313	51	-	364	23	3	390
Technology and communications	29,336	4,767	-	34,103	2,199	367	36,669
Dues and subscriptions	719	117	-	836	63	-	899
Food service	871	119	-	990	-	-	990
Student and staff recruiting and retention	36,034	5,855	-	41,889	3,153	-	45,042
Depreciation and amortization	31,989	5,198	-	37,187	2,799	-	39,986
Facility	3,988	648	-	4,636	349	-	4,985
Miscellaneous	-	-	-	-	18	-	18
Total	\$ 1,240,516	\$ 184,958	\$ 17,879	\$ 1,443,353	\$ 255,896	\$ 13,019	\$ 1,712,268

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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 TRUSTEES OF
MANHATTAN CHARTER SCHOOL II

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 Manhattan Charter School II (the "School"), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, and cash flows for the period from September 13, 2011 (inception) to June 30, 2013, and the related notes to the financial statements, and have issued our report thereon dated October 8, 2013.

Internal Control Over Financial Reporting

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

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

Our consideration of 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.

TO THE BOARD OF TRUSTEES OF
MANHATTAN CHARTER SCHOOL II

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


FRUCHTER ROSEN & COMPANY, P.C.
Certified Public Accountants

New York, New York
October 8, 2013

FRUCHTER ROSEN & COMPANY, P.C.
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October 8, 2013

To the Board of Trustees
Manhattan Charter School II
100 Attorney Street
New York, NY 10002

In planning and performing our audit of the financial statements of Manhattan Charter School II (the "School") as of June 30, 2013 and for the period from September 13, 2011 (inception) to June 30, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered the School's internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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 School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

This communication is intended solely for the information and use of management, Board of Trustees, federal, state and local awarding agencies, The Charter School Institute of the State University of New York, The State Education Department of the State University of New York, and others within the School and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate your cooperation and the assistance we received during the course of our audit.


FRUCHTER ROSEN & COMPANY, P.C.
Certified Public Accountants

New York, New York
October 8, 2013

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October 8, 2013

To the Board of Trustees
Manhattan Charter School II

We have audited the financial statements of Manhattan Charter School II (the "School") for the period from September 13, 2011 (inception) to June 30, 2013, and have issued our report thereon dated October 8, 2013. Professional standards require that we provide you with the following information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated March 8, 2013, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we will consider the internal control of the School. Such considerations will be solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed test of the School's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Planned Scope of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions to be examined and the areas to be tested.

Our audit includes obtaining an understanding of the School and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the School. We will communicate any internal control related matters that are required to be communicated under professional standards.

We performed our audit according to the plan previously communicated to you in our engagement letter. Discussions were held with management on various dates throughout the audit process.

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Manhattan Charter School II are described in Note 1 to the financial statements. We noted no transactions entered into by the School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 8, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the School's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

Throughout the year, routine discussions regarding a variety of matters, including the application of accounting principles and auditing standards, were held with management in connection with transactions that have occurred, transactions that are contemplated, or reassessment of current circumstances. Such discussions have been helpful in conducting the audit.

We have issued a separate report to you, also dated October 8, 2013, containing our comments on Manhattan Charter School II's internal control.

This information is intended solely for the use of the Board of Trustees and management of Manhattan Charter School II and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,


FRUCHTER ROSEN & COMPANY, P.C.
Certified Public Accountants

FRUCHTER ROSEN & COMPANY, P.C.

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INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED UPON PROCEDURES

To the Board of Trustees of Manhattan Charter School II:

We have performed the procedures identified below, which were agreed to by the management of Manhattan Charter School II (the "School") and the New York State Education Department ("NYSED") solely to assist the specified parties in evaluating the School's assertion to NYSED that it has maintained compliance with the requirements of the CSP grant and Federal and NYSED guidelines in managing the CSP grant.

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specific users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and our results are as follows:

Procedure #1: We will obtain the detail of expenditures incurred for the period under review relating to the CSP grant from the School's accounting software and reconcile to the grant revenue recorded by the School. If the CSP grant revenue does not equal the grant expenditures, we will investigate the differences.

Result: No exceptions noted.

Procedure #2: We will obtain the NYSED approved CSP grant award information, including the budget and any amendments, to determine if the revenue and expenditures recorded for the period appear reasonable.

Result: No exceptions noted.

Procedure #3: We will select a sample from the detail of expenditures obtained in Procedure #1.

- a. Payroll – We will select 10 items or 10% of the total number of payroll items charged to the grant, whichever is less.
- b. Other expenses – We will select 10 items or 10% of the total number of items charged to the grant, whichever is less.

- c. Using the above selected items, we will:
- i. Determine if the expenditure is in accordance with the purpose of the grant and that pre-opening expenditures are charged to pre-opening periods.
 - ii. Determine if the expenditure falls into an approved budget category.
 - iii. Determine if the expenditure was charged to the appropriate fiscal period.

Result: No exceptions noted.

Procedure #4: We will obtain FS-25 form(s) submitted to NYSED during the period under review and perform the following:

- a. Trace expenditures selected in Procedure #3 to requests for reimbursement. Determine that items requested for reimbursement had previously been expended or were expended within a month following the request for reimbursement. If items have not yet been requested for reimbursement, inquire of responsible School officials as to the plan for requesting reimbursement, and determine if a receivable is recorded, if appropriate.
- b. If FS-25 forms included amounts on Line 4 (Cash Expenditures Anticipated During Next Month), we will select one FS-25 and determine if funds were expended within 1 month following the date of the request.

Result: No exceptions noted.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on Manhattan Charter School II's compliance with the requirements of the CSP grant. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of Manhattan Charter School II and the New York State Education Department, and it is not intended to be and should not be used by anyone other than the specified parties.


FRUCHTER ROSEN & COMPANY, P.C.
Certified Public Accountants

New York, New York
October 8, 2013

Transmittal Form
Annual Financial Statement Audit Report

for SUNY Authorized Charter Schools

School Name:	Manhattan Charter School II
Date (Report is due Nov. 1):	November 1, 2013
School Fiscal Contact Name:	Taylor Bernal
School Fiscal Contact Email:	tbernal@manhattancharterschool.org
School Fiscal Contact Phone:	212.533.2743
School Audit Firm Name:	Fruchter Rosen & Company P.C.
School Audit Contact Name:	Brendan Gilroy
School Audit Contact Email:	bgilroy@frcpas.com
School Audit Contact Phone:	212.957.3600 ext. 206
Audit Period:	2012-13
Prior Year:	2011-12

The following items are required to be included:

- .. The independent auditor's report on financial statements and notes.
- .. Excel template file containing the Financial Position, Statement of Activities, Cash Flow and Functional Expenses worksheets.
- .. Reports on internal controls over financial reporting and on compliance.

The additional items listed below should be included if applicable. Please explain the reason(s) if the items are not included. Examples might include: a written management letter was not issued; the school did not expend federal funds in excess of the Single Audit Threshold of \$500,000; the management letter response will be submitted by the following date (should be no later than 30 days from the submission of the report); etc.

Item	If not included, state the reason(s) below (if not applicable fill in N/A):
Management Letter	Included
Management Letter Response	N/A
Form 990	Extension to be filed by 11/15/13
Federal Single Audit (A-133) ¹	N/A
Corrective Action Plan	N/A

Please also send an ELECTRONIC copy of: 1.) This transmittal form; 2.) Audited Financial Report; and if applicable 3.) Management Letter and Response; 4.) Federal Single Audit (A-133) ONLY to the following offices via email. A copy of the Excel file containing the four schedules Does NOT need to be included.

NYS Education Department Public School Choice Programs 89 Washington Avenue Room 462 EBA Albany, New York 12234 charterschools@mail.nysed.gov	NYS Education Department Office of Audit Services 89 Washington Avenue Room 524 EBA Room 524 EBA Albany, New York 12234 fsanda133@mail.nysed.gov
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¹ A copy of the Federal Single Audit must be filed with the Federal Audit Clearinghouse. Please refer to OMB Cir

Manhattan Charter School II Statement of Financial Position as of June 30

<u>ASSETS</u>	<u>2013</u>	<u>2012</u>	<u>FIC</u>
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	259319		\$-
Grants and contracts receivable	36355		-
Accounts receivables	31792		-
Prepaid Expenses	8641		-
Contributions and other receivables	2069		-
TOTAL CURRENT ASSETS	338,176		-
<u>PROPERTY, BUILDING AND EQUIPMENT, net</u>			
	191390		-
<u>OTHER ASSETS</u>			
	0		-
TOTAL ASSETS	529,566		-
<u>LIABILITIES AND NET ASSETS</u>			
<u>CURRENT LIABILITIES</u>			
Accounts payable and accrued expenses	173385		\$-
Accrued payroll and benefits	141022		-
Dreferred Revenue	0		-
Current maturities of long-term debt	0		-
Short Term Debt - Bonds, Notes Payable	0		-
Other	0		-
TOTAL CURRENT LIABILITIES	314,407		-
<u>LONG-TERM DEBT and NOTES PAYABLE, net current</u>			
	0		-
TOTAL LIABILITIES	314,407		-
<u>NET ASSETS</u>			
Unrestricted	215159		-
Temporarily restricted	0		-
TOTAL NET ASSETS	215,159		-
TOTAL LIABILITIES AND NET ASSETS	529,566		-

CSI:
State, Federal or other

CSI:
NON GRANT
- Due from School Districts
- Due from Governments

CSI:
Operating and Capital
Reserves, Deferred Costs,
Investments, Due from
Affiliate/CMO, Fixed
Assets

CSI:
Obligations under,
Capital Leases,
Advanced Billing, Due to
Affiliate/CMO,

CSI:
Land, Building, Loan(s)
related

Manhattan Charter School II
Statement of Activities
as of June 30

	2013			2012	FIC ny nu
	Unrestricted	Temporarily Restricted	Total	Total	
REVENUE, GAINS AND OTHER SUPPORT					
Public School District					
Resident Student Enrollment	1195584	\$-	\$1,195,584	\$-	
Students with disabilities	78060	-	78,060	-	
Grants and Contracts					
State and local	95140	-	95,140	-	
Federal - Title and IDEA	46810	-	46,810	-	
Federal - Other	404711	-	404,711	-	
Other	0	-	-	-	
Food Service/Child Nutrition Program	0	-	-	-	
TOTAL REVENUE, GAINS AND OTHER SUPPORT	1,820,305	-	1,820,305	-	
EXPENSES					
Program Services					
Regular Education	1240516	\$-	\$1,240,516	\$-	
Special Education	184958	-	184,958	-	
Other Programs	17879	-	17,879	-	
Total Program Services	1,443,353	-	1,443,353	-	
Management and general	255896	-	255,896	-	
Fundraising	13019	-	<u>13,019</u>	-	
TOTAL OPERATING EXPENSES	1,712,268	-	1,712,268	-	
SURPLUS / (DEFICIT) FROM SCHOOL OPERATIONS	108,037	-	108,037	-	
SUPPORT AND OTHER REVENUE					
Contributions					
Foundations	29000	\$-	\$29,000	\$-	
Individuals	10000	-	10,000	-	
Corporations	31000	-	31,000	-	
Fundraising	0	-	-	-	
Interest income	2	-	2	-	
Miscellaneous income (IN-KIND)	37120	-	37,120	-	
Net assets released from restriction	0	-	-	-	
TOTAL SUPPORT AND OTHER REVENUE	107,122	-	107,122	-	
CHANGE IN NET ASSETS	215,159	-	215,159	-	
NET ASSETS BEGINNING OF YEAR	0	-	-	-	
PRIOR YEAR/PERIOD ADJUSTMENTS	0	-	-	-	
NET ASSETS END OF YEAR	\$215,159	\$-	\$215,159	\$-	

**Manhattan Charter School II
Statement of Cash Flows**

as of June 30

	2013	2012	FIC
			*Please briefly explain any nu
CASH FLOWS - OPERATING ACTIVITIES			
Increase (decrease) in net assets	215159		\$-
Revenues from School Districts	0		-
Accounts Receivable	0		-
Due from School Districts	0		-
Depreciation	39986		-
Grants Receivable	-68147		-
Due from NYS	0		-
Grant revenues	0		-
Prepaid Expenses	-10710		-
Accounts Payable	6161		-
Accrued Expenses	20608		-
Accrued Liabilities	141022		-
Contributions and fund-raising activities	0		-
Miscellaneous sources	0		-
Deferred Revenue	0		-
Interest payments	0		-
Other - Donated property and equipment	-20581		-
Other - Increase in due to related party	146615		-
NET CASH PROVIDED FROM OPERATING ACTIVITIES	\$470,113		\$-
CASH FLOWS - INVESTING ACTIVITIES	\$		\$
Purchase of equipment	-210794		-
Other - Increase in restricted cash	-25002		-
NET CASH PROVIDED FROM INVESTING ACTIVITIES	\$(235,796)		\$-
CASH FLOWS - FINANCING ACTIVITIES	\$		\$
Principal payments on long-term debt	0		-
Other	0		-
NET CASH PROVIDED FROM FINANCING ACTIVITIES	\$-		\$-
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	\$234,317		\$-
Cash at beginning of year	0		-
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$234,317		\$-

Manhattan Charter School II
Statement of Functional Expenses
as of June 30

		2013						
		Program Services				Supporting Service		
	No. of Positions	Regular Education	Special Education	Other Education	Total	Fund-raising	Management and General	
		\$	\$	\$	\$	\$	\$	\$
Personnel Services Costs								
Administrative Staff Personnel	6	0	0	0	-	10934		145414
Instructional Personnel	10	824773	111035	0	935,808	0		0
Non-Instructional Personnel	-	0	0	0	-	0		0
Total Salaries and Staff		824,773	111,035	-	935,808	10,934		145,414
Fringe Benefits & Payroll Taxes								
Retirement		86651	11665	0	98,316	1149		15277
Management Company Fees		4919	663	0	5,582	65		867
Legal Service		0	0	0	-	0		17918
Accounting / Audit Services		0	0	0	-	0		47902
Other Purchased / Professional / Consult		103711	27424	0	131,135	0		7479
Building and Land Rent / Lease		0	0	0	-	0		0
Repairs & Maintenance		3988	648	0	4,636	0		349
Insurance		17986	2905	0	20,891	0		1520
Utilities		0	0	0	-	0		0
Supplies / Materials		81458	11952	0	93,410	344		2064
Equipment / Furnishings		1024	165	0	1,189	0		91
Staff Development		8478	1141	0	9,619	0		4701
Marketing / Recruitment		36034	5855	0	41,889	0		3153
Technology		29336	4767	0	34,103	367		2199
Food Service		871	119	0	990	0		0
Student Services		8266	1253	17879	27,398	61		369
Office Expense		313	51	0	364	99		3713
Depreciation		31989	5198	0	37,187	0		2799
OTHER		719	117	0	836	0		81
Total Expenses		240,516	\$184,958	\$17,879	\$1,443,353	\$13,019		\$255,896

		2012	
S			
Total	Total		
\$	\$	\$	
156,348	156,348	-	-
-	935,808	-	-
-	-	-	-
156,348	1,092,156	-	-
16,426	114,742	-	-
932	6,514	-	-
-	-	-	-
17,918	17,918	-	-
47,902	47,902	-	-
7,479	138,614	-	-
-	-	-	-
349	4,985	-	-
1,520	22,411	-	-
-	-	-	-
2,408	95,818	-	-
91	1,280	-	-
4,701	14,320	-	-
3,153	45,042	-	-
2,566	36,669	-	-
-	990	-	-
430	27,828	-	-
3,812	4,176	-	-
2,799	39,986	-	-
<u>81</u>	<u>917</u>	-	-
\$268,915	\$1,712,268	\$-	\$-

Manhattan Charter School 2 Budget / Operating Plan 2013-14						
		2,303,553	2,303,553	-	2,303,553	2,303,553
Total Revenue		2,303,553	2,303,553	-	2,303,553	2,303,553
Total Expenses		2,146,490	2,146,490	-	(2,146,490)	(2,146,490)
Net Income		157,064	157,064	-	157,064	157,064
Actual Student Enrollment						
Total Paid Student Enrollment						
		Original	Total Year Current	Variance	Original vs. PY	Current vs. PY
REVENUE						
REVENUES FROM STATE SOURCES						
Per Pupil Revenue		CY Per Pupil Rate				
18	School District 1 - NYC DOE	13,527	1,882,958	1,882,958	-	1,882,958
19	School District 2 (Enter Name)	-	-	-	-	-
20	School District 3 (Enter Name)	-	-	-	-	-
21	School District 4 (Enter Name)	-	-	-	-	-
22	School District 5 (Enter Name)	-	-	-	-	-
23	School District 6 (Enter Name)	-	-	-	-	-
24	School District 7 (Enter Name)	-	-	-	-	-
25	School District 8 (Enter Name)	-	-	-	-	-
26	School District 9 (Enter Name)	-	-	-	-	-
27	School District 10 (Enter Name)	-	-	-	-	-
28	School District 11 (Enter Name)	-	-	-	-	-
29	School District 12 (Enter Name)	-	-	-	-	-
30	School District 13 (Enter Name)	-	-	-	-	-
31	School District 14 (Enter Name)	-	-	-	-	-
32	School District 15 (Enter Name)	-	-	-	-	-
33	School District - ALL OTHER	-	-	-	-	-
34	TOTAL Per Pupil Revenue (Average Districts Per Pupil Funding)	13,527	1,882,958	1,882,958	-	1,882,958
35	Special Education Revenue		114,290	114,290	-	114,290
36	Grants					
37	Stimulus		-	-	-	-
38	DYCD (Department of Youth and Community Developmt.)		-	-	-	-
39	Other		11,449	11,449	-	11,449
40	Other		-	-	-	-
41	TOTAL REVENUE FROM STATE SOURCES		2,008,697	2,008,697	-	2,008,697
42						
43	REVENUE FROM FEDERAL FUNDING					
44	IDEA Special Needs		17,392	17,392	-	17,392
45	Title I		55,680	55,680	-	55,680
46	Title Funding - Other		5,000	5,000	-	5,000
47	School Food Service (Free Lunch)		-	-	-	-
48	Grants					
49	Charter School Program (CSP) Planning & Implementation		184,015	184,015	-	184,015
50	Other		-	-	-	-
51	Other		-	-	-	-
52	TOTAL REVENUE FROM FEDERAL SOURCES		262,087	262,087	-	262,087
53						
54	LOCAL and OTHER REVENUE					
55	Contributions and Donations		31,042	31,042	-	31,042
56	Fundraising		-	-	-	-
57	Erate Reimbursement		1,727	1,727	-	1,727
58	Earnings on Investments		-	-	-	-
59	Interest Income		-	-	-	-
60	Food Service (Income from meals)		-	-	-	-
61	Text Book		-	-	-	-
62	OTHER		-	-	-	-
63	TOTAL REVENUE FROM LOCAL and OTHER SOURCES		32,769	32,769	-	32,769
64						
65	TOTAL REVENUE		2,303,553	2,303,553	-	2,303,553
66						

Manhattan Charter School 2						
Budget / Operating Plan						
2013-14						
		2,303,553	2,303,553	-	2,303,553	2,303,553
		2,146,490	2,146,490	-	(2,146,490)	(2,146,490)
		157,064	157,064	-	157,064	157,064
Actual Student Enrollment						
Total Paid Student Enrollment						
		Original	Total Year Current	Variance	VARIANCE Original vs. PY	Current vs. PY
EXPENSES						
ADMINISTRATIVE STAFF PERSONNEL COSTS						
	No. of Positions					
69	Executive Management	93,186	93,186	-	(93,186)	(93,186)
71	Instructional Management	205,518	205,518	-	(205,518)	(205,518)
72	Deans, Directors & Coordinators	94,522	94,522	-	(94,522)	(94,522)
73	CFO / Director of Finance	-	-	-	-	-
74	Operation / Business Manager	-	-	-	-	-
75	Administrative Staff	83,200	83,200	-	(83,200)	(83,200)
76	TOTAL ADMINISTRATIVE STAFF	476,526	476,526	-	(476,526)	(476,526)
INSTRUCTIONAL PERSONNEL COSTS						
79	Teachers - Regular	367,550	367,550	-	(367,550)	(367,550)
80	Teachers - SPED	73,522	73,522	-	(73,522)	(73,522)
81	Substitute Teachers	-	-	-	-	-
82	Teaching Assistants	202,340	202,340	-	(202,340)	(202,340)
83	Specialty Teachers	139,686	139,686	-	(139,686)	(139,686)
84	Aides	-	-	-	-	-
85	Therapists & Counselors	51,210	51,210	-	(51,210)	(51,210)
86	Other	31,736	31,736	-	(31,736)	(31,736)
87	TOTAL INSTRUCTIONAL	866,044	866,044	-	(866,044)	(866,044)
NON-INSTRUCTIONAL PERSONNEL COSTS						
90	Nurse	-	-	-	-	-
91	Librarian	-	-	-	-	-
92	Custodian	-	-	-	-	-
93	Security	-	-	-	-	-
94	Other	-	-	-	-	-
95	TOTAL NON-INSTRUCTIONAL	-	-	-	-	-
97	SUBTOTAL PERSONNEL SERVICE COSTS	1,342,570	1,342,570	-	(1,342,570)	(1,342,570)
PAYROLL TAXES AND BENEFITS						
100	Payroll Taxes	134,257	134,257	-	(134,257)	(134,257)
101	Fringe / Employee Benefits	228,237	228,237	-	(228,237)	(228,237)
102	Retirement / Pension	26,851	26,851	-	(26,851)	(26,851)
103	TOTAL PAYROLL TAXES AND BENEFITS	389,345	389,345	-	(389,345)	(389,345)
106	TOTAL PERSONNEL SERVICE COSTS	1,731,915	1,731,915	-	(1,731,915)	(1,731,915)
CONTRACTED SERVICES						
107	Accounting / Audit	20,000	20,000	-	(20,000)	(20,000)
109	Legal	8,000	8,000	-	(8,000)	(8,000)
110	Management Company Fee	-	-	-	-	-
111	Nurse Services	-	-	-	-	-
112	Food Service / School Lunch	-	-	-	-	-
113	Payroll Services	3,000	3,000	-	(3,000)	(3,000)
114	Special Ed Services	-	-	-	-	-
115	Titlement Services (i.e. Title I)	-	-	-	-	-
116	Other Purchased / Professional / Consulting	47,500	47,500	-	(47,500)	(47,500)
117	TOTAL CONTRACTED SERVICES	78,500	78,500	-	(78,500)	(78,500)
SCHOOL OPERATIONS						
119	Board Expenses	-	-	-	-	-
120	Classroom / Teaching Supplies & Materials	46,250	46,250	-	(46,250)	(46,250)
122	Special Ed Supplies & Materials	2,000	2,000	-	(2,000)	(2,000)
123	Textbooks / Workbooks	41,515	41,515	-	(41,515)	(41,515)
124	Supplies & Materials other	-	-	-	-	-
125	Equipment / Furniture	5,000	5,000	-	(5,000)	(5,000)
126	Telephone	4,400	4,400	-	(4,400)	(4,400)
127	Technology	9,753	9,753	-	(9,753)	(9,753)
128	Student Testing & Assessment	28,930	28,930	-	(28,930)	(28,930)
129	Field Trips	6,900	6,900	-	(6,900)	(6,900)
130	Transportation (student)	2,880	2,880	-	(2,880)	(2,880)
131	Student Services - other	28,800	28,800	-	(28,800)	(28,800)
132	Office Expense	4,850	4,850	-	(4,850)	(4,850)
133	Staff Development	31,200	31,200	-	(31,200)	(31,200)
134	Staff Recruitment	12,750	12,750	-	(12,750)	(12,750)
135	Student Recruitment / Marketing	5,000	5,000	-	(5,000)	(5,000)
136	School Meals / Lunch	3,000	3,000	-	(3,000)	(3,000)
137	Travel (Staff)	400	400	-	(400)	(400)
138	Fundraising	2,500	2,500	-	(2,500)	(2,500)
139	Other	3,360	3,360	-	(3,360)	(3,360)
140	TOTAL SCHOOL OPERATIONS	239,488	239,488	-	(239,488)	(239,488)
FACILITY OPERATION & MAINTENANCE						
142	Insurance	35,195	35,195	-	(35,195)	(35,195)
144	Janitorial	1,392	1,392	-	(1,392)	(1,392)
145	Building and Land Rent / Lease	-	-	-	-	-
146	Repairs & Maintenance	15,000	15,000	-	(15,000)	(15,000)
147	Equipment / Furniture	-	-	-	-	-
148	Security	-	-	-	-	-
149	Utilities	-	-	-	-	-
150	TOTAL FACILITY OPERATION & MAINTENANCE	51,587	51,587	-	(51,587)	(51,587)
151	DEPRECIATION & AMORTIZATION	20,000	20,000	-	(20,000)	(20,000)
153	RESERVES / CONTINGENCY	25,000	25,000	-	(25,000)	(25,000)
154	TOTAL EXPENSES	2,146,490	2,146,490	-	(2,146,490)	(2,146,490)
155	NET INCOME	157,064	157,064	-	157,064	157,064

Appendix E: Disclosure of Financial Interest Form

Created Thursday, August 01, 2013

Page 1

310100861031 MANHATTAN CS II

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 2012-13 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-disclosure-of-financial-interest-form/>.

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 <http://fluidsurveys.com/account/surveys/210748/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 Thursday, August 01, 2013

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310100861031 MANHATTAN CS II

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	Paul O'Neill	Chair/President	Yes	Charter schools, law	06-present	
2	Ben Breen	Vice Chair/Vice President	Yes	Music	11/09-present	
3	Ira Greenberg	Treasurer	Yes	Finance and budget	05-present (founding)	
4	Tom Alwood	Secretary	Yes	Technology and business dev.	3/11-present	
5	Joy Elaine Daley		Yes	Education	5/09-present	
6	Jim Ford		Yes	New schools, facilities, and governance	3/11-present	
7	Jessica Aronin Leitner		Yes	Fundraising	5/09-present	
8	Rebecca Anikstein		Yes	Nonprofits, Fundraising	12/11 – 01/13	
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

2. Total Number of Members Joining Board during the 2012-13 school year

0

3. Total Number of Members Departing the Board during the 2012-13 school year

1

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

13

5. How many times did the Board meet during the 2012-13 school year?

12

6. How many times will the Board meet during the 2013-14 school year?

12

Thank you.

Enrollment and retention efforts

As Manhattan Charter School 2 grows to scale as a K-5 school, it hopes to meet if not exceed its enrollment and retention targets.

MCS2 is exceeding its FRPL targets and meeting its students with disabilities targets.

MCS2 is implementing several strategies to increase enrollment of ELL students in order to meet or exceed its effective target for ELL enrollment.

MCS2 has already taken these steps:

- Bilingual Spanish/English staff in place in the school's main office and trilingual Mandarin/Cantonese/English staff member in the classroom
- Ensured ELL applicants receive admission preference as part of the lottery
- Hired a principal for MCS2 who has significant experience working with ELL students and is bilingual in Spanish/English herself
- Translated our marketing and application materials in three languages and distribute in the community and to preKs that serve a high percentage of ELL students
- Sent out a postcard with info in three languages to over 5500 families in lower Manhattan and western Brooklyn
- Advertised in Spanish-language newspaper El Diario and Chinese-language newspaper Sing Tao
- Conducted outreach, in person and in Spanish and Mandarin, to community based organizations that service a large population of English Language Learners, community by Spanish and Mandarin staff

These steps are in progress:

- Recruiting Mandarin and Cantonese speaking staff for MCS2
- Developing outreach strategy with Chinese community organizer, which will include open houses and parent education opportunities
- Making our website more easily translatable into other languages

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Monday, July 22, 2013

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/ed6f966c00ad8a5bd1457f852de9fa>

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:

Jessica Aronin Leitner

2. Charter School Name:

Manhattan Charter School II

3. Charter Authorizer:

SUNY

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)

- Other, please specify...: board 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

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Tuesday, July 30, 2013

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/e31e60e0ece93562d5954b098544b>

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:

Thomas C. Alwood

2. Charter School Name:

Manhattan Charter School II

3. Charter Authorizer:

SUNY

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)

- Secretary

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

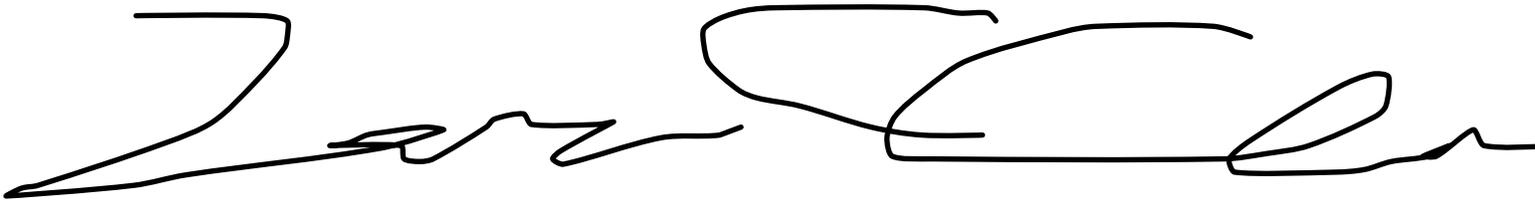
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

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, consisting of several loops and a long horizontal stroke at the end.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Wednesday, July 31, 2013

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/eb9ac5bec5cafe7ccbec05ea20401a>

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:

Benjamin Breen

2. Charter School Name:

Manhattan Charter School II

3. Charter Authorizer:

SUNY

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

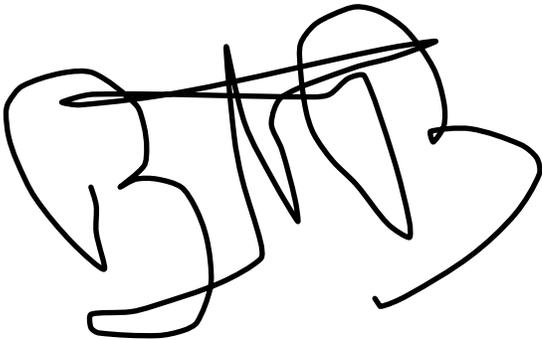
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

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

A handwritten signature in black ink, consisting of several overlapping loops and lines, appearing to be initials or a stylized name.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Wednesday, July 31, 2013

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/5ba77680d2b9463a97a79392ba0>

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:

ira greenberg

2. Charter School Name:

Manhattan Charter School II

3. Charter Authorizer:

SUNY

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)

- Treasurer

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 large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Wednesday, July 31, 2013

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/db114495ca60ce2157016a3c6d1b5>

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:

Paul O'Neill

2. Charter School Name:

Manhattan Charter School II

3. Charter Authorizer:

SUNY

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

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

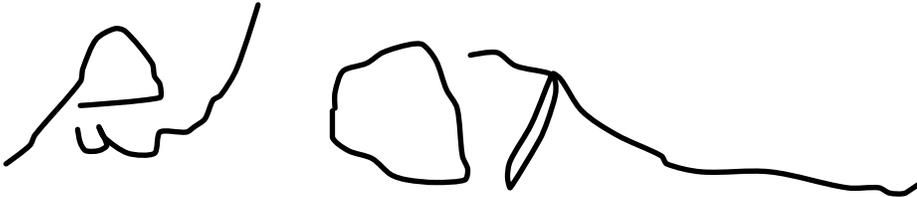
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

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, consisting of a stylized first name followed by a last name, written in a cursive or semi-cursive style.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Thursday, August 01, 2013

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/42c1c8ad6e1687c88271da8854fc8f>

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:

Joy Elaine Daley

2. Charter School Name:

Manhattan Charter School II

3. Charter Authorizer:

SUNY

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)

(No response)

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

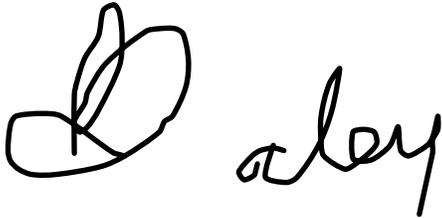
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

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 "Daley". The first letter "D" is large and stylized, with a loop. The rest of the name "aley" is written in a cursive, lowercase style.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Thursday, August 01, 2013

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/a99442e9e5d707528bf612a3e9511e>

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:

James Ford

2. Charter School Name:

Manhattan Charter School II

3. Charter Authorizer:

SUNY

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)

(No response)

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

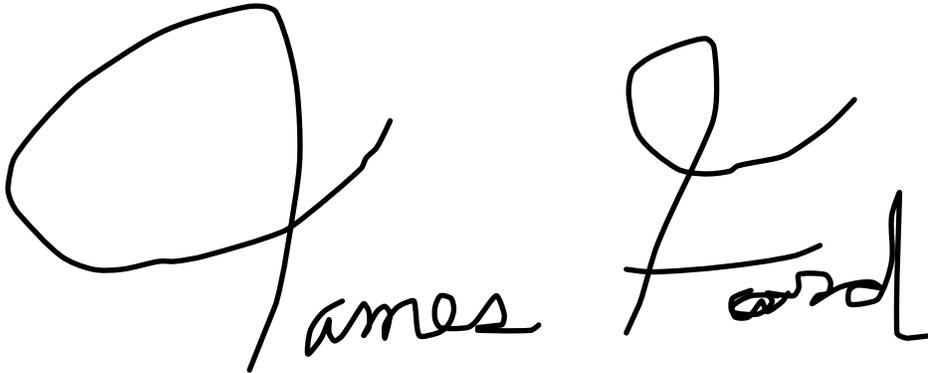
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

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. The first part is a large, stylized initial 'J' that loops around and crosses itself. Below this, the name 'James Ford' is written in a cursive, handwritten style. 'James' is on the left and 'Ford' is on the right, with a small gap between them.