



I. SCHOOL INFORMATION AND COVER PAGE (To be Completed By All Charter Schools)

Created: 07/21/2015

Last updated: 10/29/2015

Please be advised that you will need to complete this task first (including signatures) before all of the other tasks assigned to you by your authorizer are visible on your task page. While completing this task, please ensure that you select the correct authorizer or you may not be assigned the correct tasks.

Page 1

1. SCHOOL NAME AND AUTHORIZER

(Select name from the drop down menu)

DR RICHARD IZQUIERDO HEALTH AND SCIENCE CS (NYC CHANCELLOR) 321200860965

2. CHARTER AUTHORIZER

(For technical reasons, please re-select authorizer name from the drop down menu).

NYCDOE-Authorized Charter School

3. DISTRICT / CSD OF LOCATION

NYC CSD 12

4. SCHOOL INFORMATION

	PRIMARY ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS
	800 Home Street Bronx, NY 10456	718-378-0490	718-378-0492	info@drihscs.org

4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES

Contact Name	Richard Burke
Title	Head of School / Principal
Emergency Phone Number (###-###-####)	██████████

5. SCHOOL WEB ADDRESS (URL)

www.healthscienceschool.org

6. DATE OF INITIAL CHARTER

2009-12-01 00:00:00

7. DATE FIRST OPENED FOR INSTRUCTION

2010-09-01 00:00:00

8. FINAL VERIFIED BEDS ENROLLMENT FOR THE 2014-15 School Year as reported to Department's Office of Information and Reporting Services (via the NYC DOE for charter schools in NYC) in August.

523

9. GRADES SERVED IN SCHOOL YEAR 2014-15

Check all that apply

Grades Served	6, 7, 8, 9, 10
---------------	----------------

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

	Yes/No	Name of CMO/EMO
	No	

Page 2

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 2015-16.

	Physical Address	Phone Number	District/CSD	Grades Served at Site	School at Full Capacity at Site	Facilities Agreement
Site 1 (same as primary site)	800 Home Street Bronx, NY 10456	718-378-0490	BRONX (TOTAL)	6-10	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	Richard Burke	718-378-0490	██████████	██████████

Operational Leader	Christopher Sharpe	718-378-0490	[REDACTED]	[REDACTED]
Compliance Contact	Richard Burke	718-378-0490	[REDACTED]	[REDACTED]
Complaint Contact	Richard Burke	718-378-0490	[REDACTED]	[REDACTED]

13. Are the School sites co-located?

No

Page 3

14. Were there any revisions to the school's charter during the 2014-2015 school year? (Please include both those that required authorizer approval and those that did not require authorizer approval).

No

15. Name and Position of Individual(s) Who Completed the 2014-15 Annual Report.

Walter Severini / Data Analyst and Assessment Coordinator

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).**

Responses Selected:

Yes

Signature, Head of Charter School



Signature, President of the Board of Trustees



Thank you.



Appendix A: Link to the New York State School Report Card

Last updated: 07/21/2015

Page 1

Charter School Name:

1. NEW YORK STATE REPORT CARD

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

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

<http://data.nysed.gov/reportcard.php?year=2014&instid=800000067013>



Appendix A: Progress Toward Goals

Created: 07/21/2015

Last updated: 10/22/2015

Page 1

Charter School Name:

1. NEW YORK STATE REPORT CARD

Provide a direct URL or web link to the most recent New York State School Report Card for the charter school (See <https://reportcards.nysed.gov/>) which captures school-level enrollment and demographic information, staff qualifications, electronic student records, and attendance rates, as prescribed by New York State statute (8 NYCRR 119.3).

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

<http://data.nysed.gov/reportcard.php?year=2014&instid=800000067013>

2. APPENDIX A: PROGRESS TOWARD CHARTER GOALS

The following tables reflect formatting in the online portal required for Board of Regents-authorized charter schools and NYCDOE-authorized charter schools only. Schools should list Progress Toward Charter Goals by August 1, 2015. If the goals are based on student performance data that the school will not have access to before August 1, 2015 (e.g., the NYS Assessment results), explain this in the "2014-2015 Progress Toward Attainment of Goal" column. The information can be updated when available. Appendix A must be fully completed no later than November 1, 2015.

2a. ACADEMIC STUDENT PERFORMANCE GOALS

2014-15 Progress Toward Attainment of Academic Goals

	Academic Student Performance Goal	Measure Used to Evaluate Progress Toward Attainment of Goal	2014-2015 Progress Toward Attainment of Goal - Met, Partially Met, or Not Met	If Not Met, Describe Efforts School Will Take
Academic Goal 1	75% of students in two year cohort must score a 3 or above on the NYS ELA, Math, and Science examinations.	2015 NYS ELA, Math, and Science examination scores	Not Met Two year Cohorts: Grade 7 ELA 11.3%, Grade 8 ELA 13.4% Grade 7 Math 25.0%, Grade 8 Math 25.4% Science 73.4%	We have added a literacy consultant working with teachers in the classroom. We have started the year with a Saturday intervention program (10 to 1) that will continue up to NYSED ELA and Math assessments. We have expanded our co-teaching model and are working Creative Classroom Solutions focusing on professional development of the co-teaching model

Academic Goal 2	Grade level cohorts of students will reduce by one-half the gap between the percent at or above Level 3 on the previous year's NYS ELA exam and 75% at or above Level 3 on the current year's NYS ELA Exam. If a grade-level cohort exceeds 75% at or above Level 3 in the previous year, the cohort will show at least an increase in the current year.	2015 NYS ELA examination score	<p>ELA DRIHSCS GOAL GOAL MET?</p> <p>G6 5.5% 23.7% No G7 10.7% 26.2% No G8 11.8% 31.1% No</p>	<p>We have added a literacy consultant working with teachers in the classroom. We have started the year with a Saturday intervention program (10 to 1) that will continue up to NYSED ELA and Math assessments.</p> <p>We have expanded our co-teaching model and are working Creative Classroom Solutions focusing on professional development of the co-teaching model</p>
Academic Goal 3	ELA value-added performance will be measured for the school's 6th graders using their 5th grade NYS ELA scores obtained through ATS	2015 NYS ELA examination score	<p>Not Met Grade 6 ELA 4.8%, previous year as Grade 5 ELA 7.7%</p>	<p>We have added a literacy consultant working with teachers in the classroom. We have started the year with a Saturday intervention program (10 to 1) that will continue up to NYSED ELA and Math assessments.</p> <p>We have expanded our co-teaching model and are working Creative Classroom Solutions focusing on professional development of the co-teaching model</p>
Academic Goal 4	Grade level cohorts of students will reduce by one-half the gap between the percent at or above Level 3 on the previous year's NYS Math exam and 75% at or above Level 3 on the current year's NYS Math Exam. If a grade-level cohort exceeds 75% at or above Level 3 in the previous year, the cohort will show at least an increase in the current year.	2015 NYS Math examination score	<p>Math DRIHSCS GOAL GOAL MET?</p> <p>G6 18.3% 28.7% No G7 23.2% 27.7% No G8 24.4% 31.1% No</p>	<p>We have added a literacy consultant working with teachers in the classroom. We have started the year with a Saturday intervention program (10 to 1) that will continue up to NYSED ELA and Math assessments.</p> <p>We have expanded our co-teaching model and are working Creative Classroom Solutions focusing on professional development of the co-teaching model</p>
Academic Goal 5	Math value-added performance will be measured for the school's 6th graders using their 5th grade NYS Math scores obtained through ATS.	2015 NYS Math examination score	<p>Met Grade 6 MATH 17.3%, previous year as Grade 5 MATH 19.2%</p>	<p>We have added a literacy consultant working with teachers in the classroom. We have started the year with a Saturday intervention program (10 to 1) that will continue up to NYSED ELA and Math assessments.</p> <p>We have expanded our co-teaching model and are working Creative Classroom Solutions focusing on professional development of the co-teaching model</p>

Academic Goal 6	Each year the percentage of students performing at or above Level 3 on both the state ELA and Math exam in each tested grade will place the school in the top quartile of all similar schools.	2015 NYS ELA and Math exam scores	Data not yet available	
Academic Goal 7	Each year the school will meet the requirements to be deemed " in good standing" according to the NCLB accountability system and the New York State requirement for AYP, meeting AYP in the aggregate and in all subgroups in all tested areas.	NYS Report Card	For 2015-2016 School is deemed " in good standing" Data not yet available for AYP 2015	
Academic Goal 8				

2a1. Do have more academic goals to add?

No

2a2. Do have more academic goals to add?

No

Page 2

2b. ORGANIZATIONAL GOALS

2014-15 Progress Toward Attainment of Organizational Goals

	Organizational Goal	Measure Used to Evaluate Progress	2014-15 Progress Toward Attainment	If Not Met, Describe Efforts School Will Take
Org Goal 1	Teachers are competent in their assigned areas and have the requisite qualifications under state and federal law.	Teacher credentials and certifications	100% goal attainment	
Org Goal 2	The school has documented discipline policies and procedures that are consistently applied and lead to an environment conducive to learning.	Internal Discipline Policies	100% goal attainment	We have created a Director of School and Academic Culture to supervise the deans and to expand the effectiveness of the responsive classroom.
Org Goal 3	Each year, the school will have a daily attendance rate including excused absences of at least 95%.	Data in ATS & internal student management system	Almost MET 94%	

Org Goal 4	Each year 95% of all students enrolled will return the following September, excluding students who left for reasons not connected to the school (i.e. moved, IEP required more restrictive educational setting, etc.)	Data in ATS & internal student management system	Met 97.5%	
Org Goal 5	Suspension rates will not exceed 5% in our first and second year, 4% in our third and fourth year, 3% in our fifth and sixth year, and 2% in our seventh year and beyond.	Data in internal student management system	Not Meet 6.3%	We have created a Director of School and Academic Culture to supervise the deans and to expand the effectiveness of the responsive classroom.

2b.1 Do you have more organizational goals to add?

Yes

2014-15 Progress Toward Attainment of Organizational Goals

	Organizational Goal	Measure Used to Evaluate Progress	2014-2015 Progress Toward Attainment	If Not Met, Describe Efforts School Will Take
Org Goal 6	Each year the school will comply with all applicable laws, rules, regulations, and contract terms including, but not limited to, the New York Charter Schools Act, the New York Freedom of Information Law, the Federal Individuals with Disabilities Education Act, and the Federal Family Educational Rights and Privacy Act.	Third party audits	Data not yet available	
Org Goal 7	The board's size and structure functions as stipulated by contract.	Recorded board minutes	100% goal attainment	
Org Goal 8	The board membership is complete and contributes a broad skill set.	Board member credentials	100% goal attainment	
Org Goal 9	The school will foster an environment conducive to staff retention	Staff retention rate	Instructional Staff - 92% Non Instructional Staff - 98%	
Org Goal 10	Each year at least 80% of teachers will express satisfaction with the school's leadership, learning environment, and professional development opportunities as determined by school's teacher survey.	Independent staff survey	100% goal attainment	

Org Goal 11	Each year parents and students will express satisfaction with the school. At least 80% of parents and 80% of students will express satisfaction with the school based on the NYC DOE School Survey	NYC DOE School Survey results	NYC DOE Survey Results Positive responses Parents - 91% Teachers - 88% Students - 82%	
Org Goal 12				
Org Goal 13				
Org Goal 14				
Org Goal 15				

2c. FINANCIAL GOALS

2014-15 Progress Toward Attainment of Financial Goals

	Financial Goals	Measure Used to Evaluate Progress	2014-2015 Progress Toward Attainment	If Not Met, Describe Efforts School Will Take
Financial Goal 1	Each year student enrollment will be within 15% of full enrollment.	Data in ATS	100% goal attainment	
Financial Goal 2	Upon completion of the school's first year of operation and every year after, the school will undergo an independent financial audit that will result in an unqualified opinion without finding any deliberate acts of wrongdoing, reckless conduct or actions which cause a loss of confidence in the abilities or integrity of the school or seriously jeopardizes the continued operation of the school.	Third party audit	100% goal attainment	
Financial Goal 3	Each year the school will operate on a balanced budget, where the revenues equal or exceed expenditures, and maintain a stable cash flow.	Monthly financial reports	100% goal attainment	
Financial Goal 4				
Financial Goal 5				



Appendix E: Disclosure of Financial Interest Form

Last updated: 10/19/2015

Page 1

All trustees who served on an education corporation governing one or more charter schools during the 2014-2015 school year must complete the form in Appendix E (Disclosure of Financial Interest Form). [The Disclosure of Financial Interest Forms are due on November 1, 2015. A link to a safe and secure form that each Trustee must complete by the November 1, 2015 deadline will be provide here by September 1, 2015 or sooner.](#)

ALL charter schools or merged education corporations must complete the Board of Trustees Membership Table within the online portal in Appendix F (Board of Trustees Membership Table). The Board of Trustees Membership Table must be submitted by August 1, 2015.

Regents-authorized charter schools must upload a complete set of board of trustee Meeting Minutes from July 2014-June 2015 into Appendix G (Board Minutes). Board of Trustee Meeting Minutes must be submitted by August 1, 2015.

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

Yes

Thank you.



Appendix B: Total Expenditures and Administrative Expenditures per Child

Created: 07/21/2015

Last updated: 07/31/2015

Page 1

Charter School Name:

B. Financial Information

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

1. Total Expenditures Per Child

To calculate '**Total Expenditures per Child**' take total expenditures (from the unaudited 2014-15 Schedule of Functional Expenses) and divide by the year end per pupil count. (Integers Only. No dollar signs or commas).

Line 1: Total Expenditures	8391199
Line 2: Year End Per Pupil Count	518
Line 3: Divide Line 1 by Line 2	16199

2. Administrative Expenditures per Child

To calculate '**Administrative Expenditures per Child**' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the unaudited 2014-15 Schedule of Functional Expenses) and divide by the year end per pupil count. The relevant portion that must be included in this calculation is defined as follows:

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

Please note the following:

- Do not include the FTE of personnel dedicated to administration of the instructional programs.
- Do not include Employee Benefit costs or expenditures in the above calculations.
- A template for the Schedule of Functional Expenses is provided on page 20 of the 2014-15 Annual Report Guidelines to assist schools identify the categories of expenses needed to compute the two per pupil calculations. This template does not need to be completed or submitted on August 1st as it will be submitted November 1st as part of the audited financial statements. Therefore schools should use unaudited amounts for these per pupil calculations. (See the 2014-15 Annual Report Guidelines in "Resources" area of your portal task page).

To calculate 'Administrative Expenditures per Child**' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2014-15 Schedule of Functional Expenses) and divide by the year end per pupil count. (Integers Only. No dollar signs or commas).**

Line 1: Relevant Personnel Services Cost (Row)	562144
Line 2: Management and General Cost (Column)	228544
Line 3: Sum of Line 1 and Line 2	790688
Line 4: Year End Per Pupil Count	518
Line 5: Divide Line 3 by the Year End Per Pupil Count	1526

Thank you.

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

September 3, 2015

To the Audit Committee of the Board of Trustees of
Dr. Richard Izquierdo Health & Science Charter School
800 Home Street
Bronx, NY 10456

In planning and performing our audit of the financial statements of Dr. Richard Izquierdo Health & Science Charter School (the "School") as of and for the year ended June 30, 2015, 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 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 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 material weaknesses. 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.

This communication is intended solely for the information and use of management, Board of Trustees, federal, state and local awarding agencies, The Department of Education of the City 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
September 3, 2015

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

September 3, 2015

To the Audit Committee of the Board of Trustees of
Dr. Richard Izquierdo Health & Science Charter School

We have audited the financial statements of Dr. Richard Izquierdo Health & Science Charter School (the "School") for the year ended June 30, 2015, and have issued our report thereon dated September 3, 2015. Professional standards require that we provide you with the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter dated March 16, 2015, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight 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 Dr. Richard Izquierdo Health & Science Charter School. Such considerations are 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 will perform tests of Dr. Richard Izquierdo Health & Science Charter School's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests is not to provide an opinion on compliance with such provisions.

Planned Scope and Timing of the Audit

We performed our audit according to the plan previously communicated to you prior to commencement of our audit field work.

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 Dr. Richard Izquierdo Health & Science Charter School are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2015. 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.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements are as follows:

- Collectability of grants and contracts receivables
- Useful lives of fixed assets
- Allocation of costs for the schedule of functional expenses

We evaluated the key factors and assumptions used to develop the above estimates in determining that it was reasonable in relation to the financial statement taken as a whole. The financial statement disclosures are neutral, consistent, and clear.

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 misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. In addition, we are required to communicate with those charged with governance uncorrected misstatements and the effect that they may have on the opinion in the auditors' report, and request their correction. 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, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' 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 September 3, 2015.

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 auditors' 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

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

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.

This information is intended solely for the use of the Audit Committee, the Board of Trustees and management of Dr. Richard Izquierdo Health & Science Charter School 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

DR. RICHARD IZQUIERDO
HEALTH & SCIENCE CHARTER SCHOOL
(A Not-For-Profit Corporation)

FINANCIAL STATEMENTS

JUNE 30, 2015 AND 2014

DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1 – 2
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION:	
Statements of financial position	3
Statements of activities	4
Statements of cash flows	5
Notes to the financial statements	6 – 11
Independent auditors' report on supplementary information	12
Schedule of functional expenses	13
INDEPENDENT AUDITORS' 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	14 – 15

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
DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL

Report on the Financial Statements

We have audited the accompanying financial statements of Dr. Richard Izquierdo Health & Science Charter School (the "School") (a not-for-profit corporation), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School'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 School'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

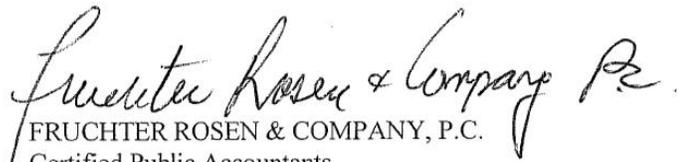
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the School as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the School's 2014 financial statements, and our report dated August 11, 2014 expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 3, 2015, 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
September 3, 2015

DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
STATEMENTS OF FINANCIAL POSITION
JUNE 30,

	2015	2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,610,112	\$ 922,832
Grants and contracts receivable	15,879	9,273
Prepaid expenses and other current assets	183,617	66,256
Total current assets	1,809,608	998,361
Property and equipment, net of accumulated depreciation and amortization of \$724,620 and \$452,856, respectively	580,290	565,930
Restricted cash	75,129	75,091
TOTAL ASSETS	\$ 2,465,027	\$ 1,639,382
 LIABILITIES AND UNRESTRICTED NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 135,229	\$ 57,126
Accrued payroll and payroll taxes	297,605	222,585
Refundable advances	9,410	4,856
Total current liabilities	442,244	284,567
Unrestricted net assets:		
Undesignated	1,302,132	635,775
Board-designated reserve fund	720,651	719,040
Total unrestricted net assets	2,022,783	1,354,815
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$ 2,465,027	\$ 1,639,382

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

DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30,

	2015	2014
Revenue and support:		
State and local per pupil operating revenue	\$ 8,592,275	\$ 5,867,638
Federal grants	398,927	336,521
State and city grants	52,433	31,547
Contributions and grants	150	1,500
Donated services	5,525	5,796
Interest and other income	11,859	16,649
Total revenue and support	9,061,169	6,259,651
Expenses:		
Program services		
Regular education	5,347,739	4,686,127
Special education	2,079,415	1,054,127
Total program services	7,427,154	5,740,254
Supporting services		
Management and general	921,741	734,317
Fundraising	44,306	40,393
Total expenses	8,393,201	6,514,964
Changes in net assets	667,968	(255,313)
Unrestricted net assets - beginning of year	1,354,815	1,610,128
Unrestricted net assets - end of year	\$ 2,022,783	\$ 1,354,815

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

DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30,

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in unrestricted net assets	\$ 667,968	\$ (255,313)
Adjustments to reconcile change in unrestricted net assets to net cash provided by operating activities:		
Depreciation and amortization	292,050	209,211
(Gain) Loss on disposal of property and equipment	(2,005)	4,511
Changes in assets and liabilities:		
(Increase) Decrease in grants and contracts receivable	(6,606)	143,466
(Increase) in prepaid expenses and other current assets	(117,361)	(57,172)
(Increase) in restricted cash	(38)	(37)
Increase in accounts payable and accrued expenses	78,103	5,371
Increase in accrued payroll and payroll taxes	75,020	23,792
Increase (Decrease) in refundable advances	4,554	(24,039)
NET CASH PROVIDED BY OPERATING ACTIVITIES	991,685	49,790
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(306,462)	(382,837)
Proceeds from disposal of property and equipment	2,057	-
NET CASH (USED IN) FINANCING ACTIVITIES	(304,405)	(382,837)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	687,280	(333,047)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	922,832	1,255,879
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,610,112	\$ 922,832

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

DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

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

Nature of Organization

Dr. Richard Izquierdo Health & Science Charter School (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 December 15, 2009 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. During 2014, the Board of Regents extended the School’s charter through June 30, 2016. Dr. Richard Izquierdo Health & Science Charter School is a middle and high school in the South Bronx neighborhood of New York that provides its students with a nurturing and challenging educational experience to develop their abilities and address the health and economic disparities in the community. Upon graduation, students will be prepared for the highest levels of college achievement, gainful employment as certified health care professionals, and a commitment to serve others as they pursue rewarding lives and respected careers for themselves. Classes commenced in the Bronx, New York, in September, 2010, and the School provided education to approximately 520 students in grades sixth through tenth during the 2014-2015 academic year.

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

Food Services

The New York City Department of Education provides free lunches directly to some of the School’s students. Such costs are not included in these financial statements. The School covers the cost of lunches for children not entitled to the free 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 is subject to income taxes only on net unrelated business income. The School did not have any unrelated business income for the years ended June 30, 2015 and 2014.

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 positions resulting in an accrual of tax expense or benefit.

DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

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

Tax Status (continued)

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. Forms 990 filed by the School are no longer subject to examination for the fiscal years ended June 30, 2011 and prior.

Basis of Presentation

The financial statement presentation follows the requirements of the Financial Accounting Standards Board ("FASB") in its Accounting Standards Codification ("ASC") No. 958-205 which provides guidance for the classification of net assets. The amounts for each of the three classes of net assets are based on the existence or absence of donor-imposed restrictions described as follows:

Unrestricted

Net assets of the School whose use has not been restricted by an outside donor or by law. They are available for any use in carrying out the operations of the School.

Board-designated net assets were established by the Board of Trustees to provide a reserve for unforeseen facility, personnel, and other issues.

Temporarily Restricted

Net assets of the School whose use has 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

Net assets of the School 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, 2015 and 2014.

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.

DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

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

Revenue and Support (continued)

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 agencies.

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 statement 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. Property and equipment acquired with certain government funding are recorded as expenses pursuant to the terms of the contract, in which ownership of such property and equipment is retained by the funding source. Maintenance and repairs are expensed as incurred. No depreciation is recorded on construction-in-progress until property and equipment is placed into service. Depreciation and amortization is provided on the straight line method over the estimated useful lives as follows:

Computers and equipment	3 and 5 years
Furniture and fixtures	7 years
Website development	3 years
Software	3 years
Leasehold improvements	Useful life or related lease

DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

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

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 grants and contracts as refundable advances until the related services are performed, at which time it is recognized as revenue.

Comparative Financial Information

The accompanying statements of activities and functional expenses are presented with summarized comparative information. Such prior year information is not presented by net asset class in the statement of activities or by functional category in the schedule of functional expenses. Accordingly, such information should be read in conjunction with the School's 2014 financial statements from which the summarized information was derived.

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 at June 30,:

	<u>2015</u>	<u>2014</u>
Computers	\$ 349,672	\$ 222,864
Equipment	519,503	421,810
Furniture and fixtures	245,859	213,293
Website development	37,500	32,500
Software	11,034	11,034
Leasehold improvements	<u>141,342</u>	<u>117,285</u>
	1,304,910	1,018,786
Less: Accumulated depreciation and amortization	<u>724,620</u>	<u>452,856</u>
	<u>\$ 580,290</u>	<u>\$ 565,930</u>

The school disposed of assets resulting in a gain (loss) of \$2,005 and (\$4,511) for the years ended June 30, 2015 and 2014, respectively.

Depreciation and amortization expense was \$292,050 and \$209,211 for the years ended June 30, 2015 and 2014, respectively.

DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

NOTE 4 - CONTINGENCY

Certain grants and contracts may be subject to audit by the funding sources. Such audits might result in disallowances of costs submitted for reimbursements. 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.

NOTE 5 DONATED SERVICES

Donated services are recognized as contributions in accordance with FASB ASC 605, "Accounts for Contributions Received and Contributions Made," if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the School.

One entity provided legal services to the School at no charge. The value of these services meets the criteria for recognition in the financial statements and was recorded at fair value of \$85 and \$5,796 for the years ended June 30, 2015 and 2014, respectively.

In addition, one entity donated professional services valued at \$5,440 and \$-0- for the years ended June 30, 2015 and 2014, respectively.

NOTE 6 - COMMITMENTS

The School leases office equipment under non-cancelable leases agreements expiring on various dates through November 2019.

The future minimum lease payments are as follows:

For the year ending June 30,	2016	\$ 25,116
	2017	25,116
	2018	25,116
	2019	14,766
	2020	4,715
		<u>\$ 94,829</u>

Equipment rental expense was \$20,922 and \$12,727 for the years ended June 30, 2015 and 2014, respectively.

NOTE 7 - 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.

DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

NOTE 8 - 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 9 - RETIREMENT PLAN

The School maintains a retirement plan qualified under Internal Revenue Code 403(b) for the benefit of its eligible employees. During the 2013-2014 plan year, the School matched employee contributions up to 1% of eligible compensation. Beginning with the 2014-2015 plan year, the School increased its matching employee contribution up to 3% of eligible compensation. The amount charged for matching contributions to this plan was \$101,492 and \$10,496 for the years ended June 30, 2015 and 2014, respectively.

NOTE 10 - SUBSEQUENT EVENTS

The School has evaluated its subsequent events through September 3, 2015, the date that the accompanying financial statements were issued. The School has no material events requiring disclosure.

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
ON SUPPLEMENTARY INFORMATION

TO THE BOARD OF TRUSTEES OF
DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL

We have audited the financial statements of Dr. Richard Izquierdo Health & Science Charter School as of and for the year ended June 30, 2015, and have issued our report thereon dated September 3, 2015, 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
September 3, 2015

DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30,

2015

	Program Services			Management and General	Fundraising	Total	2014
	Regular Education	Special Education	Total				
Salaries and wages	\$ 3,161,761	\$ 1,374,742	\$ 4,536,503	\$ 561,338	\$ 32,416	\$ 5,130,257	\$ 3,437,271
Employee benefits and payroll taxes	746,900	324,754	1,071,654	132,604	7,658	1,211,916	781,814
Audit and accounting fees	-	-	-	20,250	-	20,250	20,250
Legal fees	1,187	516	1,703	223	-	1,926	801
Professional development	54,224	16,900	71,124	17,206	294	88,624	69,610
Consultants	601,354	125,959	727,313	108,514	206	836,033	1,321,034
Donated services	4,689	827	5,516	9	-	5,525	5,796
Student field trips	42,874	7,434	50,308	-	-	50,308	16,238
Office supplies and expense	61,279	26,642	87,921	15,577	624	104,122	71,786
Student food services	43,889	7,610	51,499	-	-	51,499	40,885
Information and technology	56,907	24,743	81,650	10,103	583	92,336	139,538
Telephone and internet services	12,319	5,357	17,676	2,188	126	19,990	23,967
Insurance	38,614	16,790	55,404	6,855	396	62,655	42,289
Instructional materials	165,383	29,511	194,894	-	-	194,894	199,516
Non-capitalized furniture and equipment	6,574	1,140	7,714	7,221	-	14,935	8,602
Classroom supplies	127,650	22,134	149,784	-	-	149,784	75,519
Conferences	119	52	171	23	-	194	1,070
Postage and delivery	6,319	2,747	9,066	1,121	65	10,252	10,328
Repairs and maintenance	2,113	919	3,032	397	-	3,429	4,477
Building permits	481	209	690	91	-	781	3,459
Dues and subscriptions	14,762	4,940	19,702	1,616	93	21,411	16,771
Recruiting	18,351	7,229	25,580	2,907	-	28,487	10,221
Depreciation and amortization	179,990	78,260	258,250	31,955	1,845	292,050	209,211
Loss on disposal of fixed assets	-	-	-	-	-	-	4,511
Miscellaneous	-	-	-	1,543	-	1,543	-
Total	\$ 5,347,739	\$ 2,079,415	\$ 7,427,154	\$ 921,741	\$ 44,306	\$ 8,393,201	\$ 6,514,964

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 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
DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL

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 Dr. Richard Izquierdo Health & Science Charter School (the "School"), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 3, 2015.

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
DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL

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*.

We noted certain matter that was reported to the management of the School in a separate letter dated September 3, 2015.

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
September 3, 2015



Appendix E: Disclosure of Financial Interest Form

Last updated: 10/19/2015

Page 1

All trustees who served on an education corporation governing one or more charter schools during the 2014-2015 school year must complete the form in Appendix E (Disclosure of Financial Interest Form). [The Disclosure of Financial Interest Forms are due on November 1, 2015. A link to a safe and secure form that each Trustee must complete by the November 1, 2015 deadline will be provide here by September 1, 2015 or sooner.](#)

ALL charter schools or merged education corporations must complete the Board of Trustees Membership Table within the online portal in Appendix F (Board of Trustees Membership Table). The Board of Trustees Membership Table must be submitted by August 1, 2015.

Regents-authorized charter schools must upload a complete set of board of trustee Meeting Minutes from July 2014-June 2015 into Appendix G (Board Minutes). Board of Trustee Meeting Minutes must be submitted by August 1, 2015.

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

Yes

Thank you.



Enrollment and Retention Targets for FRL, ELL and SWD:

DRIHSCS strives to increase enrollment and retention targets. The following table highlights the comparison of DRIHSCS enrollment for these special populations in each year of school operations thus far and for the surrounding district for the years data is publicly available for CSD 12.¹

Percentage Enrollment of At-Risk Groups at DRIHSCS and CSD 12²

	2011-12		2012-13		2013-14		2014-15	
	CSD 12	DRIHSCS						
FRL	87.4%	65.1% *	89.0%	81.4%	91%	91%	NA	92%
ELL	20.3%	7.3%	16.9%	7.8%	19%	10%	NA	10%
SWD	17.2%	14.0%	17.5%	13.4%	22%	12%	NA	18%

Our vigilance in increasing numbers for At-Risk Groups at DIRHSCS is moving forward. The 2013-2014 FRL data exceeds previous years CSD 12 data. Preliminary enrollment data for the 2014-2015 year shows an increase of SWD data from 12% to 18%.

Besides the continuation of previous strategies to increase at-risk groups, for the upcoming year (2015-2016) the Board of Directors has approved a modification of the lottery system for adding new admits to offer preference to ELL.

DRIHSCS has been challenged in enrolling comparable percentages of ELLs with that of the district. The School has consistently had a percentage of ELLs that is approximately one-half the percentage of ELLs in CSD 12. Although DRIHSCS' student population does not reflect the same proportion of ELLs in the surrounding district, it is noteworthy that 51.6% of the School's total student body reside in homes where English is *not* the first language. Three-quarters of these families indicate Spanish is their home language with the remaining 25% having a home language of one of a diverse range of languages from countries in Africa.

The School continues to make good faith efforts to reach out to families who represent these three at-risk segments of the community. DRIHSCS' recruitment efforts leverage existing community resources which serve predominantly low-income to poverty-level families with middle school children. The School has developed relationships with churches, mosques, libraries, feeder schools (with a focus on schools with high FRL, SWD and ELL populations) and community-based organizations (including the School's partner, UHP, which promotes the School to its healthcare clients). These relationships help DRIHSCS inform a wide swath of the community about the educational opportunities available for middle school children in the School. The School places notices about upcoming School open houses and information sessions at these venues and the School's applications are made available at their physical locations. Beginning in January, School staff conducts walk-throughs in the community distributing applications and notices to high trafficked locations (supermarkets, Laundromats, bodegas and other commercial businesses) to cast as wide a net as possible. The School has been successful in tying its own marketing and recruitment efforts to larger neighborhood events to reach families who come out for these community celebrations. The School also conducts a mass mailing of its applications to targeted zip codes using the services of Vanguard.

¹ District data compiled from New York State District Report Card for CSD available on the NYSED website



e

The School's partner, UHP, is a critical resource for DRIHSCS given its access to low-income families and families from the Latino community and other immigrant communities, a significant segment of their healthcare clientele. The School hosts information and student recruitment sessions at UHP specifically targeting the immigrant families that receive medical care there. In addition, the DRIHSCS application is available on the School's website in English and Spanish and copies of the English and Spanish version of the application are available at the School, UHP and other community organizations that serve immigrant families. DRIHSCS also participates in the Common Charter Application process with the New York Charter Center which provides the application in a number of languages other than English.

A challenge for DRIHSCS in recruiting immigrant families, many of which have children who may be designated as ELLs, has been its physical location which is not in close proximity to the neighborhoods in CSD 12 with large concentrations of Latino or other immigrant residents. The immediate surrounding community of the School is predominantly African-American. While students typically travel outside their neighborhoods and CSDs to attend high school, families of middle school students—the School's major point of student intake—typically still look at options for their children that are in close proximity to their homes. This is particularly true for families new to America who are much more protective of their children and less likely to explore a school where their children would have a longer commute. Because of this, DRIHSCS recognizes it must do more work to market the School to Latino and other immigrant parents as a highly desirable option for their children and one that will provide them with the supports they need to become English proficient and thus be able to share in the School's mission of preparing them well academically, socially and emotionally for success in college and future health careers. DRIHSCS must demonstrate successfully to these parents the tremendous value that it can offer their children in order to convince them to seriously explore an option that might be well outside their neighborhood.

Specifically, DRIHSCS continues to assess whether its marketing and recruitment materials and efforts are targeting the immigrant population as effectively as they can. It looks to better describe the instructional supports, especially the ESL instructional staff focused on ensuring ELLs gain English proficiency both in its written literature as well as oral presentations. Likewise, it is important that its recruitment materials and information sessions discuss its inclusive program, particularly the supports available for SWD and Title I children. Parents must be assured that their children can be effectively served by the School and that their children and they will be an integral part of DRIHSCS' welcoming and diverse community.

Once in the school, DRIHSCS does ensure that non-English speaking parents are engaged in the community to support the retention of their children. Based on its current language demographics, all DRIHSCS-specific school handouts are provided in English and Spanish. For Parent Teacher Conferences, DRIHSCS ensures that a translator is available when the parent does not speak English and this need has been mainly for the School's Latino families. Should it be aware of parents who need a translator who speaks a language other than Spanish or materials translated in a language other than English or Spanish, it would secure those materials or services.

Evidence of the best faith efforts it has made to ensure enrollment and retention of special populations can be found on site and include recruitment materials, mailing lists of organizations that receive School recruitment materials, invoices for the mass mailings carried out by Vanguard, copies of School specific handouts in Spanish, among other documentation.



Appendix I: Teacher and Administrator Attrition

Created: 07/21/2015

Last updated: 07/23/2015

Report changes in teacher and administrator staffing.

Page 1

Charter School Name:

Instructions for completing the Teacher and Administrator Attrition Tables

ALL charter schools should provide, for teachers and administrators only, the full time equivalent (FTE) of staff on June 30, 2014, the FTE for added staff from July 1, 2014 through June 30, 2015, and the FTE for any departed staff from July 1, 2014 through June 30, 2015 using the two tables provided.

2013-14 Teacher Attrition Table

	FTE Teachers on June 30, 2014	FTE Teachers Additions 7/1/14 – 6/30/15	FTE Teacher Departures 7/1/14 – 6/30/15
	31	13	0

2013-14 Administrator Position Attrition Table

	FTE Administrator Positions On 6/30/2014	FTE Administrator Additions 7/1/14 – 6/30/15	FTE Administrator Departures 7/1/14 – 6/30/15
	2	0	0

Thank you



Appendix J: Uncertified Teachers

Last updated: 07/21/2015

"thirty per centum or 5 teachers, whichever is less"

To comply with NYS Education Law Section 2854(3)(a-1), please report the (FTE) count of uncertified and certified teaching staff as of the last day of school for the 2014-15 school year.

Page 1

Charter School Name:

Note Definition of FTE:

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

How many UNCERTIFIED Full-Time Equivalent Teachers were employed in the charter school as of last day of school in 2014-15?

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

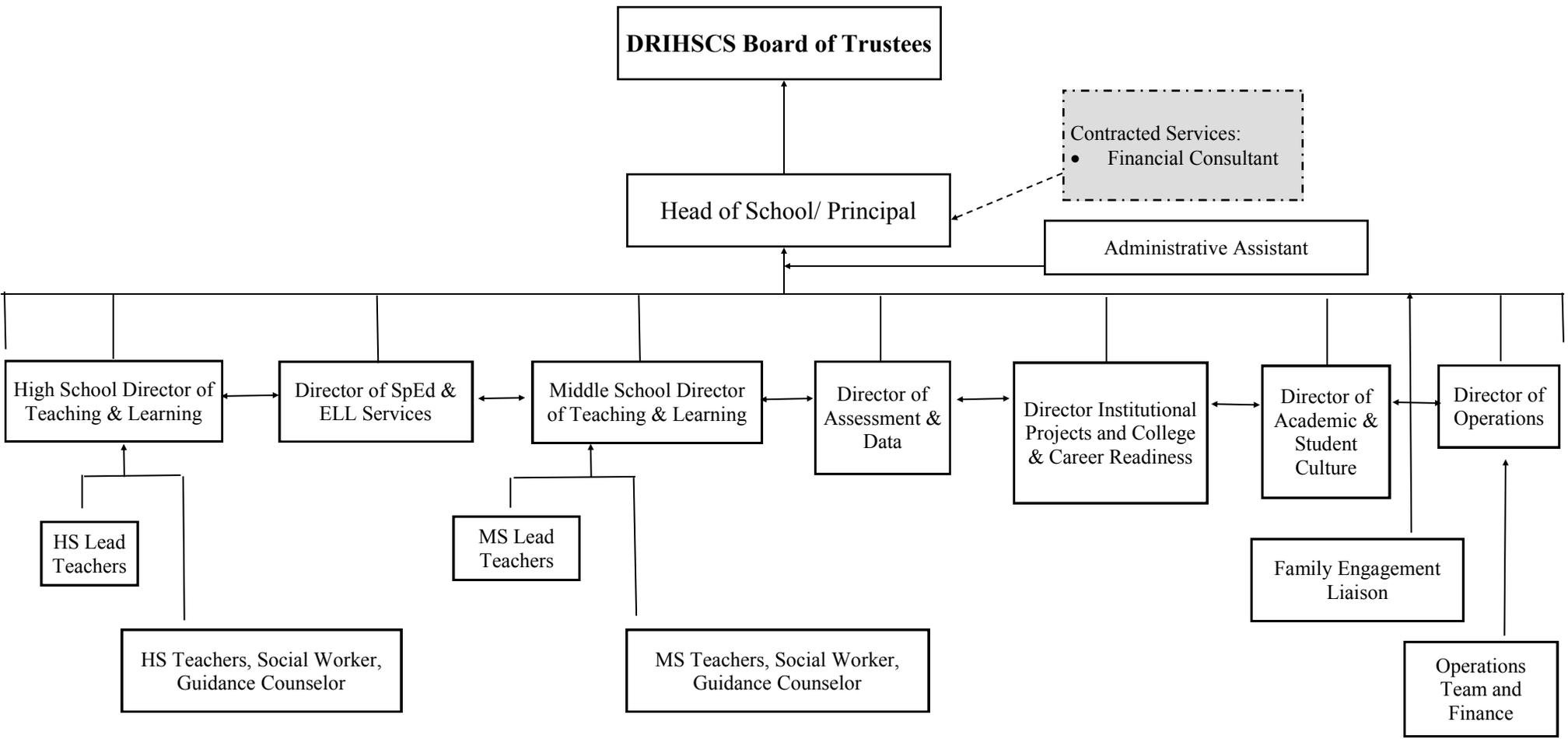
	FTE - (June 30, 2015)
(i) uncertified teachers with at least three years of elementary, middle or secondary classroom teaching experience	2
(ii) individuals who are tenured or tenure track college faculty	0
(iii) individuals with two years satisfactory experience through Teach for America	2
(iv) individuals who possess exceptional business, professional, artistic, athletic, or military experience	0
FTE count of uncertified teachers who do not fit into any of the four statutory categories	0
Total	4.0

How many CERTIFIED Full-Time Equivalent Teachers were employed in the charter school as of the last day of school in 2014-15?

40

Thank you.

DRIHSCS Organizational Chart





DR. RICHARD IZQUIERDO HEALTH & SCIENCE CHARTER SCHOOL

DUARNA OLLER, Board Chair

RICHARD E. BURKE, Head of School/Principal

Dr. Richard Izquierdo Health & Science Charter School is designed to provide our students in the South Bronx with a nurturing and challenging educational environment to achieve their fullest potential and address the health and economic disparities in our community. Upon graduation our students will be prepared for numerous pathways to post-secondary success, including: the highest levels of college achievement, gainful employment as New York State certified health care professionals, and a commitment to serve others as they pursue rewarding lives and respected careers for themselves.



I. SCHOOL INFORMATION AND COVER PAGE (To be Completed By All Charter Schools)

Created: 07/20/2015

Last updated: 07/30/2015

Please be advised that you will need to complete this task first (including signatures) before all of the other tasks assigned to you by your authorizer are visible on your task page. While completing this task, please ensure that you select the correct authorizer or you may not be assigned the correct tasks.

Page 1

1. SCHOOL NAME AND AUTHORIZER

(Select name from the drop down menu)

DEMOCRACY PREP HARLEM CS (NYC CHANCELLOR) 310500860989

2. CHARTER AUTHORIZER

(For technical reasons, please re-select authorizer name from the drop down menu).

NYCDOE-Authorized Charter School

3. DISTRICT / CSD OF LOCATION

NYC CSD 5

4. SCHOOL INFORMATION

	PRIMARY ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS
	207 West 133rd Street New York, NY 10030	212-281-1248	212-283-4202	info@democracyprep.org

4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES

Contact Name	Benjamin Feit
Title	Chief of Staff
Emergency Phone Number (###-###-####)	████████

5. SCHOOL WEB ADDRESS (URL)

<http://dphms.democracyprep.org/>

6. DATE OF INITIAL CHARTER

2010-02-01 00:00:00

7. DATE FIRST OPENED FOR INSTRUCTION

2010-08-01 00:00:00

8. FINAL VERIFIED BEDS ENROLLMENT FOR THE 2014-15 School Year as reported to Department's Office of Information and Reporting Services (via the NYC DOE for charter schools in NYC) in August.

786

9. GRADES SERVED IN SCHOOL YEAR 2014-15

Check all that apply

Grades Served	K, 1, 6, 7, 8, 9, 10
---------------	----------------------

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

	Yes/No	Name of CMO/EMO
	Yes	Democracy Prep Public Schools

10a. Please provide the name and contact information for each of the following individuals who are management level personnel associated with the CMO.

	Name	Work Phone	Alternate Phone	Email Address	Contact this individual also in emergencies
CEO (e.g., network superintendent)	Katie Duffy	917-232-6285		[REDACTED]	No
CFO (e.g., network CFO)	Howard Schnidman	917-831-7979		[REDACTED]	No
Compliance Contact	Carlos Mojica	917-364-5402		[REDACTED]	No
Complaint Contact	Benjamin Feit	917-364-2103		[REDACTED]	Yes

Page 2

11. FACILITIES

Will the School maintain or operate multiple sites?

Yes, 3 sites

12. SCHOOL SITES

Please list the sites where the school will operate in 2015-16.

	Physical Address	Phone Number	District/CSD	Grades Served at Site	School at Full Capacity at Site	Facilities Agreement
Site 1 (same as primary site)	207 West 133rd Street New York, NY 10030	212-281-1248	CSD 5	6-8	Yes	Rent/Lease
Site 2	2005 Madison Avenue New York, NY 10035	212-348-3794	CSD 5	K-2	No	DOE space
Site 3	212 West 120th Street New York, NY 10027	212-932-7791	CSD 3	9-11	No	DOE space

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

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Zach Siegel	[REDACTED]		[REDACTED]
Operational Leader	Kamil Klimowicz	[REDACTED]		[REDACTED]
Compliance Contact	Carlos Mojica	[REDACTED]		[REDACTED]
Complaint Contact	Benjamin Feit	[REDACTED]		[REDACTED]

12b. Please provide the contact information for Site 2.

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Theresa Walsh	[REDACTED]		[REDACTED]
Operational Leader	Stephanie Pepen	[REDACTED]		[REDACTED]
Compliance Contact	Carlos Mojica	[REDACTED]		[REDACTED]
Complaint Contact	Benjamin Feit	[REDACTED]		[REDACTED]

12c. Please provide the contact information for Site 3.

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Steve Popper	[REDACTED]		[REDACTED]
Operational Leader	Ari Bogotch	[REDACTED]		[REDACTED]
Compliance Contact	Carlos Mojica	[REDACTED]		[REDACTED]
Complaint Contact	Benjamin Feit	[REDACTED]		[REDACTED]

13. Are the School sites co-located?

Yes

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

	Date School will leave current co-location	Is school working with NYCDOE to expand into current space?	If so, list year expansion will occur.	Is school working with NYCDOE to move to separate space?	If so, list the proposed space and year planned for move	School at Full Capacity at Site
Site 1 (primary site)	N/A (Private Space)					
Site 2	Permanent Siting					No
Site 3	N/A					No

Page 3

14. Were there any revisions to the school's charter during the 2014-2015 school year? (Please include both those that required authorizer approval and those that did not require authorizer approval).

No

15. Name and Position of Individual(s) Who Completed the 2014-15 Annual Report.

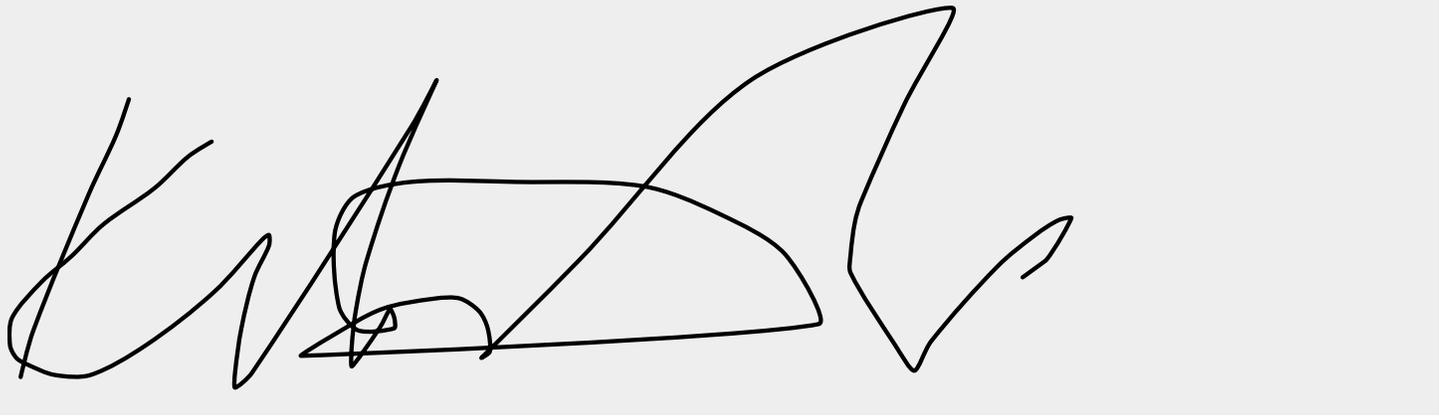
Benjamin Feit, Chief of Staff (Democracy Prep Public Schools)

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).**

Responses Selected:

Yes

Signature, Head of Charter School

A highly stylized, cursive handwritten signature in black ink on a light gray background. The signature is composed of several large, sweeping loops and curves, making it difficult to decipher.

Signature, President of the Board of Trustees

A handwritten signature in black ink on a light gray background. The signature is written in a cursive style and appears to read "Robert Smith".

Thank you.



Appendix A: Link to the New York State School Report Card

Last updated: 07/06/2015

Page 1

Charter School Name: 310500860989 DEMOCRACY PREP HARLEM CS

1. NEW YORK STATE REPORT CARD

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

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

<http://data.nysed.gov/reportcard.php?year=2014&instid=800000067495>



Appendix A: Progress Toward Goals

Last updated: 10/26/2015

Page 1

Charter School Name: 310500860989 DEMOCRACY PREP HARLEM CS

1. NEW YORK STATE REPORT CARD

Provide a direct URL or web link to the most recent New York State School Report Card for the charter school (See <https://reportcards.nysed.gov/>) which captures school-level enrollment and demographic information, staff qualifications, electronic student records, and attendance rates, as prescribed by New York State statute (8 NYCRR 119.3).

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

<http://data.nysed.gov/profile.php?instid=800000067495>

2. APPENDIX A: PROGRESS TOWARD CHARTER GOALS

The following tables reflect formatting in the online portal required for Board of Regents-authorized charter schools and NYCDOE-authorized charter schools only. Schools should list Progress Toward Charter Goals by August 1, 2015. If the goals are based on student performance data that the school will not have access to before August 1, 2015 (e.g., the NYS Assessment results), explain this in the "2014-2015 Progress Toward Attainment of Goal" column. The information can be updated when available. Appendix A must be fully completed no later than November 1, 2015.

2a. ACADEMIC STUDENT PERFORMANCE GOALS

2014-15 Progress Toward Attainment of Academic Goals

	Academic Student Performance Goal	Measure Used to Evaluate Progress Toward Attainment of Goal	2014-2015 Progress Toward Attainment of Goal - Met, Partially Met, or Not Met	If Not Met, Describe Efforts School Will Take
Academic Goal 1	Each year, 75% of 6th - 8th graders who have been at the school on BEDS day for at least two consecutive years will perform at or above level 3 on the New York State English Language Arts Exam.	New York State English Language Arts Exam	Goal not met. DPH continued to make progress toward closing the proficiency gap in 2014-2015.	DPH continues to refine its curriculum to align with Common Core State Standards (CCSS), with a focus on student growth throughout the school year. DPPS has provided each of the schools lesson plans created by experienced master teachers under the supervision of DPPS curriculum specialists.

Academic Goal 2	Each year, 75% of 6th - 8th graders who have been at the school on BEDS day for at least two consecutive years will perform at or above level 3 on the New York State Math Exam.	New York State Math Exam	Goal not met. DPH continued to make progress toward closing the proficiency gap in 2014-2015.	DPH continues to refine its curriculum to align with Common Core State Standards (CCSS), with a focus on student growth throughout the school year. DPPS has provided each of the schools lesson plans created by experienced master teachers under the supervision of DPPS curriculum specialists.
Academic Goal 3	Each year, 75% of 8th graders who have been at the school on BEDS day for at least two consecutive years will perform at or above level 3 on the New York State Science Exam.	New York State Science Exam	Goal met.	
Academic Goal 4	Each year, 75% of 8th graders who have been at the school on BEDS day for at least two consecutive years will perform at or above level 3 on the New York State Social Studies Exam.	Exam no longer offered.	N/A	
Academic Goal 5	For years 2 through 5 of Democracy Prep Harlem, grade-level cohorts of the same students (i.e. students who are in the school for two years in a row) will reduce by one-half the gap between the percent at or above Level 3 on the previous year's State ELA exam and 75 percent at or above Level 3 on the current year's State ELA exam.	New York State English Language Arts exam.	Goal not met	DPH continues to refine its curriculum to align with Common Core State Standards (CCSS), with a focus on student growth throughout the school year. DPPS has provided each of the schools lesson plans created by experienced master teachers under the supervision of DPPS curriculum specialists.
Academic Goal 6	Each year, the percent of students performing at or above level 3 on the New York State ELA Exam in each tested grade will, in the majority of grades, exceed the average performance of students tested in the same grades of Community School District 5.	Measured by an analysis of performance of CSD 5 conducted by the Department of Education.	Goal met.	
Academic Goal 7	Each year, the percent of students performing at or above level 3 on the New York State Math Exam in each tested grade will, in the majority of grades, exceed the average performance of students tested in the same grades of Community School District 5.	Measured by an analysis of performance of CSD 5 conducted by the Department of Education.	Goal met.	

Academic Goal 8				
-----------------	--	--	--	--

2a1. Do have more academic goals to add?

No

2a2. Do have more academic goals to add?

No

Page 2

2b. ORGANIZATIONAL GOALS

2014-15 Progress Toward Attainment of Organizational Goals

	Organizational Goal	Measure Used to Evaluate Progress	2014-15 Progress Toward Attainment	If Not Met, Describe Efforts School Will Take
Org Goal 1	Democracy prep harlem will prepare students for success in college and citizenship.	We will measure our progress based on academic metrics, earned visits to colleges, and a College Preparation Portfolio (CPP) required for promotion to the high school. The CPP includes a transcript, a complete college application with essays, and may include interviews, extra-curricular activities, recommendations, an academic honors thesis, demonstration of mastery in all areas of the Democracy Prep curriculum, required public service, advocacy efforts, summer internships, and other civic activities.	Goal met.	
Org Goal 2	Each year, Democracy Prep will maintain a waiting list of at least 40% of available seats.	Internal enrollment data.	Goal met.	
Org Goal 3	Each year, Democracy Prep will have a negative attrition rate of 10% or less.	Internal enrollment data.	Goal met.	
Org Goal 4				
Org Goal 5				

2b.1 Do you have more organizational goals to add?

No

2c. FINANCIAL GOALS

2014-15 Progress Toward Attainment of Financial Goals

	Financial Goals	Measure Used to Evaluate Progress	2014-2015 Progress Toward Attainment	If Not Met, Describe Efforts School Will Take
Financial Goal 1	We will continue to operate with a surplus each year and maintain the highest standards of financial controls, management, and auditing.	External audit	Goal met.	
Financial Goal 2				
Financial Goal 3				
Financial Goal 4				
Financial Goal 5				



Appendix B: Total Expenditures and Administrative Expenditures per Child

Last updated: 07/14/2015

Page 1

Charter School Name: 310500860989 DEMOCRACY PREP HARLEM CS

B. Financial Information

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

1. Total Expenditures Per Child

To calculate '**Total Expenditures per Child**' take total expenditures (from the unaudited 2014-15 Schedule of Functional Expenses) and divide by the year end per pupil count. (Integers Only. No dollar signs or commas).

Line 1: Total Expenditures	12409000
Line 2: Year End Per Pupil Count	739
Line 3: Divide Line 1 by Line 2	16791

2. Administrative Expenditures per Child

To calculate '**Administrative Expenditures per Child**' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the unaudited 2014-15 Schedule of Functional Expenses) and divide by the year end per pupil count. The relevant portion that must be included in this calculation is defined as follows:

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

Please note the following:

- Do not include the FTE of personnel dedicated to administration of the instructional programs.
- Do not include Employee Benefit costs or expenditures in the above calculations.
- A template for the Schedule of Functional Expenses is provided on page 20 of the 2014-15 Annual Report Guidelines to assist schools identify the categories of expenses needed to compute the two per pupil calculations. This template does not need to be completed or submitted on August 1st as it will be submitted November 1st as part of the audited financial statements. Therefore schools should use unaudited amounts for these per pupil calculations. (See the 2014-15 Annual Report Guidelines in "Resources" area of your portal task page).

To calculate '**Administrative Expenditures per Child**' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2014-15 Schedule of Functional Expenses) and divide by the year end per pupil count. (Integers Only. No dollar signs or commas).

Line 1: Relevant Personnel Services Cost (Row)	0
Line 2: Management and General Cost (Column)	1799000
Line 3: Sum of Line 1 and Line 2	1799000
Line 4: Year End Per Pupil Count	739
Line 5: Divide Line 3 by the Year End Per Pupil Count	2434

Thank you.

DEMOCRACY PREPARATORY
HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)

FINANCIAL STATEMENTS

JUNE 30, 2015 AND 2014

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1 – 2
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION:	
Statements of financial position	3
Statements of activities	4
Statements of cash flows	5
Notes to financial statements	6 – 14
Independent auditors' report on supplementary information	15
Schedule of functional expenses	16
SINGLE AUDIT SECTION:	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	17 – 18
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133	19 – 20
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	21
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	22
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	23

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
DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL

Report on the Financial Statements

We have audited the accompanying financial statements of Democracy Preparatory Harlem Charter School (the "School") (a not-for-profit corporation), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School'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 School'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, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Report on Summarized Comparative Information

We have previously audited the School's 2014 financial statements, and our report dated October 30, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2015, 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 26, 2015

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
STATEMENTS OF FINANCIAL POSITION
JUNE 30,

	2015	2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,135,956	\$ 1,410,109
Grants and contracts receivable	288,559	138,834
Prepaid expenses and other current assets	23,116	459,548
Due from related parties	337,785	419,313
Total current assets	3,785,416	2,427,804
Property and equipment, net of accumulated depreciation and amortization of \$476,500 and \$295,385, respectively	551,742	369,019
Restricted cash	70,395	70,301
TOTAL ASSETS	\$ 4,407,553	\$ 2,867,124
 LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 977,592	\$ 731,729
Accrued payroll and payroll taxes	351,174	302,456
Capital lease obligation	32,456	-
Refundable advances	29,717	174,992
Total current liabilities	1,390,939	1,209,177
Capital lease obligation, less current portion	38,758	-
Total liabilities	1,429,697	1,209,177
Net assets:		
Unrestricted	2,960,513	1,654,204
Temporarily restricted	17,343	3,743
Total net assets	2,977,856	1,657,947
TOTAL LIABILITIES AND NET ASSETS	\$ 4,407,553	\$ 2,867,124

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

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30,

	2015			2014
	Unrestricted	Temporarily Restricted	Total All Funds	Total All Funds
Revenue and support:				
State and local per pupil operating revenue	\$ 11,423,907	\$ -	\$ 11,423,907	\$ 8,014,115
Federal grants	881,233	-	881,233	698,343
Federal E-rate	226,163	-	226,163	28,579
State and city grants	199,798	-	199,798	108,731
Contributions and grants	10,932	15,600	26,532	90,435
Interest and other income	22,793	-	22,793	4,626
Net assets released from restriction- satisfaction of purpose restriction	2,000	(2,000)	-	-
Total revenue and support	<u>12,766,826</u>	<u>13,600</u>	<u>12,780,426</u>	<u>8,944,829</u>
Expenses:				
Program services:				
Regular education	8,276,616	-	8,276,616	6,904,752
Special education	1,583,787	-	1,583,787	721,145
Total program services	<u>9,860,403</u>	<u>-</u>	<u>9,860,403</u>	<u>7,625,897</u>
Supporting services:				
Management and general	1,600,114	-	1,600,114	1,175,522
Total expenses	<u>11,460,517</u>	<u>-</u>	<u>11,460,517</u>	<u>8,801,419</u>
Changes in net assets	1,306,309	13,600	1,319,909	143,410
Net assets - beginning of year	<u>1,654,204</u>	<u>3,743</u>	<u>1,657,947</u>	<u>1,514,537</u>
Net assets - end of year	<u>\$ 2,960,513</u>	<u>\$ 17,343</u>	<u>\$ 2,977,856</u>	<u>\$ 1,657,947</u>

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

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30,

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ 1,319,909	\$ 143,410
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	181,115	116,895
Changes in assets and liabilities:		
(Increase) in grants and contracts receivable	(149,725)	(67,518)
Decrease (Increase) in prepaid expenses and other current assets	436,432	(451,375)
Decrease (Increase) in due from related parties	81,528	(365,014)
Increase in accounts payable and accrued expenses	245,863	418,493
Increase in accrued payroll and payroll taxes	48,718	98,406
(Decrease) in refundable advances	(145,275)	(52,333)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	2,018,565	(159,036)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(265,424)	(178,619)
(Increase) in restricted cash	(94)	(141)
NET CASH (USED IN) INVESTING ACTIVITIES	(265,518)	(178,760)
CASH FLOWS FROM FINANCING ACTIVITY:		
Payments made on capital lease obligation	(27,200)	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,725,847	(337,796)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	1,410,109	1,747,905
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 3,135,956	\$ 1,410,109
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for interest	\$ 7,418	\$ -
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Computers and equipment acquired under a capital lease	\$ 98,414	\$ -

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

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

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

Nature of Organization

Democracy Preparatory Harlem Charter School (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 February 9, 2010 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. During 2015, the Board of Regents extended the School’s charter for an additional four term expiring on June 30, 2019. The School’s purpose is to educate students by providing them with a demanding academic program that prepares them for success in college and citizenship. Classes commenced in Harlem, New York, in September 2010, and the School provided education to approximately 758 students in kindergarten through first and sixth through tenth grades during the 2014-2015 academic year.

During the 2011-2012 academic year, the School shared space with a New York City public school. The School was not responsible for rent, utilities, custodial services, maintenance and school safety services other than the security related to the School’s programs that take place outside the district’s school day. Beginning in the 2012-2013 academic year, the School relocated to a new facility and entered into a sublease agreement with Democracy Preparatory Charter School (a related party, see note 8).

Food and Transportation

The School retained an outside vendor to provide meals for students in which the School receives Federal and New York State reimbursements. The Office of Pupil Transportation provides free transportation to the majority of the students during the district’s school days.

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 is subject to income taxes only on net unrelated business income. The School did not have any unrelated business income for the years ended June 30, 2015 and 2014.

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 positions resulting in an accrual of tax expense or benefit.

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

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

Tax Status (continued)

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.

Basis of Presentation

The financial statement presentation follows the requirements of the Financial Accounting Standards Board ("FASB") in its Accounting Standards Codification ("ASC") No. 958-205 which provides guidance for the classification of net assets. The amounts for each of the three classes of net assets are based on the existence or absence of donor-imposed restrictions described as follows:

Unrestricted

Net assets of the School whose use has not been restricted by an outside donor or by law. They are available for any use in carrying out the operations of the School.

Temporarily Restricted

Net assets of the School whose use has 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

Net assets of the School 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 permanently restricted net assets at June 30, 2015 and 2014.

Revenue and Support

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.

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.

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

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 accredited 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.

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. The School has funded the escrow account in full.

Property and Equipment

Purchased property and equipment are recorded at cost. Maintenance and repairs are expensed as incurred. Depreciation and amortization 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	3 years
Leasehold improvements	Useful life or related lease

Refundable Advances

The School records certain government grants and contracts as refundable advances until the related services are performed, at which time it is recognized as revenue.

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

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

Comparative Financial Information

The accompanying statements of activities and functional expenses are presented with summarized comparative information. Such prior year information is not presented by net asset class in the statements of activities or by functional category in the schedule of functional expenses. Accordingly, such information should be read in conjunction with the School's 2014 financial statements from which the summarized information was derived.

NOTE 2 - GRANTS AND CONTRACTS RECEIVABLE

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

NOTE 3 - PROPERTY AND EQUIPMENT

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

	<u>2015</u>	<u>2014</u>
Furniture and fixtures	\$ 171,742	\$ 105,585
Computers and equipment	761,431	533,574
Software	5,770	5,770
Leasehold Improvements	<u>89,299</u>	<u>19,475</u>
	1,028,242	664,404
Less: Accumulated depreciation and amortization	<u>476,500</u>	<u>295,385</u>
	<u>\$ 551,742</u>	<u>\$ 369,019</u>

Depreciation and amortization expense was \$181,115 and \$116,895 for the years ended June 30, 2015 and 2014, respectively.

NOTE 4 - RELATED PARTY TRANSACTIONS

Democracy Preparatory Harlem Charter School ("DPH") is affiliated with four charter schools: Democracy Preparatory Charter School ("DPCS"), Harlem Prep Charter School ("HPCS"), Democracy Prep Endurance Charter School ("DPE") and Bronx Preparatory Charter School ("BPCS"), all New York State not-for-profit organizations and managed by Democracy Prep Public Schools ("DPPS").

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

NOTE 4 - RELATED PARTY TRANSACTIONS (Continued)

The School is an affiliate of DPPS, a New York State not-for-profit charter management organization. The School entered into a management agreement with DPPS to assume responsibility for the School’s educational process, management and operations. As compensation to DPPS for these services rendered, the School paid to DPPS an annual fee equal to 15% of the School’s non-competitive public revenue in the initial term. The initial term is for one year beginning July 1, 2010 and ending June 30, 2011. The percentage will decrease by one-half percent (0.5%) in each renewal term until it reaches a minimum of 12% of the non-competitive public revenue of the School and will remain in effect for all subsequent renewal terms. Following the initial term, the agreement will automatically extend for successive one-year periods unless terminated by either party. For the years ended June 30, 2015 and 2014, DPPS charged an annual management fee to the School of 13% and 13.5%, respectively. For the years ended June 30, 2015 and 2014, the School incurred \$1,548,570 and \$1,151,489 in management fees, respectively.

The School is an affiliate of Democracy Builders, Inc. (“DBI”), a 501(c)(4) national advocacy organization that organizes parents to advocate for better school choices and educational outcomes for the children in their communities. The School entered into a consulting agreement with DBI to perform student recruitment and enrollment, family engagement, parent advocacy initiatives and training, and government relations. As compensation to DBI for these services rendered, the School shall pay to DBI an annual fee equal to 1% of the School’s total per-pupil funding. For the years ended June 30, 2015 and 2014, the School incurred \$114,239 and \$80,141 in consulting fees, respectively.

For operational efficiency and purchasing power, the School shares expenses with the related charter schools and charter management organization. The School was billed for net shared operational expenses for the years ended June 30,:

	<u>2015</u>	<u>2014</u>
DPCS	\$ 402,377	\$ 230,279
DPPS	175,790	492,029
BPCS	6,094	-
HPCS	3,061	7,678
DBI	994	8,851
DPE	878	-
	<u>\$ 589,194</u>	<u>\$ 738,837</u>

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

NOTE 4 - RELATED PARTY TRANSACTIONS (Continued)

The net balance due from (to) related parties consists of the following at June 30,:

	2015	2014
HPCS	\$ 725,823	\$ 317,483
DPE	(878)	-
DBI	(1,107)	8,625
BPCS	(6,094)	-
DPPS	(153,166)	57,187
DPCS	(226,793)	36,018
Net balance due from related parties	\$ 337,785	\$ 419,313

NOTE 5 - 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 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 - CONTINGENCY

Certain grants and contracts may be subject to audit by the funding sources. Such audits might result in disallowances of costs submitted for reimbursements. 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.

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

NOTE 8 - COMMITMENTS

School Facility

Effective July 1, 2012, the School entered into a sub-sublease agreement with Democracy Preparatory Charter School (“DPCS”) (a related party, see note 4) for use of office and classroom facilities at St. Philips Church (207 West 133rd Street). The rent payments are based on a fraction, determined annually for each rent year and expressed as a percentage, the numerator of which is the number of students of the School during the rent year, and the denominator of which is the aggregate number of students at both the School and DPCS during the rent year. The number of students is determined by the New York City Department of Education as of the end of the Rent Year for purposes of reconciling school funding allocations. The School is also responsible for utilities and other building costs. The term shall end on the earlier of June 30, 2017, or the date on which the sub-sublease agreement is terminated by either party.

Rent expense under this sub-sublease agreement was \$616,224 and \$503,559 for the years ended June 30, 2015 and 2014, respectively.

The School does not recognize rent expense on a straight-line basis over the life of the sub-sublease and disclose the minimum future rent payments to be paid due to the undetermined number of future students served.

Leased Equipment

The School leases office equipment under non-cancelable lease agreements expiring on various dates through August 2018.

The future minimum lease payments are as follows:

For the year ending June 30, 2016	\$ 67,573
2017	67,573
2018	27,268
2019	<u>2,546</u>
	<u>\$ 164,960</u>

Equipment rental expense was \$111,571 and \$64,905 for the years ended June 30, 2015 and 2014, respectively.

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

NOTE 9 - CAPITAL LEASE OBLIGATION

The School leases computers and equipment under a capital lease that expires in July, 2017. The asset and liability under the capital lease are recorded at the present value of the minimum lease payments. The asset is being depreciated over its estimated useful life. Depreciation of the asset under the capital lease is included in depreciation expense.

Following is a summary of property and equipment held under capital lease:

Computers and equipment	\$ 98,414
Less: accumulated depreciation	<u>(27,337)</u>
	<u>\$ 71,077</u>

The future minimum lease payments are as follows:

For the year ending June 30, 2016	\$ 37,766
2017	37,766
2018	<u>3,147</u>
Total minimum lease payments	78,679
Less: amounts representing interest	<u>(7,465)</u>
Present value of minimum lease payments	<u>71,214</u>
Less: current portion	<u>(32,456)</u>
Capital lease obligation, less current portion	<u>\$ 38,758</u>

NOTE 10 - RETIREMENT PLAN

The School maintains a retirement plan qualified under Internal Revenue Code 403(b), for the benefit of its eligible employees. Under the plan, the School will match employee contributions up to 5% of annual compensation. Employer match was \$100,938 and \$117,000 for the years ended June 30, 2015 and 2014, respectively.

NOTE 11 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following at June 30,:

	<u>2015</u>	<u>2014</u>
Korean dual language program	\$ 16,743	\$ 3,743
After school cooking classes	<u>600</u>	<u>-</u>
	<u>\$ 17,343</u>	<u>\$ 3,743</u>

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015 AND 2014

NOTE 11 - TEMPORARILY RESTRICTED NET ASSETS (Continued)

Net assets for the years ended June 30, 2015 and 2014, were released from donor restrictions by satisfying the purpose specified by donor as follows:

	2015	2014
Korean dual language program	\$ -	\$ 6,257
After school cooking classes	2,000	-
	\$ 2,000	\$ 6,257

NOTE 12 - SUBSEQUENT EVENTS

The School has evaluated its subsequent events through October 26, 2015, the date that the accompanying financial statements were issued. The School has no material events requiring disclosure.

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
ON SUPPLEMENTARY INFORMATION

TO THE BOARD OF TRUSTEES OF
DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL

We have audited the financial statements of Democracy Preparatory Harlem Charter School (a not-for-profit corporation) as of and for the year ended June 30, 2015, and have issued our report thereon dated October 26, 2015, 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 26, 2015

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30,

	2015					2014
	Program Services			Supporting Services		
	Regular Education	Special Education	Total	Management and General	Total	
Salaries	\$ 4,202,987	\$ 804,799	\$ 5,007,786	\$ 568,208	\$ 5,575,994	\$ 4,342,475
Employee benefits and payroll taxes	723,136	138,468	861,604	97,758	959,362	784,144
Legal fees	-	-	-	3,500	3,500	-
Professional fees	67,141	12,826	79,967	81,124	161,091	89,452
Management fees	910,130	173,869	1,083,999	464,571	1,548,570	1,151,489
Audit fees	-	-	-	22,750	22,750	22,750
Professional development	108,671	20,809	129,480	14,691	144,171	123,275
Advertising and recruiting	18,759	3,584	22,343	18,645	40,988	37,444
Instructional materials and office supplies	902,743	172,457	1,075,200	81,252	1,156,452	916,840
Conferences and meetings	-	-	-	792	792	1,711
Food service	442,198	84,477	526,675	77,324	603,999	367,312
Insurance	42,408	8,120	50,528	5,733	56,261	39,862
Facility expense	534,025	102,257	636,282	72,195	708,477	631,767
Printing and postage	-	-	-	15,289	15,289	11,815
Telephone and communication	187,900	35,980	223,880	25,402	249,282	156,881
Travel	-	-	-	19,245	19,245	3,037
Depreciation and amortization	136,518	26,141	162,659	18,456	181,115	116,895
Miscellaneous	-	-	-	13,179	13,179	4,270
Total	<u>\$ 8,276,616</u>	<u>\$ 1,583,787</u>	<u>\$ 9,860,403</u>	<u>\$ 1,600,114</u>	<u>\$ 11,460,517</u>	<u>\$ 8,801,419</u>

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 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
DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL

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 Democracy Preparatory Harlem Charter School (the "School") (a not-for-profit corporation), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 26, 2015.

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 School'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
DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL

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*.

We noted certain matters that were reported to the management of the School in a separate letter dated October 26, 2015.

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 26, 2015

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 ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

TO THE BOARD OF TRUSTEES OF
DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL

Report on Compliance for Each Major Federal Program

We have audited Democracy Preparatory Harlem Charter School's (the "School") (a not-for-profit corporation) compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2015. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

TO THE BOARD OF TRUSTEES OF
DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL

Report on Internal Control over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.


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

New York, New York
October 26, 2015

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

A - SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on the financial statements of Democracy Preparatory Harlem Charter School.
2. No significant deficiencies and no material weaknesses were discovered during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of Democracy Preparatory Harlem Charter School, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies and no material weaknesses relating to the audit of the major federal award programs are reported in accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Democracy Preparatory Harlem Charter School expresses an unmodified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs for Democracy Preparatory Harlem Charter School are reported in this schedule.
7. The programs tested as major programs included:
 - National School Breakfast Program, CFDA No. 10.533
 - National School Lunch Program, CFDA No. 10.555
 - Title I Part A, CFDA No. 84.010
8. The threshold used for distinguishing between Type A and B programs was \$300,000.
9. Democracy Preparatory Harlem Charter School did not qualify as a low risk auditee.

B - FINDINGS - FINANCIAL STATEMENTS AUDIT

None

C - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

Federal Grantor Pass-through Grantor Program Name/Cluster	Federal CFDA Number	Federal Expenditures
U.S. Department of Education:		
Charter Schools Program for Replication and Expansion of High-Quality Charter Schools	84.282M	\$ 5,750
Passed through the New York State Education Department:		
Title I Part A	84.010	400,434
Title II Part A	84.367	9,044
Passed through the New York City Department of Education:		
Special Education - IDEA	84.027	64,323
Total U.S. Department of Department		<u>479,551</u>
U.S. Department of Agriculture:		
Passed through the New York State Education Department:		
Child Nutrition Cluster		
National School Breakfast Program	10.553	80,252
National School Lunch Program	10.555	321,430
Total U.S. Department of Agriculture		<u>401,682</u>
Total Expenditures of Federal Awards		<u>\$ 881,233</u>

See accompanying notes to schedule of expenditures of federal awards.

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Democracy Preparatory Harlem Charter School and is presented on the accrual basis of accounting for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements on OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

DEMOCRACY PREPARATORY
HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)

MANAGEMENT LETTER

JUNE 30, 2015

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

October 26, 2015

To the Board of Trustees of
Democracy Preparatory Harlem Charter School
207 West 133rd Street
New York, NY 10030

In planning and performing our audit of the financial statements of Democracy Preparatory Harlem Charter School (the "School") (a not-for-profit corporation) as of and for the year ended June 30, 2015, 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 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 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 material weaknesses. 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.

Exhibit I accompanying this letter summarizes an observation for the year ended June 30, 2015 that we determined did not constitute a significant deficiency or a material weakness. Exhibit II summarizes current year status of prior year's observations. Management's responses to the observations have not been subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

This communication is intended solely for the information and use of management, Board of Trustees, and others within the School and is not intended to be and should not be used by anyone other than these specified parties.

We already discussed these comments and suggestions with management. We would be pleased to discuss these comments with you at greater length and assist you in the implementation of any of our recommendations should you desire.

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 26, 2015

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
MANAGEMENT LETTER
JUNE 30, 2015

CONTENTS

EXHIBIT I – CURRENT YEAR OBSERVATION

- A. Test of Credit Card Expenses 1

EXHIBIT II – CURRENT YEAR STATUS OF PRIOR YEAR OBSERVATIONS

- B. Incomplete Student Files 2
C. General Ledger Maintenance and Account Analysis 3

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
MANAGEMENT LETTER

EXHIBIT I – CURRENT YEAR OBSERVATION

A. TEST OF CREDIT CARD EXPENSES

Observation

We reviewed 3 monthly statements of the corporate credit card for the Campus Directors and noted the following:

- There were approximately \$1,838 representing 13% of the charges that were not supported by backup documentation or receipts.
- There were approximately \$2,598 representing 18% of the charges that did not contain written documentation supporting approval by management.

Recommendation

The School should enforce the use of credit cards as outlined in its fiscal policies and procedures manual. The School should document in writing all decisions that are not consistent with policy. If such situations are common, consideration should be given to modifying the policy.

Management's Response

Management recognizes this observation and will actively enforce the use of credit cards as outlined in our Fiscal policies and procedures manual.

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
MANAGEMENT LETTER

EXHIBIT II – CURRENT YEAR STATUS OF PRIOR YEAR OBSERVATION

In conjunction with performing the audit of the School’s financial statements for the year ended June 30, 2015, we followed up on the status of implementation of audit recommendations made for the year ended June 30, 2014. The status update on those matters is summarized below.

B. INCOMPLETE STUDENT FILES

Observation

During our 2015 audit, we noted the following exceptions during our test of 15 student files. Seven student files did not contain proof of residency.

Recommendation

In an effort to ensure that student records are complete, we recommend developing a checklist that includes all required documentation. This checklist should be utilized periodically to insure that information is complete and updated for each student file.

Current Year Status

During our 2015 audit, maintenance of student files and records did not improve, and we noted the following exceptions during our test of 15 student files:

- 1 file did not contain a copy of a birth certificate.
- 4 files did not contain proper proof of residency.

Updated Management’s Response

Management recognizes this observation and will work with the school based operations team to begin a process of ongoing internal audits of student files to ensure that all required documentations are complete and correct.

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL
(A Not-For-Profit Corporation)
MANAGEMENT LETTER

EXHIBIT II – CURRENT YEAR STATUS OF PRIOR YEAR OBSERVATION

C. GENERAL LEDGER MAINTENANCE AND ACCOUNT ANALYSIS

Observation

Although schedules were prepared during our audit field work, these schedules and reconciliations were not prepared and updated throughout the fiscal year ended June 30, 2014. This resulted in various adjustments to the general ledger during the year end closing and preparation of the audit package, which delayed the start and completion of the audit. These adjustments and delays could have been minimized had accounts been analyzed and compared with the general ledger on a regular basis throughout the year.

Recommendation

Management should be analyzing accounts and reconciling with the general ledger more completely on a monthly or quarterly basis. Additional in-depth account analysis will help the School detect and correct errors on a more timely basis. Management should also increase the financial support throughout the year.

Current Year Status

Although we noted improvements during our 2015 audit, we still encountered delays to the start of the audit because analysis of schedules and account reconciliations were not prepared and updated throughout the fiscal year. In addition, we did not have any significant adjustments to the general ledger during our 2015 audit.

Updated Management's Response

Management recognizes this observation and with the addition of a Senior Accountant to the team, we will push for general ledger maintenance and ongoing schedule preparation and reconciliations to occur throughout the year.

New York State Education Department

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

2015-16 Budget & Cash Flow Template

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

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

Democracy Prep Harlem Charter School

PROJECTED BUDGET FOR 2015-2016

July 1, 2015 to June 30, 2016

Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 155. This will populate the data in row 10.

							Assumptions
							DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Total Revenue	12,170,402	1,351,878	324,936	-	-	13,847,216	
Total Expenses	9,283,855	667,476	255,660	-	3,615,225	13,822,216	
Net Income	2,886,547	684,402	69,276	-	(3,615,225)	25,000	
Actual Student Enrollment	738	102				840	
Total Paid Student Enrollment	738	102				840	Elementary, Middle and High Schools

PROGRAM SERVICES			SUPPORT SERVICES				
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	

REVENUE

REVENUES FROM STATE SOURCES

	CY Per Pupil Rate						
Per Pupil Revenue							
District of Location	\$0.00						
School District 2 (Enter Name)	\$0.00						
School District 3 (Enter Name)	\$0.00						
School District 4 (Enter Name)	\$0.00						
School District 5 (Enter Name)	\$13,877.00						
		11,781,573				11,781,573	
		11,781,573				11,781,573	
Special Education Revenue			1,231,221			1,231,221	
Grants							
Stimulus							
Other							
Other State Revenue							
TOTAL REVENUE FROM STATE SOURCES		11,781,573	1,231,221			13,012,794	

REVENUE FROM FEDERAL FUNDING

IDEA Special Needs		120,657				120,657	
Title I	379,575					379,575	
Title Funding - Other							
School Food Service (Free Lunch)	9,063					9,063	
Grants							
Charter School Program (CSP) Planning & Implementation							
Other							
Other Federal Revenue							
TOTAL REVENUE FROM FEDERAL SOURCES		388,638	120,657			509,295	

LOCAL and OTHER REVENUE

Contributions and Donations, Fundraising							
Erate Reimbursement			254,640			254,640	
Interest Income, Earnings on Investments,			2,817			2,817	
NYC-DYCD (Department of Youth and Community Developmt.)							
Food Service (Income from meals)	191					191	
Text Book			67,479			67,479	Textbooks, Library, Software, Other
Other Local Revenue							
TOTAL REVENUE FROM LOCAL and OTHER SOURCES		191		324,936		325,127	

TOTAL REVENUE

	12,170,402	1,351,878	324,936			13,847,216
--	------------	-----------	---------	--	--	------------

List exact titles and staff FTE's (Full time equiivalent)

EXPENSES

ADMINISTRATIVE STAFF PERSONNEL COSTS

	No. of Positions						
Executive Management	1.00				55,000	55,000	
Instructional Management							
Deans, Directors & Coordinators	16.00				1,075,292	1,075,292	
CFO / Director of Finance							
Operation / Business Manager	6.00				363,768	363,768	
Administrative Staff	6.00				272,950	272,950	
TOTAL ADMINISTRATIVE STAFF	29				1,767,010	1,767,010	

INSTRUCTIONAL PERSONNEL COSTS

Teachers - Regular	70.00	4,815,733				4,815,733	
Teachers - SPED	8.00		535,081			535,081	Spec Ed = 10% salary used to spread benefits
Substitute Teachers		15,625				15,625	
Teaching Assistants							
Specialty Teachers							

Democracy Prep Harlem Charter School

PROJECTED BUDGET FOR 2015-2016

July 1, 2015 to June 30, 2016

Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 155. This will populate the data in row 10.

PROJECTED BUDGET FOR 2015-2016							Assumptions
July 1, 2015 to June 30, 2016							DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Total Revenue	12,170,402	1,351,878	324,936	-	-	13,847,216	
Total Expenses	9,283,855	667,476	255,660	-	3,615,225	13,822,216	
Net Income	2,886,547	684,402	69,276	-	(3,615,225)	25,000	
Actual Student Enrollment	738	102				840	
Total Paid Student Enrollment	738	102				840	Elementary, Middle and High Schools
PROGRAM SERVICES							
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Aides	-	-	-	-	-	-	
Therapists & Counselors	-	-	-	-	-	-	
Other	-	361,983	-	-	-	361,983	Program incentives for FT staff
TOTAL INSTRUCTIONAL	78	5,193,341	535,081	-	-	5,728,422	
NON-INSTRUCTIONAL PERSONNEL COSTS							
Nurse	-	-	-	-	-	-	
Librarian	-	-	-	-	-	-	
Custodian	1.00	-	-	-	39,882	39,882	
Security	-	-	-	-	-	-	
Other	-	-	-	-	-	-	
TOTAL NON-INSTRUCTIONAL	1	-	-	-	39,882	39,882	
SUBTOTAL PERSONNEL SERVICE COSTS	108	5,193,341	535,081	-	1,806,892	7,535,314	
PAYROLL TAXES AND BENEFITS							
Payroll Taxes	-	585,662	65,074	-	-	650,736	Split to Spec Ed at Salary %
Fringe / Employee Benefits	-	468,517	52,057	-	-	520,574	Split to Spec Ed at Salary %
Retirement / Pension	-	137,375	15,264	-	-	152,639	Split to Spec Ed at Salary %
TOTAL PAYROLL TAXES AND BENEFITS	-	1,191,554	132,395	-	-	1,323,949	
TOTAL PERSONNEL SERVICE COSTS	-	6,384,895	667,476	-	1,806,892	8,859,263	
CONTRACTED SERVICES							
Accounting / Audit	-	-	-	-	25,000	25,000	
Legal	-	-	-	-	-	-	
Management Company Fee	-	-	-	-	1,756,693	1,756,693	DPPS Fee
Nurse Services	-	-	-	-	-	-	
Food Service / School Lunch	-	-	-	-	-	-	
Payroll Services	-	-	-	-	26,640	26,640	
Special Ed Services	-	-	-	-	-	-	
Titement Services (i.e. Title I)	-	-	-	-	-	-	
Other Purchased / Professional / Consulting	-	-	-	-	-	-	
TOTAL CONTRACTED SERVICES	-	-	-	-	1,808,333	1,808,333	
SCHOOL OPERATIONS							
Board Expenses	-	-	-	-	-	-	
Classroom / Teaching Supplies & Materials	243,656	-	-	-	-	243,656	
Special Ed Supplies & Materials	-	-	-	-	-	-	
Textbooks / Workbooks	218,804	-	-	-	-	218,804	
Supplies & Materials other	109,200	-	-	-	-	109,200	
Equipment / Furniture	102,000	-	-	-	-	102,000	
Telephone	-	-	73,260	-	-	73,260	
Technology	276,268	-	182,400	-	-	458,668	
Student Testing & Assessment	-	-	-	-	-	-	
Field Trips	279,000	-	-	-	-	279,000	
Transportation (student)	-	-	-	-	-	-	
Student Services - other	97,513	-	-	-	-	97,513	
Office Expense	66,000	-	-	-	-	66,000	
Staff Development	241,000	-	-	-	-	241,000	
Staff Recruitment	3,000	-	-	-	-	3,000	
Student Recruitment / Marketing	21,000	-	-	-	-	21,000	
School Meals / Lunch	57,672	-	-	-	-	57,672	
Travel (Staff)	2,700	-	-	-	-	2,700	
Fundraising	-	-	-	-	-	-	
Other	206,128	-	-	-	-	206,128	
TOTAL SCHOOL OPERATIONS	1,923,941	-	255,660	-	-	2,179,601	

Democracy Prep Harlem Charter School

PROJECTED BUDGET FOR 2015-2016

July 1, 2015 to June 30, 2016

Assumptions

Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 155. This will populate the data in row 10.

DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable

	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL
Total Revenue	12,170,402	1,351,878	324,936	-	-	13,847,216
Total Expenses	9,283,855	667,476	255,660	-	3,615,225	13,822,216
Net Income	2,886,547	684,402	69,276	-	(3,615,225)	25,000
Actual Student Enrollment	738	102				840
Total Paid Student Enrollment	738	102				840

Elementary, Middle and High Schools

PROGRAM SERVICES

SUPPORT SERVICES

	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL
--	-------------------	-------------------	-------	-------------	----------------------	-------

FACILITY OPERATION & MAINTENANCE

Insurance	8,500	-	-	-	-	8,500
Janitorial	-	-	-	-	-	-
Building and Land Rent / Lease	605,030	-	-	-	-	605,030
Repairs & Maintenance	50,000	-	-	-	-	50,000
Equipment / Furniture	-	-	-	-	-	-
Security	40,000	-	-	-	-	40,000
Utilities	-	-	-	-	-	-

TOTAL FACILITY OPERATION & MAINTENANCE

	703,530	-	-	-	-	703,530
--	---------	---	---	---	---	---------

DEPRECIATION & AMORTIZATION

	130,890	-	-	-	-	130,890
--	---------	---	---	---	---	---------

DISSOLUTION ESCROW & RESERVES / CONTIGENCY

	140,599	-	-	-	-	140,599
--	---------	---	---	---	---	---------

TOTAL EXPENSES

	9,283,855	667,476	255,660	-	3,615,225	13,822,216
--	-----------	---------	---------	---	-----------	------------

NET INCOME

	2,886,547	684,402	69,276	-	(3,615,225)	25,000
--	-----------	---------	--------	---	-------------	--------

ENROLLMENT - *School Districts Are Linked To Above Entries*

	REGULAR EDUCATION	SPECIAL EDUCATION	TOTAL ENROLLED
District of Location	-	-	-
School District 2 (Enter Name)	-	-	-
School District 3 (Enter Name)	-	-	-
School District 4 (Enter Name)	-	-	-
School District 5 (Enter Name)	738	102	840
TOTAL ENROLLMENT	738	102	840

REVENUE PER PUPIL

	16,491	13,254	387
--	--------	--------	-----

EXPENSES PER PUPIL

	12,580	6,544	304
--	--------	-------	-----



Audited Financial Statement Checklist

Created: 10/23/2015

Last updated: 10/30/2015

Page 1

Charter School Name:

1. Please check each item that is included in the 2014-15 Audited Financial Statement submitted for your charter school.

	Yes/No
Audited Financial Statements (including report on compliance and report on internal control over financial reporting)	Yes
Single Audit (if applicable)	Yes
CSP Agreed Upon Procedures (if applicable)	Not Applicable
Management Letter	Yes
Report on Extracurricular Student Activity Accounts (if applicable)	Not Applicable
Corrective Action Plans for any Findings	Not Applicable

2. Please indicated if there is a finding(s) noted in any of the following sections of your charter school's 2014-15 Audited Financial Statement.

	Yes/No
Report on Compliance	No
Report on Internal Control over Financial Reporting	No
Single Audit	No
CSP Agreed Upon Procedures Report	Not Applicable
Management Letter	No

Thank you.



Appendix E: Disclosure of Financial Interest Form

Last updated: 08/19/2015

Page 1

310500860989 DEMOCRACY PREP HARLEM CS

All trustees who served on an education corporation governing one or more charter schools during the 2014-2015 school year must complete the form in Appendix E (Disclosure of Financial Interest Form). [The Disclosure of Financial Interest Forms are due on November 1, 2015. A link to a safe and secure form that each Trustee must complete by the November 1, 2015 deadline will be provide here by September 1, 2015 or sooner.](#)

ALL charter schools or merged education corporations must complete the Board of Trustees Membership Table within the online portal in Appendix F (Board of Trustees Membership Table). The Board of Trustees Membership Table must be submitted by August 1, 2015.

Regents-authorized charter schools must upload a complete set of board of trustee Meeting Minutes from July 2014-June 2015 into Appendix G (Board Minutes). Board of Trustee Meeting Minutes must be submitted by August 1, 2015.

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

Yes

Thank you.



Appendix F: BOT Membership Table

Last updated: 07/09/2015

Page 1

310500860989 DEMOCRACY PREP HARLEM CS

1. Current Board Member Information

	Trustee Name	Email Address	Committee Affiliation(s)	Voting Member? (Y/N)	Area of Expertise, and/or Additional Role and School (parent, staff member, etc.)	Number of Terms Served and Length of Each (Include election date and term expiration)
1	Robert North	[REDACTED]	Chair/Board President	Yes		3 Terms (Election: 2010; Expiration: 2016)
2	Blondel Pinnock	[REDACTED]	Trustee/Member	Yes		3 Terms (Election: 2010; Expiration: 2016)
3	Stephen Gordon	[REDACTED]	Trustee/Member	Yes		3 Terms (Election: 2010; Expiration: 2016)
4	Sean Windsor	[REDACTED]	Treasurer	Yes		2 Terms (Election: 2013; Expiration: 2017)
5	Kent Anker	[REDACTED]	Trustee/Member	Yes	Democracy Prep Public Schools General Counsel	2 Terms (Election: 2013; Expiration: 2017)
6	Katie Duffy	[REDACTED]	Trustee/Member	Yes	Democracy Prep Public Schools CEO	3 Terms (Election: 2010; Expiration: 2016)
7	Sam Mathias	[REDACTED]	Trustee/Member	Yes		2 Terms (Election: 2013; Expiration: 2017)
8	Derrick Bryant	[REDACTED]	Trustee/Member	Yes		2 Terms (Election: 2013; Expiration: 2017)
9	Anthony Shropshire	[REDACTED]	Trustee/Member			2 Terms (Election: 2013; Expiration: 2017)
10						
11						
12						
13						
14						
15						

16						
17						
18						
19						
20						

2. Total Number of Members Joining Board during the 2014-15 school year

0

3. Total Number of Members Departing the Board during the 2014-15 school year

1

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

15

5. How many times did the Board meet during the 2014-15 school year?

10

6. How many times will the Board meet during the 2015-16 school year?

12

Thank you.



DEMOCRACY PREP HARLEM CHARTER

Work Hard. Go to College. Change the World!

Appendix H: Enrollment and Retention Targets

Democracy Prep Harlem Charter School educates an appropriately high number of high-needs students. In 2014-15, 18% of DPH scholars qualified for Special Education (SPED) services, 6% were English Language Learners (ELL), and 98% were Black or Latino. The school operates under the Community Eligibility Program (CEP) which is offered to schools with a population of 80% or more FRPL eligible students. DPH uses various outreach efforts to attract and retain students who are at risk of academic failure and will continue to adopt and implement new measures designed to sustain its comparatively large proportion of such students in 2015-16 and beyond. Specifically, DPH contacts SPED instructors, ELL instructors, and guidance counselors in elementary and middle schools in Community School District 5 in order to identify high-needs students who could naturally feed into DPH. Additionally, DPH directly mails applications to all students in Upper Manhattan and the Bronx and canvasses each housing development in Upper Manhattan in order to drop off enrollment applications at each door irrespective of whether a school-aged student resides in that apartment. Native Spanish speakers accompany each canvasser to ensure that Spanish-speaking families are not precluded from applying.



Appendix I: Teacher and Administrator Attrition

Last updated: 07/31/2015

Report changes in teacher and administrator staffing.

Page 1

Charter School Name: 310500860989 DEMOCRACY PREP HARLEM CS

Instructions for completing the Teacher and Administrator Attrition Tables

ALL charter schools should provide, for teachers and administrators only, the full time equivalent (FTE) of staff on June 30, 2014, the FTE for added staff from July 1, 2014 through June 30, 2015, and the FTE for any departed staff from July 1, 2014 through June 30, 2015 using the two tables provided.

2013-14 Teacher Attrition Table

	FTE Teachers on June 30, 2014	FTE Teachers Additions 7/1/14 – 6/30/15	FTE Teacher Departures 7/1/14 – 6/30/15
	41	9	7

2013-14 Administrator Position Attrition Table

	FTE Administrator Positions On 6/30/2014	FTE Administrator Additions 7/1/14 – 6/30/15	FTE Administrator Departures 7/1/14 – 6/30/15
	4	2	1

Thank you



Appendix J: Uncertified Teachers

Last updated: 07/31/2015

"thirty per centum or 5 teachers, whichever is less"

To comply with NYS Education Law Section 2854(3)(a-1), please report the (FTE) count of uncertified and certified teaching staff as of the last day of school for the 2014-15 school year.

Page 1

Charter School Name: 310500860989 DEMOCRACY PREP HARLEM CS

Note Definition of FTE:

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

How many UNCERTIFIED Full-Time Equivalent Teachers were employed in the charter school as of last day of school in 2014-15?

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

	FTE - (June 30, 2015)
(i) uncertified teachers with at least three years of elementary, middle or secondary classroom teaching experience	18
(ii) individuals who are tenured or tenure track college faculty	0
(iii) individuals with two years satisfactory experience through Teach for America	0
(iv) individuals who possess exceptional business, professional, artistic, athletic, or military experience	0
FTE count of uncertified teachers who do not fit into any of the four statutory categories	4
Total	22.0

How many CERTIFIED Full-Time Equivalent Teachers were employed in the charter school as of the last day of school in 2014-15?

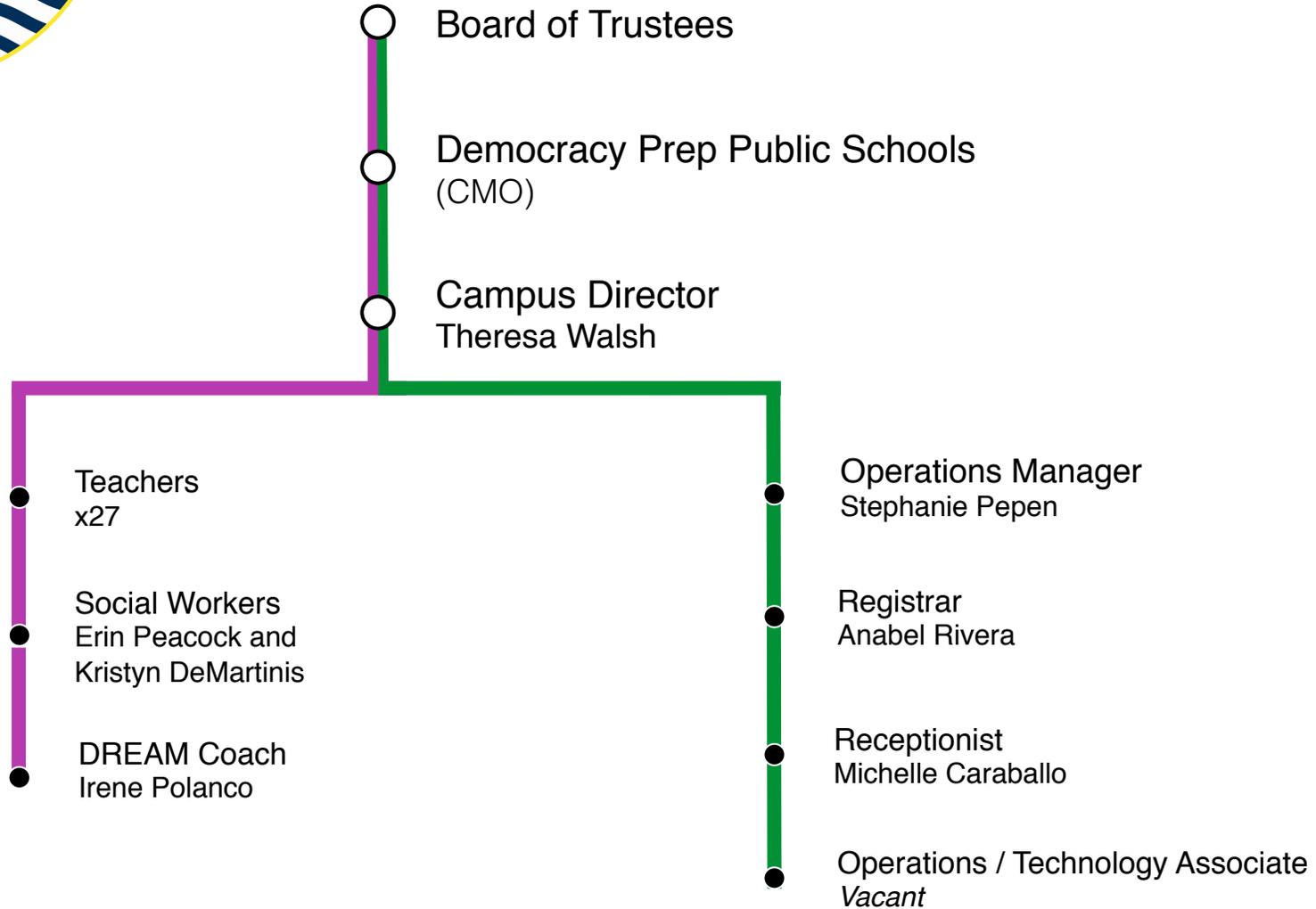
42

Thank you.



DEMOCRACY PREP HARLEM CHARTER ELEMENTARY SCHOOL

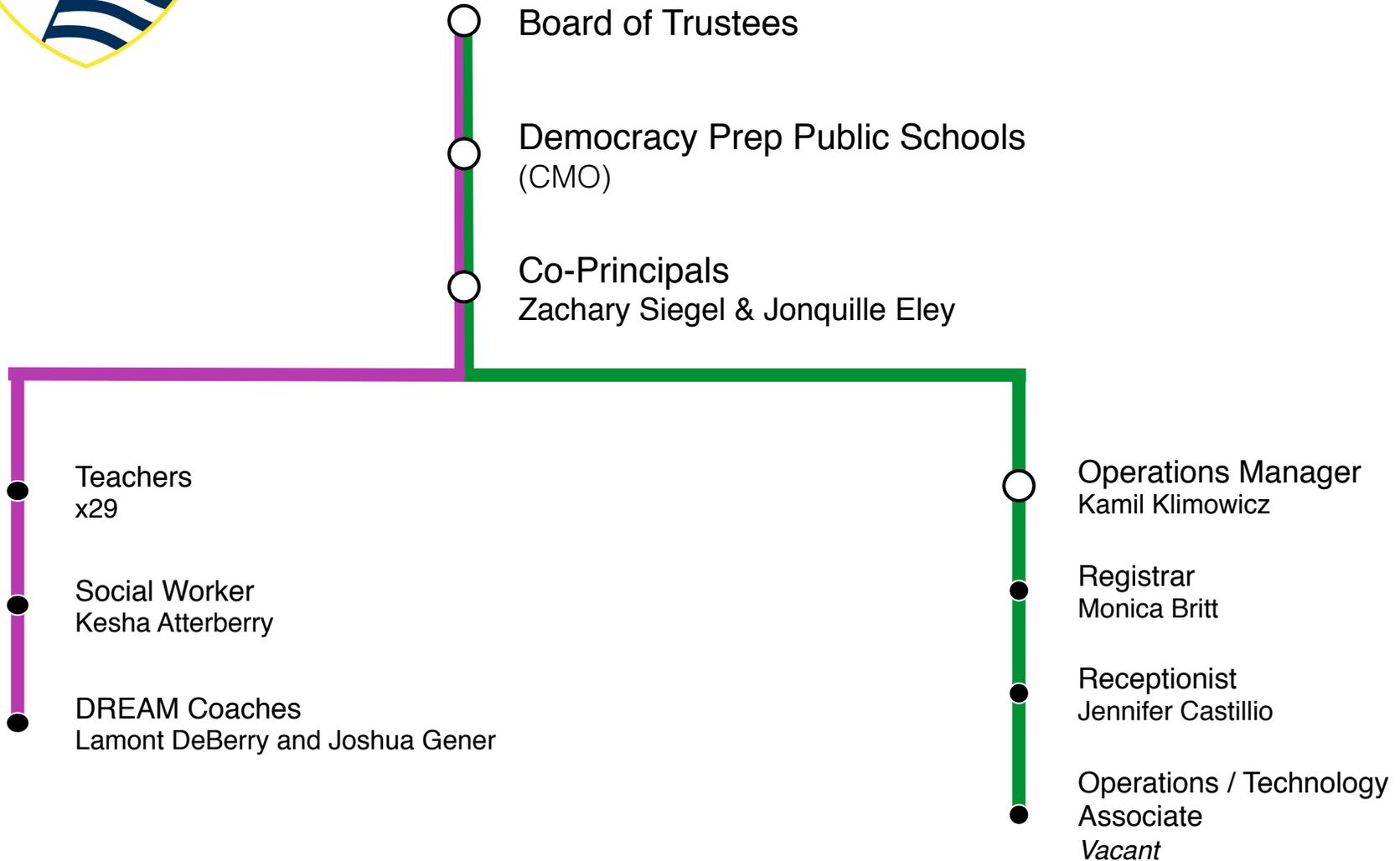
2015-16 ORGANIZATION CHART





DEMOCRACY PREP HARLEM CHARTER MIDDLE SCHOOL

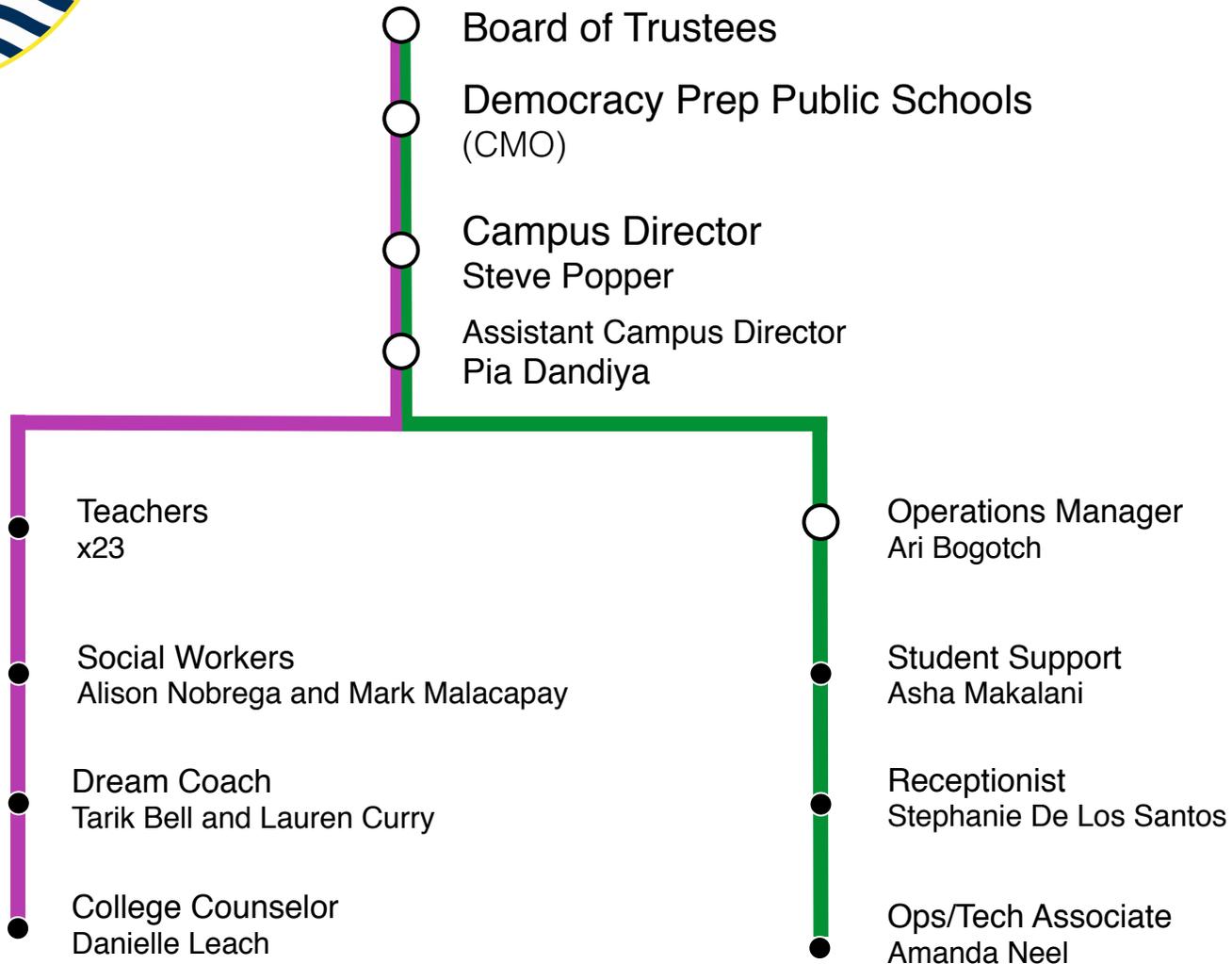
2015-16 ORGANIZATION CHART





DEMOCRACY PREP HARLEM CHARTER HIGH SCHOOL

2015-16 ORGANIZATION CHART



The mission of Democracy Prep Harlem Charter School is to educate responsible citizen-scholars for success in the college of their choice and a life of active citizenship.

The *No Excuses* Model

- 1) *Rigorous college-prep academics.* DPH is an academically rigorous, college preparatory school with a curriculum based on an accelerated introduction to the Common Core State Standards. The school’s instructional program is designed to challenge students to do their best academically regardless of their language proficiency, special education status, or the academic level at which they enter the school. Our rigorous core academic program includes the core subjects—Math, English Language Arts, science and social studies—as well as rigorous electives such as Art, Music, and Fitness.
- 2) *More time to learn.* DPH serves students in grades 6-11 Monday through Thursday from 7:44 AM to at least 5:15 PM, and until at least 1:30 PM on Fridays and students in grades K-2 Monday through Thursday from 7:44 AM until 4:00 PM. The school year includes approximately 195 days of instruction, and students in need of additional individual support or required remediation attend an after-dismissal tutoring block, school on additional Saturdays, and during some vacations. Students who have not yet mastered the grade’s content expectations by the end of the year attend a mandatory Summer Academy. Within these programs, the DPH students most in need of extra help benefit from over 70% more instructional time each year than they would receive in a typical district school.
- 3) *Data-driven decision-making.* DPH utilizes a sophisticated feedback loop of frequent data collection and analysis including a network-wide dashboard tool, interim assessments, and comparative academic measures to drive effective instruction at the student, class, teacher, grade, school, and network levels. DPH assessments include absolute measures, value-added measures, and internally-developed, externally-validated trimester and comprehensive exams.
- 4) *Safe and supportive school culture.* Democracy Prep school culture is based on the “DREAM Values” which all staff and students live by: Discipline, Respect, Enthusiasm, Accountability, and Maturity. Students earn or forfeit “DREAM Dollars” based on their adherence to these values and these DREAM Dollars may be linked to college scholarship accounts and a percentage used by students to “buy” privileges and benefits such as end of trimester trips and end of year adventures including Civic and College Expeditions. This manifests itself in clear structured systems for students, crisp uniforms, and high expectations for rigor and joy.
- 5) *Exemplary talent.* Democracy Prep has an extremely selective staff application process. At DPH, lead teachers are paid a base salary that exceeds the Department of Education scale and are eligible for excellent benefits and performance bonuses. All DPH staff members undergo extensive performance review, receive weekly professional development during the school year and three weeks of intensive PD in the summer, and are given explicit career ladders and opportunities for growth.

Enhancements to the *No Excuses* Model

In addition to these common elements of *no excuses* schools, DPH is unique in its commitment to two other key academic design elements: 1) *special education and ELL students* and 2) *civic education*.

A Commitment to Educating All Students in All Subjects

Democracy Prep actively seeks out students with ELL classifications, IEPs, and 504 plans compared to surrounding districts through a natural lottery, a collaborative team teaching inclusion model for special needs students, and admission at all grade levels.

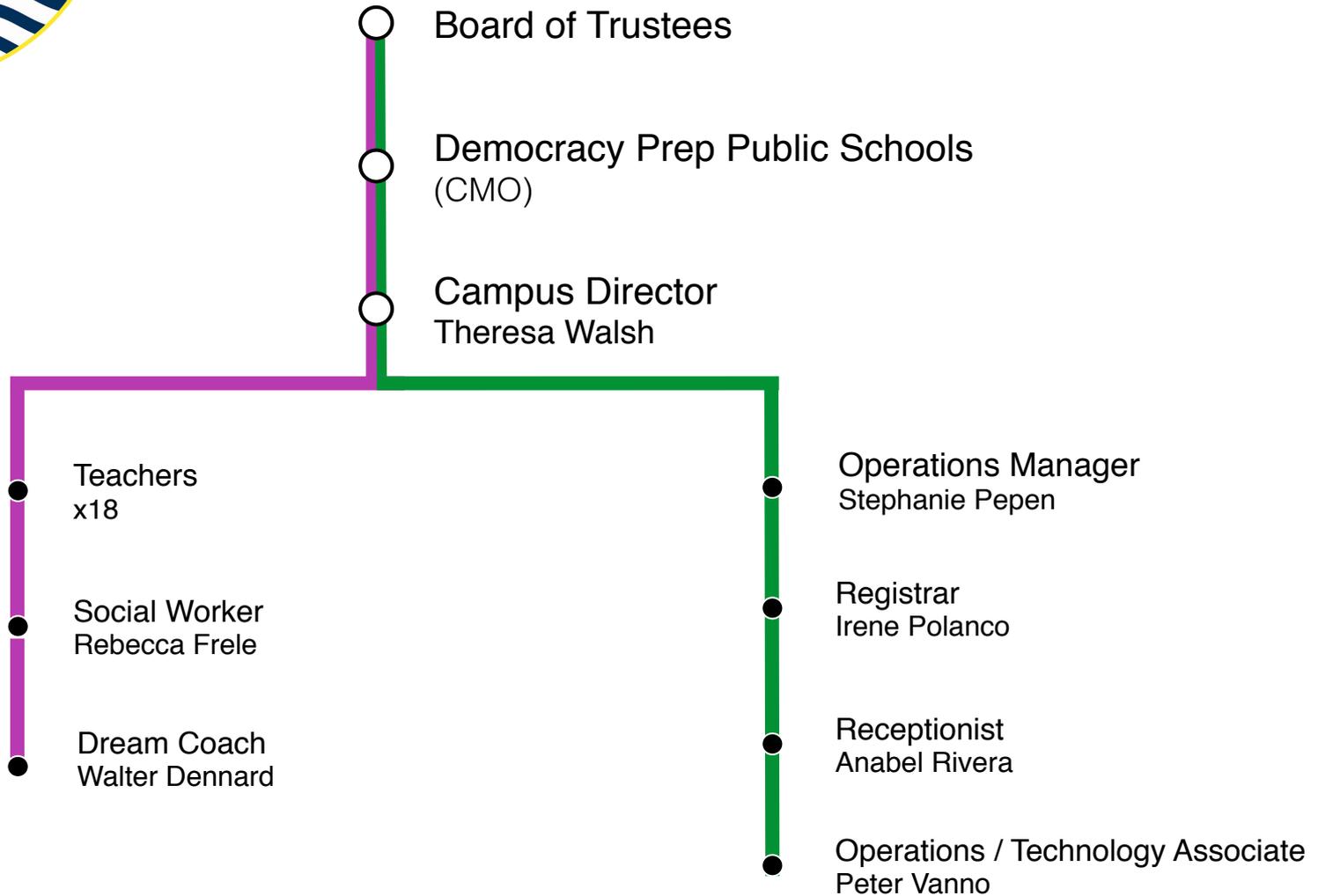
Authentic Civic Leadership and Engagement

Unique among its peers, Democracy Prep places an explicit focus on preparing scholars to become civic leaders in their community. Through civic initiatives, community engagement, mandatory speech and debate, as well as authentic student and family charter school advocacy, Democracy Prep scholars apply the knowledge, skills, and attitude they have developed in the academic program to help change the world.



DEMOCRACY PREP HARLEM CHARTER ELEMENTARY SCHOOL

2014-15 ORGANIZATION CHART





DEMOCRACY PREP HARLEM CHARTER MIDDLE SCHOOL

2014-15 ORGANIZATION CHART

○ Board of Trustees

○ Democracy Prep Public Schools
(CMO)

○ Principal
Anwar Abdul-Rahman

● Teachers
x30

● Social Worker
Kesha Atterberry

● DREAM Coaches
Lamont DeBerry & Kawone Williams

○ Operations Manager
Kamil Klimowicz

● Registrar
Monica Britt

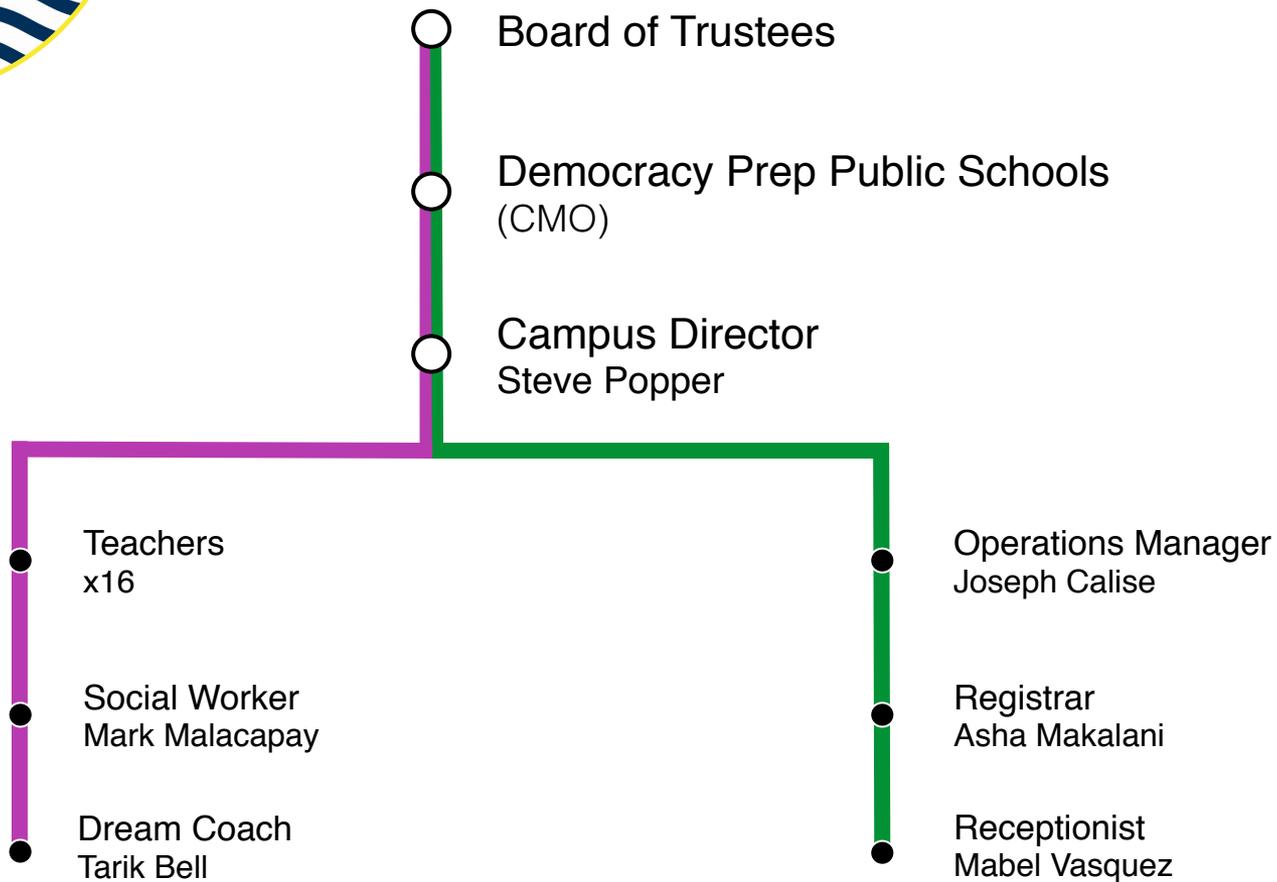
● Receptionist
Jennifer Castillio

● Operations / Technology
Associate
Matthew Bowman



DEMOCRACY PREP HARLEM CHARTER HIGH SCHOOL

2014-15 ORGANIZATION CHART



Required Form: 2014-15 Appendix E - Trustee Disclosure of Financial Interest Form

Created Tuesday, October 20, 2015

<https://nysed.fluidsurveys.com/account/surveys/537586/responses/export//s/Regents-Appendix-E-BOT-Form/30d7bb62369420662>

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

	First Name	Last Name
Trustee Name	Marshall	Kesten

2. *Your Home Address:

2. *Your Home Address: Street Address	[REDACTED]
2. *Your Home Address: City/State	[REDACTED]
2. *Your Home Address: Zip	[REDACTED]

3. *Your Business Address

3. *Your Business Address Street Address	[REDACTED]
3. *Your Business Address City/State	[REDACTED]
3. *Your Business Address Zip	[REDACTED]

4. *Daytime Phone Number:

[REDACTED]

5. *E-mail Address:

[REDACTED]

6. I am a Trustee of a parent education corporation listed below which governs one or more charter schools.

No, I am not.

7. Select the name of the education corporation that operates a single charter school.

DR RICHARD IZQUIERDO HEALTH AND SCIENCE CS (NYC CHANCELLOR) 321200860965

8. Select all positions you have held on the 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

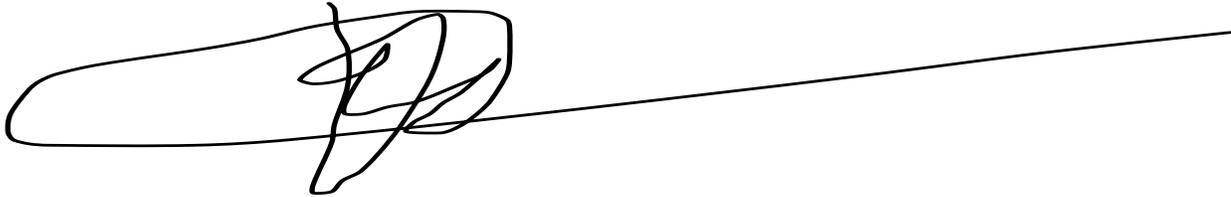
11. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

12. Are you a member, director, officer or employee of an organization formally partnered with a 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 large, stylized initial 'P' followed by a long horizontal line extending to the right.

Thank you.

Required Form: 2014-15 Appendix E - Trustee Disclosure of Financial Interest Form

Created Monday, October 19, 2015

<https://nysed.fluidsurveys.com/account/surveys/537586/responses/export//s/Regents-Appendix-E-BOT-Form/9ed9bc92c4eaab76ce>

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

	First Name	Last Name
Trustee Name	Mallory	Locke

2. *Your Home Address:

2. *Your Home Address: Street Address	[REDACTED]
2. *Your Home Address: City/State	[REDACTED]
2. *Your Home Address: Zip	[REDACTED]

3. *Your Business Address

3. *Your Business Address Street Address	[REDACTED]
3. *Your Business Address City/State	[REDACTED]
3. *Your Business Address Zip	[REDACTED]

4. *Daytime Phone Number:

[REDACTED]

5. *E-mail Address:

[REDACTED]

6. I am a Trustee of a parent education corporation listed below which governs one or more charter schools.

No, I am not.

7. Select the name of the education corporation that operates a single charter school.

DR RICHARD IZQUIERDO HEALTH AND SCIENCE CS (NYC CHANCELLOR) 321200860965

8. Select all positions you have held on the Board:

(check all that apply)

-
- Other, please specify...: Education Committee 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

11. 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

12. Are you a member, director, officer or employee of an organization formally partnered with a 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 "M. J. [unclear]", is written over a horizontal line. The signature is cursive and somewhat stylized.

Thank you.

Required Form: 2014-15 Appendix E - Trustee Disclosure of Financial Interest Form

Created Sunday, October 25, 2015

<https://nysed.fluidsurveys.com/account/surveys/537586/responses/export//s/Regents-Appendix-E-BOT-Form/062e7b5f1c5ed48175>

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

	First Name	Last Name
Trustee Name	Rosa	Agosto

2. *Your Home Address:

2. *Your Home Address: Street Address	[REDACTED]
2. *Your Home Address: City/State	[REDACTED]
2. *Your Home Address: Zip	[REDACTED]

3. *Your Business Address

3. *Your Business Address Street Address	[REDACTED]
3. *Your Business Address City/State	[REDACTED]
3. *Your Business Address Zip	[REDACTED]

4. *Daytime Phone Number:

[REDACTED]

5. *E-mail Address:

[REDACTED]

6. I am a Trustee of a parent education corporation listed below which governs one or more charter schools.

No, I am not.

7. Select the name of the education corporation that operates a single charter school.

DR RICHARD IZQUIERDO HEALTH AND SCIENCE CS (NYC CHANCELLOR) 321200860965

8. Select all positions you have held on the Board:

(check all that apply)

-
- Other, please specify...: Chair, Education & Oversight Committee
-

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?

Yes

10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date.

[cmoeY.0] 10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date. Position Held	(No response)
[cmoeY.1] 10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date. Responsibilities	(No response)
[cmoeY.2] 10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date. Salary	(No response)
[cmoeY.3] 10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date. Start Date	(No response)

11. 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

12. Are you a member, director, officer or employee of an organization formally partnered with a 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



Thank you.