

# I. SCHOOL INFORMATION AND COVER PAGE

Created Monday, July 28, 2014

Updated Friday, August 01, 2014

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## Page 1

### 1. SCHOOL NAME

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

331700860967 LEFFERTS GARDENS CS

### 2. CHARTER AUTHORIZER

NYCDOE-Authorized Charter School

### 3. DISTRICT / CSD OF LOCATION

NYC CSD 17

### 4. SCHOOL INFORMATION

PRIMARY ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS
601 Parkside Avenue, Brooklyn, NY 11226	718-284-1480	718-284-2166	[REDACTED]

### 4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES

Contact Name	Michael Windram
Title	Principal
Emergency Phone Number (###-###-####)	[REDACTED]

### 5. SCHOOL WEB ADDRESS (URL)

<http://leffertsgardens.org/>

### 6. DATE OF INITIAL CHARTER

2009-11-01 00:00:00

### 7. DATE FIRST OPENED FOR INSTRUCTION

2010-09-01 00:00:00

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

(as reported on BEDS Day)

**9. GRADES SERVED IN SCHOOL YEAR 2013-14**

Check all that apply

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- K

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- 1

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- 2

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- 3

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- 4

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

Yes/No	Name of CMO/EMO
No	

## 11. FACILITIES

Will the School maintain or operate multiple sites?

No, just one site.

## 12. SCHOOL SITES

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

	Physical Address	Phone Number	District/CSD	Grades Served at Site	School at Full Capacity at Site	Facilities Agreement
Site 1 (same as primary site)	601 Parkside Avenue, Brooklyn, NJ 11226	718-284-1480	CSD 17	PK-5	Yes	DOE space

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

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Michael Windram	[REDACTED]	[REDACTED]	[REDACTED]
Operational Leader	Wendy Ramos	[REDACTED]	[REDACTED]	[REDACTED]

13. Are the School sites co-located?

Yes

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

	Date School will leave current co-location	Is school working with NYCDOE to expand into current space?	If so, list year expansion will occur.	Is school working with NYCDOE to move to separate space?	If so, list the proposed space and year planned for move	School at Full Capacity at Site
Site 1 (primary site)	NA	Yes		No		No

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

No

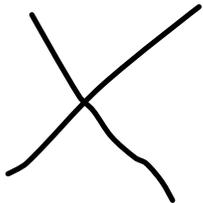
16. Our signatures below attest that all of the information contained herein is truthful and accurate and that this charter school is in compliance with all aspects of its charter, and with all pertinent Federal, State, and local laws, regulations, and rules. We understand that if any information in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

• Yes

Signature, Head of Charter School

A handwritten signature in black ink, appearing to read "Michael W. Smith".

Signature, President of the Board of Trustees

A handwritten signature in black ink, appearing to be a stylized "X" or "K".

Thank you.

# Appendix A: Progress Toward Goals

Created Tuesday, July 29, 2014

Updated Saturday, November 01, 2014

## Page 1

Charter School Name: 331700860967 LEFFERTS GARDENS 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/profile.php?instid=800000067016>

### 2. APPENDIX A: PROGRESS TOWARD CHARTER GOALS

#### 2a. ACADEMIC STUDENT PERFORMANCE GOALS

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

#### 2013-14 Progress Toward Attainment of Academic Goals

	Academic Student Performance Goal	Measure Used to Evaluate Progress	2013-2014 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Academic Goal 1	Each year, the school will earn a score sufficient to place it in the 75th percentile of all schools on the "Performance" section of the citywide Progress Report.	NYCDOE Progress Report	Progress Report Pending	
Academic Goal 2	Each year, 75 percent of 3-5 graders who have been enrolled at the School on BEDS day for at least two consecutive years will perform at or above Level 3 on the New York State ELA examination.	NYS ELA Assessment	LGCS did not achieve this outcome measure.  Percent at Levels 3 & 4 Grade All / 2 Yr Cohort 3 8% / 7% 4 22% / 22% All 15% / 15%	We have not met our goal of attaining 75% proficiency on our ELA assessment. However, we have demonstrated tremendous progress over the last year. On New York State's "matched-student" data report, our school decreased the number of students scoring at a level 1 the New York State assessment by 26%. Furthermore, the percent of students scoring proficient in our fourth grade cohort

increased by 14% when compared to their third grade scores. As a school we nearly doubled the number of students who were proficient on the 2014 assessment when compared to our 2013 scores.

We will continue to serve our children with a great sense of urgency. Teachers will work closely to unpack the Common Core Standards while implementing and analyzing common assessments within our data processes. Teachers will continue to work within professional learning teams to ensure better learning outcomes for our students.

We will be replacing our old curriculum units with the Expeditionary Learning and Core Knowledge Curriculum as found on Engage NY. We continue to embrace the content and practice shifts within the Common Core to help us realize this growth. Our data driven instructional program with a focus on intensive intervention will help us close the achievement gap.

Each student within our third, fourth, and fifth grade will have four hours of guaranteed intervention per week built within their schedules. Common assessments throughout the building will be analyzed by teacher teams to ensure that we are responding to learning gaps in real time. We are mobilizing all of our resources to close the achievement gap.

While our efforts are not represented in our overall numbers, they do come

				alive when we consider our progress over the last academic year.
Academic Goal 3	Each year, 75 percent of 3-5 graders who have been enrolled at the School on BEDS day for at least two consecutive years will perform at or above Level 3 on the New York State Mathematics examination.	NYS Math Assessment	<p>LGCS did not achieve this outcome measure.</p> <p>Percent at Levels 3 &amp; 4 Grade All / 2 Yr Cohort 3 12% / 12% 4 22% / 26% All 16% / 19%</p>	<p>We have not met our goal of attaining 75% proficiency on our mathematics assessment. However, we have demonstrated tremendous progress over the last year. On New York State’s “matched-student” data report, our school fell in the top 2% of New York state schools when considering the decrease of level 1s on the state assessment.</p> <p>Furthermore, the percent of students scoring proficient in our fourth grade cohort increased by 14% when compared to their third grade scores. As a school we more than doubled the number of students who were proficient on the 2014 assessment when compared to our 2013 scores.</p> <p>We will continue to serve our children with a great sense of urgency. Teachers will work closely to unpack the Common Core Standards while implementing and analyzing common assessments within our data processes. Teachers will continue to work within professional learning teams to ensure better learning outcomes for our students. Our teachers continue to study the importance of conceptual understanding within the mathematics in addition to the importance of fluency and algorithmic understanding of content,</p> <p>We will be replacing our old curriculum units with the New York State Mathematics Curriculum as found on Engage NY. We continue to embrace</p>

the content and practice shifts within the Common Core to help us realize this growth. Our data driven instructional program with a focus on intensive intervention will help us close the achievement gap.

Each student within our third, fourth, and fifth grade will have four hours of guaranteed intervention per week built within their schedules. Common assessments throughout the building will be analyzed by teacher teams to ensure that we are responding to learning gaps in real time. We are mobilizing all of our resources to close the achievement gap.

While our efforts are not represented in our overall numbers, they do come alive when we consider our progress over the last academic year.

Academic Goal 4	Each year, 75 percent of 4 graders who have been enrolled 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 examination.	NYS Science 4 Assessment	LGCS did achieve this outcome measure.
			Percent at Levels 3 & 4 Grade All / 2 Yr Cohort 4 92% / 93%

Academic Goal 5	For years 4 through 5 of the proposed charter, grade-level cohorts of the same students 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. For schools in which the number of students scoring above proficiency in a grade level cohort exceeded 75 percent on the previous year's ELA exam, the school is expected to demonstrate	NYS ELA Assessment	LGCS did not achieve this outcome measure.	While we did not close our gap by 50% within this measure, the "matched-student" data report does provide evidence that our growth was competitive with all schools in New York State. Our decrease in level 1s on the New York State Assessment, 26%, ranked first in all of New York State. Our increase in students testing proficient in ELA ranked in the top 3% of all schools in New York State. We did not meet this goal because it proved to be unattainable for this academic year due
			Of the 62 students who have ELA scores for 2013 and 2014, the percentage who scored at levels 3 and 4 went from 8% in 2013 to 22% in 2014.	

	growth in the current year.			to our struggles on the third grade assessment. We will continue to implement our data processes along with our new curriculum to ensure that we continue to grow at a rate that rivals the very best schools in New York State.
Academic Goal 6	For years 4 through 5 of the proposed charter, grade-level cohorts of the same students will reduce by one-half the gap between the percent at or above Level 3 on the previous year's State Math exam and 75 percent at or above Level 3 on the current year's State Math exam. For schools in which the number of students scoring above proficiency in a grade level cohort exceeded 75 percent on the previous year's Math exam, the school is expected to demonstrate growth in the current year.	NYS Math Assessment	<p>LGCS did not achieve this outcome measure.</p> <p>Of the 62 students who have Math scores for 2013 and 2014, the percentage who scored at levels 3 and 4 went from 8% in 2013 to 22% in 2014.</p>	While we did not close our gap by 50% within this measure, the "matched-student" data report does provide evidence that our growth was competitive with all schools in New York State. Our decrease in level 1s in mathematics as measured by the New York State assessment ranked in the top 2% of all New York state schools. Our students increase in proficiency on the mathematics assessments ranked in the top 15% of all New York state schools. We did not meet this goal because it proved to be unattainable for this academic year due to our struggles on the third grade assessment. We will continue to implement our data processes along with our new curriculum to ensure that we continue to grow at a rate that rivals the very best schools in New York State.
Academic Goal 7	Each year, the school will be deemed "In Good Standing."	NYSED Focus List	LGCS achieved this outcome.	
Academic Goal 8	Each year, at least 75% of K-2 students will perform at or above grade level on the end-of-year test using TerraNova test.	<p>2013-14 TerraNova Results</p> <p>Goal Not Met</p> <p>Kindergarten Reading=51% First Grade Reading- 38% Second Grade Reading- 33%</p> <p>Kindergarten Math- 60% First Grade Math- 39% Second Grade Math- 22%</p>	<p>While we have not met our goals, we have seen progress from last year's scores. Our Kindergarten children improved 3% in reading and 14% in mathematics. Our first grade scores improved 13% in reading and 20% in mathematics. Our third grade scores improved 11% in reading and 5% in mathematics.</p> <p>We will continue to serve our children with a great</p>	

sense of urgency. Teachers will work closely to unpack the Common Core Standards while implementing and analyzing common assessments within our data processes. Teachers will continue to work within professional learning teams to ensure better learning outcomes for our students.

We will be replacing our old curriculum units with the Expeditionary Learning and Core Knowledge Curriculum as found on Engage NY. We continue to embrace the content and practice shifts within the Common Core to help us realize this growth. Our data driven instructional program with a focus on intensive intervention will help us close the achievement gap.

2a1. Do have more academic goals to add?

No

2a2. Do have more academic goals to add?

No

2b. ORGANIZATIONAL GOALS

2013-14 Progress Toward Attainment of Organizational Goals

	Organizational Goal	Measure Used to Evaluate Progress	2013-14 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Org Goal 1	Each year, the school will have an average daily student attendance rate of at least 95%.	ATS Attendance Records	LGCS did not meet this goal. Our attendance for the year was 92.2%.	<p>We have hired a full-time social worker and an extra guidance counselor moving into the next academic term. If a child is to miss more than 2 days without notice of medical condition, a home visit will be paid to the child,</p> <p>Our office staff will contact each family member for each absence. If there is reason to believe a child is home for a reason other than illness, the situation will be reported to the social worker and school administration.</p> <p>We will continue our invitations to families within the building. There will be two evening events for families each month. This will allow for networking that will lead to resources for families with chronic absences.</p> <p>Families will be made aware of our expectation of improvement during our orientation and back-to-school night.</p>
Org Goal 2	Each year, 95 percent of all students enrolled during the course of the year will return the following September.	Enrollment Records	Goal Not Met	In September of 2014, fewer than 95% of students returned to Lefferts Gardens Charter School. The primary reason for this move was the loss of fifth graders to middle schools and K-8 schools. We received feedback from families that they felt that it was easier to move children into desired neighborhood schools for fifth grade rather than wait for the middle school application process. While we support our families as

the primary decision makers for their families, we are looking to continue to grow so that our families feel as though the academic record of our school will overshadow the anxiety they feel as they approach the middle school applicaiton process.

This service to our families begins with an earlier approach to preapring our families for the middle school application process. We are currently engagin our fourth grade families in conversation concerning the middle school process. We are holding Parent Universities to educate families long before they approach the process. These infomration and support sessions should decrease the anxiety our stakeholder feel as they continue through the process.

Outside of our loss of fifth grade students, we would have met our goal. Therefore, our primary focus is on learning from our fourth grade families to ensure they stay for their final year at LGCS.

Org Goal 3	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 New York Open Meetings Law, the federal Individuals with Disabilities Education Act, and federal Family Educational Rights and Privacy Act.	Board Policies and Meetings	<p>LGCS achieved this measure.</p> <p>LGCS has generally and substantially complied with all applicable laws, rules and regulations. The Board takes legal compliance matters very seriously and has retained outside counsel to ensure compliance with all relevant laws. LGCS has in place and maintains effective systems, policies, procedures and other controls for ensuring that legal and charter requirements are met. LGCS' staff has been trained with respect to all applicable procedures and systems. The staff is</p>
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empowered to identify and address any possible legal or compliance issues and report these matters to the Board or its counsel.

Org Goal 4 Each year, parents will express satisfaction with the school's program, based on the NYCDOE School Survey in which the school will receive scores of 7.5 or higher in each of the four survey domains: Academic, Expectations, Communication, Engagement, and Safety and Respect.

NYCDOE Learning Environment Survey  
The school will only have met this goal if 70% or more parents participate in the survey.

Although LGCS parents responded very favorably to the survey categories, just 67% of parents completed the survey. 92% were satisfied with the Instructional Core, 92% were satisfied with the Systems for Improvement and 94% with School Culture.

Org Goal 5 Each year, teachers will express satisfaction with school leadership and professional development opportunities as determined by the teacher section of the NYCDOE Learning Environment Survey in which the school will receive scores of 7.5 or higher in each of the four survey domains: Academic, Expectations, Communication, Engagement, and Safety and Respect.

NYCDOE Learning Environment Survey in which the school will receive scores of 7.5 or higher in each of the four survey domains.  
The school will only have met this goal if 95% or more teachers participate in the survey.

Although LGCS teachers responded favorably to the survey categories, only 89% of our teachers completed the survey. 84% were satisfied with the Instructional Core, 79% were satisfied with the Systems for Improvement and 82% with School Culture.

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

Yes

### 2013-14 Progress Toward Attainment of Organizational Goals

	Organizational Goal	Measure Used to Evaluate Progress	2013-2014 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Org Goal 6	Each year, 95% of 5th graders will complete a survey and 85% will express satisfaction with the school's program, based on the NYCDOE Learning Environment Survey.	Not Applicable K-4		
Org Goal 7	Each year, student enrollment will be within 10% of full enrollment as defined in the	ATS System	LGCS achieved this objective.  The planned capacity was 375	

	school's contract.		students. 374 students were enrolled on BEDS day. The year ended with an enrollment greater than 375.
Org Goal 8	Each year, the 80% of school board members will respond positively to a survey measuring their engagement, their commitment to the school and their motivation to further support the school.	High Bar's Board on Track Survey	LGCS achieved this objective.
Org Goal 9	Each year, a parent committee will meet at least four times a year and plan at least two school and community-wide events.	Meeting agenda and sign in sheets.	<p>LGCS achieved this objective. Our parent association holds monthly meetings at the school. These meeting are two hour sessions that combine our Parent University with more typical parent association meetings. Parent University meetings are academic based meetings that focus on the needs parents have as they foster the growth of our children.</p> <p>Parent Association meetings follow the Parent University. At these meetings, families develop community events, fundraisers, and other activities for our children.</p>
Org Goal 10	Each year, through the end of the first five years, the School Leader will extend the instruction by adding at least one more cooperating organization to our base of the Wildlife Center at Prospect Park, Brooklyn Botanical Garden, Audubon Center at Prospect Park and the Church Avenue Merchants Business Association.	Number of contracts that the school leader signs with new partner organizations to work with them in the next school year.	<p>LGCS achieved this objective. This past academic term, we added three new partners to help achieve our mission. These three partners were the New York Aquarium, Historic Richmond Town, and Story Pirates. Each of these partners hosted our students as part of our field studies program.</p>

## 2c. FINANCIAL GOALS

### 2013-14 Progress Toward Attainment of Financial Goals

	Financial Goals	Measure Used to Evaluate Progress	2013-2014 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Financial Goal 1	Upon completion of the school's first year of operation and every year thereafter, the school will undergo an independent financial audit that will result in an unqualified opinion and no major findings.	Independent Audit	LGCS achieved this measure.	

Financial Goal 2	Each year, the school will operate on a balanced budget and maintain a stable cash flow.	The budget is reviewed month to month by the Finance Committee of the Board of Trustees.	LGCS achieved this measure.  The school maintained a positive operating and cash surplus throughout the year and kept within the limits of the budget of operating expenses throughout the school year.
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# Appendix B: Total Expenditures and Administrative Expenditures per Child

Created Wednesday, July 30, 2014

## Page 1

Charter School Name: 331700860967 LEFFERTS GARDENS CS

### B. Financial Information

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

#### 1. Total Expenditures Per Child

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

1. Total Expenditures Per Child   Line 1: Total Expenditures	4819706
1. Total Expenditures Per Child   Line 2: BEDS Day Pupil Count	374
1. Total Expenditures Per Child   Line 3: Divide Line 1 by Line 2	12886

#### 2. Administrative Expenditures per Child

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

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

Please note the following:

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

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

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

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

To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas).   Line 1: Relevant Personnel Services Cost (Row)	243158
To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas).   Line 2: Management and General Cost (Column)	53008
To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas).   Line 3: Sum of Line 1 and Line 2	296166
To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas).   Line 4: BEDS Day Pupil Count	374
To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas).   Line 5: Divide Line 3 by the BEDS Day Pupil Count	791

Thank you.

# Audited Financial Statement Checklist

Created Saturday, November 01, 2014

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## Page 1

Charter School Name:

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

	Yes/No
Audited Financial Statements (including report on compliance and report on internal control over financial reporting)	Yes
Single Audit (if applicable)	Not Applicable
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	Yes

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

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

Thank you.



IRA L. SCHALL, CPA  
DAVID C. ASHENFARB, CPA  
MICHAEL L. SCHALL, CPA

## **LEFFERTS GARDENS CHARTER SCHOOL**

**Audited Financial Statements In Accordance  
With Government Auditing Standards**

**June 30, 2014**

307 Fifth Avenue, 15th Floor  
New York, New York 10016  
Tel: (212) 268-2800 Fax: (212) 268-2805  
[www.schallandashenfARB.com](http://www.schallandashenfARB.com)

# LEFFERTS GARDENS CHARTER SCHOOL

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees of  
Lefferts Gardens Charter School

### ***Report on the Financial Statements***

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' 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 auditors' 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 organization'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 organization'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**

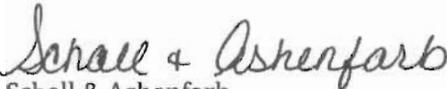
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lefferts Gardens Charter School as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally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

**Report on Summarized Comparative Information**

We have previously audited the School's 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 26, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013 is consistent, in all material respects, with the audited financial statements from which it has been derived.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 18, 2014 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.

  
Schall & Ashenfarb  
Certified Public Accountants, LLC

September 18, 2014

**LEFFERTS GARDENS CHARTER SCHOOL  
STATEMENT OF FINANCIAL POSITION  
AT JUNE 30, 2014**  
(With comparative totals for June 30, 2013)

	6/30/14	6/30/13
<b>Assets</b>		
Cash and cash equivalents (Notes 2b and 2c)	\$1,561,648	\$924,071
Restricted cash (Note 3)	75,204	75,116
Grant receivable - New York City (Note 5)	0	8,203
Government grants receivable (Note 2f)	21,720	41,619
Other receivables	2,576	3,636
Prepaid expenses	59,838	9,205
Furniture and equipment, net (Notes 2d and 4)	415,999	162,149
 Total assets	 \$2,136,985	 \$1,223,999
 <b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$507,641	\$496,789
Advance payable - New York City (Note 5)	4,923	0
 Total liabilities	 512,564	 496,789
 <b>Net Assets: (Note 2a)</b>		
Unrestricted	1,624,421	727,210
 Total net assets	 1,624,421	 727,210
 Total liabilities and net assets	 \$2,136,985	 \$1,223,999

*The attached notes and auditors' report  
are an integral part of these financial statements.*

**LEFFERTS GARDENS CHARTER SCHOOL**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
(With comparative totals for the year ended June 30, 2013)

	<u>6/30/14</u>	<u>6/30/13</u>
<b>Unrestricted:</b>		
<b>Public Support and Revenue:</b>		
Public school district: (Notes 2f and 5)		
Revenue - resident student enrollment	\$5,097,389	\$4,159,377
Revenue - students with special education services	404,409	417,258
Subtotal public school district revenue	<u>5,501,798</u>	<u>4,576,635</u>
Government grants	229,616	269,088
Contributions	1,635	2,379
Equipment disposals	0	(30,077)
Other income	<u>1,795</u>	<u>1,809</u>
Total public support and revenue	<u>5,734,844</u>	<u>4,819,834</u>
<b>Expenses:</b>		
Program services:		
Regular education	2,807,321	3,518,968
Special education	<u>1,473,771</u>	<u>560,894</u>
Total program services	<u>4,281,092</u>	<u>4,079,862</u>
Supporting services:		
Management and general	<u>556,541</u>	<u>663,505</u>
Total expenses	<u>4,837,633</u>	<u>4,743,367</u>
Change in net assets	897,211	76,467
Net assets - beginning	<u>727,210</u>	<u>650,743</u>
Net assets - ending	<u>\$1,624,421</u>	<u>\$727,210</u>

*The attached notes and auditors' report  
are an integral part of these financial statements.*

**LEFFERTS GARDENS CHARTER SCHOOL  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2014**

(With comparative totals for the year ended June 30, 2013)

	Program Services			Supporting Services	Total Expenses 6/30/14	Total Expenses 6/30/13*
	Regular Education	Special Education	Total	Management and General		
Salaries	\$1,846,924	\$1,032,780	\$2,879,704	\$245,279	\$3,124,983	\$2,932,078
Employee benefits and payroll taxes	479,480	268,120	747,600	63,676	811,276	779,113
Total personnel costs	<u>2,326,404</u>	<u>1,300,900</u>	<u>3,627,304</u>	<u>308,955</u>	<u>3,936,259</u>	<u>3,711,191</u>
Professional development	7,211	4,032	11,243	958	12,201	76,123
Legal fees				11,334	11,334	10,394
Financial management services				125,438	125,438	32,696
Professional fees	30,204	34,256	64,460	71,066	135,526	320,717
Student and staff recruitment				13,507	13,507	88,480
Curriculum and classroom expenses	223,609	24,845	248,454		248,454	196,189
Supplies and materials	24,218	13,543	37,761	3,216	40,977	37,873
Food services	16,830	1,870	18,700		18,700	17,547
Student transportation services	3,200	356	3,556		3,556	5,250
Travel and conferences	180	100	280	24	304	589
Postage, printing and copying	2,381	1,332	3,713	316	4,029	9,799
Insurance	15,163	8,479	23,642	2,013	25,655	22,759
Information technology	44,469	24,867	69,336	5,906	75,242	76,864
Leased equipment	4,058	2,269	6,327	539	6,866	11,806
Non-capitalized equipment and furnishings	6,351	3,551	9,902	844	10,746	22,466
Repairs and maintenance	4,303	2,406	6,709	571	7,280	554
Depreciation	65,917	36,860	102,777	8,754	111,531	85,833
Special events	23,533	8,910	32,443	1,866	34,309	13,389
Other	9,290	5,195	14,485	1,234	15,719	2,848
Total other than personnel costs	<u>480,917</u>	<u>172,871</u>	<u>653,788</u>	<u>247,586</u>	<u>901,374</u>	<u>1,032,176</u>
Total expenses	<u>\$2,807,321</u>	<u>\$1,473,771</u>	<u>\$4,281,092</u>	<u>\$556,541</u>	<u>\$4,837,633</u>	<u>\$4,743,367</u>

\* Reclassified for comparative purposes.

*The attached notes and auditors' report  
are an integral part of these financial statements.*

**LEFFERTS GARDENS CHARTER SCHOOL**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**  
(With comparative totals for the year ended June 30, 2013)

	<u>6/30/14</u>	<u>6/30/13</u>
<b>Cash Flows from Operating Activities:</b>		
Change in net assets	\$897,211	\$76,467
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	111,531	85,833
Equipment disposals	0	30,077
(Increase)/decrease in assets:		
Restricted cash	(88)	(25,104)
Grant receivable - New York City	8,203	(5,256)
Government grants receivable	19,899	40,805
Other receivables	1,060	2,206
Prepaid expenses	(50,633)	68,631
Increase/(decrease) in liabilities:		
Accounts payable and accrued expenses	10,852	247,559
Advance payable - New York City	4,923	0
Total adjustments	<u>105,747</u>	<u>444,751</u>
Net cash provided by operating activities	<u>1,002,958</u>	<u>521,218</u>
<b>Cash Flows from Investing Activities:</b>		
Purchase of furniture and equipment	<u>(365,381)</u>	<u>(98,634)</u>
Net cash used for investing activities	<u>(365,381)</u>	<u>(98,634)</u>
Net increase in cash and cash equivalents	637,577	422,534
Cash and cash equivalents - beginning of year	<u>924,071</u>	<u>501,537</u>
Cash and cash equivalents - end of year	<u><u>\$1,561,648</u></u>	<u><u>\$924,071</u></u>
<b>Supplemental disclosures:</b>		
Interest paid - \$0		
Taxes paid - \$0		

*The attached notes and auditor's report  
are an integral part of these financial statements.*

**LEFFERTS GARDENS CHARTER SCHOOL  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014**

**Note 1 - Organization and Nature of Activities**

Lefferts Gardens Charter School ("the School"), located in Brooklyn, New York, is a not-for-profit education corporation chartered by the Regents of the University of the State of New York. The School provides a full range of educational services appropriate for kindergarten, first grade, second grade, third grade and fourth grade levels. The School completed the 2013-2014 fiscal year with an average enrollment of approximately 307 students with the addition of the third grade level which started this year. The School is a publicly funded, privately managed school, which is independent of the New York City Department of Education ("NYCDOE").

On December 15, 2009, the School was granted a provisional charter by the University of the State of New York, Education Department for a term up through and including December 14, 2014. Such provisional charter may be extended upon application for a term of up to five years in accordance with the provisions of Article 56 of the Education Law.

The School is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements. They have not been designated as a private foundation.

**Note 2 - Significant Accounting Policies**

a. Basis of Presentation

The accompanying financial statements have been prepared using the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred rather than when received or paid. All significant receivables, payables and other liabilities have been reflected.

The School's net assets are classified based upon the existence or absence of donor-imposed restrictions as follows:

- *Unrestricted* – represent those resources for which there are no restrictions by donors as to their use.
- *Temporarily restricted* – represent those resources, the uses of which have been restricted by donors to specific purposes or the passage of time. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor. Temporarily restricted contributions, the requirements of which are met in the year of donation, are reported as unrestricted. The School did not have any temporary restricted net assets at June 30, 2014.
- *Permanently restricted* – accounts for activity restricted by donors that must remain intact in perpetuity. The School did not have any permanently restricted net assets at June 30, 2014.

b. Cash and Cash Equivalents

Checking and money market accounts with local banks and highly liquid debt instruments purchased with a maturity of three months or less are considered to be cash equivalents for purposes of the accompanying statement of cash flows.

c. Concentration of Credit

Financial instruments which potentially subject the School to concentration of credit risk consist of cash and money market accounts, which have been placed with a financial institution that management deems to be creditworthy. At year-end and at various points throughout the year, material cash balances were in excess of FDIC insurance levels; however, the School has not experienced any losses from these accounts.

d. Capitalization Policy

Computer hardware, furniture and equipment assets are stated at cost or at the fair market value at the date of gift, if donated. The School capitalizes fixed assets in excess of pre-defined amounts that have a useful life of more than one year. Depreciation was computed using the straight-line method over the estimated useful lives of the respective assets, which generally are between 3 and 7 years.

e. Contributions

Contributions are recorded as revenue at the earlier of the receipt of cash or when pledges are considered unconditional in nature. Contributions are available for unrestricted use, unless specifically restricted by the donor, in which case they are recorded in one of the restricted classes of net assets, depending on the nature of the restriction.

Contributions expected to be received within one year are recorded at their net realizable value. Long-term pledges are recorded at fair value using a risk adjusted discount rate. Conditional contributions received are recorded as liabilities and are recognized as income when the conditions have been substantially met.

f. Revenues

Program revenues are recognized based on rates established by the School's funding sources and the amount realizable on the accrual basis in the period during which services are provided.

The terms of each government grant are reviewed to determine if they contain traits more closely associated with contributions or exchange transactions. Management has determined that all existing government grants are exchange transactions because they are similar in nature to contracts for service. The difference between cash received and revenue earned is reflected as grants receivable or refundable advances.

g. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

h. 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

i. Prior-Year Comparative Information

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the School's financial statements for the year ended June 30, 2013 from which the summarized information was derived.

j. Accounting for Uncertainty in Income Taxes

The School does not believe its financial statements include any material, uncertain tax positions. Tax returns for periods ending June 30, 2011 and later are subject to examination by applicable taxing authorities.

k. Subsequent Events

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through September 18, 2014, the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements.

**Note 3 - Restricted Cash**

An escrow account has been established to meet the requirement of NYCDOE. The purpose of this account is to ensure sufficient funds are available for an orderly dissolution or transition process in the event of termination of the charter or school closure.

**Note 4 - Furniture and Equipment**

At year-end, fixed assets consisted of the following:

	<u>6/30/14</u>	<u>6/30/13</u>
Furniture and equipment	\$696,648	\$331,267
Less: accumulated depreciation	<u>(280,649)</u>	<u>(169,118)</u>
Furniture and equipment, net	<u>\$415,999</u>	<u>\$162,149</u>

**Note 5 - Advance Payable/Grant Receivable - New York City Department of Education**

	<u>6/30/14</u>	<u>6/30/13</u>
Beginning grant receivable/(advance payable)	\$8,203	\$2,947
Payments received	(8,203)	(2,947)
Funding based on allowable FTE's	5,501,798	4,576,635
Advances received	<u>(5,506,721)</u>	<u>(4,568,432)</u>
Ending (advance payable)/grant receivable	<u>(\$4,923)</u>	<u>\$8,203</u>

**Note 6 - Significant Concentrations**

The School is dependent upon grants from NYCDOE to carry out its operations. For the year ended June 30, 2014 and June 30, 2013 approximately 96% and 94% of the School's total public support and revenue was from NYCDOE.

**Note 7 - Defined Contribution Plan**

The School offers a voluntary 401(k) plan for substantially all of its employees. Participants are eligible to join the plan on the first pay day in September or on the first pay day in March. Employees can make pretax contributions up to a maximum of 100% of their annual compensation, subject to IRS restrictions. The School matches the employee contribution up to 3% of the employees' annual compensation. Employer expense for the years ended June 30, 2014 and June 30, 2013 was \$78,323 and \$62,753, respectively.

**Note 8 - Commitments and Contingencies**

- a) Government contracts are subject to audit by the grantor. Management does not believe that any audits, if they were to occur, would result in material disallowed costs, and has not established any reserves. Any disallowed costs would be recorded in the period notified.
- b) In the normal course of business, the School is involved in proceedings, lawsuits and other claims. These matters are subject to many uncertainties, and outcomes are not predictable with a high degree of assurance. Consequently, the ultimate aggregate amount of monetary liability or financial impact with respect to these matters as of June 30, 2014 cannot be ascertained. Management believes that the final outcome of these matters will not have a material impact on the financials of the School.

**Note 9- Donated Space**

The School is located in a New York City Department of Education facility and utilizes approximately 6,200 square feet at no charge. The School was unable to determine a value for this service.

**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  
Lefferts Gardens Charter School

**Report on the Financial Statements**

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 Lefferts Gardens Charter School ("the School"), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated September 18, 2014.

**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 the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

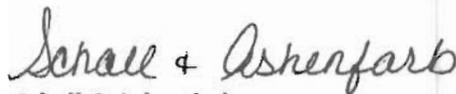
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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



Schall & Ashenfarb  
Certified Public Accountants, LLC

September 18, 2014

**LEFFERTS GARDENS CHARTER SCHOOL  
SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2014**

Current Year:

None

Prior-Year:

None

### **Observations and Recommendations**

To the Board of Directors of  
Lefferts Gardens Charter School

As a result of our audit for the year ended June 30, 2014, we want to notify you of new regulations based on the Nonprofit Revitalization Act that was issued in December 31, 2013, effective July 1, 2014:

#### Conflicts of Interest Policies

Every nonprofit corporation is required to adopt a conflicts of interest policy (CIP). The policy should include the following:

- Definition of circumstances that constitute a conflict.
- Procedures for disclosing a conflict to the audit committee, or if none, to the full board.
- Prohibit the person with the conflict from being present at or participating in board or committee deliberation or vote on the matter.
- Prohibit the person with the conflict to improperly influence the deliberation or vote.
- A requirement to document in corporate records, including minutes of any meeting at which the matter was discussed or voted on, each existence and resolution of a conflict.
- Procedures for disclosing to the board of directors or trustees.

Of particular note, the CIP must be signed before a person becomes a member of the board. In addition each year the board members must provide a statement (annual declaration) that certifies to the best of their knowledge that they had no transactions with or which identifies all organizations that they are a director, officer, trustee, member, owner or employee of that the corporation has transactions with.

Regarding transactions with related parties, a nonprofit corporation cannot enter into such a transaction unless the board determines it is fair, reasonable and in the corporation's best interest **at the time** of determination. Charitable corporations should also:

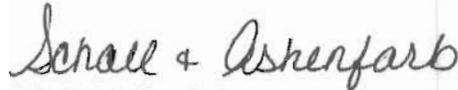
- Consider alternate transactions prior to entering into a related party transaction.
- Approve the transaction by not less than a majority vote of the directors or committee members present at the meeting.
- Contemporaneously document, in writing, the basis for board or committee approval, including consideration of any alternate transactions.

Each director, officer, and key employee who has an interest in a related party transaction, shall disclose in good faith to the board or designated committee, all material facts related to the transaction.

Based on our review of the School's conflict of interest policy, we suggest consideration be made to revising the existing policy in the following areas:

1. Outline the definition and situations that constitute a conflict to agree with the NPRA and expand to include "immediate" relatives, and companies they are employed by (within the past 3 years,) or have a substantial financial interest in (including affiliates).
2. Document the consideration of alternate transactions (or the lack thereof due to unique circumstances).
3. Consider having the audit committee be responsible for the oversight of the CIP, since it is required to be performed solely by a committee of independent directors.
4. Describe in more detail the process for reviewing and approving a potential conflict (and for this process to take place before the transaction takes place), deliberating on the matter, and how the resolution should be documented. The number of members present for the vote and the results thereof should be included in the documentation, which should be done contemporaneously.
5. Expand the prohibition of the person with the potential conflict from the deliberation process in addition to the actual vote. The conflicted party may provide additional information at the request of the committee.
6. Clarify that the person with the potential conflict is prohibited from lobbying other members to support their position.
7. Add a requirement that all new board members be required to sign a statement **prior** to joining the board as part of the vetting process.
8. Outline the process for the committee that is providing this oversight to report to the full board.

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

  
Schall & Ashenfarb  
Certified Public Accountants, LLC

September 18, 2014

## **Communication with Those Charged with Governance**

To the Board of Directors of  
Lefferts Gardens Charter School

We have audited the financial statements of Lefferts Gardens Charter School ("the School"), as of and for the year ended June 30, 2014, and have issued our report thereon dated September 18, 2014. Professional standards require that we provide you with the following information related to our audit.

### Our Responsibility under Generally Accepted Auditing Standards

As stated in our engagement letter dated March 6, 2014, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with generally accepted accounting principles. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, fraud, or other illegal acts may exist and not be detected by us. Our audit of the financial statements does not relieve you or management of your responsibilities.

### Planned Scope of Audit

We performed our audit according to the plan previously communicated to you in our engagement letter and subsequent conversations during the planning phase.

### Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the School are described in Note 2 to the financial statements. No new accounting policies were adopted during the year. We are required to report to you transactions entered into by the School during the year that were both significant and unusual. There were no transactions of this type during the year. We are also required to inform you of transactions for which there is a lack of authoritative guidance or consensus. There is one issue that is repeated from the prior year, that we would like to inform you of.

Not-for-profit organizations are required to record in-kind contributions for rent received without charge. As you are aware the School operates out of a public school building owned by New York City. Management decided not to record in-kind rent. While this conflicts with generally accepted accounting principles, we feel the impact on the financial statements is not material.

### Accounting Estimates

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 used in preparing the financial statements were as follows:

- The allocation of expenses into program, management and fundraising categories
- Estimate for collectability of government grants receivable
- Fixed asset depreciation methods and useful lives

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

### Significant Audit Adjustments

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. We did not make any significant audit adjustments.

We had one un-booked adjustment, which has been described in detail in the section under significant accounting policies. In our judgment, the impact of passing on this adjustment does not have an impact on whether the financial statements are free of material error or upon the auditors' opinion

### Disagreements with Management

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

### 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 financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management prior to retention as the auditors. There were no specific matters of this nature discussed prior to our retention.

#### Difficulties Encountered in Performing the Audit

There were no significant difficulties encountered in performing the audit.

#### Management Representations

We have requested certain representations from management that are included in the management representation letter.

#### Industry Updates

Two major legislative and regulatory developments have occurred at the close of 2013. Below is an update of some areas we had previously notified you of and the relevant portions that we think will affect our clients the most:

#### **Nonprofit Revitalization Act signed into law in December 2013**

Governor Cuomo has signed the Nonprofit Revitalization Act (S5845/A8072) into law, which was unanimously passed by the State Assembly and Senate this summer. As many of you recall, the Attorney General's office convened The Leadership Committee For Nonprofit Revitalization with a goal of finding ways for government and nonprofit organizations to work together to build a better partnership that can create a more hospitable environment for nonprofits. While the report covered areas such as making changes to the outdated laws within NYS, it also contained strategies to facilitate increased board volunteerism by creating a matching program, and providing education to board members so they can do their jobs better.

Some of the more significant requirements of the law are as follows:

#### *Independent oversight of financial audits*

Those nonprofits that are required to have an annual audit will be required to have an oversight process in place whereby an audit committee consisting of independent directors, or the independent directors of the full board perform the following functions:

- Annually retain or renew the retention of an independent auditor.
- Review and discuss the results of the audit with the independent auditor.
- Oversee the adoption and implementation of the conflicts of interest policy and whistleblower policy unless performed by another committee consisting of independent directors.

In addition, those charities that have annual revenue in excess of \$1,000,000 must perform the following:

- Review the scope of the audit with the independent auditors

- Review any material risks and weaknesses in internal controls identified by the auditors, and certain other matters relating to disagreements with management, scope limitations, adjustments identified, and estimates used in preparing the financial statements
- If the audit committee performs this function they will be required to report the results of their review with the full board of directors.

#### *Conflicts of interest policies*

All nonprofit organizations will be required to adopt a conflicts of interest policy that defines what constitutes a conflict and the procedures for approving and disclosing such conflicts. There will be a requirement to complete a conflict disclosure form before a director is elected and then again in an annual declaration.

Corporations will be prohibited from entering into a related party transaction unless the transaction is determined by the corporation's board of directors or an authorized committee of the board to be fair, reasonable and in the corporation's best interest. When the transaction is between a charitable organization and a person with substantial financial interest, the organization must consider alternative transactions prior to entering into the transaction, approve the transaction by a majority of directors or committee members present and contemporaneously document in writing the basis for approval.

#### *Whistleblower policies*

Those nonprofits that have at least 20 or more employees and annual revenue greater than \$1million will be required to adopt a whistleblower policy. The policy must state that no director, officer, employee or volunteer who in good faith reports any action or suspected action taken by another that may be fraudulent, illegal or in violation of a company policy, cannot be retaliated or discriminated against. This policy should also provide for the anonymous methods for the whistleblower to come forward. Lastly, an officer or director should be designated as the administrator of the policy and report directly to the audit committee or independent directors of the board.

#### *Audit Thresholds*

The threshold for requiring an annual audit has been raised from \$250,000 currently to \$500,000 as of July 1, 2014, to \$750,000 as of July 1, 2017 and \$1,000,000 as of July 1, 2021.

#### *Executive Compensation*

A corporation can pay reasonable compensation to its members, directors and officers for services, however they are prohibited from participating in any board or committee deliberation or vote concerning the compensation. They may be present, if requested to answer questions or provide information.

#### *Restriction of board chair to also be an employee*

Effective July 1, 2015, the new law prohibits any employee of a nonprofit to serve as the chair of the board.

*Allow for electronic communications*

Board members will be allowed to participate in meetings by videoconference as well as letting meeting notices to be sent electronically.

*Other items in bill*

The new law will modernize regulations regarding mergers, consolidations, transfers of assets to other nonprofits and dissolution of an entity. It should be noted that regulations on executive compensation were withdrawn from this bill and inserted into a new bill which was not moved forward during this legislative session.

We will keep you posted on any new developments that may arise.

**OMB Updates**

In late December 2013, the U.S. Office of Management and Budget (OMB) took a major step to issuing its long awaited final grant reform rules in a document entitled Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. Final regulations will be posted in the Federal Register on December 26, 2013. It becomes effective for years ending December 31, 2015 and later. The following describes some of the key areas of change:

*Single Audit Threshold for Audit Increased to \$750,000*

Entities that expend less than \$750,000 in federal awards would not be required to undergo a single audit. This would represent an increase from the current \$500,000 threshold for single audits which was established in 2003. Any entity that falls below the \$750,000 threshold must make records available for review or audit by appropriate officials of the Federal agency, pass-through entity, and the Government Accountability Office.

*Changes to the Major Program Determination Process - Type A/B Threshold*

The minimum threshold for the Type A/B program determination would be revised from \$300,000 to \$750,000.

*Changes to the Major Program Determination Process – High-Risk Type A Programs*

The criteria for Type A programs to qualify as high-risk are being revised such that for a Type A program to qualify as low risk it must have, in the most recent period, receive an unqualified opinion; not had a material weakness in internal control over compliance; or had questioned costs exceeding five percent of the program's expenditures. In addition the threshold for reporting questioned costs has increased from \$10,000 to \$25,000

*Changes to the Major Program Determination Process - Type B Programs*

The guidance reduces the number of high-risk Type B programs that must be tested as major programs from at least one-half to at least one-fourth of the number of low-risk type A programs. Additionally, small Type B programs that are below a flat 25% of the Type A/B program threshold would not need to be evaluated.

*Percentage of Coverage Changes*

The percentage of coverage required in a single audit has been reduced from the current 50% (normal) and 25% (low-risk auditees) to 40% (normal) and 20% (low-risk auditees).

#### *Criteria for Low-Risk Auditee Status*

The criteria for low-risk auditee status has been revised. For example, it would now permanently include the requirement that the data collection form submission must be within the required timeframes as a criteria and adds a criteria that the auditor did not report a substantial doubt about the auditee's ability to continue as a going concern. It also removes the previous options for waivers in this area.

#### *Reduction in Types of Compliance Requirements to be Tested*

The *Federal Register* notice indicates that OMB is also proposing that the number of types of compliance requirements to be tested in a single audit be reduced from the current 14 types of compliance requirements to 6 types of compliance requirements. Those requirements include: (1) Activities Allowed or Unallowed and Allowable Costs/Costs Principles (the Proposed Guidance does note that this requirement could include some testing of Period of Availability and Matching); (2) Cash Management; (3) Eligibility; (4) Reporting; (5) Subrecipient Monitoring; and (6) Special Tests & Provisions. Federal agencies to request that certain of the deleted types of compliance requirements be added to the Special Tests & Provisions requirement for programs where they could be considered essential to the oversight of the program. The *Federal Register* notice states that this change is not reflected in the draft proposal but would be implemented through the first OMB *Compliance Supplement* to be issued after the proposed change becomes final.

#### *Findings*

More detail will be required to be reported in auditor findings, specifically surrounding repeat findings and situations where the entity does not agree with the auditors' results or the federal or pass-through agency has not provided follow-up.

#### *Streamlining of Related Circulars and Guidance*

The eight existing OMB Circulars have been combined into one document including Circular A-133 and the various Cost Principles. Additionally, the cost principles have been incorporated into a single document with limited variations by type of entity. This new document supersedes the following OMB Circulars:

- A-21, Cost Principles for Educational Institutions
- A-87, Cost Principles for State, Local, and Indian Tribal Governments
- A-89, Federal Domestic Assistance Program Information
- A-102, Awards and Cooperative Agreements with State and Local Governments
- A-110, Uniform Administrative Requirements for Awards and Other Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations
- A-122, Cost Principles for Non-Profit Organizations
- A-133, Audits of States, Local Governments and Non-Profit Organizations
- It will also supersede those sections of A-50, Audit Follow-Up, related to Single Audits

#### *Indirect Costs*

A *de minimus* 10% rate is allowed for those organizations that do not have a negotiated rate with the federal government or cognizant agency. This applies to subrecipients as well.

#### *Time and Effort Reporting*

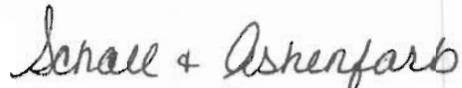
A number of changes are included in the documents which provides for more flexibility for entities in how they document time and effort. The key is having a strong system of internal control to capture how employees perform tasks related to grants on an after-the fact basis. Budgets are still

not permitted, although guidance has loosened to allow interim costs to be charged based on budgets if it is representative of best estimates and can be adjusted to reflect actual results periodically.

Independence Issues

Schall & Ashenfarb, CPA's, LLC is not aware of any relationships that our firm, or any employees thereof, has with the School or any of its board members that, in our professional judgment may impair our independence.

This information is intended solely for the use of the board of directors, finance committee and management of Lefferts Gardens Charter School.

  
Schall & Ashenfarb  
Certified Public Accountants, LLC

September 18, 2014

EXHIBIT 1



IRA L. SCHALL, CPA  
DAVID C. ASHENFARB, CPA  
MICHAEL L. SCHALL, CPA

March 6, 2014

Ms. Tara Harrison  
Board Treasurer  
Lefferts Gardens Charter School  
601 Parkside Avenue, 4<sup>th</sup> Floor  
Brooklyn, NY 11226

Dear Ms. Tara:

We are pleased to confirm our understanding of the services we are to provide for Lefferts Gardens Charter School for the year ended June 30, 2014.

We will audit the statement of financial position of Lefferts Gardens Charter School as of June 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended.

**Audit Objectives**

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion on the financial statements is other than unqualified, we will discuss the reasons with management in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

We will also provide a report (which does not include an opinion) on internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and compliance will include a statement that the report is intended solely for the information and use of the audit committee, management, and specific legislative or regulatory bodies and is not intended to be and should not be used by anyone other than these specified parties. If during our audit we become aware that Lefferts Gardens Charter School is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

307 Fifth Avenue, 15th Floor  
New York, New York 10016  
Tel: (212) 268-2800 Fax: (212) 268-2805  
[www.schallandashenfARB.com](http://www.schallandashenfARB.com)

## EXHIBIT 1

### Management Responsibilities

You are responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee the financial statement preparation and tax services and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

**Management is responsible** for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, changes in net assets, and cash flows in conformity with U. S. generally accepted accounting principles. **Management is responsible** for the basic financial statements and all accompanying information as well as all representations contained therein. A partner will present the results of our audit to your audit committee or your board of directors (in person or by teleconference).

**Management is responsible** for management decisions and functions. In accordance with *Government Auditing Standards*, you will be required to review and approve those financial statements prior to their issuance and have a responsibility to be in a position in fact and appearance to make an informed judgment on those financial statements. Further, you are required to designate a qualified management-level individual to be responsible and accountable for overseeing our services.

**Management is responsible** for making all financial records and related information available to us and for the accuracy and completeness of that information. **Management's responsibilities include** adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

If you use a financial consultant to review your books, prepare journal entries or prepare financial statements we will request certain representation from them as well. **Because of the importance of management's representations to an effective audit, failure of management or their financial consultants to provide representations to us in the form of a representation letter will cause our auditors opinion to be a "disclaimer" for a scope limitation.**

**Management is responsible** for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the organization involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. **Your responsibilities include** informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, **you are responsible** for identifying and ensuring that the Organization complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report.

**Management is responsible** for establishment and maintenance for tracking the status of audit findings and recommendations. **Management is also responsible** for identifying for us previous audits or other engagements or studies related to the objectives discussed in the Audit Objectives

## EXHIBIT 1

section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits or other engagements or studies. **The Organization is also responsible for providing** management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, and the timing and format related thereto.

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to Lefferts Gardens Charter School or to acts by management or employees acting on behalf of Lefferts Gardens Charter School. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute, assurance and because **we will not perform a detailed examination of all transactions**, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors' is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected funding sources, creditors, and financial institutions. We will also request written representations from Lefferts Gardens Charter School's attorneys as part of the engagement, and they may bill Lefferts Gardens Charter School for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from management about the financial statements and related matters.

### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

## EXHIBIT 1

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under professional standards and *Government Auditing Standards*.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Lefferts Gardens Charter School's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

### **Other Services**

We are always available to meet with you and other executives at various times throughout the year to discuss current business, operational, accounting, and auditing matters affecting your Organization. Whenever you feel such meetings are desirable, please let us know. We are also prepared to provide services to assist you in any of these areas. We will also be pleased, at your request, to attend your board of directors' meetings.

In addition to the audit services described above, you have requested that we provide the following non-attest services:

We will assist the Organization in preparing the financial statements and related footnote disclosures based on information in the trial balance and other information that comes to our attention during the course of the our engagement. It is critical that you have an understanding and agree with all information in the financial statements, since they are the entity's, and not the auditors'. We agree to review the financial statements with management in sufficient detail to enable you to gain this required understanding and agreement.

We will prepare the tax returns as outlined separately below.

### **Audit Administration and Other**

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing. Certain financial institutions may charge us for this and the cost will be passed on to you. We will send a template in Word format for use with confirmation requests.

David Ashenfarb is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign it. Please contact us to discuss a date that we can begin the audit and outline a plan for delivery of draft and final documents to you. Our audit engagement ends on delivery of financial reports; however, we are still available for routine conversations without charge until either party has officially terminated the relationship. Any follow-up services that might be required will be considered a new engagement.

## EXHIBIT 1

We will provide copies of our reports to you; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Schall & Ashenfarb, CPAs, LLC and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to your funding source or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Schall & Ashenfarb's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the Government Regulator. The Regulator may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Government Regulator. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

### **E-mail Communication**

In connection with this engagement, we may communicate with you or others via e-mail. As e-mails can be intercepted, disclosed, used, and/or otherwise communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed, we cannot ensure that e-mails from us will be properly delivered and read only by the addressee. Therefore, we disclaim and waive any liability for interception or unintentional disclosure of e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage arising from the use of e-mail, including any punitive, consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure of confidential information.

### **Posting of Audit Report and Financial Statements on Your Web Site**

You agree that, if you plan to post an electronic version of the financial statements and audit report on your Web site, you will ensure that there are no differences in content between the electronic version of the financial statements and audit report on your Web site and the signed version of the financial statements and audit reports provided to management by us. You also agree to indemnify us from any and all claims that may arise from any differences between the electronic and signed copies.

### **Taxes**

As part of our engagement, we will also prepare the federal and state information returns (Form 990). In order to prepare complete and accurate returns, we will require you to provide certain information about board governance policies, which may also include, but not be limited to, providing salary amounts for employees greater than \$100,000, contractors for professional services in excess of the same amount, names, addresses and dollar amounts of large contributors

## EXHIBIT 1

in excess of certain calculated amounts and other matters that are not generally covered during the audit. If the information is not provided to us timely, you will not hold us responsible for any penalties incurred for incomplete information.

We will send you an authorization form so that we can file your federal taxes electronically. If we do not receive the form back, or you prefer not to file electronically, we will send you hard copies to file. We will send you electronic copies for your records unless we receive a specific request for hard copies.

### **Fee**

Our fee will be \$14,500. At the completion of the audit, we will provide electronic versions of the audited financial statements, management letter (if applicable) and communications with those charged with governance and 10 copies of the final report without charge. Any additional copies will cost \$5 per report. If applicable, we will charge you other out of pocket costs such as postage for confirmations, fees incurred for certain electronic bank confirmations and setting up conference calls through our phone center, etc. Our fee will be billed monthly and is payable upon receipt. Invoices that are unpaid 30 days past the invoice date are deemed delinquent and we reserve the right to charge interest at 1% per month (not to exceed the maximum amount permitted by law.) In the event any collection action is required to collect unpaid balances due to us, you agree to reimburse us for all our costs of collection, including without limitation attorney's fees.

A payment is required upon the signing of this letter in the amount of \$3,000. If we terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

If the School receives CSP funding, the grantor may require a separate "agreed upon procedures report". The terms of this engagement do not include additional services required to prepare a separate agreed upon procedures report. If such services are required, a separate agreement outlining the scope of work and related fees will be made at that time.

### **Independence**

Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to your Organization in the performance of our services. Any discussions that you have with personnel of our Firm regarding employment could pose a threat to our independence. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

In order for us to remain independent, professional standards require us to maintain certain respective roles and relationships with you with respect to the non-attest services described above. Prior to performing such services in conjunction with our audit, management must acknowledge its acceptance of certain responsibilities.

We will not perform management functions or make management decisions on behalf of your Organization. However, we will provide advice and recommendations to assist management of the Organization in performing its functions and fulfilling its responsibilities.

**EXHIBIT 1**

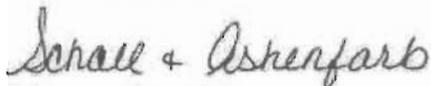
We, in our professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as making management decisions or performing management functions. The Organization must make all decisions with regard to our recommendations. By signing this Agreement, you acknowledge your acceptance of these responsibilities.

*Government Auditing Standards* require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2012 peer review report accompanies this letter.

We have attached a brief questionnaire that will help us plan the timing of the engagement to ensure you receive documents in your desired time frame. Please take a moment to fill that out.

We appreciate the opportunity to be of service to Lefferts Gardens Charter School and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us along with the questionnaire referred to above.

Very truly yours,



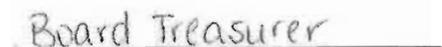
Schall & Ashenfarb  
Certified Public Accountants, LLC

**RESPONSE:**

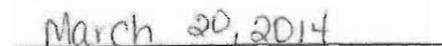
This letter correctly sets forth the understanding of Lefferts Gardens Charter School for the year ended June 30, 2014.



Officer signature



Title



Date

## EXHIBIT 2



### LEFFERTS GARDENS CHARTER SCHOOL

September 18, 2014

Schall & Ashenfarb, CPA's, LLC  
307 Fifth Avenue, 15<sup>th</sup> Floor  
New York, NY 10016

This representation letter is provided in connection with your audit of the financial statements of Lefferts Gardens Charter School, which comprise the statements of financial position as of June 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of September 18, 2014, the following representations made to you during your audit.

#### **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated March 6, 2014, including our responsibility for the preparation and fair presentation of the financial statements.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility for 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable. This specifically includes the methodology for the statement of functional expenses.
6. There have been no related party relationships or transactions that are required to be accounted for or disclosed in accordance with the requirements of U.S. GAAP.
7. There are no events subsequent to the date of the financial statements which requires adjustment to or disclosure in the financial statements to be in accordance with the requirements of U.S. GAAP.

## EXHIBIT 2



### LEFFERTS GARDENS CHARTER SCHOOL

8. There were no uncorrected misstatements that are immaterial, both individually and in the aggregate, to the financial statements as a whole. One audit adjustment to record in-kind rent was passed on because we felt that a true fair market value could not be obtained. We do not feel the impact on that entry is material to the financial statements.
9. There were no known actual or possible litigation, claims, and assessments required to be accounted for and disclosed in accordance with U.S. GAAP.
10. There was one material concentrations required to be disclosed in accordance with U.S. GAAP related to New York City Department of Education funding.
11. There were no guarantees, either written or oral, under which the organization is contingently liable, that are required to be recorded or disclosed in accordance with U.S. GAAP.

#### Non Attest Services

In regard to the non-attest services provided by you, we have:

1. Assumed all management responsibilities.
2. Designated an individual with suitable skill, knowledge, or experience to oversee the services.
3. Evaluated the adequacy and results of the services performed.
4. Accepted responsibility for the results of the services.

As part of your audit, you prepared the draft financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have assumed all management responsibilities. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.

#### Information Provided

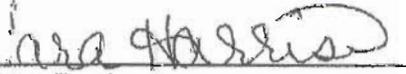
1. We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

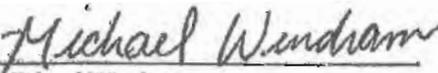
EXHIBIT 2



LEFFERTS GARDENS  
CHARTER SCHOOL

4. We have no knowledge of any fraud or suspected fraud that affects the organization and involves:
  - a) Management,
  - b) Employees who have significant roles in internal control, or
  - c) Others where the fraud could have a material effect on the financial statements.
5. We have no knowledge of any allegations of fraud or suspected fraud affecting the organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
6. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
7. We are not aware of any pending or threatening litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
8. We have disclosed to you the identity of the organization's related parties and all the related party relationships and transactions of which we are aware.
9. The organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
10. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
11. Lefferts Gardens Charter School is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you and appropriately reported. All required filings with tax authorities are up-to-date.

  
Tara Harrison  
Board Treasurer

  
Michael Windram  
School Leader

**Lefferts Gardens Charter School**

**PROJECTED BUDGET FOR 2014-2015**

**July 1, 2014 to June 30, 2015**

Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 147. This will populate the data in row 9.

PROJECTED BUDGET FOR 2014-2015							Assumptions
July 1, 2014 to June 30, 2015							DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Total Revenue	6,182,760	488,851	-	-	2,000	6,673,611	
Total Expenses	3,937,526	1,777,349	-	-	529,217	6,244,091	
Net Income	2,245,234	(1,288,497)	-	-	(527,217)	429,520	
Actual Student Enrollment	395	40					
Total Paid Student Enrollment	-	-					

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

**REVENUE**

**REVENUES FROM STATE SOURCES**

	CY Per Pupil Rate	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL
Per Pupil Revenue							
District of Location	\$13,777.00	5,992,995	438,127	-	-	-	6,431,122
School District 2 (Enter Name)		-	-	-	-	-	-
School District 3 (Enter Name)		-	-	-	-	-	-
School District 4 (Enter Name)		-	-	-	-	-	-
School District 5 (Enter Name)		-	-	-	-	-	-
		5,992,995	438,127	-	-	-	6,431,122
Special Education Revenue		-	-	-	-	-	-
Grants							
Stimulus		-	-	-	-	-	-
Other		-	-	-	-	-	-
Other State Revenue		27,794	4,061	-	-	-	31,855
<b>TOTAL REVENUE FROM STATE SOURCES</b>		<b>6,020,789</b>	<b>442,188</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,462,977</b>

**REVENUE FROM FEDERAL FUNDING**

IDEA Special Needs		-	23,000	-	-	-	23,000
Title I		135,337	19,773	-	-	-	155,110
Title Funding - Other		6,828	997	-	-	-	7,825
School Food Service (Free Lunch)		-	-	-	-	-	-
Grants							
Charter School Program (CSP) Planning & Implementation		-	-	-	-	-	-
Other		-	-	-	-	-	-
Other Federal Revenue		-	-	-	-	-	-
<b>TOTAL REVENUE FROM FEDERAL SOURCES</b>		<b>142,165</b>	<b>43,770</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>185,935</b>

**LOCAL and OTHER REVENUE**

Contributions and Donations, Fundraising		-	-	-	-	-	-
Erate Reimbursement		17,433	2,547	-	-	-	19,980
Interest Income, Earnings on Investments,		-	-	-	-	2,000	2,000
NYC-DYCD (Department of Youth and Community Developmt.)		-	-	-	-	-	-
Food Service (Income from meals)		-	-	-	-	-	-
Text Book		2,372	347	-	-	-	2,719
Other Local Revenue		-	-	-	-	-	-
<b>TOTAL REVENUE FROM LOCAL and OTHER SOURCES</b>		<b>19,805</b>	<b>2,894</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>24,699</b>

**TOTAL REVENUE**

<b>6,182,760</b>	<b>488,851</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>6,673,611</b>
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**EXPENSES**

**ADMINISTRATIVE STAFF PERSONNEL COSTS**

	No. of Positions	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL
Executive Management	5.00	294,097	42,967	-	-	144,456	481,520
Instructional Management		-	-	-	-	-	-
Deans, Directors & Coordinators	1.00	66,054	9,651	-	-	32,445	108,150
CFO / Director of Finance	-	-	-	-	-	-	-
Operation / Business Manager	5.00	56,972	8,324	-	-	152,356	217,651
Administrative Staff	-	13,960	2,040	-	-	16,000	32,000
<b>TOTAL ADMINISTRATIVE STAFF</b>	<b>11</b>	<b>431,083</b>	<b>62,981</b>	<b>-</b>	<b>-</b>	<b>345,257</b>	<b>839,321</b>

**INSTRUCTIONAL PERSONNEL COSTS**

Teachers - Regular	28.00	1,556,712	-	-	-	-	1,556,712
Teachers - SPED	18.00	-	1,060,694	-	-	-	1,060,694
Substitute Teachers	-	-	-	-	-	-	-
Teaching Assistants	-	-	-	-	-	-	-
Specialty Teachers	3.00	184,919	27,016	-	-	-	211,935

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

**Lefferts Gardens Charter School**

**PROJECTED BUDGET FOR 2014-2015**

**July 1, 2014 to June 30, 2015**

Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 147. This will populate the data in row 9.

	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL
Total Revenue	6,182,760	488,851	-	-	2,000	6,673,611
Total Expenses	3,937,526	1,777,349	-	-	529,217	6,244,091
Net Income	2,245,234	(1,288,497)	-	-	(527,217)	429,520
Actual Student Enrollment	395	40	-	-	-	-
Total Paid Student Enrollment	-	-	-	-	-	-

Assumptions

DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable

**PROGRAM SERVICES**

**SUPPORT SERVICES**

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

Aides	4.00	99,555	14,545	-	-	114,100
Therapists & Counselors	3.00	163,228	23,847	-	-	187,075
Other	3.00	101,787	14,871	-	-	116,658
<b>TOTAL INSTRUCTIONAL</b>	<b>59</b>	<b>2,106,200</b>	<b>1,140,974</b>	<b>-</b>	<b>-</b>	<b>3,247,174</b>

**NON-INSTRUCTIONAL PERSONNEL COSTS**

Nurse	-	-	-	-	-	-
Librarian	-	-	-	-	-	-
Custodian	-	-	-	-	-	-
Security	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>TOTAL NON-INSTRUCTIONAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**SUBTOTAL PERSONNEL SERVICE COSTS**

<b>70</b>	<b>2,537,284</b>	<b>1,203,955</b>	<b>-</b>	<b>-</b>	<b>345,257</b>	<b>4,086,495</b>
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**PAYROLL TAXES AND BENEFITS**

Payroll Taxes	194,102	92,103	-	-	26,412	312,617
Fringe / Employee Benefits	388,696	184,438	-	-	52,891	626,025
Retirement / Pension	56,975	27,035	-	-	7,753	91,763
<b>TOTAL PAYROLL TAXES AND BENEFITS</b>	<b>639,773</b>	<b>303,576</b>	<b>-</b>	<b>-</b>	<b>87,056</b>	<b>1,030,405</b>

**TOTAL PERSONNEL SERVICE COSTS**

<b>3,177,057</b>	<b>1,507,531</b>	<b>-</b>	<b>-</b>	<b>432,313</b>	<b>5,116,900</b>
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**CONTRACTED SERVICES**

Accounting / Audit	-	-	-	-	15,000	15,000
Legal	12,418	5,892	-	-	1,690	20,000
Management Company Fee	-	-	-	-	-	-
Nurse Services	-	-	-	-	-	-
Food Service / School Lunch	-	-	-	-	-	-
Payroll Services	-	-	-	-	16,142	16,142
Special Ed Services	-	-	-	-	-	-
Titlement Services (i.e. Title I)	-	-	-	-	-	-
Other Purchased / Professional / Consulting	171,628	81,438	-	-	23,354	276,420
<b>TOTAL CONTRACTED SERVICES</b>	<b>184,046</b>	<b>87,331</b>	<b>-</b>	<b>-</b>	<b>56,186</b>	<b>327,562</b>

**SCHOOL OPERATIONS**

Board Expenses	8,689	4,123	-	-	1,182	13,995
Classroom / Teaching Supplies & Materials	66,225	9,675	-	-	-	75,900
Special Ed Supplies & Materials	-	-	-	-	-	-
Textbooks / Workbooks	54,724	7,995	-	-	-	62,719
Supplies & Materials other	19,900	9,443	-	-	2,708	32,050
Equipment / Furniture	1,863	884	-	-	253	3,000
Telephone	13,784	6,541	-	-	1,876	22,200
Technology	-	-	-	-	-	-
Student Testing & Assessment	74,165	10,835	-	-	-	85,000
Field Trips	56,243	8,217	-	-	-	64,460
Transportation (student)	1,745	255	-	-	-	2,000
Student Services - other	-	-	-	-	-	-
Office Expense	31,728	15,055	-	-	4,317	51,100
Staff Development	16,609	7,881	-	-	2,260	26,750
Staff Recruitment	6,209	2,946	-	-	845	10,000
Student Recruitment / Marketing	2,173	1,031	-	-	296	3,500
School Meals / Lunch	24,082	3,518	-	-	-	27,600
Travel (Staff)	1,242	589	-	-	169	2,000
Fundraising	-	-	-	-	-	-
Other	28,782	13,657	-	-	3,916	46,355
<b>TOTAL SCHOOL OPERATIONS</b>	<b>408,161</b>	<b>102,646</b>	<b>-</b>	<b>-</b>	<b>17,823</b>	<b>528,629</b>

**Lefferts Gardens Charter School**

**PROJECTED BUDGET FOR 2014-2015**

**July 1, 2014 to June 30, 2015**

Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 147. This will populate the data in row 9.

PROJECTED BUDGET FOR 2014-2015							Assumptions
July 1, 2014 to June 30, 2015							DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Total Revenue	6,182,760	488,851	-	-	2,000	6,673,611	
Total Expenses	3,937,526	1,777,349	-	-	529,217	6,244,091	
Net Income	2,245,234	(1,288,497)	-	-	(527,217)	429,520	
Actual Student Enrollment	395	40					
Total Paid Student Enrollment	-	-					
PROGRAM SERVICES							SUPPORT SERVICES
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
<b>FACILITY OPERATION &amp; MAINTENANCE</b>							
Insurance	19,248	9,133			2,619	31,000	
Janitorial	-	-	-	-	-	-	
Building and Land Rent / Lease	31,045	14,731			4,224	50,000	
Repairs & Maintenance	6,209	2,946			845	10,000	
Equipment / Furniture	-	-	-	-	-	-	
Security	9,313	4,419			1,267	15,000	
Utilities	-	-	-	-	-	-	
<b>TOTAL FACILITY OPERATION &amp; MAINTENANCE</b>	<b>65,815</b>	<b>31,230</b>	<b>-</b>	<b>-</b>	<b>8,956</b>	<b>106,000</b>	
<b>DEPRECIATION &amp; AMORTIZATION</b>	<b>102,448</b>	<b>48,612</b>	<b>-</b>	<b>-</b>	<b>13,940</b>	<b>165,000</b>	
<b>DISSOLUTION ESCROW &amp; RESERVES / CONTINGENCY</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TOTAL EXPENSES</b>	<b>3,937,526</b>	<b>1,777,349</b>	<b>-</b>	<b>-</b>	<b>529,217</b>	<b>6,244,091</b>	
<b>NET INCOME</b>	<b>2,245,234</b>	<b>(1,288,497)</b>	<b>-</b>	<b>-</b>	<b>(527,217)</b>	<b>429,520</b>	
<b>ENROLLMENT - *School Districts Are Linked To Above Entries*</b>							
	<b>REGULAR EDUCATION</b>	<b>SPECIAL EDUCATION</b>	<b>TOTAL ENROLLED</b>				
District of Location	395	40	435				
School District 2 (Enter Name)			-				
School District 3 (Enter Name)			-				
School District 4 (Enter Name)			-				
School District 5 (Enter Name)			-				
<b>TOTAL ENROLLMENT</b>	<b>395</b>	<b>40</b>	<b>435</b>				
<b>REVENUE PER PUPIL</b>	<b>15,653</b>	<b>12,221</b>	<b>-</b>				
<b>EXPENSES PER PUPIL</b>	<b>9,968</b>	<b>44,434</b>	<b>-</b>				

# Appendix E: Disclosure of Financial Interest Form

Created Tuesday, July 29, 2014

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Page 1

331700860967 LEFFERTS GARDENS CS

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

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

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

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

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

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

Yes

Thank you.

# Appendix F: BOT Membership Table

Created Wednesday, July 30, 2014

## Page 1

331700860967 LEFFERTS GARDENS CS

### 1. Current Board Member Information

	Full Name of Individual Trustees	Position on Board (Officer or Rep).	Voting Member	Area of Expertise &/or Additional Role	Terms Served & Length (include date of election and expiration)	Committee affiliations
1	Tim Pratt	Chair/President	Yes	Finance	2 Terms	
2	Tara Harrison	Chair/President	Yes	Finanace	1 Term	
3	Monique Jefferson	Member	Yes	Human Resources	2 Terms	
4	Renee Ciccone	Parent Rep	No	Parent/Founding Member	1 Term	
5	Richard Mathey	Treasurer	Yes	Technology/Financ e	1Term	
6	Jasen Nhambiu	Member	Yes	Labor Relations/Law	1Term	
7	Liza Zarifi	Member	Yes	Education	1 Term	
8	Tobi Parks	Secretary	Yes	Entertainment/Community Relations/Parent	1 Term	

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

4

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

4

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

15

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

11

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

11

Thank you.

## **Appendix H: Enrollment and Retention Plan**

LGCS has made good faith efforts to recruit and retain students with special needs, ELL students, and students who qualify for free and reduced price lunch. The population of LGCS has generally been reflective of CSD #17. However, we acknowledge that the percentage of ELL students at LGCS is lower than the average for CSD #17. In our next charter term, we will make good faith efforts to increase this percentage. Please see the plans below for LGCS's recruitment and retention strategies.

### **Students with Special Needs**

- Direct mail advertising that mentions special needs
- School website that mentions special needs
- Outreach to specialized feeder schools and programs

### **English Language Learners**

- Direct mail advertising that mentions accommodation for ELL students
- Direct mail advertising in languages other than English
- Radio Ad on Haitian radio station
- Outreach to immigrant community/ies
- Advertising and school materials are translated as needed
- A Google language translator dropdown will be added to the school website
- Develop relationships with trusted cultural centers in the community in an effort to attract more families who speak a language other than English
- Advertising materials will be distributed in the primary languages other than English spoken in the area

### **Students Eligible for Free and Reduced Lunch Programs**

- Direct mail advertising that mentions accommodation for FRPL students
- Meal program was covered at school open house, on application and during tours
- Support is offered to assist families in completing all necessary paperwork to ensure eligible students participate in the lunch program
- Recruitment occurred throughout neighborhoods surrounding the school and in the local district

# Appendix I: Teacher and Administrator Attrition

Created Wednesday, July 30, 2014

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Page 1

Charter School Name: 331700860967 LEFFERTS GARDENS CS

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

## 2013-14 Teacher Attrition Table

FTE Teachers on June 30, 2013	FTE Teachers Additions 7/1/13 – 6/30/14	FTE Teacher Departures 7/1/13 – 6/30/14
26	16	7

## 2013-14 Administrator Position Attrition Table

FTE Administrator Positions On 6/30/2013	FTE Administrator Additions 7/1/13 – 6/30/14	FTE Administrator Departures 7/1/13 – 6/30/14
4	1	0

Thank you

# Appendix J: Uncertified Teachers

Created Wednesday, July 30, 2014

## Page 1

Charter School Name: 331700860967 LEFFERTS GARDENS 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](http://www.bea.gov/faq/index.cfm?faq_id=368#sthash.8Rbj89kq.dpuf))

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

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

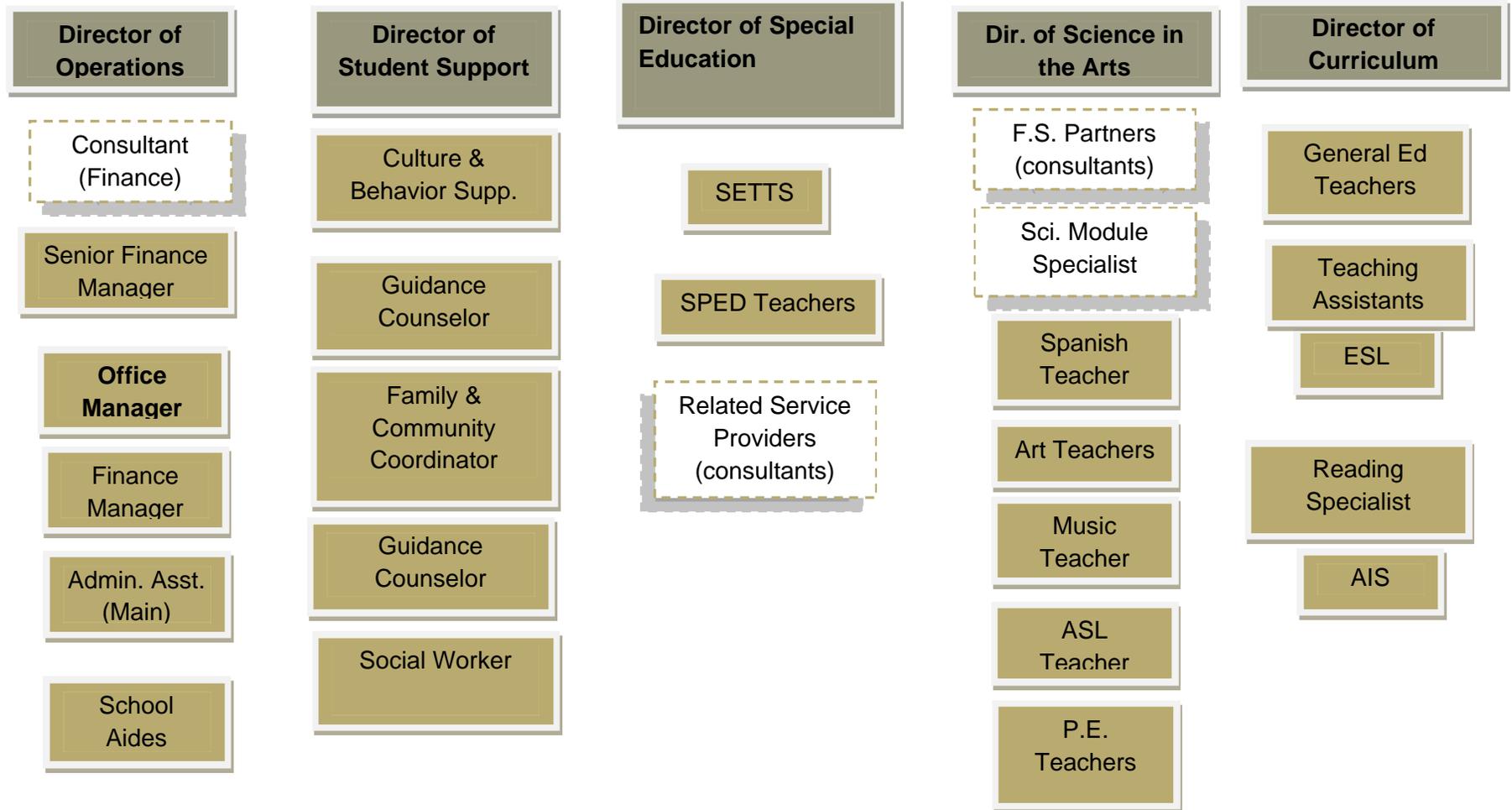
	FTE
(i) uncertified teachers with at least three years of elementary, middle or secondary classroom teaching experience	1
(ii) tenured or tenure track college faculty	0
(iii) individuals with two years satisfactory experience through Teach for America	0
(iv) individuals who possess exceptional business, professional, artistic, athletic, or military experience	0
Total FTE (Sum of all Uncertified Teaching Staff)	1

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

34

Thank you.

# School Leader



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

Created Monday, July 28, 2014

<https://fluidsurveys.com/account/surveys/540612/responses/export//surveys/vickie-smith/appendix-e-trustee-disclosure-form/5902a>

## 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:

*Monique Jefferson*

2. Charter School Name:

*Lefferts Gardens Charter School*

3. Charter Authorizer:

*NYC Department of Education*

4. \*Your Home Address:

4. \*Your Home Address: | Street Address

4. \*Your Home Address: | City/State

4. \*Your Home Address: | Zip

5. \*Your Business Address

5. \*Your Business Address | Street Address

5. \*Your Business Address | City/State

5. \*Your Business Address | Zip

6. \*Daytime Phone Number:

7. \*E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

---

- Chair/President

- Vice Chair/Vice President

---

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

*No*

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

*No*

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

No

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

No

Signature of Trustee

Monique Jefferson

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

Created Monday, July 28, 2014

<https://fluidsurveys.com/account/surveys/540612/responses/export//surveys/vickie-smith/appendix-e-trustee-disclosure-form/5cd8f>

## 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:

*Tara Harrison*

2. Charter School Name:

*Lefferts Gardens Charter School*

3. Charter Authorizer:

*NYC Department of Education*

4. \*Your Home Address:

4. \*Your Home Address: | Street Address

4. \*Your Home Address: | City/State

4. \*Your Home Address: | Zip

5. \*Your Business Address

5. \*Your Business Address | Street Address

5. \*Your Business Address | City/State

5. \*Your Business Address | Zip

6. \*Daytime Phone Number:

7. \*E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

- 
- Treasurer
- 

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

*No*

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

*No*

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

No

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

No

Signature of Trustee

A handwritten signature in black ink, appearing to be "J. R. [unclear]", written in a cursive style.

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

Created Monday, July 28, 2014

<https://fluidsurveys.com/account/surveys/540612/responses/export//surveys/vickie-smith/appendix-e-trustee-disclosure-form/607b5>

## 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:

*Tobi Parks*

2. Charter School Name:

*Lefferts Gardens Charter School*

3. Charter Authorizer:

*NYC Department of Education*

4. \*Your Home Address:

4. \*Your Home Address: | Street Address

4. \*Your Home Address: | City/State

4. \*Your Home Address: | Zip

5. \*Your Business Address

5. \*Your Business Address | Street Address

5. \*Your Business Address | City/State

5. \*Your Business Address | Zip

6. \*Daytime Phone Number:

[REDACTED]

7. \*E-mail Address:

[REDACTED]

8. Select all positions you held on Board:

(check all that apply)

---

• Other, please specify...: Development Committee Chair

---

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

No

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

No

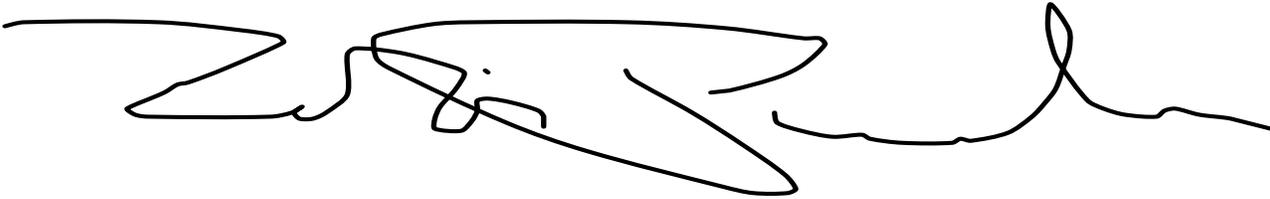
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

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

No

Signature of Trustee

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

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

Created Monday, July 28, 2014

<https://fluidsurveys.com/account/surveys/540612/responses/export//surveys/vickie-smith/appendix-e-trustee-disclosure-form/0e50f>

## 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:

*Timothy R. Pratt*

2. Charter School Name:

*Lefferts Gardens Charter School*

3. Charter Authorizer:

*NYC Department of Education*

4. \*Your Home Address:

4. \*Your Home Address: | Street Address

4. \*Your Home Address: | City/State

4. \*Your Home Address: | Zip

5. \*Your Business Address

5. \*Your Business Address | Street Address

5. \*Your Business Address | City/State

5. \*Your Business Address | Zip

6. \*Daytime Phone Number:

7. \*E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

---

- Chair/President

- Treasurer

---

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

*No*

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

*No*

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

No

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

No

Signature of Trustee

Two handwritten signatures in black ink. The signature on the left is a cursive name that appears to be 'R. B. Smith'. The signature on the right is a more stylized cursive name that also appears to be 'R. B. Smith'.

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

Created Monday, July 28, 2014

<https://fluidsurveys.com/account/surveys/540612/responses/export//surveys/vickie-smith/appendix-e-trustee-disclosure-form/17d43>

## 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:

*Richard Maathey*

2. Charter School Name:

*Lefferts Gardens Charter School*

3. Charter Authorizer:

*NYC Department of Education*

4. \*Your Home Address:

4. \*Your Home Address: | Street Address

4. \*Your Home Address: | City/State

4. \*Your Home Address: | Zip

5. \*Your Business Address

5. \*Your Business Address | Street Address

5. \*Your Business Address | City/State

5. \*Your Business Address | Zip

6. \*Daytime Phone Number:

7. \*E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

- 
- Treasurer
- 

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

*No*

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

*No*

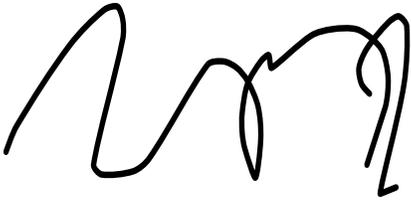
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

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

No

Signature of Trustee

A handwritten signature in black ink, consisting of several fluid, connected strokes. The signature is positioned to the left of the page.

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

Created Tuesday, July 29, 2014

<https://fluidsurveys.com/account/surveys/540612/responses/export//surveys/vickie-smith/appendix-e-trustee-disclosure-form/6d000>

## 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:

*Liza Zarifi*

### 2. Charter School Name:

*Lefferts Gardens Charter School*

### 3. Charter Authorizer:

*NYC Department of Education*

### 4. \*Your Home Address:

4. \*Your Home Address: | Street Address

4. \*Your Home Address: | City/State

4. \*Your Home Address: | Zip

### 5. \*Your Business Address

5. \*Your Business Address | Street Address

5. \*Your Business Address | City/State

5. \*Your Business Address | Zip

### 6. \*Daytime Phone Number:

### 7. \*E-mail Address:

### 8. Select all positions you held on Board:

(check all that apply)

---

• Other, please specify...: Academic Excellence 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

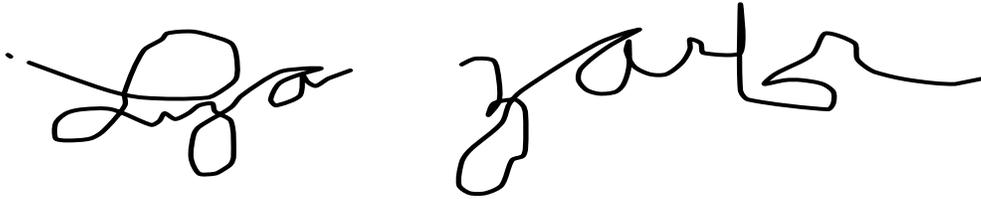
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

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

No

Signature of Trustee

Two handwritten signatures in black ink. The first signature on the left is a cursive name that appears to be 'L. J. ...'. The second signature on the right is a cursive name that appears to be 'J. ...'.

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

Created Thursday, July 31, 2014

<https://fluidsurveys.com/account/surveys/540612/responses/export//surveys/vickie-smith/appendix-e-trustee-disclosure-form/835a2>

## 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:

*Michael Guinan*

2. Charter School Name:

*Lefferts Gardens Charter School*

3. Charter Authorizer:

*NYC Department of Education*

4. \*Your Home Address:

4. \*Your Home Address: | Street Address

4. \*Your Home Address: | City/State

4. \*Your Home Address: | Zip

5. \*Your Business Address

5. \*Your Business Address | Street Address

5. \*Your Business Address | City/State

5. \*Your Business Address | Zip

6. \*Daytime Phone Number:

[REDACTED]

7. \*E-mail Address:

[REDACTED]

8. Select all positions you held on Board:

(check all that apply)

*(No response)*

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

*No*

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

*No*

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

No

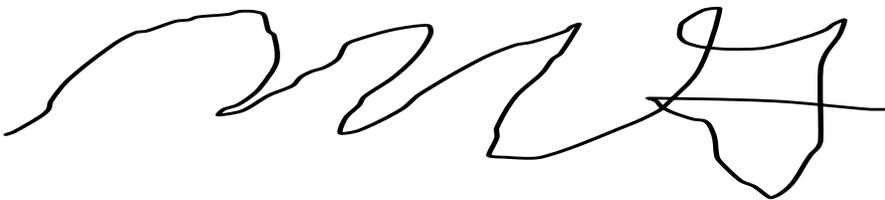
14. Are you a member, director, officer or employee of an organization formally partnered with school that is doing business with the charter school and in which such entity, during your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest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

Yes

14a. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school and in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school that is doing business with the school through a management or services agreement, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write None.

	Organization Conducting Business with the School	Nature of Business Conducted	Approximate Value of the Business Conducted	Name of Trustee and/or Immediate Family Member with Interest	Steps Taken to Avoid Conflict of Interest
1	The Achievement Network	nonprofit partner of the school supporting formative assessment practices	35K	Michael Guinan	recuse myself from any discussion of partnership on board - do not negotiate partnership for my organization
2					
3					
4					
5					

Signature of Trustee



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

Created Thursday, August 21, 2014

<https://fluidsurveys.com/account/surveys/540612/responses/export//surveys/vickie-smith/appendix-e-trustee-disclosure-form/01fc5>

## 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:

*Renee Ciccone*

2. Charter School Name:

*Lefferts Gardens Charter School*

3. Charter Authorizer:

*NYC Department of Education*

4. \*Your Home Address:

4. \*Your Home Address: | Street Address

4. \*Your Home Address: | City/State

4. \*Your Home Address: | Zip

5. \*Your Business Address

5. \*Your Business Address | Street Address

5. \*Your Business Address | City/State

5. \*Your Business Address | Zip

6. \*Daytime Phone Number:

[REDACTED]

7. \*E-mail Address:

[REDACTED]

8. Select all positions you held on Board:

(check all that apply)

---

- Secretary

- Parent Representative

---

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

*No*

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

*No*

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

No

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

No

Signature of Trustee

A handwritten signature in black ink, appearing to read "R. A. Cincione". The signature is written in a cursive style with a large, stylized initial "R" and "A".

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

Created Monday, July 28, 2014

<https://fluidsurveys.com/account/surveys/540612/responses/export//surveys/vickie-smith/appendix-e-trustee-disclosure-form/513e1>

## 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:

*Jasen Nhambiu*

2. Charter School Name:

*Lefferts Gardens Charter School*

3. Charter Authorizer:

*NYC Department of Education*

4. \*Your Home Address:

4. \*Your Home Address: | Street Address

4. \*Your Home Address: | City/State

4. \*Your Home Address: | Zip

5. \*Your Business Address

5. \*Your Business Address | Street Address

5. \*Your Business Address | City/State

5. \*Your Business Address | Zip

6. \*Daytime Phone Number:

7. \*E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

---

• Other, please specify...: Board Member, Governance 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

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

No

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

No

Signature of Trustee

A handwritten signature in black ink, appearing to read "Aron H. [unclear]". The signature is written in a cursive style with a large initial "A" and a long horizontal stroke at the end.