

# I. SCHOOL INFORMATION AND COVER PAGE

Created Thursday, August 01, 2013

## Page 1

### 1. SCHOOL NAME

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

320800860903 HYDE LEADERSHIP CS

### 2. CHARTER AUTHORIZER

NYCDOE-Authorized Charter School

### 3. DISTRICT / CSD OF LOCATION

NYC CSD 8

### 4. SCHOOL INFORMATION

PRIMARY ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS
730 Bryant Avenue Bronx, NY 10474	718-991-5500	718-842-8617	info@hydebronxny.org

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

4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES   Contact Name	Elizabeth Olney
4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES   Title	Head of School
4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES   Emergency Phone Number (###-###-####)	

### 5. SCHOOL WEB ADDRESS (URL)

www.hydebronxny.org

### 6. DATE OF INITIAL CHARTER

2006-01-01 00:00:00

### 7. DATE FIRST OPENED FOR INSTRUCTION

2006-09-01 00:00:00

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

(as reported on BEDS Day)

## 9. GRADES SERVED IN SCHOOL YEAR 2012-13

Check all that apply

- K
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12

## 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?

Yes, 2 sites

### 12. SCHOOL SITES

Please list the sites where the school will operate in 2013-14.

	Physical Address	Phone Number	District/CSD	Grades Served at Site	School at Full Capacity at Site	Facilities Agreement
Site 1 (same as primary site)	730 Bryant Avenue Bronx, NY 10474	718-991-5500	BRONX (TOTAL)	K-8	Yes	DOE space
Site 2	830 Hunts Point Avenue Bronx, NY 10474	718-991-5500	BRONX (TOTAL)	9-12	Yes	Rent/Lease
Site 3						

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

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Elizabeth Olney	[REDACTED]		[REDACTED]
Operational Leader	Mike McNamara	[REDACTED]		[REDACTED]
Compliance Contact	Mike McNamara	[REDACTED]		[REDACTED]
Complaint Contact	Mike McNamara	[REDACTED]		[REDACTED]

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

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Elizabeth Olney	[REDACTED]		[REDACTED]
Operational Leader	Mike McNamara	[REDACTED]		[REDACTED]
Compliance Contact	Mike McNamara	[REDACTED]		[REDACTED]
Complaint Contact	Mike McNamara	[REDACTED]		[REDACTED]

13. Are the School sites co-located?

No

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

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).

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• Yes

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Signature, Head of Charter School

A handwritten signature in black ink, appearing to read "Betty Gentry". The signature is written in a cursive style with large, flowing letters.

Signature, President of the Board of Trustees

Thank you.

# Signature Page for President of Board of Trustees

Created Thursday, August 01, 2013

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Page 1

320800860903 HYDE LEADERSHIP CS

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

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- Yes
- 

Signature, Board President

A handwritten signature in black ink, appearing to read "W. H. A. B.", written across the page.

Thank you.

# Appendix A: Progress Toward Goals

Created Tuesday, August 13, 2013

Updated Thursday, October 31, 2013

## Page 1

Charter School Name: 320800860903 HYDE LEADERSHIP 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).

<https://reportcards.nysed.gov/files/2011-12/RC-2012-320800860903.pdf>

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

#### 2a. ACADEMIC STUDENT PERFORMANCE GOALS

If the Progress Toward Charter Goals are based on student performance data that the school will not have access to by August 1, 2013 (e.g., the NYS Assessment results), please list goals and explain this in the "Progress Towards Attainment" column. This information can be updated for Appendix A when available but no later than November 1, 2013. Board of Regents-authorized charter schools that opened for instruction in the fall of 2012 or that were renewed in 2012-13 will be held to the same charter-specific academic goals. Board of Regents-authorized charter schools will also be held accountable to Student Performance Benchmark 1 of the Performance Framework.

#### 2012-13 Progress Toward Attainment of Academic Goals

	Academic Student Performance Goal	Measure Used to Evaluate Progress	2012-2013 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Academic Goal 1	Math & ELA Performance Hyde Leadership Charter School's students who have been at HYDE-BRONX for at least three years will, on average, meet or exceed the average city-wide aggregate math scores. 1. The aggregate ELA and Math scores for elementary and intermediate school students who have been at HYDE-BRONX for one year will meet or exceed the average scores of the other District 8 schools. 2. After two years at	Mandated New York State assessments in elementary and middle schools	1. Goal Not Met 2. Goal Met 3. Goal Not Met	Hyde did not meet its goals with those students in their first year or 3+ years. Elementary school students were the farthest from meeting the goals, while Middle School students either met the goals or were much closer to them. The following are a few action steps Hyde is implementing to address the need to improve academic achievement: • purchased NYS-state approved common core curriculum • increased the amount of

	<p>HYDE- BRONX, these aggregate scores will exceed the district's average.</p> <p>3. After three years at HYDE- BRONX, these aggregate scores will meet or exceed the average city-wide aggregate ELA and Math scores.</p>			<p>time students are spending in core subjects</p> <ul style="list-style-type: none"> <li>• added additional teachers in 1st grade in order to intervene earlier</li> <li>• hired more instructional leaders to support teachers through increased observation &amp; feedback</li> <li>• adopted a new ELA and Math intervention program in Middle School</li> <li>• hired more intervention teachers in K-5</li> <li>• continue to collect and analyze interim assessment data through the Achievement Network and receive coaching from Achievement Network consultants</li> <li>• continue to partner with families</li> </ul>
Academic Goal 2	<p>Promotion Rates</p> <p>1. After their first year at HYDE-BRONX, students' promotion rates will meet or exceed the average promotion rate at other District 8 schools.</p> <p>2. After their second and third years at HYDE-BRONX, students' promotion rates will exceed average promotion rates at other District 8 schools.</p> <p>3. After three years at HYDE-BRONX, students' promotion rates will meet or exceed aggregate promotion rates of all NYC schools combined.</p>	<p>Promotion measures prescribed by the New York City of Department of Education for the School Report Card</p>	<p>Goal Met.</p> <p>1. 96.6% first year students promoted</p> <p>2. 98.6% second year students promoted</p> <p>3. 96.5% 3+ year students promoted</p>	
Academic Goal 3	<p>Adequate Yearly Progress</p> <p>First and second grade students in Hyde Leadership Charter School will achieve annual yearly progress (AYP) as indicated by internal measures outlined below.</p> <p>First and Second Grade:</p> <p>1. 90% of each cohort will test above the 40th National Percentile Rank on the Gates MacGinitie decoding and vocabulary subtests by June of each</p>	<p>Scores on the Gates and MacGinitie Decoding and Vocabulary subtests</p> <p>End of the year math assessment</p>	<p>1. Goal Not Met</p> <p>2. Goal Met</p>	<p>1. We did not meet our goal of 90% proficiency. Action Plan for 2013-2014: -We will have two credentialed teachers, working together, in each first grade classroom. This will allow for more individualized attention for students in need of additional support, especially in reading. Co-teaching will allow two colleagues to spend a common planning time together to create</p>

school year.

2. At least 80% of each cohort will achieve an average performance grade of 80% accuracy on standards-based end of year math assessments.

student-centered lesson plans that will benefit all students within each of these classrooms.

-We will implement the Core Knowledge curriculum in Grades K-3. To address the rigorous new Common Core State Standards, this program provides two powerful strands designed to build knowledge systematically, increase academic vocabulary, and develop foundational reading and writing skills. It will also provide structured, systematic lessons specifically addressing areas of weakness identified by the Gates-MacGinitie results.

The Listening and Learning strand of this program includes sustained engagement in fiction and nonfiction authentic texts organized around important subject areas and related vocabulary. Students learn about history, about civilizations, about science, about the arts. As beginning readers and writers, they acquire this information through active listening, discussions, and drawing.

The Skills strand of Core Knowledge uses engaging decodable stories that have interesting characters and include important ideas and information.

-In the schedule for the school year, two periods will be set aside each day exclusively for Core Knowledge instruction. In addition, there will be a four periods per week of Guided Reading or Accountable Independent Reading. Our school has been selected as a lab site for the implementation of the Core Knowledge program for next year by Amplify Learning, the

program developer/vendor. As a result, we will receive supplemental materials and additional professional development to implement the program well.

-To also ensure that all curriculum and instruction initiatives are implemented with fidelity and that teachers receive necessary support we have hired an academic dean for K-3 who will be focused exclusively on curriculum and instruction. This new administrator who brings a wealth of knowledge and experience will spend time each day in each teacher's classroom observing and providing timely feedback.

-Our efforts to improve on-time student attendance this past year were not as successful as we hoped. Students who missed 15 or more days during the school year or who lost equivalent instructional time due to late arrivals or early departures were required to participate in summer school this July. Next year, we will develop a more targeted approach to work with the families of these students during the school year.

2. Although we met this proficiency goal, it was based on a locally-developed assessment that has been used for three years and was aligned to New York State standards, rather than the new Common Core State Standards.

Other assessments administered in the spring indicated that our students may not have fared as well in measurement or in numeracy. Still, on four Common Core-aligned benchmark assessments developed by The

Achievement Network (ANet), a non-profit organization that supports schools with the development and implementation of effective data-driven instruction, our second-graders consistently out-performed other New York City schools in the network in math.

For 2013-14, to ensure that our assessments are valid, we will use the fourth ANet benchmark assessment to measure the performance of our second-grade students in math. We are speaking with representatives from City College and elsewhere about the development of a new first grade Common Core-aligned math test.

Academic Goal 4	<p>Value-Added Performance/Progress</p> <p>Each grade-level cohort of the same students (i.e. students who are in the school for two years in a row) will reduce by one-half the gap between the percent at or above Level 3 on the previous year's State ELA exam (baseline) and 90 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 some growth (above 75 percent) in the current year ( for grades 3- 8). Each grade-level cohort of the same students will reduce by one-half the gap between</p>	<p>(For measuring this goal, the difference will be calculated by subtracting the percentage of students who scored proficient on the NYS ELA test enrolled at the school on BEDS day of year 1 from the percentage of the same students who scored proficient on the NYS ELA test in year 2 and were continuously enrolled for two consecutive years on BEDS day.)</p> <p>(For measuring this goal, the difference will be calculated by subtracting the percentage of student who scored proficient on the NYS MATH test enrolled at the school on BEDS day of year 1 from the percentage of the same students who scored proficient on the NYS MATH test in year 2 and were continuously enrolled for two consecutive years on BEDS day).</p>	Goal Not Met	<p>Reflections and Action Plans</p> <p>According to the value-added model goals, we were expected to gain an average of 17.5% percentage points in ELA and 12.5% percentage points Math, even though scores dropped across the state by 21% in ELA and 30% in Math. While our proficiency rates in both Math and ELA do not meet our own standards and our progress was not where it needed to be, these goals were extremely challenging this year.</p>
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the percent at or above Level 3 on the previous year's State Math exam (baseline) 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 (above 75 percent) in the current year (for grades 3- 8.)

Academic Goal 5	High School Goals	ELA Regents exams	Goal Met	Class of 2013: 97%
	5a. By the end of their 4th year in the Hyde-Bronx high school division, 75 percent of these students will have scored at least 65 on the New York State Regents examinations in ELA.	Integrated Algebra Geometry	Goal Met	Class of 2013: 100%
	5b. By the end of their 4th year in the Hyde-Bronx high school division, 75 percent of these students will have scored at least 65 on a New York State Regents examination in Math.	Living Environment and Global History and Geography Regents Exams	Goal Met	Class of 2013: 100%
		Graduation/Enrollment Rates	Goal Met	62 out of 75 students (83%) who started remained at Hyde graduated this past June.
	5c. By the end of their 4th year in the Hyde-Bronx high school division, 75 percent of these students will have scored at least 65 on a third New York State Regents examination.	English Regents Exam	N/A	The percent of students in the high accountability cohort passing an English Regents exam with a score of 65 or higher is 97%. The Progress Report has not yet come out, so we cannot compare at this time.
5d. At least 75% of each entering class of ninth graders who remain at Hyde-Bronx will graduate within five years.	Math Regents Exam	N/A	The percent of students in the high accountability cohort passing a Math Regents exam with a score of 65 or higher is 100%. The Progress Report has not yet come out, so we	

5e. Each year, the percent of students in the high school accountability cohort passing an English Regents exam with a score of 65 or above by the end of their fourth year will exceed that of the students in the high school accountability cohort from a group of similar schools as determined by the NYCDOE Progress Report peer schools.

cannot compare at this time.

5f. Each year, the percent of students in the high school accountability cohort passing a Math Regents exam with a score of 65 or above by the end of their fourth year will exceed that of the students in the high school accountability cohort from a group of similar schools as determined by the NYCDOE Progress Report peer schools.

Academic Goal 6

Student Attendance  
Attendance at HYDE-BRONX will exceed city averages.

1. During their first year at HYDE-BRONX, students' attendance rates will meet or exceed average attendance at other District 8 schools.
2. During their second and third years at HYDE-BRONX, students' attendance rates will meet or exceed average attendance at other District 8 schools.
3. After three years at HYDE-BRONX, students' attendance rates will meet or exceed aggregate attendance rates of all NYC schools combined.

Student Attendance

1. Goal Met. Attendance for first year students at Hyde was 91.88% compared to 87.88% in all District 8 schools.
2. Goal Met. Second year students had an average attendance rate of 94.81%, while third-year students had an attendance rate of 96.14%.
3. Goal Met. The average attendance rate for students after 3 years at Hyde was 93.95% compared to 91.02% for all NYC schools.

Academic Goal 7	Student Attrition 1. 25% or less of first-year students will fail to return to HYDE-BRONX for their second year. 2. 20% or less of second-year students will fail to return to HYDE-BRONX for their third year. 3. 15% or less of students will fail to return to HYDE-BRONX after each ensuing year.	Student Enrollment	Goal Met. Based on enrollment records in ATS: 1. 5.4% of first year students did not return for the 2013-2014 school year. 2. 2.6% of second year students did not return for their third year at HYDE-BRONX. 3. 4.5% of students in their third year or beyond did not return for the 2013-14 school year.	
Academic Goal 8	Parent Participation At least 80% of parents, guardians or other committed adults will participate in at least SIX HYDE parent events/activities each year. Events/activities include: Family Days, Parent Discovery nights, parent teacher conferences, parent/family retreats and workshops.	Parent attendance at events and meetings	Goal Met.	80% of our parents attended at least six Family Program events.

## 2a1. Do have more academic goals to add?

Yes

## 2012-13 Progress Toward Attainment of Academic Goals

	Academic Student Performance Goal	Measure Used to Evaluate Progress	2012-2013 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Academic Goal 9	Enrollment Stability Each year, student enrollment will be within 15% of full enrollment as defined in the school's contract. This will be measured each year by an analysis of student enrollment figures in ATS.	Student Enrollment	Goal Met. Our target enrollment average number for 2012- 2013 was 956 and our average enrollment for the year was 948	
Academic Goal 10	Parent Satisfaction Each year, parents will express satisfaction with the school's program, based on the NYCDOE Learning Environment Survey in which the school will receive	DOE Learning Environment Survey selected	Goal Not Met.	49% of our families responded to the survey. Although we did not meet the goal, our score on the four survey domains was 8.5 or better. We will continue to reach out to parents for increased response rates.

scores of 7.5 or higher in each of the four survey domains: Academic Expectations, Communication, Engagement, and Safety and Respect. The school will only have met this goal if 50% or more parents participate in the survey.

2a2. Do have more academic goals to add?

No

2b. ORGANIZATIONAL GOALS

2012-13 Progress Toward Attainment of Organizational Goals

Organizational Goal	Measure Used to Evaluate Progress	2012-2013 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
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2b.1 Do you have more organizational goals to add?

No

2c. FINANCIAL GOALS

2012-13 Progress Toward Attainment of Financial Goals

Financial Goals	Measure Used to Evaluate Progress	2012-2013 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Financial Goal 1 Financial Compliance & Viability 10a. Upon completion of every year, the school will undergo an independent financial audit that will result in an unqualified opinion and no major findings.  10b. The school will have liquid financial assets at least equal to one year's rent at each quarter end.	Financial Audit	Goal Met.	

<b>Appendix C: Total Expenditures and Administrative Expenditures per Child</b>
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Total Expenditures: \$14,130,192

FTE Students: 948

Total Expenditures per Student: \$14,905.27

Total Administrative Expenditures per pupil:

Total Administrative expenditures (incl. development): \$1,473,480

Less: Employee Benefits \$392,497

Net Administrative Expenditure: \$1,080,983

FTE Students: 948

**Total Administrative Expenditures per pupil: \$1,140.28**

# Audited Financial Statement Checklist

Created Tuesday, October 29, 2013

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## Page 1

Charter School Name:

1. Please check each item that is included in the 2012-13 Audited Financial Statement submitted for your charter school.

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

2. Please indicated if there is a finding(s) noted in any of the following sections of your charter school's 2012-13 Audited Financial Statement.

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

Thank you .

# Hyde Leadership Charter School

Audit of Financial Statements and  
Supplemental Schedule of Expenditures  
of Federal Awards  
Year Ended June 30, 2013

# Hyde Leadership Charter School

Audit of Financial Statements and  
Supplemental Schedule of Expenditures  
of Federal Awards

Year Ended June 30, 2013

# Hyde Leadership Charter School

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## Independent Auditor's Report

To the Board of Trustees  
Hyde Leadership Charter School

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Hyde Leadership Charter School (the "School"), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

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

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

### *Auditor's Responsibility*

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

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

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



### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Hyde Leadership Charter School as of June 30, 2013, 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 Hyde Leadership Charter School's June 30, 2012 financial statements, and our report dated October 22, 2012, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2013 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

BDO USA, LLP

October 28, 2013

# Hyde Leadership Charter School

## Statement of Financial Position (with comparative totals for 2012)

<i>June 30,</i>	2013	2012
<b>Assets</b>		
Cash and cash equivalents (Note 2)	\$2,091,481	\$1,697,564
Investments, at fair value (Notes 2 and 4)	3,602,122	2,800,684
Grants, contracts and other receivables	739,266	650,724
Prepaid expenses and other assets (Note 7)	592,517	500,000
Property and equipment, net (Notes 2 and 3)	695,763	805,577
	<b>\$7,721,149</b>	<b>\$6,454,549</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 783,243	\$ 702,145
Refundable advances	115	4,052
Deferred rent payable (Note 10)	1,439,233	682,556
<b>Total Liabilities</b>	<b>2,222,591</b>	<b>1,388,753</b>
<b>Commitments and Contingencies (Notes 7, 8 and 9)</b>		
<b>Net Assets (Note 2):</b>		
Unrestricted	5,498,558	5,065,796
	<b>\$7,721,149</b>	<b>\$6,454,549</b>

*See accompanying notes to financial statements.*

# Hyde Leadership Charter School

## Statement of Activities (with comparative totals for 2012)

<i>Year ended June 30,</i>	2013	2012
	(Unrestricted)	
<b>Operating Revenue (Notes 2 and 5):</b>		
State and local per pupil operating revenue	\$14,325,094	\$12,532,344
Government grants	802,290	772,744
<b>Total Operating Revenue</b>	<b>15,127,384</b>	<b>13,305,088</b>
<b>Operating Expenses:</b>		
Program services	13,824,873	12,849,438
Supporting services:		
Management and general	1,063,491	940,579
Development	230,227	160,802
<b>Total Operating Expenses</b>	<b>15,118,591</b>	<b>13,950,819</b>
<b>Net Income (Loss) From School Operations</b>	<b>8,793</b>	<b>(645,731)</b>
<b>Support and Other Revenue:</b>		
Contributions	301,897	267,162
Other income	95,858	32,789
Interest income	26,002	21,431
In-kind revenue (Note 10)	212	-
<b>Total Support and Other Revenue</b>	<b>423,969</b>	<b>321,382</b>
<b>Change in Net Assets</b>	<b>432,762</b>	<b>(324,349)</b>
<b>Net Assets, Beginning of Year</b>	<b>5,065,796</b>	<b>5,390,145</b>
<b>Net Assets, End of Year</b>	<b>\$ 5,498,558</b>	<b>\$ 5,065,796</b>

*See accompanying notes to financial statements.*

# Hyde Leadership Charter School

## Statement of Functional Expenses (with comparative totals for 2012)

*Year ended June 30,*

	Supporting Services				2013 Total	2012 Total
	Program Services	Management and General	Development	Total Supporting Services		
Salaries	\$ 7,698,941	\$ 655,503	\$172,112	\$ 827,615	\$ 8,526,556	\$ 7,561,111
Payroll taxes and employee benefits	1,883,373	178,528	27,801	206,329	2,089,702	2,514,882
Instructional supplies and equipment	274,056	-	-	-	274,056	196,729
Professional fees	4,900	66,168	-	66,168	71,068	56,767
Instructional support	382,811	-	-	-	382,811	226,620
Professional development	217,506	3,872	-	3,872	221,378	164,726
Business insurance	48,190	21,878	34	21,912	70,102	72,394
Telephone	24,758	1,658	152	1,810	26,568	25,416
Repairs and maintenance	120,848	2,692	2	2,694	123,542	76,910
Food services	87,524	-	-	-	87,524	146,819
Management fee (Note 8)	141,000	7,500	1,500	9,000	150,000	150,000
Printing and postage	61,507	-	5,155	5,155	66,662	79,015
Bank and payroll charges	309	73,916	330	74,246	74,555	57,586
Retreats, conferences and transportation	83,084	279	442	721	83,805	96,827
Marketing and recruitment	41,264	2,183	261	2,444	43,708	65,760
Technology supplies and services						
- nonclassroom	175,139	-	254	254	175,393	168,699
Noncapitalized office furniture	-	170	-	170	170	-
Other administrative support	19,806	21,858	-	21,858	41,664	122,508
Office supplies	56,561	4,083	412	4,495	61,056	56,550
Rent	1,863,677	-	-	-	1,863,677	1,623,202
Other occupancy costs	239,389	40	-	40	239,429	190,091
Depreciation and amortization	273,939	-	-	-	273,939	145,415
Miscellaneous expenses	126,291	23,163	21,772	44,935	171,226	152,792
<b>Total Expenses</b>	<b>\$13,824,873</b>	<b>\$1,063,491</b>	<b>\$230,227</b>	<b>\$1,293,718</b>	<b>\$15,118,591</b>	<b>\$13,950,819</b>

*See accompanying notes to financial statements.*

# Hyde Leadership Charter School

## Statement of Cash Flows (with comparative totals for 2012)

<i>Year ended June 30,</i>	2013	2012
<b>Cash Flows From Operating Activities:</b>		
Change in net assets	\$ 432,762	\$ (324,349)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	273,939	145,415
Changes in operating assets and liabilities:		
Decrease (increase) in grants, contracts and other receivables	(88,542)	4,598
(Increase) decrease in prepaid expenses and other assets	(92,517)	21,866
Increase in accounts payable and accrued expenses	81,098	144,166
Decrease in refundable advances	(3,937)	-
Increase in deferred rent payable	756,677	682,556
<b>Net Cash Provided By Operating Activities</b>	<b>1,359,480</b>	<b>674,252</b>
<b>Cash Flows From Investing Activities:</b>		
Additions to property and equipment	(164,125)	(674,960)
Purchase of investments	(4,186,438)	(1,800,000)
Sale of investments	3,385,000	1,403,659
<b>Net Cash Used In Investing Activities</b>	<b>(965,563)</b>	<b>(1,071,301)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>393,917</b>	<b>(397,049)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>1,697,564</b>	<b>2,094,613</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 2,091,481</b>	<b>\$ 1,697,564</b>

*See accompanying notes to financial statements.*

# Hyde Leadership Charter School

## Notes to Financial Statements

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### 1. Description of School

Hyde Leadership Charter School (the "School") is an educational corporation that commenced operations as a charter school in the borough of the Bronx, New York City in July 2006. On January 10, 2006, the Board of Regents of the University of the State of New York granted the School a provisional charter valid for a term of five years and renewable upon expiration. A renewed charter was granted in January 2011 which expires on June 30, 2015 and is subject to renewal.

The School's mission is to develop the deeper character and unique potential of each student. Using the Hyde process for family-based character education, the School unites parents, teachers and students in helping each student achieve their best academically as well as in sports, the arts and the community.

In fiscal year 2013, the School operated classes for students in kindergarten through grade 12.

The New York City Department of Education (the "NYCDOE") provides free lunches and transportation to eligible students of the School.

### 2. Summary of Significant Accounting Policies

#### *(a) Basis of Presentation*

The financial statements of the School have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

#### *(b) Financial Statement Presentation*

The classification of a not-for-profit organization's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets, permanently restricted, temporarily restricted, and unrestricted, be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities

These classes are defined as follows:

- (i) Permanently Restricted* - Net assets resulting from contributions and other inflows of assets whose use by the School is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the School.
- (ii) Temporarily Restricted* - Net assets resulting from contributions and other inflows of assets whose use by the School is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the School pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities.
- (iii) Unrestricted* - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

#### *(c) Cash and Cash Equivalents*

The School considers highly liquid investments with original maturities of 90 days or less to be cash equivalents. The School maintains its cash in bank deposit accounts at two financial institutions which, at times, may exceed Federally insured limits. The School has not experienced any losses on these accounts. The School maintains a separate account with a minimum balance

# Hyde Leadership Charter School

## Notes to Financial Statements

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requirement of \$70,000. The minimum balance requirement prior to August 4, 2008 was \$25,000. The minimum balance is required at all times based on the School's charter documents.

*(d) Property and Equipment*

Property and equipment are recorded at cost. Additions and improvements or betterments in excess of \$2,000 with an estimated useful life of more than one year are capitalized. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets. Property and equipment acquired with certain government contract funds are recorded as expenses pursuant to the terms of the contract. The estimated useful lives of the assets are as follows:

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Computers and software	3-5 years
Furniture and equipment	5 years
Leasehold improvements	10 years

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*(e) Fair Value Measurements*

Accounting Standards Codification ("ASC") 820, "Fair Value Measurements and Disclosures", establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are inputs that market participants operating within the same marketplace as the School would use in pricing the School's asset or liability based on independently derived and objectively determinable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of the School are traded. The School estimates the price of any assets for which there are only unobservable inputs by using assumptions that market participants that have investments in the same or similar assets would use as determined by the money managers administering each investment based on best information available in the circumstances. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable as follows:

Level 1 - Valuation based on quoted market prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment. Examples include equity securities and publicly-traded mutual funds that are actively traded on a major exchange or over-the-counter market.

Level 2 - Valuation based on quoted market prices of investments that are not actively traded or for which certain significant inputs are not observable, either directly or indirectly, such as municipal bonds. The fair value of municipal bonds is estimated using recently executed transactions, bid/asked prices and pricing models that factor in, where applicable, interest rates, bond spreads and volatility.

Level 3 - Valuation based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value. Examples include limited partnerships and private equity investments.

All of the School's investment assets at June 30, 2013 are in certificates of deposit and are classified as Level 1.

# Hyde Leadership Charter School

## Notes to Financial Statements

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Investments are stated at their fair values in the statement of financial position. Net realized gains and losses and net change in unrealized gains and losses for the period are shown in the statement of activities. The School's investment portfolio is comprised of investments in certificates of deposit. At June 30, 2013, cost approximates fair value.

### *(f) Revenue Recognition*

The School recognizes gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The School reports amounts received with donor stipulations that limit the use of the assets for certain purposes as unrestricted net assets if the stipulated purpose restriction is accomplished in the same year. Contributions of assets other than cash are recorded at their estimated fair value.

Revenue from state and local governments resulting from the School's charter status is based on the number of students enrolled, and is recorded when services are performed in accordance with the charter agreement.

Revenue from Federal, state and local government grants and contracts is recognized by the School when qualifying expenditures are incurred and billable to the government or when required services have been provided.

All of the School's grant, contract, and other receivables are expected to be collected within one year.

The School recognizes as income contributed services that require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if they had not been contributed.

A number of volunteers have made a contribution of their time to the School to develop its academic programs and to serve on the School's Board of Trustees. The value of this contributed time is not reflected in these financial statements since it does not meet the criteria for recognition.

### *(g) Expenses*

Expenses are classified according to the functional categories for which they are incurred, as follows:

- Program Services - represents expenses directly associated with general education and special education for certain students requiring additional attention and guidance.
- Development - represents expenses directly associated with the School's effort to raise funds to support the operations of the School.
- Management and General - represents expenses related to the overall administration and operation of the School that are not associated with any program services or development.

# Hyde Leadership Charter School

## Notes to Financial Statements

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### *(h) Income Taxes*

The School is incorporated under a charter granted by the Board of Regents on behalf of the New York State Education Department and is exempt from Federal, state and local income taxes under Section 501(c)(3) of the Internal Revenue Code (the "IRC") and, therefore, has made no provision for income taxes in the accompanying financial statements. In addition, the School has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the IRC. There was no unrelated business income for the year ended June 30, 2013.

Under ASC 740, "Income Taxes", an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination by a taxing authority. The School does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits. The School has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the School has filed Internal Revenue Service ("IRS") Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required. For the year ended June 30, 2013, there was no interest or penalties recorded or included in the statement of activities. The School is subject to routine audits by a taxing authority. As of June 30, 2013, the School was not subject to any examination by a taxing authority. Management believes it is no longer subject to income tax examination for the years prior to June 30, 2009.

### *(i) Use of Estimates*

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates.

### *(j) Comparative Financial Information*

The financial statements include certain prior year summarized comparative information. With respect to the statement of activities, the prior year information is presented in total, not by net asset class. With respect to the statement of functional expenses, the prior year expenses are presented by expense classification in total rather than functional category. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the School's financial statements for the year ended June 30, 2012 from which the summarized information was derived.

### *(k) Concentration of Credit Risk*

The School maintains cash and cash equivalent balances in bank deposit accounts, which may exceed Federally insured limits. All of the School's noninterest-bearing cash balances were fully insured at June 30, 2013.

The School has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on its cash and cash equivalent accounts.

# Hyde Leadership Charter School

## Notes to Financial Statements

### 3. Property and Equipment, Net

The School's property and equipment consist of the following:

*June 30, 2013*

Furniture and equipment	\$ 488,212
Computers and software	509,549
Leasehold improvements	202,092
	1,199,853
Less: Accumulated depreciation	(504,090)
	\$ 695,763

For the year ended June 30, 2013, depreciation expense was \$273,939.

### 4. Investments at Fair Value

The following table shows, by level within the fair value hierarchy, the School's financial assets and liabilities that are accounted for at fair value on a recurring basis as of June 30, 2013. The financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The School's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the asset or liability's placement within the fair value hierarchy levels.

*June 30, 2013*

	Fair Value Measurement at Report Date Using			Balance as of June 30, 2013
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	
Certificates of deposit	\$3,602,122	\$-	\$-	\$3,602,122

The School has investments in certificates of deposit with original maturities of greater than 3 months from the date of purchase, which the School considers to be short-term investments. The certificates of deposit represent interest-bearing cash accounts and are categorized as Level 1 of the fair value hierarchy.

### 5. Revenue Concentrations

During the year ended June 30, 2013, the School earned 97% of its revenue from the New York State Education Department.

# Hyde Leadership Charter School

## Notes to Financial Statements

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### 6. Agreement for School Facility

The School operates under a Facility Shared Use Agreement (the "Agreement") with the NYCDOE for dedicated and shared space at M.S. 424, a New York City public school located at 730 Bryant Avenue, Bronx, New York. The Agreement commenced on July 1, 2006 at a cost of \$1. The School is responsible for any overtime-related costs for services provided beyond the regular opening hours.

### 7. Commitments

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

The School entered into a 35-year lease in March 2010. The lease provides for the use of a new building with a commencement date of August 18, 2011. The lease requires a security deposit of \$500,000, which is included in the statement of financial position. Minimum future obligations under the lease are as follows:

*Year ending June 30,*

2014	\$ 1,140,210
2015	1,174,416
2016	1,209,649
2017	1,245,938
2018	1,283,316
Thereafter	57,127,480
	<hr/>
	\$63,181,009

### 8. Licensing and Services Agreement

The Hyde Foundation, a not-for-profit organization dedicated to helping start and run charter schools, provides management, fundraising, and other administrative support services to the School. Pursuant to the terms of a three-year licensing and services agreement with an effective date of July 1, 2010, the School pays the Hyde Foundation an annual fee of \$150,000 for use of licensed educational models, program materials, training of new faculty and accreditation services. Upon expiration, there are automatic successive one-year renewal terms unless terminated by the School and/or the Hyde Foundation by a written 90-day notice.

The agreement expired on June 30, 2013, and is in process of being renegotiated. The automatic renewal was waived until the new agreement is finalized.

### 9. Employee Benefit Plan

The School maintains a deferred compensation plan qualified under Section 403(b) of the IRC. The School matches up to 5% of each employee's annual compensation not to exceed the employee's annual salary deferral amount. The School may also elect to make additional contributions to the plan on a discretionary basis. The School made contributions totaling \$289,408 for the year ended June 30, 2013.

# Hyde Leadership Charter School

## Notes to Financial Statements

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### 10. Deferred Rent Payable

The School has an operating lease which contains predetermined increases in the rentals payable during the term of such lease. For this lease, the aggregate rental expense is recognized on a straight-line basis over the lease term. The difference between the expenses charged to operations in any year and the amount payable under the lease during the year is recorded as deferred rent payable on the School's statement of financial position, which will reverse over the lease term. Deferred rent payable amounted to \$1,439,233 as of June 30, 2013.

### 11. Subsequent Events

The School's management has performed subsequent event procedures through October 28, 2013, which is the date the financial statements were available to be issued and there were no other subsequent events requiring adjustment to the financial statements or disclosures as stated herein.

**Hyde Leadership Charter School**  
**Schedule of Expenditures of Federal Awards**

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*Year ended June 30, 2013*

Federal Grantor/Pass-Through Grantor/Program Title	Catalog Federal Domestic Assistance Number	Federal Expenditures
<b>U.S. Department of Education:</b>		
Passed through the New York State Education Department:		
Title I, Part A, Grants to Local Educational Agencies (Title IA)	84.010	\$653,103
Improving Teacher Quality State Grants (Title IIA)	84.367	21,375
Special Education - Grants to States (IDEA)	84.027	127,812
<b>Total Expenditures of Federal Awards</b>		<b>\$802,290</b>

*See accompanying note to schedule of expenditures of Federal awards.*

# Hyde Leadership Charter School

## Note to Schedule of Expenditures of Federal Awards

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### 1. Accrual Basis of Accounting

The accompanying schedule of Federal awards includes the Federal grant activity of the School and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "*Audits of States, Local Governments, and Non-profit Organizations.*" Because this schedule presents a select portion of the operations of the School, it is not intended to and does not present the financial position, changes in its net assets or cash flows of the School.



**Independent Auditor's Report on Internal Control  
Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial  
Statements Performed in Accordance With  
*Government Auditing Standards***

To the Board of Trustees  
Hyde Leadership Charter School

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Hyde Leadership Charter School (the "School"), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 28, 2013.

Internal Control Over Financial Reporting

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

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

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



### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*.

We noted certain matters that are reported to the management of the School in a separate letter dated October 28, 2013.

### Purpose of this Report

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

BDO USA, LLP

October 28, 2013



## Independent Auditor's Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

The Board of Trustees  
Hyde Leadership Charter School

### Report on Compliance for Each Major Federal Program

We have audited Hyde Leadership Charter School (the "School") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2013. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

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

### Auditor's Responsibility

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

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

### Opinion on Each Major Federal Program

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.



## Report on Internal Control Over Compliance

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

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

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

### Purpose of this Report

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

BDO USA, LLP

October 28, 2013

# Hyde Leadership Charter School

## Schedule of Findings and Questioned Costs

June 30, 2013

- |                    |   |                              |   |        |   |  |  |
|--------------------|---|------------------------------|---|--------|---|--|--|
| 1.                 | <b>Summary of Auditors' Results</b>   |                              |   |        |   |  |  |
|                    | <u>Financial Statements</u>   |                              |   |        |   |  |  |
|                    | (i) An unmodified opinion was issued on the financial statements of Hyde Leadership Charter School  |                              |   |        |   |  |  |
|                    | (ii) Internal control over financial reporting:   |                              |   |        |   |  |  |
|                    | Material weakness(es) identified?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No            |        |   |  |  |
|                    | Significant deficiency(ies) identified?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> None reported |        |   |  |  |
|                    | (iii) Noncompliance material to financial statements noted?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No            |        |   |  |  |
|                    | <u>Federal Awards</u>   |                              |   |        |   |  |  |
|                    | (iv) Internal control over major programs:  |                              |   |        |   |  |  |
|                    | • Material weakness(es) identified?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No            |        |   |  |  |
|                    | • Significant deficiency(ies) identified?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> None reported |        |   |  |  |
|                    | (v) An unmodified opinion was issued on compliance for major programs   |                              |   |        |   |  |  |
|                    | (vi) Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?  | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No            |        |   |  |  |
|                    | (vii) Major Programs:   |                              |   |        |   |  |  |
|                    | <table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><u>CFDA Number</u></td> <td style="text-align: center;"><u>Program Title</u></td> </tr> <tr> <td style="text-align: center;">84.010</td> <td style="text-align: center;">Grants to Local Educational Agencies (Title IA)</td> </tr> </table> | <u>CFDA Number</u>           | <u>Program Title</u>                              | 84.010 | Grants to Local Educational Agencies (Title IA) |  |  |
| <u>CFDA Number</u> | <u>Program Title</u>  |                              |   |        |   |  |  |
| 84.010             | Grants to Local Educational Agencies (Title IA)   |                              |   |        |   |  |  |
|                    | (viii) Federal awards expenses that exceeded \$300,000 were considered type A programs.   |                              |   |        |   |  |  |
|                    | (ix) Hyde Leadership Charter School qualifies as a low-risk auditee as described in Section 530 of OMB Circular A-133.  |                              |   |        |   |  |  |
| 2.                 | <b>Findings Related to the Financial Statements</b>   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No            |        |   |  |  |
| 3.                 | <b>Findings and Questioned Costs for Federal Awards</b>   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No            |        |   |  |  |
| 4.                 | <b>Summary of Prior Year Audit Findings</b>   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No            |        |   |  |  |

# Appendix E: Disclosure of Financial Interest Form

Created Thursday, August 01, 2013

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## Page 1

320800860903 HYDE LEADERSHIP 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 2012-13 school year. Trustees are at times difficult to track down in the summer months. Trustees may complete and submit at their leisure (but before the deadline) their individual form at: <http://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/>.

Trustees who are technologically advanced may complete the survey using their smartphones or other mobile devices by downloading the this bar code link to the survey <http://fluidsurveys.com/account/surveys/210748/publish/qrcode/>. (Make sure you have the bar code application reader on your phone).

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

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

Thank you.

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

Yes

Thank you.

# Appendix F: BOT Membership Table

Created Thursday, August 01, 2013

Page 1

320800860903 HYDE LEADERSHIP 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	Hebert B. Fixler Cozen O'Connor [REDACTED]	Chair/President	Yes	Legal, Management, Development, Leadership Development	3 terms: 6/6/06 to 3/31/09; 4/1/09-12/31/11; 1/1/12- present.	
2	Herbert Kaplan [REDACTED]	Secretary	Yes	Development	3 terms: 6/6/06 to 3/31/09; 4/1/09-12/31/11; 1/1/12- present.	
3	David Steadly [REDACTED]	Member	Yes	Finance, Development	3 terms: 10/31/06 – 10/31/09; 11/1/09 – 10/31/12; 11/1/12 – present.	
4	Deborah Dumont [REDACTED] [REDACTED]	Member	Yes	Education, Human Resources	2 terms: 9/30/09 – 9/30/12; 10/1/12 – present.	
5	Dennis Mehiel [REDACTED] #5PHG [REDACTED]	Member	Yes	Finance, Development	1 term: 11/1/12 – present	
6	Jeannette Melendez [REDACTED] [REDACTED]	Member	Yes	Community, She is also a parent	1 term: 11/1/12 – present	
7	Wilder Baker [REDACTED]	Member	Yes	Public Relations, Marketing, Development	2 terms: 10/31/09 – 10/31/12; 11/1/12 - present	
8						
9						
10						
11						
12						

13

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15

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

2

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

1

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

12

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

10

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

10

Thank you.

Appendix H: Enrollment and Retention of English Language Learners, Students with Disabilities, and Free/Reduced Lunch

Subgroup Enrollment Rates	SPED	ELL	FRL
Hyde-Bronx	13.3%	8.4%	94.9%
NYC Charters <sup>1</sup>	10.0%	6.0%	77.0%
NYC <sup>2</sup>	16.5%	14.4% <sup>3</sup>	76.8%

This year, our enrollment numbers for students with disabilities, English Language Learners, and students who qualified for free or reduced lunch were higher than those of other New York City charter schools.

For the 2013-2014 school-year, we received more than 2,100 applications with about 100 seats available. Our recruitment efforts included the following:

- Recruitment documents noted services offered for English Language Learners and Students with Disabilities
- Translation of flyers into Spanish
- Provided Spanish translator at information sessions
- Provided information on the services offered during information sessions
- Faxed our recruitment flyer to:
  - All public, private, and charter school in district 8 and out of district in the Bronx
  - Rose F. Kennedy Center for Children’s Evaluation and Rehabilitation and in the Bronx, NY
  - Local health clinics, community churches, and community centers and organizations
  - Foster Care agencies
  - Headstarts and daycare centers
  - Local public libraries
  - Legal Aid Society
  - NY Family Hospital, Fire Department, and NYPD
  - Homeless Shelters
  - Hunts Point Alliance for Children (HPAC)
  - Bronx Organization for the Learning Disabled
  - We used the common charter application to reach out to more applicants

<sup>1</sup> Information found at <http://www.nyccharterschools.org/about> accessed on 7/22/2013

<sup>2</sup> SPED and FRL figures are from last year. Current percentages are not yet available.

<sup>3</sup> [http://schools.nyc.gov/NR/rdonlyres/FD5EB945-5C27-44F8-BE4B-E4C65D7176F8/0/2013DemographicReport\\_june2013\\_revised.pdf](http://schools.nyc.gov/NR/rdonlyres/FD5EB945-5C27-44F8-BE4B-E4C65D7176F8/0/2013DemographicReport_june2013_revised.pdf) accessed 7/22/13

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

Created Monday, July 29, 2013

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/bde5b6d493f46fb1a5607295e34456>

## 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:

*deborah dumont*

2. Charter School Name:

*Hyde Leadership 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)

*(No response)*

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

No

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

No

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

No

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

No

Signature of Trustee

• • • •

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

Created Thursday, July 25, 2013

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/be808a3c6b7e41bdfbc1c0536e286a>

## 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:

*Herbert M. Kaplan*

### 2. Charter School Name:

*Hyde Leadership 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)

- Secretary

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

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

*No*

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

*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 that reads "Herb Kaplan". The signature is written in a cursive style with a large, vertical initial "H" and a long, sweeping underline that extends to the right.

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

Created Thursday, July 25, 2013

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/5892865976af7a11262af2506f420a>

## 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:

*Dennis D. Mehiel*

2. Charter School Name:

*Hyde Leadership 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)

*(No response)*

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

No

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

No

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

No

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

No

Signature of Trustee

A handwritten signature in black ink, appearing to read "D. McNeil". The signature is written in a cursive style with a large, looped initial "D" and a long, sweeping tail on the "l".

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

Created Wednesday, July 24, 2013

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/fd3633bd2f9c39352f5560c12228fe>

## 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:

*David M. Steadly*

2. Charter School Name:

*Hyde Leadership 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...: Trustee

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

No

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

No

Page 2

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

No

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

No

Signature of Trustee