

I. SCHOOL INFORMATION AND COVER PAGE

Created Wednesday, June 26, 2013

Updated Thursday, July 25, 2013

Page 1

1. SCHOOL NAME

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

310500860928 ST HOPE LEADERSHIP ACAD CS

2. CHARTER AUTHORIZER

NYCDOE-Authorized Charter School

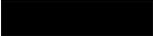
3. DISTRICT / CSD OF LOCATION

NYC CSD 5

4. SCHOOL INFORMATION

PRIMARY ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS
222 West 134th Street New York, NY 10030	212-283-1204	212-283-1207	info@sthopeleadershipacademy.org

4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES

4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES Contact Name	Constance K. Bond, PhD
4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES Title	Principal
4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES Emergency Phone Number (###-###-####)	

5. SCHOOL WEB ADDRESS (URL)

www.sthopeleadershipacademy.org

6. DATE OF INITIAL CHARTER

2007-11-01 00:00:00

7. DATE FIRST OPENED FOR INSTRUCTION

2008-08-01 00:00:00

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

(as reported on BEDS Day)

9. GRADES SERVED IN SCHOOL YEAR 2012-13

Check all that apply

 5

 6

 7

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

Yes/No	Name of CMO/EMO
No	

11. FACILITIES

Will the School maintain or operate multiple sites?

No, just one site.

12. SCHOOL SITES

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

	Physical Address	Phone Number	District/C SD	Grades Served at Site	School at Full Capacity at Site	Facilities Agreement
Site 1 (same as primary site)	222 West 134th Street New York, NY 10030	212-283-1204	CSD 5	5-8	Yes	DOE space
Site 2						
Site 3						

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

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Constance K. Bond, PhD	[REDACTED]	[REDACTED]	[REDACTED]
Operational Leader	Winsome Warden	[REDACTED]	[REDACTED]	[REDACTED]
Compliance Contact	Vivian Lee	[REDACTED]	[REDACTED]	[REDACTED]
Complaint Contact	Constance K. Bond, PhD	[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)	n/a	No		No		Yes
Site 2						
Site 3						

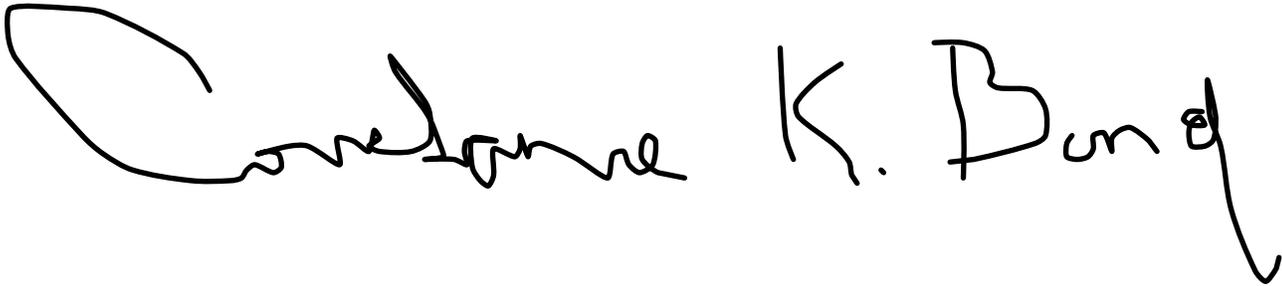
14. Were there any revisions to the school's charter during the 2012-2013 school year? (Please include both those that required authorizer approval and those that did not require authorizer approval).

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).

• Yes

Signature, Head of Charter School

A handwritten signature in black ink, appearing to read "K. Bond". The signature is written in a cursive style with a large initial "K" and a long, sweeping tail on the "d".

Signature, President of the Board of Trustees

Thank you.

Signature Page for President of Board of Trustees

Created Tuesday, July 30, 2013

Updated Thursday, August 01, 2013

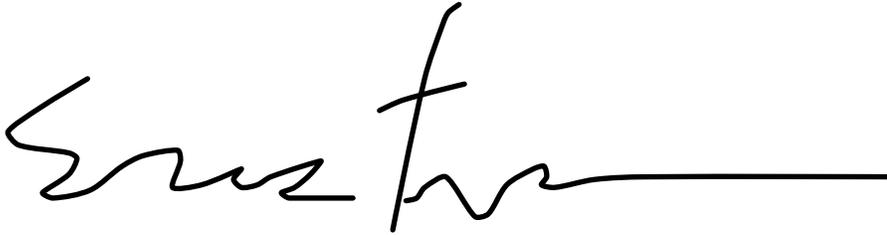
Page 1

310500860928 ST HOPE LEADERSHIP ACAD 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).

- Yes
-

Signature, Board President

A handwritten signature in black ink, appearing to be 'S. H. ...', written on a white background.

Thank you.

Appendix A: Progress Toward Goals

Created Monday, July 15, 2013

Updated Friday, October 11, 2013

Page 1

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/ACC-2012-310500860928.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	Each year, 75 percent of 5-8 graders will perform at or above Level 3 on the New York State ELA examination.	New York State ELA exams This goal was not met. Like the majority of schools across New York State, SHLA's ELA test scores dropped significantly this year. For example, in 2012, 47% of students in New York City passed the ELA exam compared to only 26% in 2013. City-wide, this represents a drop of 21%. For the state of New York, ELA scores fell from 55% to 31%. SHLA scores for 2012-2013 were 7% proficiency in ELA, demonstrating a similar	For the next school year, we have several initiatives in place to help us reach our goal of having at least 75% of our scholars score a 3 or 4 on the State ELA exams. These include a continued relationship with the Achievement Network to ensure our interim exams are rigorous and aligned to the Common Core; a continued relationship with Columbia University's Teacher's College to help our ELA coach and teachers improve Common Core alignment; moving to standards-based grading in all

			percentage drop to both the City and the State. When compared to the home district of our students, SHLA outperformed District 7 (South Bronx – the home district of approximately 60% of our students) in 6-8th grade ELA.	grades and all subjects; and school wide implementation of Achieve3000 to ensure weekly student access to leveled non-fiction text that provides teachers with regular, useable data to track student progress and improve instruction.
Academic Goal 2	Each year, 75 percent of 5-8 graders will perform at or above Level 3 on the New York State Mathematics examination.	New York State Mathematics exams	<p>This goal was not met.</p> <p>Like the majority of schools across New York State, SHLA's test scores dropped significantly this year. For example, in 2012, 60% of students in NYC passed the math exam compared to 30% in 2013. This represents a drop of 30%. For the state of New York, math scores fell from 65% to 31%.</p> <p>SHLA scores for 2012-2013 were 12% proficiency in math, demonstrating a similar percentage drop to both the City and the State. When compared to the home districts of our students, SHLA outperformed District 5 (Central Harlem) and District 7 (South Bronx – the home district of approximately 60% of our students) in math.</p>	For the next school year, we have several initiatives in place to help us reach our goal of having at least 75% of our scholars score a 3 or 4 on the State math exams. These include a continued relationship with the Achievement Network to ensure our interim exams are rigorous and aligned to the Common Core; the hiring of a full-time math coach; the implementation of Common Core aligned Singapore math curriculum school wide; and moving to standards-based grading in all grades and all subjects.
Academic Goal 3	Each year, 75 percent of 8th graders who have been at St. HOPE Leadership Academy Charter School for at least two years will perform at Level 3 on the New York State Science examination.	New York State Science exams	48% of 8th graders scored a 3 or higher on the 2013 NYS Science exam. While we did not meet the goal, student scores increased 10 percentage points from 2012.	In order to ensure that our graduates are ready for success in high school, we are transitioning our 7th and 8th grade science curriculum to prepare all of our students to pass the Earth Science Regents. Curriculum development took place in spring/summer, 2013 with full implementation at the start of the 2013-2014 school year. In addition, SHLA now has a co-teacher in every science classroom along with significant investments in improved lab facilities in grades 6 through 8.
Academic Goal 4	Each year, 8th grade students will complete a 2000 word historical research paper. 90 percent of students will meet or exceed the academic standards measured by this assignment.	Internally created rubrics	The school is making progress toward meeting this goal. Students completed a series of historical research papers in place of a single paper leading up to taking the US History Regents.	The school decided to step back this year to ensure alignment between the historical research paper and the first year of participation in the US History Regents. Next year the social studies curriculum for both 7th and 8th grade will be US History to better prepare all of our 8th grade scholars for successful completion of the

				Regents exam. This will include the re-introduction of the 2000 word historical research paper in 8th grade.
Academic Goal 5	For years 2-5 of the charter, grade-level cohorts of students will reduce by one-half the gap between the percent at or above level 3 on the previous year's ELA exam and 75 percent at or above Level 3 on the current year's State ELA exam.	New York State ELA exams	<p>This goal was not met.</p> <p>Like the majority of schools across New York State, SHLA's ELA test scores dropped significantly this year. For example, in 2012, 47% of students in New York City passed the ELA exam compared to only 26% in 2013. City-wide, this represents a drop of 21%. For the state of New York, ELA scores fell from 55% to 31%.</p> <p>SHLA scores for 2012-2013 were 7% proficiency in ELA, demonstrating a similar percentage drop to both the City and the State. When compared to the home district of our students, SHLA outperformed District 7 (South Bronx – the home district of approximately 60% of our students) in 5th-8th grade ELA.</p>	For the next school year, we have several initiatives in place to help us reach this goal. These include a continued relationship with the Achievement Network to ensure our interim exams are rigorous and aligned to the Common Core; a continued relationship with Columbia University's Teacher's College to help our ELA coach and teachers improve Common Core alignment; moving to standards-based grading in all grades and all subjects; and school wide implementation of Achieve3000 to ensure weekly student access to leveled non-fiction text that provides teachers with regular, useable data to track student progress and improve instruction.
Academic Goal 6	For years 2-5 of the charter, grade-level cohorts of students will reduce by one-half the gap between the percent at or above level 3 on the previous year's Math exam and 75 percent at or above Level 3 on the current year's State Math exam.	New York State Math exams	<p>This goal was not met.</p> <p>Like the majority of schools across New York State, SHLA's test scores dropped significantly this year. For example, in 2012, 60% of students in NYC passed the math exam compared to 30% in 2013. This represents a drop of 30%. For the state of New York, math scores fell from 65% to 31%.</p> <p>SHLA scores for 2012-2013 were 12% proficiency in math, demonstrating a similar percentage drop to both the City and the State. When compared to the home districts of our students, SHLA outperformed District 5 (Central Harlem) and District 7 (South Bronx – the home district of approximately 60% of our students) in math.</p>	For the next school year, we have several initiatives in place to help us reach this goal. These include a continued relationship with the Achievement Network to ensure our interim exams are rigorous and aligned to the Common Core; the hiring of a full-time math coach; the implementation of Common Core aligned Singapore math curriculum school wide; and moving to standards-based grading in all grades and all subjects.
Academic Goal 7	Each year, the percent of students performing at or above Level 3 on the State ELA exam in each grade tested will place the school in the top quartile of all similar schools.	New York State ELA exam scores	We have not yet been provided with this information.	Not Applicable.

Academic Goal 8	Each year, the percent of students performing at or above Level 3 on the State Math exam in each grade tested will place the school in the top quartile of all similar schools.	New York State Math exam scores	We have not yet been provided with this information.	Not Applicable.
-----------------	---	---------------------------------	--	-----------------

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	Each year, the school will make Adequate Yearly Progress (AYP) in ELA and Math.	New York State determination	We have not yet been provided with this information for the 2012-2013 school year. We did, however, make AYP for 2011-2012 school year, as notified in April 2013.	Not Applicable.

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
Org Goal 1	Each year, the school will have a daily attendance rate of at least 95%	Attendance Records	This goal has been met. Our average daily attendance in the 12-13 school year was 95.8%.	
Org Goal 2	Each year, 85% of all students enrolled during the course of the year return the following September.	ATS Records	This goal has been met. SHLA reached its targeted enrollment of 300, and 91% of our students returned to the school for the current school year.	
Org Goal 3	Each year, the school will comply with all applicable rules, regulations, and contract terms including, but not limited to, the New York Charter Schools Act, the New York Freedom of Information Act, the New York Open Meetings Law, the Federal Individuals with Disabilities Education Act, and the federal Family Educational Rights and Privacy Act.	Adherence to all regulations, policies, and procedures	This goal has been met.	
Org Goal 4	Each year, 100 percent of teachers will engage in a faculty evaluation process including written performance reviews	School records of teacher evaluations	This goal has been met. St. HOPE's teachers were evaluated using the Charlotte Danielson framework and rubric as well as against the professional goals they set for themselves in collaboration with their supervisor. Teachers were evaluated three times during the school year, in November, March and June.	
Org Goal 5	Each year, 100 percent of faculty will participate in individualized and team focused professional development.	School records of professional development	This goal has been met. All faculty members participated in a two-week professional development program during the summer as well as every Wednesday from 2:00-5:00. In addition, teachers were given \$2,000 each to spend on external professional development programs.	

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

Yes

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
Org Goal 6	Each year, student enrollment will be within 15 percent of full enrollment as defined in the school's contract. This will be maintained on an ongoing basis and monitored bi-monthly.	ATS records	This goal has been met. St. HOPE's enrollment was 300 or 301 for the 2012-2013 school year.	
Org Goal 7	Each year, parents will express satisfaction with the school's program, based on the school's Parent Survey in which at least 80% of all parents provide a positive response to each of the survey items.	NYCDOE Learning Environment Surveys	This goal has been met. Parent responses on the Learning Environment Survey were overwhelmingly positive for all areas of the school's programming. 91% of our parents completed the Learning Environment Survey.	
Org Goal 8	Each year, students in grades 5-8 complete at least three community service projects.	School records of student community service projects and hours	This goal has been met. All students completed at least three community service projects in the school year, and total project hours were tracked by student.	
Org Goal 9	Each year, disciplinary actions, suspensions, and expulsion rates will be below comparable schools within NYCDOE.	NYCDOE reports	This information has not yet been received.	Not Applicable
Org Goal 10	Each year, 100% of students in 6th Grade will complete a study skills unit.	School records	This goal has been met. Study skills units have been built into all 6th grade curricula.	
Org Goal 11	Each year, 100% of students will work collaboratively to complete and present a group project in at least one class. Students will be evaluated on teamwork.	School Records	This goal has been met. Collaboration is a regular part of the evaluation rubric for all group projects.	

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	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 independent financial audit that will result in an unqualified opinion and no major findings.	Audited financial statements	The 2012-2013 independent financial audit resulted in an unqualified opinion and no major findings.	
Financial Goal 2	Each year, the school will operate a balanced budget and maintain a stable cash flow.	Monthly financials	St. HOPE operated with a surplus throughout the fiscal year and maintained strong cash flow.	

Appendix B: (Total Expenditures and Administrative Expenditures Per Child)

St. HOPE Leadership Academy Charter School

6/30/2013

Total Number of Enrolled Students (BEDS DAY):

301

	Total Expenditures	Administrative Expenditures
Total :	\$ 4,873,947.06	\$ 517,395.98
Expenditures Per Pupil:	\$ 16,192.52	\$ 1,718.92

Audited Financial Statement Checklist

Created Friday, November 01, 2013

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)	False	True	False
CSP Agreed Upon Procedures (if applicable)	False	False	True
Management Letter	True	False	False
Report on Extracurricular Student Activity Accounts (if applicable)	False	False	True
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 Gretchen .

ST. HOPE LEADERSHIP ACADEMY

FINANCIAL STATEMENTS

JUNE 30, 2013

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR JUNE 30, 2012)

ST. HOPE LEADERSHIP ACADEMY CHARTER SCHOOL

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	1-2
FINANCIAL STATEMENTS:	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-11
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 <i>Government Auditing Standards</i>	12-13



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
St. Hope Leadership Academy Charter School

Report on the Financial Statements

We have audited the accompanying financial statements of St. Hope Leadership Academy Charter School (the "School") which comprise the statements 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 of material misstatement.

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

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

An Independent Member of Baker Tilly International

MBAF CPAs

NEW YORK 440 Park Avenue South, 3rd Floor, New York, NY 10016 | T 212 576 1400 | F 212 576 1414 | www.mbaifcpa.com
VALHALLA 400 Columbus Avenue, Suite 200E, Valhalla, NY 10595 | T 914 741 0900 | F 914 741 1014 | www.mbaifcpa.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Hope Leadership Academy 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 St. Hope Leadership Academy Charter School's 2012 financial statements and we expressed an unmodified opinion on those audited financial statements in our report dated October 19, 2012. 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2013, on our consideration of St. Hope Leadership Academy Charter School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 St. Hope Leadership Academy Charter School's internal control over financial reporting and compliance.

MBAF CPAs, LLC

New York, NY
October 25, 2013

ST. HOPE LEADERSHIP ACADEMY CHARTER SCHOOL

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2013

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR JUNE 30, 2012)

ASSETS	2013	2012
Cash	\$ 2,578,338	\$ 2,819,276
Cash - restricted	75,206	75,156
Grants and other receivables	9,017	14,213
Prepaid expenses and other assets	188,901	58,118
Due from New York City Department of Education	39,925	22,598
Property and equipment, net	524,180	161,715
	\$ 3,415,567	\$ 3,151,076
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 119,344	\$ 154,024
Accrued salaries and other payroll related expenses	211,126	207,908
Total Liabilities	330,470	361,932
Net assets - unrestricted	3,085,097	2,789,144
	3,085,097	2,789,144
	\$ 3,415,567	\$ 3,151,076

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

ST. HOPE LEADERSHIP ACADEMY CHARTER SCHOOL

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2013

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2012)

	<u>2013</u>	<u>2012</u>
OPERATING REVENUE		
State and local per pupil operating revenue	\$ 4,771,833	\$ 4,264,862
Federal grants	365,263	237,345
State grants	21,340	23,842
	<u>5,158,436</u>	<u>4,526,049</u>
EXPENSES		
Program services:		
General education	2,990,255	3,105,769
Special education	1,365,229	935,216
Management and general	502,834	575,530
Fundraising	9,225	19,702
	<u>4,867,543</u>	<u>4,636,217</u>
SURPLUS (DEFICIENCY) FROM SCHOOL OPERATIONS	<u>290,893</u>	<u>(110,168)</u>
SUPPORT AND OTHER INCOME		
Contributions and other grants	600	2,220
Donated services	-	6,775
Donated goods	-	1,200
Interest income	4,460	8,974
	<u>5,060</u>	<u>19,169</u>
CHANGE IN NET ASSETS	295,953	(90,999)
NET ASSETS - BEGINNING OF YEAR	<u>2,789,144</u>	<u>2,880,143</u>
NET ASSETS - END OF YEAR	<u>\$ 3,085,097</u>	<u>\$ 2,789,144</u>

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

ST. HOPE LEADERSHIP ACADEMY CHARTER SCHOOL

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2013

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2012)

	Program Services		Supporting Activities		2013	2012
	General Education	Special Education	Management and General	Fundraising		
Salaries and wages	\$ 1,902,675	\$ 937,406	\$ 287,973	\$ 6,813	\$ 3,134,867	\$ 2,841,761
Payroll taxes and employee benefits	410,464	202,227	62,125	1,470	676,286	590,210
Professional fees	35,490	24,515	84,886	127	145,018	347,318
Accounting	11,288	5,562	1,709	40	18,599	18,270
Advertising and recruiting	26,435	10,775	2,777	66	40,053	27,993
Student food services	3,653	784	-	-	4,437	7,029
Staff lunches and team building	13,889	6,843	2,102	50	22,884	23,448
Insurance	16,176	7,969	2,448	58	26,651	25,317
Repairs and maintenance	2,514	1,239	8,074	9	11,836	4,332
Postage and delivery	3,197	1,575	484	11	5,267	7,956
Printing and copying	10,176	5,014	1,540	36	16,766	10,311
Classroom and office supplies	30,646	7,508	25,019	12	63,185	49,599
Instructional materials	211,177	45,332	-	-	256,509	334,455
Professional development	150,571	32,322	-	-	182,893	176,892
Office expenses	13,529	6,666	2,048	48	22,291	6,661
Board of Trustee expenses	-	-	1,157	-	1,157	1,230
Telephone and internet	19,138	9,429	2,897	69	31,533	32,390
Technology	45,817	22,573	6,934	164	75,488	34,572
Travel	627	309	95	2	1,033	380
Depreciation and amortization	69,814	34,395	10,566	250	115,025	72,016
Donated legal services	-	-	-	-	-	7,975
Transportation	12,979	2,786	-	-	15,765	16,102
Total expenses	\$ 2,990,255	\$ 1,365,229	\$ 502,834	\$ 9,225	\$ 4,867,543	\$ 4,636,217

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

ST. HOPE LEADERSHIP ACADEMY CHARTER SCHOOL

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2013

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2012)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 295,953	\$ (90,999)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	115,025	72,016
Changes in operating assets and liabilities:		
Cash - restricted	(50)	(61)
Grants and other receivables	5,196	14,501
Prepaid expenses and other assets	(130,783)	4,034
Due from New York City Department of Education	(17,327)	(13,484)
Accounts payable and accrued expenses	(34,680)	62,953
Accrued salaries and other payroll related expenses	3,218	41,830
Due to NYC Department of Youth and Community Development	-	(79,190)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>236,552</u>	<u>11,600</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(477,490)</u>	<u>(33,697)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(477,490)</u>	<u>(33,697)</u>
NET DECREASE IN CASH	(240,938)	(22,097)
CASH - BEGINNING OF YEAR	<u>2,819,276</u>	<u>2,841,373</u>
CASH - END OF YEAR	<u>\$ 2,578,338</u>	<u>\$ 2,819,276</u>

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

ST. HOPE LEADERSHIP ACADEMY

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

1. NATURE OF THE ORGANIZATION

St. Hope Leadership Academy Charter School (the "School") is a not-for-profit college-preparatory public charter school in New York City pursuant to Article 56 of the Educational Law of the State of New York. On January 15, 2008, 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. The School opened in the Fall of 2008 with grades five through seven, and currently serves students in grades five through eight. The School provides a standards-based college preparatory curriculum, interventions for students who are performing below grade level, a defined character development program and a variety of leadership and community service opportunities in an ordered, structured and disciplined learning environment. The School features an extended school day and school year.

The School, as determined by the Internal Revenue Service, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and under the corresponding provisions of the New York State tax laws. The School has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) of the IRC and qualifies for deductible contributions as provided in section 170(b)(1)(A)(ii) of the IRC.

The School's primary sources of income are from government funding.

The New York City Department of Education ("NYCDOE") provides free lunches and transportation directly to a majority of the School's students. The School collects money from children not entitled to free lunches to help defray the cost of school meals.

During the year ended June 30, 2013, the School operated classes for students in the fifth through eighth grades. The School shares space with a New York City public school and is not responsible for rent, utilities, custodial services, maintenance, or school safety. Approximately 30,000 feet of square footage is allocated to the School.

2. ACCOUNTING POLICIES

Financial Statement Presentation

The School's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The classification of a School's net assets and its support, revenues and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the 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:

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.

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 and changes in net assets. However, if a restriction is fulfilled in the same period in which the contribution is received, the School reports the support as unrestricted.

Unrestricted - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

ST. HOPE LEADERSHIP ACADEMY

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

2. ACCOUNTING POLICIES (CONTINUED)

Cash – Restricted

An escrow account of \$75,206 is held aside for contingency purposes as required by the NYCDOE.

Grants and Other Receivables

Grants and other receivables represent unconditional promises to give. Grants and other receivables are expected to be collected within one year, are recorded at net realizable value, and amount to \$9,017 and \$14,213 at June 30, 2013 and 2012, respectively. The School evaluates the collectability of the receivables and employs the allowance method. Accordingly, the School has determined that no allowance for uncollectible accounts for grants and other receivables is necessary as of June 30, 2013 and 2012. Such estimate is based on management's assessments of the creditworthiness of its grantors, the aged basis of its receivables, as well as current economic conditions and historical information.

Revenue Recognition

Revenue from the state and local government 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 are recorded by the School when qualifying expenditures are incurred and billable. Funds received in advance for which qualifying expenditures have not been incurred are reflected as refundable advances from state and local government grants in the accompanying statement of financial position.

Donated Services

The School receives contributed legal services that are an integral part of its operations. Such services are only recorded as contributions in-kind, at their fair value, provided the services received create or enhance non-financial assets, require specified skills provided by individuals possessing those skills, and typically need to be purchased if not provided by donation. Donated services received are estimated at \$0 and \$6,775 for the years ended June 30, 2013 and 2012, respectively, and are reflected as donated services as both income and expense in the accompanying financial statements. Donated goods received are estimated at \$0 and \$1,200 for the years ended June 30, 2013 and 2012, respectively, and are reflected as donated goods as both income and expense in the accompanying financial statements.

Property and Equipment

Property and equipment are stated at cost and are being depreciated on the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the life of the asset. The School has established a \$1,000 threshold above which assets are evaluated to be capitalized. Property and equipment acquired with certain government contract funds is recorded as an expense pursuant to the terms of the contract in which the government funding source retains ownership of the property. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized.

Impairments

The School reviews long-lived assets to determine whether there has been any permanent impairment whenever events or circumstances indicate the carrying amount of an asset may not be recoverable. If the sum of the expected future undiscounted cash flows is less than the carrying amount of the assets, the School recognizes an impairment loss. No impairment losses were recognized for the years ended June 30, 2013 and 2012.

ST. HOPE LEADERSHIP ACADEMY

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

2. ACCOUNTING POLICIES (CONTINUED)

Advertising

The School expenses advertising costs as incurred. The School incurred \$40,053 and \$27,993 of advertising costs for the years ended June 30, 2013 and 2012, respectively, which is included in the accompanying statement of functional expenses under advertising and recruiting.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Expenses that can be directly identified with the program or supporting service to which they relate are charged accordingly. Other expenses by function have been allocated among program and supporting service classifications based upon benefits received.

Estimates

The preparation of financial statements in conformity with U.S. GAAP 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.

Subsequent Events

The School has evaluated events through October 25, 2013, which is the date the financial statements were available to be issued.

Comparative Financial Information

The June 30, 2013 financial statements include certain prior year summarized comparative information in total but not by net asset class. In addition, only certain of the notes to the financial statements for June 30, 2012 are presented. As a result, the June 30, 2012 comparative information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such June 30, 2012 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.

Income Taxes

The School follows the accounting standard for uncertainty in income taxes. The standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in the financial statements. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

The School files informational returns in the federal and New York State jurisdictions. With few exceptions, the School is no longer subject to federal, state, or local income tax examinations by tax authorities for fiscal years before 2010.

The School believes that it has appropriate support for the positions taken on its tax returns. Nonetheless, the amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts accrued for each year. Management believes that its nonprofit status would be sustained upon examination.

Should there be interest on underpayments of income tax, the School would classify it as "Interest Expense." The School would classify penalties in connection with underpayments of tax as "Other Expense."

ST. HOPE LEADERSHIP ACADEMY

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

3. AGREEMENT WITH SCHOOL FACILITY

The School has entered into a verbal agreement (the "Agreement") with the NYCDOE for dedicated and shared space at P.S. 92, a New York City public school located at 222 West 134th Street, New York, New York. The Agreement commenced on July 1, 2008 at a cost of \$1 per year. The fair value of the rent has not been included in the accompanying financial statements as the premises are temporary in nature, the Agreement is non-binding, is excess shared space whereby a fair value cannot be determined, and is industry practice.

The School will be responsible for any overtime-related costs for services provided beyond the regular opening hours. For the years ended June 30, 2013 and 2012, the School incurred overtime permit fees of \$11,559 and \$0, respectively, which is included in the accompanying statement of functional expenses under office expenses.

4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30,:

	2013	2012	Estimated Useful Lives
Furniture and fixtures	\$ 166,117	\$ 134,507	5 years
Computers and servers	577,117	176,501	3 years
Software	15,592	15,592	5 years
Leasehold improvements	87,634	42,370	5 years
	<u>846,460</u>	<u>368,970</u>	
Less: accumulated depreciation and amortization	(322,280)	(207,255)	
	<u>\$ 524,180</u>	<u>\$ 161,715</u>	

Depreciation and amortization expense for the years ended June 30, 2013 and 2012 was \$115,025 and \$72,016, respectively.

5. COMMITMENTS

The School leases telecommunications equipment and copiers under a non-cancelable operating lease which will expire in 2017. Future minimum lease payments are as follows:

June 30,	
2014	\$ 4,188
2015	4,188
2016	4,188
2017	3,839
<u>Total</u>	<u>\$ 16,403</u>

The leasing expense for the years ended June 30, 2013 and 2012 was \$8,201 and \$4,546, respectively, which is included in the accompanying statement of functional expenses under printing and copying.

ST. HOPE LEADERSHIP ACADEMY

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

6. RETIREMENT PLAN

The School has adopted a defined contribution 401(k) profit sharing plan (the "Plan") which covers most of its employees. Employees are eligible to enroll in the Plan on the first day of the one month anniversary once they have worked at least 140 hours. Those employees who are employed on the last day of the Plan year (December 31st) are also eligible for employer contribution. The Plan provides for the School to contribute up to 5% of an employee's salary. The School contribution becomes vested on a straight-line basis over five years. For the years ended June 30, 2013 and 2012, retirement expense for the School was \$114,502 and \$80,799 respectively, which is included in payroll taxes and employee benefits in the accompanying statement of functional expenses.

7. RISK MANAGEMENT

- A. The School is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; injuries to employees; and natural disasters. The School maintains commercial insurance to help protect itself from such risks.
- B. The School entered into contractual relationships with certain governmental funding sources. The governmental agencies may request return of funds as a result of noncompliance by the School, as well as additional funds for the use of facilities. The accompanying financial statements make no provision for the possible disallowance or refund.
- C. The School's charter was renewed in 2013 for an additional five years. Although the School anticipates that these renewals will be granted by the authorizers, no assurance can be provided that these will occur.

8. CONCENTRATIONS

- A. Financial instruments that potentially subject the School to a concentration of credit risk include cash accounts at a major financial institution that, at times, exceeded the Federal Deposit Insurance Corporation ("FDIC") insured limit of \$250,000.
- B. The School received approximately 92% of its total revenue from per pupil funding from the NYCDOE.
- C. The School's grants and other receivables consist of two major grantors.
- D. The School's payables exclusively consist of four major vendors.

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
St. Hope Leadership Academy 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 St. Hope Leadership Academy 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 25, 2013.

Internal Control Over Financial Reporting

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

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

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

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 we reported to management of the School in a separate letter dated October 25, 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.

MBAF CPAs, LLC

New York, NY
October 25, 2013

St. Hope Leadership Academy Charter School

Communication With Those Charged With Governance

October 25, 2013





October 25, 2013

To the Audit Committee
St. Hope Leadership Academy Charter School

We have audited the financial statements of St. Hope Leadership Academy Charter School (the "School") for the year ended June 30, 2013 and are prepared to issue our report thereon dated October 25, 2013. Professional standards require that we provide you with the following information related to our audit. This letter is divided into two sections: 1) required communications from the auditors to those with audit oversight responsibilities and 2) opportunities for strengthening internal controls or enhancing operating efficiency and our related recommendations.

REQUIRED COMMUNICATIONS

A. Our Responsibility under U.S. Generally Accepted Auditing Standards:

As stated in our engagement letter June 3, 2013, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control of St. Hope Leadership Academy Charter School. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

B. Planned Scope and Timing of the Audit:

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on August 13, 2013.

C. Auditor Independence:

We affirm that MBAF CPAs, LLC is independent with respect to St. Hope Leadership Academy Charter School.

An Independent Member of BakerTilly International

MBAF CPAs

NEW YORK 440 Park Avenue South, 3rd Floor, New York, NY 10014 | T 212 576 1400 | F 212 576 1414 | www.mbaforpa.com
VALHALLA 400 Columbus Avenue, Suite 200E, Valhalla, NY 10595 | T 914 741 9000 | F 914 741 1034 | www.mbaforpa.com

D. Qualitative Aspects of Accounting Practices:

Management is responsible for the 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 St. Hope Leadership Academy Charter School are described in Note 2 to the financial statements. We noted no transactions entered into by the School during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

E. Accounting Estimates Used in the Financial Statements:

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

Allowance for Doubtful Accounts:

As of June 30, 2013, St. Hope Leadership Academy Charter School recorded grants and other receivables of \$48,942. Management concluded that no allowance for doubtful accounts was necessary. Management calculated based on the assessment of the credit-worthiness of the School's grantors, the aged basis of the receivables, as well as economic conditions and historical information. Based on our audit procedures which included a discussion with the School fiscal Consultant and a test of subsequent collections (\$0 collected as of August 23, 2013), we concur with management's conclusion.

Functional Statement Allocation:

Management's estimate of the allocation of functional expenses is directly identified with the program or supporting service to which they relate. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

F. Sensitive Disclosures Affecting the Financial Statements:

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the financial statements were:

The disclosure of risk management in Note 7 to the financial statements describes various risks to which the School is exposed.

G. Corrected and Uncorrected Misstatements:

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. We will identify those adjustments proposed both corrected and uncorrected:

Proposed and Corrected:

Corrected:

There were no audit adjustments noted in the current year. Last year there were 2 audit adjustments that had reduced net assets by approximately \$2,700.

Proposed and Uncorrected:

There were no audit adjustments proposed and uncorrected.

H. Audit Difficulties and Disagreements with Management:

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report.

We are pleased to report that no such disagreements arose during the course of our audit.

I. Management Representations:

We have requested certain representations from management that are included in the management representation letter dated October 25, 2013.

J. Management Consultations with Other Independent Accountants:

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

K. Other Audit Findings or Issues:

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

OPPORTUNITIES FOR STRENGTHENING INTERNAL CONTROLS OR ENHANCING OPERATING EFFICIENCY

Please note: Comments with an asterisk (*) was communicated in the prior fiscal year.

***School Facility Lease Agreement**

Through conversations with the School's Consultant, we have been informed that a formal written agreement between St. Hope Leadership Academy Charter School and the Department of Education does not exist. We recommend that the School periodically re-explore the risks of such a relationship. Please note that we have been informed that this issue is present for all New York charter schools.

We wish to thank management and personnel for their support and assistance during our audit. We would be pleased to further discuss the contents of this report with you at your convenience.

This information is intended solely for the use of the Audit Committee, Board of Trustees, and management of St. Hope Leadership Academy Charter School and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

MBAF CPAs, LLC
MBAF CPAs, LLC



College • Leadership • Service

October 29, 2013

Ankur Dalal
SHLA Treasurer and Finance Committee Chair
253 E. 77th Street, Apt PH-D
New York, NY 10075

Dear Mr. Dalal:

St. HOPE Leadership Academy Charter School appreciates the opportunities for strengthening internal controls or enhancing operating efficiency identified by MBAF LLC during its audit. Below are our responses to the items listed in the "Opportunities for Strengthening Internal Controls or Enhancing Operating Efficiency" section of MBAF's report:

School Facility Lease Agreement

Management will periodically contact the New York City Department of Education, while being mindful that the delay of signed and documented facility lease agreements is due to the Department and not the School.

Please do not hesitate to contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to be "CB", written over a horizontal line.

Constance K. Bond, Ph.D.
Principal

Appendix E: Disclosure of Financial Interest Form

Created Monday, June 24, 2013

Updated Friday, July 12, 2013

Page 1

310500860928 ST HOPE LEADERSHIP ACAD 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 Friday, July 12, 2013

Updated Wednesday, July 24, 2013

Page 1

310500860928 ST HOPE LEADERSHIP ACAD 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						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

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

3

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

3

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 2012-13 school year?

12

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

12

Thank you.



Focus Area – D. Appendix H: Enrollment and Retention Efforts

During the 2012-2013 school year, St. HOPE Leadership Academy Charter School employed a number of strategies to attract and retain students with disabilities, English Language Learners, and students who are eligible for free and reduced priced lunch, and the success of our efforts is reflected in our student population.

Students with Special Needs – Approximately 19% of our students in the 2012-2013 school year received special education services, a percentage that is higher than the per school average for District 5. To recruit and retain these students, we employed the following strategies:

- Targeted outreach to feeder schools that serve high populations of special needs students
- Consultations with non-profit and charter support organizations to pin-point recruitment targets in the South Bronx and Harlem
- Orientation to educate families on our full program offerings for students with special needs
- An Assistant Principal dedicated to Student Support Services who is available to answer questions for all current and prospective students
- Differentiated and targeted instruction provided by Learning Specialists with Special Education certification on each grade level in Integrated Co-Teaching Classrooms, SETTS providers for students who needed five hours of support per day, a guidance counselor and social worker
- An outside provider for Speech services

English Language Learners – About 8% of the students enrolled at St. HOPE in the 2012-2013 school year were English Language Learners, although a higher number of families St HOPE serves speak a language other than English in the home. Our robust recruitment of ELL students included the following efforts:

- Outreach to schools, churches and community-based organizations in the South Bronx and Harlem that serve families with a primary language other than English
- Orientation, recruitment and open house events presented in English, Spanish, and French
- Application materials translated into English and French
- Comprehensive ELL services provided by an ELL Coordinator, two bi-lingual Learning Specialists, a bi-lingual Social Worker as well as numerous other bi-lingual staff members

Students eligible for Free and Reduced Priced Lunch – Our percentage of students eligible for free and reduced priced lunch was 86% in the 2012-2013 school year. To ensure that we recruited, retained and served this population of students, we used the following strategies:

- Recruitment in high needs neighborhoods, including housing projects.
- Collaborations with community-based organizations
- Assistance with completion of the Meal program application, as needed

To continue to attract and retain students with disabilities, English Language Learners, and students who are eligible for free and reduced priced lunch for the upcoming school year and beyond, we are

refining and increasing these strategies as needed. Our goal is to offer all marketing and recruitment materials and events in English, Spanish, and French, and we are working toward full translations of our website as well.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Thursday, August 15, 2013

<http://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/1b2426ebe44eabeb684684e248521e>

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:

Ankur Dalal

2. Charter School Name:

St. Hope Leadership Academy Charter School

3. Charter Authorizer:

NYC Department of Education

4. *Your Home Address:

4. *Your Home Address: | Street Address

4. *Your Home Address: | City/State

4. *Your Home Address: | Zip

5. *Your Business Address

5. *Your Business Address | Street Address

5. *Your Business Address | City/State

5. *Your Business Address | Zip

6. *Daytime Phone Number:

7. *E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

(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?

Yes

13a. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house held or engaged in with the charter school during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write None. Please note that if you answered Yes to Question 2-4 above, you need not disclose again your employment status, salary, etc.

	Date(s) of Transaction	Nature of Financial Interest/Transaction	Steps Taken to Avoid Conflict of Interest (e.g., did not vote, did not participate in discussion)	Name of Person Holding Interest and Relationship to You
1	2/2013	Legal services provided to St. Hope	Performed the legal services pro bono - did not receive any financial benefit for the legal advice provided	(self)
2				
3				
4				
5				

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

The image shows two handwritten signatures in black ink. The signature on the left is written in a cursive style and appears to be 'Arker'. The signature on the right is also in cursive and appears to be 'Debel'.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Monday, June 24, 2013

Updated Friday, March 14, 2014

<http://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/0abd73ed190c1c4510d5fb647ae44b>

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:

Eric Freeman

2. Charter School Name:

St. Hope Leadership Academy Charter School

3. Charter Authorizer:

NYC Department of Education

4. *Your Home Address:

4. *Your Home Address: | Street Address

4. *Your Home Address: | City/State

4. *Your Home Address: | Zip

5. *Your Business Address

5. *Your Business Address | Street Address

5. *Your Business Address | City/State

5. *Your Business Address | Zip

6. *Daytime Phone Number:

7. *E-mail

8. Select all positions you held on Board:

(check all that apply)

- Chair/President

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

No

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

No

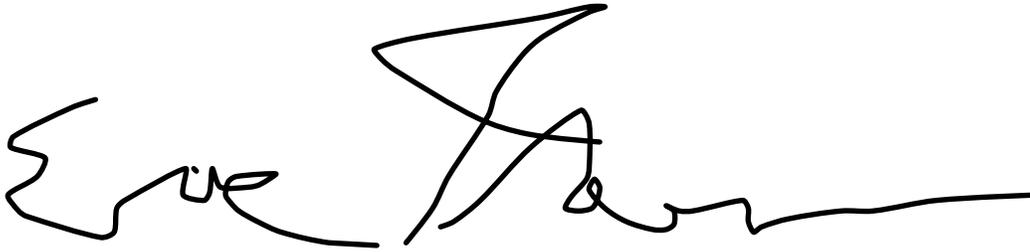
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

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

No

Signature of Trustee

A handwritten signature in black ink, appearing to read "Eve [unclear]". The signature is fluid and cursive, with a large, stylized initial "E" and a long horizontal stroke at the end.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Monday, June 24, 2013

<http://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/6b6f6829700eac4769fe0e3640cd1ac>

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:

Vinay Ganti

2. Charter School Name:

St. Hope Leadership Academy Charter School

3. Charter Authorizer:

NYC Department of Education

4. *Your Home Address:

4. *Your Home Address: | Street Address

4. *Your Home Address: | City/State

4. *Your Home Address: | Zip

5. *Your Business Address

5. *Your Business Address | Street Address

5. *Your Business Address | City/State

5. *Your Business Address | Zip

6. *Daytime Phone Number:

7. *E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

- Treasurer

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

No

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

No

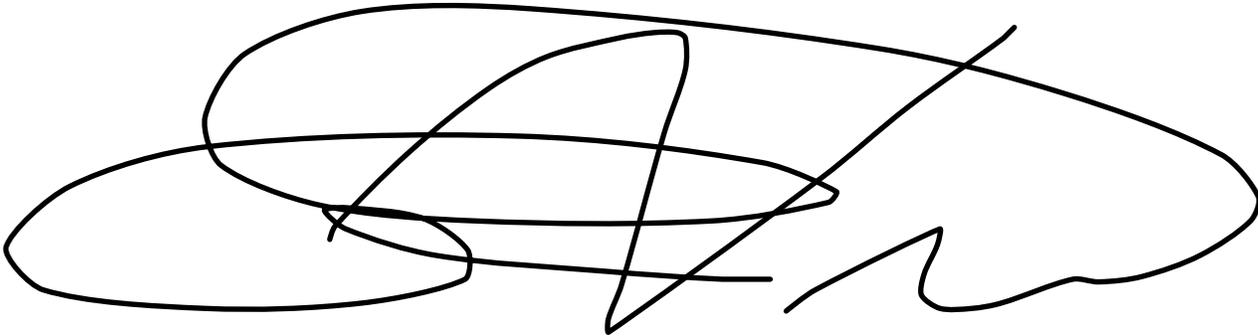
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

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

No

Signature of Trustee

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Thursday, June 27, 2013

<http://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/7e181bbff8601ac85a9dde5403df8f1>

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:

Maureen Higgins

2. Charter School Name:

St. Hope Leadership Academy Charter School

3. Charter Authorizer:

NYC Department of Education

4. *Your Home Address:

4. *Your Home Address: | Street Address

4. *Your Home Address: | City/State

4. *Your Home Address: | Zip

5. *Your Business Address

5. *Your Business Address | Street Address

5. *Your Business Address | City/State

5. *Your Business Address | Zip

6. *Daytime Phone Number:

7. *E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

(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

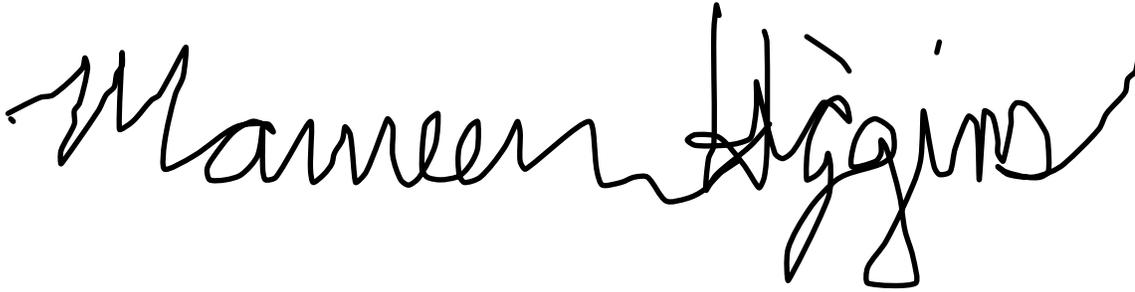
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

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 that reads "Mameen Higgins". The signature is written in a cursive style with a large initial "M" and a long, sweeping underline.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Monday, August 12, 2013

<http://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/8c24f6744b50754bec11af706899938>

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:

Jonathan Howard

2. Charter School Name:

St. Hope Leadership Academy Charter School

3. Charter Authorizer:

NYC Department of Education

4. *Your Home Address:

4. *Your Home Address: | Street Address

4. *Your Home Address: | City/State

4. *Your Home Address: | Zip

5. *Your Business Address

5. *Your Business Address | Street Address

5. *Your Business Address | City/State

5. *Your Business Address | Zip

6. *Daytime Phone Number:

7. *E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

- Other, please specify...: Nominating 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

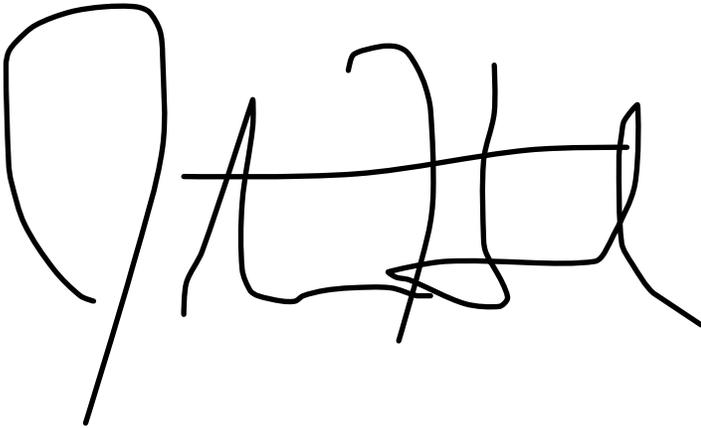
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

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. The signature is highly stylized and cursive. It begins with a large, rounded 'P' on the left. This is followed by a series of overlapping loops and horizontal strokes that form the rest of the name. The signature ends with a long, thin tail stroke extending downwards and to the right.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Monday, August 12, 2013

Updated Friday, March 14, 2014

<http://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/43f2818fcd0c4d89010b134fb75c37c>

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:

Ned Levy

2. Charter School Name:

St. Hope Leadership Academy Charter School

3. Charter Authorizer:

NYC Department of Education

4. *Your Home Address:

4. *Your Home Address: | Street Address

4. *Your Home Address: | City/State

4. *Your Home Address: | Zip

5. *Your Business Address

5. *Your Business Address | Street Address

5. *Your Business Address | City/State

5. *Your Business Address | Zip

6. *Daytime Phone Number:

7. *E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

- Vice Chair/Vice President

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

No

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

No

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

No

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

No

Signature of Trustee

A handwritten signature in black ink, consisting of several large, fluid, and somewhat abstract strokes. The signature is written on a white background and appears to be a stylized representation of a name.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Thursday, June 27, 2013

<http://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/0e9ec34443c6b8c10466c2d715a0db>

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:

Ruth Meyler

2. Charter School Name:

St. Hope Leadership Academy Charter School

3. Charter Authorizer:

NYC Department of Education

4. *Your Home Address:

4. *Your Home Address: | Street Address

4. *Your Home Address: | City/State

4. *Your Home Address: | Zip

5. *Your Business Address

5. *Your Business Address | Street Address

None

5. *Your Business Address | City/State

(No response)

5. *Your Business Address | Zip

(No response)

6. *Daytime Phone Number:

7. *E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

- Vice Chair/Vice President

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

No

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

No

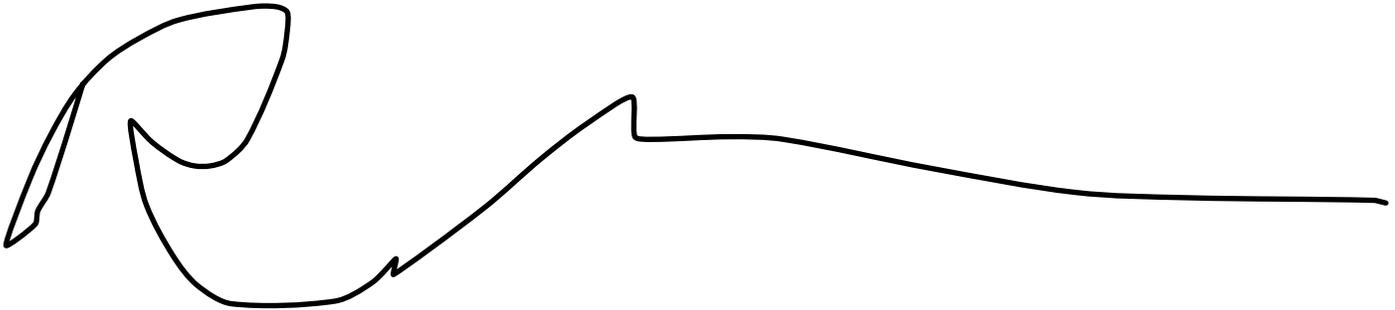
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

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

No

Signature of Trustee

A handwritten signature in black ink, consisting of a large, stylized initial 'R' followed by a long, horizontal line that tapers to the right.

Required Form: Appendix E - Disclosure of Financial Interest Form

Created Thursday, June 27, 2013

<http://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/eda9f9059037f99928f885c58972b4c>

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:

Bryan Winther

2. Charter School Name:

St. Hope Leadership Academy Charter School

3. Charter Authorizer:

NYC Department of Education

4. *Your Home Address:

4. *Your Home Address: | Street Address

4. *Your Home Address: | City/State

4. *Your Home Address: | Zip

5. *Your Business Address

5. *Your Business Address | Street Address

5. *Your Business Address | City/State

5. *Your Business Address | Zip

6. *Daytime Phone Number:

7. *E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

(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

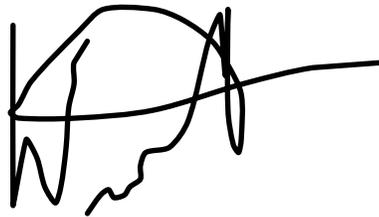
13. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

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, consisting of a large, rounded initial 'B' followed by a series of connected, somewhat jagged lines.A handwritten signature in black ink, featuring a large, stylized initial 'W' or 'V' with a long horizontal line extending to the right.