

I. SCHOOL INFORMATION AND COVER PAGE

Created Monday, July 21, 2014
Updated Thursday, July 31, 2014

Page 1

1. SCHOOL NAME

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

310500861001 DEMOCRACY PREP ENDURANCE CS

2. CHARTER AUTHORIZER

Regents-Authorized Charter School

3. DISTRICT / CSD OF LOCATION

NYC CSD 5

4. SCHOOL INFORMATION

PRIMARY ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS
250 W 127th St New York, NY 10027	212-316-7602	212-316-7022	info@democracyprep.org

4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES

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

5. SCHOOL WEB ADDRESS (URL)

www.democracyprep.org

6. DATE OF INITIAL CHARTER

2011-12-01 00:00:00

7. DATE FIRST OPENED FOR INSTRUCTION

2012-08-01 00:00:00

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

(as reported on BEDS Day)

9. GRADES SERVED IN SCHOOL YEAR 2013-14

Check all that apply

• 6

• 7

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

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

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

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

11. FACILITIES

Will the School maintain or operate multiple sites?

No, just one site.

12. SCHOOL SITES

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

	Physical Address	Phone Number	District/CSD	Grades Served at Site	School at Full Capacity at Site	Facilities Agreement
Site 1 (same as primary site)	250 West 127th St New York, NY 10027	212-316-7602	CSD 5	6,7	No	DOE space

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

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Margaret Marrer	[REDACTED]		[REDACTED]
Operational Leader	Madelyn Lantigua	[REDACTED]		[REDACTED]
Compliance Contact	Carlos Mojica	[REDACTED]		[REDACTED]
Complaint Contact	Benjamin Feit	[REDACTED]		[REDACTED]

13. Are the School sites co-located?

Yes

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

	Date School will leave current co-location	Is school working with NYCDOE to expand into current space?	If so, list year expansion will occur.	Is school working with NYCDOE to move to separate space?	If so, list the proposed space and year planned for move	School at Full Capacity at Site
Site 1 (primary site)		Yes	2014	No		No

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

No

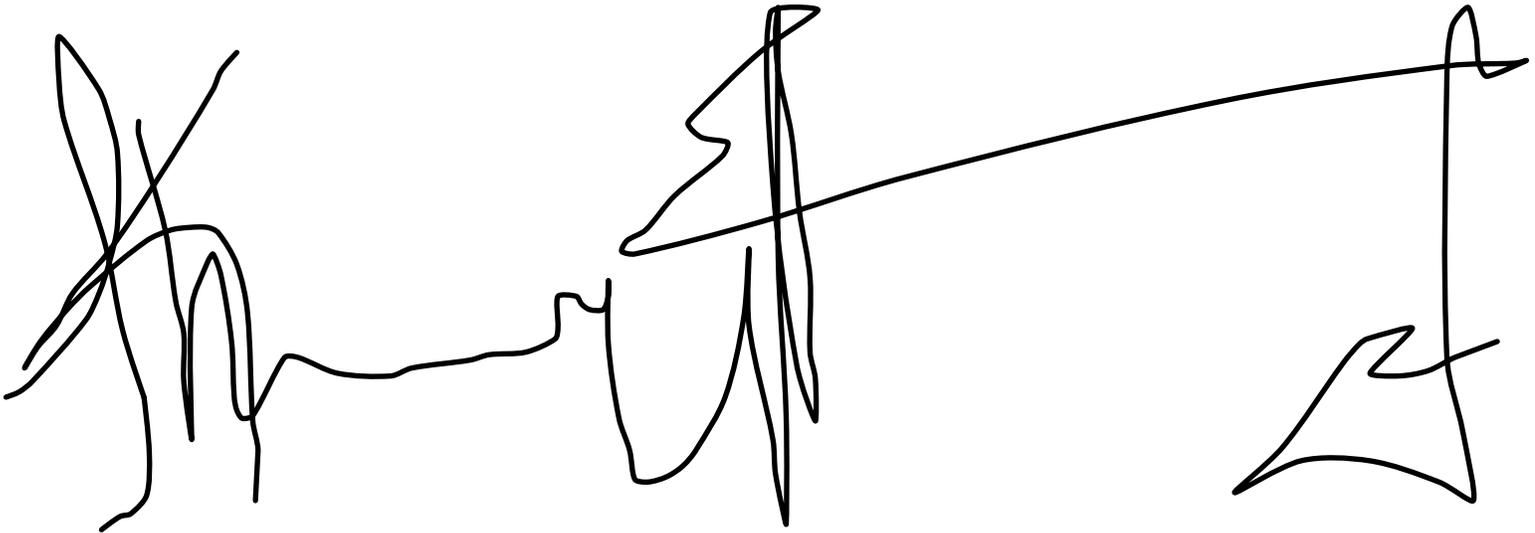
16. Our signatures below attest that all of the information contained herein is truthful and accurate and that this charter school is in compliance with all aspects of its charter, and with all pertinent Federal, State, and local laws, regulations, and rules. We understand that if any information in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

• Yes

Signature, Head of Charter School

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

Signature, President of the Board of Trustees

A handwritten signature in black ink, featuring a complex, multi-looped structure with a long horizontal line extending across the right side.

Thank you.

Audited Financial Statement Checklist

Created Friday, July 25, 2014

Updated Friday, October 31, 2014

Page 1

Charter School Name:

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

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

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

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

Thank you.

Appendix A: Progress Toward Goals

Created Tuesday, July 22, 2014

Updated Friday, October 31, 2014

Page 1

Charter School Name: 310500861001 DEMOCRACY PREP ENDURANCE CS

1. NEW YORK STATE REPORT CARD

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

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

<http://data.nysed.gov/profile.php?instid=800000070174>

2. APPENDIX A: PROGRESS TOWARD CHARTER GOALS

2a. ACADEMIC STUDENT PERFORMANCE GOALS

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

2013-14 Progress Toward Attainment of Academic Goals

	Academic Student Performance Goal	Measure Used to Evaluate Progress	2013-2014 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Academic Goal 1	Each year, 75% of 6th -8th graders who have been at the School on BEDS day for at least two consecutive years will perform at or above level 3 on the New York State English Language Arts Exam.	New York State English Language Arts Exam	Goal not met.	DPE continues to refine its curriculum to align with Common Core State Standards (CCSS), with a focus on student growth throughout the school year. DPPS has given provided each of the schools with lesson plans created by experienced master teachers under the supervision of DPPS curriculum specialists.
Academic Goal 2	Each year, 75% of 6th -8th graders who have been at the School on BEDS day for at least two consecutive years will perform at or above level 3 on the New York State Math Exam.	New York State Math Exam	Goal not met.	DPE continues to refine its curriculum to align with Common Core State Standards (CCSS), with a focus on student growth throughout the school year. DPPS has given provided each of the schools with lesson plans created by experienced master teachers under the supervision of DPPS curriculum specialists. Democracy Prep has also taken the step of incorporating

EngageNY's math modules in its elementary school curriculum moving forward, investing in CCSS in its earlier grades.

Academic Goal 3	Each year, the percent of students performing at or above level 3 on the New York State ELA Exam in each tested grade will, in the majority of grades, exceed the average performance of students tested in the same grades of Community School District 5.	Measured by an analysis of performance of CSD 5 conducted by the Department of Education.	Goal met.
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Academic Goal 4	Each year, the percent of students performing at or above level 3 on the New York State Math Exam in each tested grade will, in the majority of grades, exceed the average performance of students tested in the same grades of Community School District 5.	Measured by an analysis of performance of CSD 5 conducted by the Department of Education.	Goal met.
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2a1. Do have more academic goals to add?

No

2a2. Do have more academic goals to add?

No

2b. ORGANIZATIONAL GOALS

2013-14 Progress Toward Attainment of Organizational Goals

	Organizational Goal	Measure Used to Evaluate Progress	2013-14 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Org Goal 1	Democracy Prep Endurance will prepare students for success in college and citizenship.	We measure our progress based on academic metrics, earned visits to colleges, and a College Preparation Portfolio (CPP) required for promotion to the high school. The CPP includes a transcript, a complete college application with essays, interviews, extra-curricular activities, recommendations, and an academic honors thesis, demonstration of mastery in all areas of the Democracy Prep curriculum, required public service, advocacy efforts, summer internships, and other civic activities.	Goal met.	
Org Goal 2	Each year, Democracy Prep will maintain a waiting list of at least 40% of available seats.	Internal enrollment data.	Goal met.	
Org Goal 3	Each year, Democracy Prep will have a negative attrition rate of 10% or less.	Internal enrollment data.	Goal met.	

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

No

2c. FINANCIAL GOALS

2013-14 Progress Toward Attainment of Financial Goals

	Financial Goals	Measure Used to Evaluate Progress	2013-2014 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Financial Goal 1	We will continue to operate with a surplus each year and maintain the highest standards of financial controls, management, and auditing.	External audit	Goal met.	

Appendix I: Teacher and Administrator Attrition

Created Monday, July 21, 2014

Page 1

Charter School Name: 310500861001 DEMOCRACY PREP ENDURANCE CS

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

2013-14 Teacher Attrition Table

FTE Teachers on June 30, 2013	FTE Teachers Additions 7/1/13 – 6/30/14	FTE Teacher Departures 7/1/13 – 6/30/14
10	8	0

2013-14 Administrator Position Attrition Table

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

Thank you

Appendix J: Uncertified Teachers

Created Wednesday, July 30, 2014

Page 1

Charter School Name: 310500861001 DEMOCRACY PREP ENDURANCE CS

Note Definition of FTE:

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

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

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

	FTE
(i) uncertified teachers with at least three years of elementary, middle or secondary classroom teaching experience	4
(ii) tenured or tenure track college faculty	0
(iii) individuals with two years satisfactory experience through Teach for America	2
(iv) individuals who possess exceptional business, professional, artistic, athletic, or military experience	0
Total FTE (Sum of all Uncertified Teaching Staff)	6

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

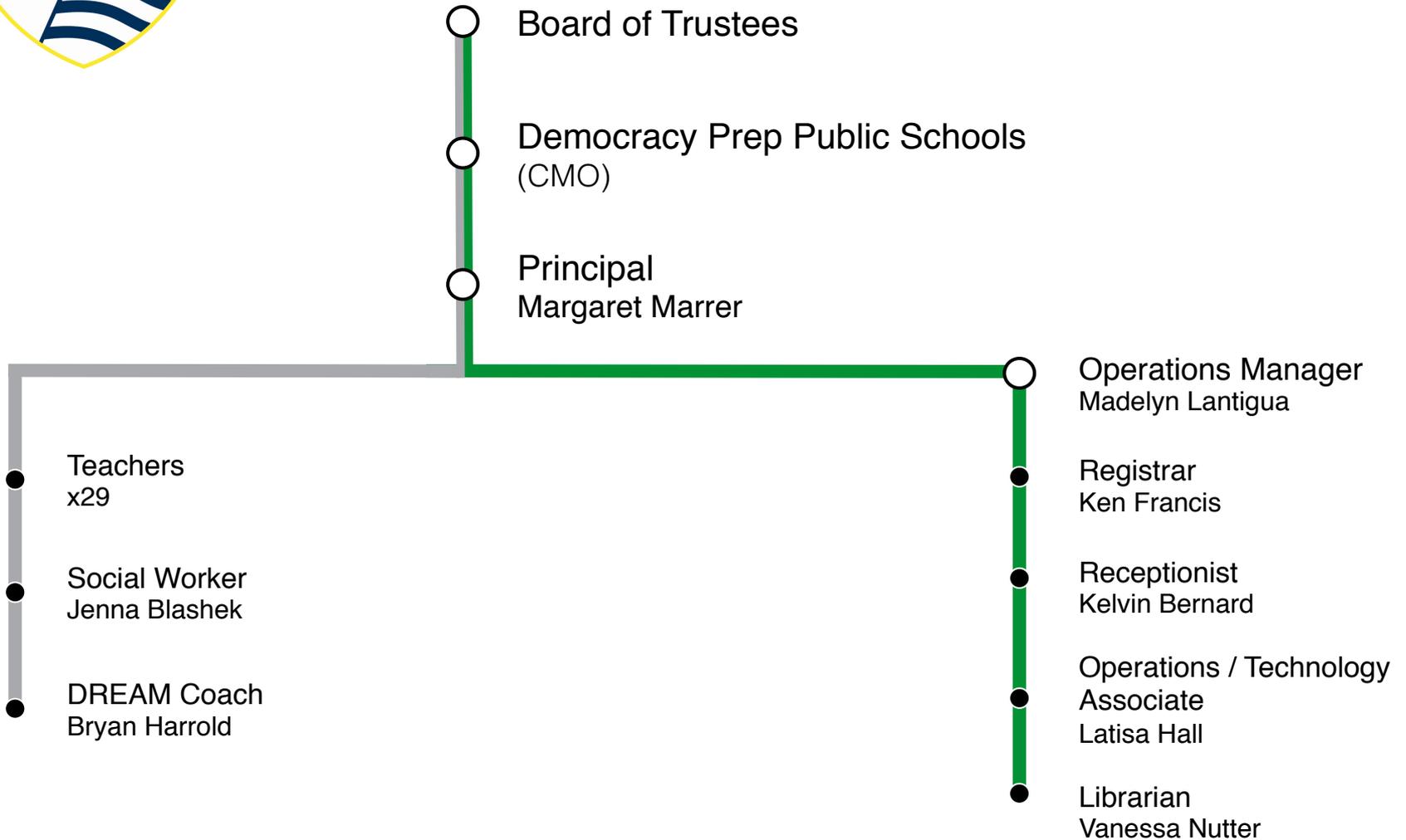
11

Thank you.



DEMOCRACY PREP ENDURANCE MIDDLE SCHOOL

2014-15 ORGANIZATION CHART



Appendix B: Total Expenditures and Administrative Expenditures per Child

Created Wednesday, July 30, 2014

Page 1

Charter School Name: 310500861001 DEMOCRACY PREP ENDURANCE CS

B. Financial Information

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

1. Total Expenditures Per Child

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

1. Total Expenditures Per Child Line 1: Total Expenditures	3031344
1. Total Expenditures Per Child Line 2: BEDS Day Pupil Count	223
1. Total Expenditures Per Child Line 3: Divide Line 1 by Line 2	13593

2. Administrative Expenditures per Child

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

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

Please note the following:

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

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

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

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

To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas). Line 1: Relevant Personnel Services Cost (Row)	155271
To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas). Line 2: Management and General Cost (Column)	547184
To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas). Line 3: Sum of Line 1 and Line 2	702455
To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas). Line 4: BEDS Day Pupil Count	223
To calculate 'Administrative Expenditures per Child' take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the 2013-14 Schedule of Functional Expenses) and divide by the count of students as of BEDS Day. (Integers Only. No dollar signs or commas). Line 5: Divide Line 3 by the BEDS Day Pupil Count	3150

Thank you.



Financial A

School Name:

Date:

School Fiscal Contact Name:
School Fiscal Contact Email:
School Fiscal Contact Phone:
District of Location:
Authorizer:
Years of Operation:
Facility:
Grades Currently Served:
Planned Grades at Full Capacity:
Enrollment:
Max Enrollment:
Year of Most Recent Data
School Fiscal Contact Phone:

School Audit Firm Name:
School Audit Contact Name:
School Audit Contact Email:
School Audit Contact Phone:

Latest Audit Period (through June 30):
Do Not Use this Box



udit Supplemental Data Request Form

for Regents-Authorized Charter Schools

Democracy Prep Endurance

Jul 31, 2014

Howard Schnidman

Harlem 5

SED

Completed 2 years

Public

6,7,8

Additional expansion to be applied for

221 FY 2014, 330 FY 2015

Middle school 330

2014

Fruchter Rosen & Company

Gus Saliba

Gsaliba @ FRCPAS.com

212 957 3600

2014

Democracy Prep Endurance2014

DEMOCRACY PREP
ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)

FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

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FRUCHTER ROSEN & COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

156 WEST 56TH STREET

NEW YORK, NEW YORK 10019

TEL: (212) 957-3600

FAX: (212) 957-3696

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF TRUSTEES OF
DEMOCRACY PREP ENDURANCE CHARTER SCHOOL

Report on the Financial Statements

We have audited the accompanying financial statements of Democracy Prep Endurance Charter School (the "School") (a not-for-profit corporation), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Other Matters

Report on Summarized Comparative Information

We have previously audited the School's 2013 financial statements, and our report dated October 22, 2013, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of June 30, 2013 and for the period from July 16, 2012 (inception) to June 30, 2013, 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 30, 2014, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.


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

New York, New York
October 30, 2014

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

	2014	2013
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 925,249	\$ 678,228
Grants and contracts receivable	270,134	94,985
Prepaid expenses and other current assets	155,643	691
Total current assets	1,351,026	773,904
Property and equipment, net of accumulated depreciation of \$32,969 and \$12,578, respectively	96,200	64,161
Restricted cash	50,083	25,010
TOTAL ASSETS	\$ 1,497,309	\$ 863,075
 LIABILITIES AND UNRESTRICTED NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 301,484	\$ 83,082
Accrued payroll and payroll taxes	134,310	73,877
Due to related parties	138,842	161,628
Refundable advances	1,691	13,865
Total current liabilities	576,327	332,452
Unrestricted net assets	920,982	530,623
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$ 1,497,309	\$ 863,075

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

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
STATEMENTS OF ACTIVITIES

	<u>For the year ended June 30, 2014</u>	<u>For the period from July 16, 2012 (inception) to June 30, 2013</u>
Revenue and support:		
State and local per pupil operating revenue	\$ 3,512,384	\$ 1,856,809
Federal grants	569,331	251,112
Federal E-rate	65,683	31,140
State and city grants	18,067	107,407
Contributions and grants	14,931	250,000
Interest income	892	598
Total revenue and support	<u>4,181,288</u>	<u>2,497,066</u>
Expenses:		
Program services:		
Regular education	2,619,726	1,261,769
Special education	607,802	401,627
Total program services	<u>3,227,528</u>	<u>1,663,396</u>
Supporting services:		
Management and general	563,401	280,245
Fundraising	-	22,802
Total expenses	<u>3,790,929</u>	<u>1,966,443</u>
Changes in unrestricted net assets	390,359	530,623
Unrestricted net assets - beginning of period	<u>530,623</u>	<u>-</u>
Unrestricted net assets - end of period	<u><u>\$ 920,982</u></u>	<u><u>\$ 530,623</u></u>

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

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
STATEMENTS OF CASH FLOWS

	<u>For the year ended June 30, 2014</u>	<u>For the period from July 16, 2012 (inception) to June 30, 2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in unrestricted net assets	\$ 390,359	\$ 530,623
Adjustments to reconcile changes in unrestricted net assets to net cash provided by operating activities:		
Depreciation and amortization	20,391	12,578
Changes in assets and liabilities:		
(Increase) in grants and contracts receivable	(175,149)	(94,985)
(Increase) in prepaid expenses and other current assets	(154,952)	(691)
Increase in accounts payable and accrued expenses	218,402	83,082
Increase in accrued payroll and payroll taxes	60,433	73,877
(Decrease) Increase in due to related parties	(22,786)	161,628
(Decrease) Increase in refundable advances	(12,174)	13,865
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>324,524</u>	<u>779,977</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(52,430)	(76,739)
(Increase) in restricted cash	(25,073)	(25,010)
NET CASH (USED IN) INVESTING ACTIVITIES	<u>(77,503)</u>	<u>(101,749)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	247,021	678,228
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	<u>678,228</u>	<u>-</u>
CASH AND CASH EQUIVALENTS - END OF PERIOD	<u><u>\$ 925,249</u></u>	<u><u>\$ 678,228</u></u>

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

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

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

Nature of Organization

Democracy Prep Endurance Charter School (the “School”) is a New York State, not-for-profit educational corporation that was incorporated to operate a charter school pursuant to Article 56 of the Education Law of the State of New York. The School was granted a provisional charter on July 16, 2012 valid for a term of five years and renewable upon expiration by the Board of Regents of the University of the State of New York. The School’s purpose is to educate students and build scholars by providing them with a demanding academic program that prepares them for success in college and citizenship. Classes commenced in Harlem, New York, in September 2012, and the School provided education to approximately 220 students in grades sixth and seventh during the 2013-2014 academic year.

The School has an agreement with the New York City Department of Education (“NYCDOE”) to share public school space at no annual cost. The School occupies approximately 13,715 square feet on one floor of a public school building. The School also shares the gymnasium, auditorium and cafeteria with the public school which approximate 8,484 square feet. The School is not responsible for rent, utilities, custodial services, and school safety services other than those required for days and times the School operates outside of the traditional NYCDOE schedule. The School was unable to determine a value for the contributed space and related services and did not record any value for use of donated facilities.

Food and Transportation

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

Tax Status

The School is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) and a similar provision under New York State income tax laws. The School has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in section 170(b)(1)(A)(ii). The School is subject to income taxes only on net unrelated business income. The School did not have any unrelated business income for the year ended June 30, 2014 and for the period from July 16, 2012 (inception) to June 30, 2013.

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

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

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

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

Basis of Presentation

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

Unrestricted

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

Temporarily Restricted

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

Permanently Restricted

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

The School had no temporarily or permanently restricted net assets at June 30, 2014 and 2013.

Revenue and Support

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

Revenue from the state and local governments resulting from the School’s charter status and based on the number of students enrolled is recorded when services are performed in accordance with the charter agreement. Federal and other state and local funds are recorded when expenditures are incurred and billable to the government agency.

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

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

Concentration of Credit Risk

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

Restricted Cash

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

Property and Equipment

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

Furniture and fixtures	7 years
Computers and equipment	5 years

Refundable Advances

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

Comparative Financial Information

The accompanying statements of activities and functional expenses are presented with summarized comparative information. Such prior year information is not presented by net asset class in the statements of activities or by functional category in the schedule of functional expenses. Accordingly, such information should be read in conjunction with the School's 2013 financial statements from which the summarized information was derived.

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 2 - GRANTS AND CONTRACTS RECEIVABLE

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

NOTE 3 - PROPERTY AND EQUIPMENT

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

	2014	2013
Furniture and fixtures	\$ 51,951	\$ 20,000
Computers and equipment	77,218	56,739
	129,169	76,739
Less: Accumulated depreciation	32,969	12,578
	\$ 96,200	\$ 64,161

Depreciation expense was \$20,391 and \$12,578 for the year ended June 30, 2014 and for the period from July 16, 2012 (inception) to June 30, 2013, respectively.

NOTE 4 - RELATED PARTY TRANSACTIONS

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

The School is an affiliate of DPPS, a New York State not-for-profit charter management organization. The School entered into a management agreement with DPPS to assume responsibility for the School’s educational process, management and operations. As compensation to DPPS for these services rendered, the School shall pay to DPPS an annual fee equal to 15% of the School’s non-competitive public revenue in the initial term. The initial term is for one year beginning July 1, 2012 and ending June 30, 2013. The percentage will decrease by one-half percent (0.5%) in each renewal term until it reaches a minimum of 12% of the non-competitive public revenue of the School and will remain in effect for all subsequent renewal terms. Following the initial term, the agreement will automatically extend for successive one-year periods unless terminated by either party.

For the year ended June 30, 2014 and for the period from July 16, 2012 (inception) to June 30, 2013, the School incurred \$574,559 and \$331,015 in management fees, respectively.

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 4 - RELATED PARTY TRANSACTIONS (Continued)

For operational efficiency and purchasing power, the School shares expenses with the related charter schools and charter management organization. The School was billed for net shared operational expenses for the year ended June 30, 2014 and for the period from July 16, 2012 (inception) to June 30, 2013:

	<u>2014</u>	<u>2013</u>
DPCS	\$ 128,544	\$ 112,980
DPPS	268,642	61,941
HPCS	1,282	-
DBI	<u>6,299</u>	<u>-</u>
	<u>\$ 404,767</u>	<u>\$ 174,894</u>

The School is an affiliate of Democracy Builders, Inc. (“DBI”), a 501(c)(4) national advocacy organization that organizes parents to advocate for better school choices and educational outcomes for the children in their communities. The School entered into a consulting agreement with DBI to perform student recruitment and enrollment, family engagement, parent advocacy initiatives and training, and government relations. As compensation to DBI for these services rendered, the School shall pay to DBI an annual fee equal to 1% of the School’s total per-pupil funding. For the year ended June 30, 2014 and for the period from July 16, 2012 (inception) to June 30, 2013, the School incurred \$35,124 and \$17,012 in consulting fees, respectively.

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

	<u>2014</u>	<u>2013</u>
DPPS	\$ (140,267)	\$ (125,062)
DPCS	(117,944)	(36,554)
DBI	(5,299)	(4,253)
HPCS	<u>124,668</u>	<u>4,241</u>
Net balance due from (to) related parties	<u>\$ (138,842)</u>	<u>\$ (161,628)</u>

NOTE 5 - REVENUE CONCENTRATION

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

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE 6 - FUNCTIONAL ALLOCATION OF EXPENSE

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

NOTE 7 - CONTINGENCY

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

NOTE 8 - COMMITMENTS

On June 29, 2012, the School entered into a non-cancelable operating lease agreement for office equipment that expires on August 31, 2016.

The future minimum lease payments are as follows:

For the year ending June 30, 2015	\$ 15,843
2016	15,843
2017	<u>2,641</u>
	<u>\$ 34,327</u>

Equipment rental expense was \$26,636 and \$14,457 for the year ended June 30, 2014 and for the period from July 16, 2012 (inception) to June 30, 2013, respectively.

NOTE 9 - RETIREMENT PLAN

The School maintains a retirement plan qualified under Internal Revenue Code 403(b), for the benefit of its eligible employees. Under the plan, the School will match employee contributions up to 5% of annual compensation. Employer match for the year ended June 30, 2014 and for the period from July 16, 2012 (inception) to June 30, 2013 amounted to \$49,192 and \$23,245, respectively.

NOTE 10 - SUBSEQUENT EVENTS

The School has evaluated its subsequent events through October 30, 2014, the date that the accompanying financial statements were issued. The School has no material events requiring disclosure.

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INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION

TO THE BOARD OF TRUSTEES OF
DEMOCRACY PREP ENDURANCE CHARTER SCHOOL

We have audited the financial statements of Democracy Prep Endurance Charter School as of and for the year ended June 30, 2014, and have issued our report thereon dated October 30, 2014, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.


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

New York, New York
October 30, 2014

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
SCHEDULE OF FUNCTIONAL EXPENSES

	For the year ended June 30, 2014				Total	For the period from
	Program Services		Supporting Services			July 16, 2012
	Regular Education	Special Education	Total	Management and General		(inception) to June 30, 2013
Salaries	\$ 1,345,450	\$ 312,158	\$ 1,657,608	\$ 205,194	\$ 1,862,802	\$ 1,006,718
Employee benefits and payroll taxes	238,646	55,368	294,014	36,394	330,408	184,618
Professional fees	4,385	1,017	5,402	45,604	51,006	21,896
Management fees	326,451	75,740	402,191	172,368	574,559	331,015
Audit fees	-	-	-	22,804	22,804	17,500
Professional development	61,975	14,379	76,354	11,480	87,834	50,903
Advertising and recruiting	3,618	839	4,457	1,321	5,778	7,319
Instructional materials and office supplies	367,360	85,231	452,591	25,167	477,758	227,230
Food service	116,354	26,995	143,349	1,780	145,129	7,645
Insurance	13,122	3,044	16,166	2,002	18,168	13,080
Facility expense	1,305	303	1,608	199	1,807	1,728
Printing and postage	-	-	-	10,016	10,016	84
Telephone and communication	112,162	26,023	138,185	23,366	161,551	57,768
Travel	-	-	-	1,300	1,300	6,887
Repairs and maintenance	14,170	3,288	17,458	2,160	19,618	19,474
Depreciation	14,728	3,417	18,145	2,246	20,391	12,578
Total	<u>\$ 2,619,726</u>	<u>\$ 607,802</u>	<u>\$ 3,227,528</u>	<u>\$ 563,401</u>	<u>\$ 3,790,929</u>	<u>\$ 1,966,443</u>

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

TO THE BOARD OF TRUSTEES OF
DEMOCRACY PREP ENDURANCE CHARTER SCHOOL

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Democracy Prep Endurance Charter School (the "School"), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated October 30, 2014.

Internal Control Over Financial Reporting

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

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

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

TO THE BOARD OF TRUSTEES OF
DEMOCRACY PREP ENDURANCE CHARTER SCHOOL

Compliance and Other Matters

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

We noted certain matter that was reported to the management of the School in a separate letter dated October 30, 2014.

Purpose of this Report

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


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

New York, New York
October 30, 2014

FRUCHTER ROSEN & COMPANY, P.C.

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

TO THE BOARD OF TRUSTEES OF
DEMOCRACY PREP ENDURANCE CHARTER SCHOOL

Report on Compliance for Each Major Federal Program

We have audited Democracy Prep Endurance Charter School's (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, 2014. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

TO THE BOARD OF TRUSTEES OF
DEMOCRACY PREP ENDURANCE CHARTER SCHOOL

Report on Internal Control over Compliance

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

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

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

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


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

New York, New York
October 30, 2014

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

A - SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on the financial statements of Democracy Prep Endurance Charter School.
2. No significant deficiencies and no material weaknesses were discovered during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of Democracy Prep Endurance Charter School, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies and no material weaknesses relating to the audit of the major federal award programs are reported in accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Democracy Prep Endurance Charter School expresses an unmodified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs for Democracy Prep Endurance Charter School are reported in this schedule.
7. The programs tested as major programs included:
Charter Schools Program, CFDA No. 84.282
8. The threshold used for distinguishing between Type A and B programs was \$300,000.
9. Democracy Prep Endurance Charter School did not qualify as a low risk auditee.

B - FINDINGS - FINANCIAL STATEMENTS AUDIT

None

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

None

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor Pass-through Grantor Program Name/Cluster	Federal CFDA Number	Federal Expenditures
U.S. Department of Education:		
Passed through the New York State		
Education Department:		
Charter Schools Program	84.282	\$ 359,007
Special Education - IDEA	84.027	21,575
Title I Part A	84.010	66,038
Title II Part A	84.367	5,969
Total U.S. Department of Education		<u>452,589</u>
U.S. Department of Agriculture:		
Passed through the New York State		
Education Department:		
Child Nutrition Cluster		
National School Breakfast Program	10.553	38,361
National School Lunch Program	10.555	78,381
Total U.S. Department of Agriculture		<u>116,742</u>
Total Expenditures of Federal Awards		<u>\$ 569,331</u>

See accompanying notes to schedule of expenditures of federal awards.

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
(A Not-For-Profit Corporation)
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Democracy Prep Endurance Charter School and is presented on the accrual basis of accounting for the year ended June 30, 2014. The information in this schedule is presented in accordance with the requirements on OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL

MANAGEMENT LETTER

JUNE 30, 2014

FRUCHTER ROSEN & COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
156 WEST 56TH STREET
NEW YORK, NEW YORK 10019

TEL: (212) 957-3600
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October 30, 2014

To the Board of Trustees of
Democracy Prep Endurance Charter School
250 West 127th Street
New York, NY 10027

In planning and performing our audit of the financial statements of Democracy Prep Endurance Charter School (the "School") as of and for the year ended June 30, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

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

Exhibit I accompanying this letter summarizes an observation for the year ended June 30, 2014 that we determined did not constitute a significant deficiency or a material weakness. Exhibit II summarizes current year status of prior year's observation. Exhibit III summarizes the corrective action taken of prior year's observation. Management's responses to the observations have not been subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

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

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

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


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

New York, New York
October 30, 2014

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
MANAGEMENT LETTER
JUNE 30, 2014

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DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
MANAGEMENT LETTER

EXHIBIT I – CURRENT YEAR OBSERVATION

A. GENERAL LEDGER MAINTENANCE AND ACCOUNT ANALYSIS

Observation

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

Recommendation

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

Management's Response

Management recognizes the observation and agrees to improve the current practice of late in the year adjustments to the general ledger. Management plans to add additional accounts payable and accounting staff; and to engage a third party services provider to assist with the closing of the books.

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
MANAGEMENT LETTER

EXHIBIT II – CURRENT YEAR STATUS OF PRIOR YEAR OBSERVATION

In conjunction with performing the audit of the School's financial statements for the year ended June 30, 2014, we followed up on the status of implementation of audit recommendations made for the year ended June 30, 2013.

B. INCOMPLETE STUDENT FILES

Observation

We noted the following exception during our test of 25 student files. Eight student files did not contain proof of residency.

Recommendation

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

Current Year Status

During our 2014 audit, we again noted exceptions during our test of student files. Five out of fifteen student files did not contain proof of residency.

Updated Management's Response

Management recognizes the observation and agrees to update the current student record file checklist to reflect all required documents and to execute additional in house compliance testing at periodic points in the year to ensure compliance.

DEMOCRACY PREP ENDURANCE CHARTER SCHOOL
MANAGEMENT LETTER

EXHIBIT III – CORRECTIVE ACTION TAKEN OF PRIOR YEAR OBSERVATION

C. INSURANCE COVERAGE

Observation

We noted insurance coverage under employee dishonesty is limited to \$250,000. This coverage appears low based on the current cash balance maintained in your general ledger of approximately \$678,000.

Recommendation

We recommend an increase of employee dishonesty coverage to an amount that covers maximum cash held by the school at any one time during the year or at a minimum of \$1,000,000, whichever is less. In addition, the School should periodically review insurance coverage to ensure proper and adequate means by which to preserve School assets.

Current Year Status

During our 2014 audit, we noted that insurance coverage for employee dishonesty increased to \$1,000,000.

Democracy Prep Endurance

PROJECTED BUDGET FOR 2014-2015

Assumptions

July 1, 2014 to June 30, 2015

DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable

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

	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL
Total Revenue	4,685,010	525,534	404,381	-	1,170	5,616,095
Total Expenses	3,544,825	247,479	452,846	-	1,344,839	5,589,989
Net Income	1,140,185	278,055	(48,465)	-	(1,343,669)	26,106
Actual Student Enrollment	291	39				
Total Paid Student Enrollment	291	39				330

Middle School

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

Therapists & Counselors	-	-	-	-	-	-
Other	-	-	-	-	-	-
TOTAL INSTRUCTIONAL	30	2,007,343	188,110	-	-	2,195,453
NON-INSTRUCTIONAL PERSONNEL COSTS						
Nurse	-	-	-	-	-	-
Librarian	-	-	-	-	-	-
Custodian	-	-	-	-	-	-
Security	-	-	-	-	-	-
Other	-	-	-	-	-	-
TOTAL NON-INSTRUCTIONAL	-	-	-	-	-	-
SUBTOTAL PERSONNEL SERVICE COSTS	38	2,212,363	188,110	-	311,000	2,711,473
PAYROLL TAXES AND BENEFITS						
Payroll Taxes	189,693	18,761	-	-	-	208,454
Fringe / Employee Benefits	286,167	28,302	-	-	-	314,469
Retirement / Pension	124,428	12,306	-	-	-	136,734
TOTAL PAYROLL TAXES AND BENEFITS	600,288	59,369	-	-	-	659,657
TOTAL PERSONNEL SERVICE COSTS	2,812,651	247,479	-	-	311,000	3,371,130
CONTRACTED SERVICES						
Accounting / Audit	-	-	-	-	20,000	20,000
Legal	-	-	-	-	-	-
Management Company Fee	-	-	-	-	729,476	729,476
Nurse Services	-	-	-	-	-	-
Food Service / School Lunch	-	-	349,817	-	-	349,817
Payroll Services	-	-	-	-	6,840	6,840
Special Ed Services	-	-	-	-	-	-
Titlement Services (i.e. Title I)	-	-	-	-	-	-
Other Purchased / Professional / Consulting	-	-	-	-	275,023	275,023
TOTAL CONTRACTED SERVICES	-	-	349,817	-	1,031,339	1,381,156
SCHOOL OPERATIONS						
Board Expenses	-	-	-	-	2,500	2,500
Classroom / Teaching Supplies & Materials	-	-	-	-	-	-
Special Ed Supplies & Materials	-	-	-	-	-	-
Textbooks / Workbooks	41,250	-	-	-	-	41,250
Supplies & Materials other	255,345	-	26,229	-	-	281,574
Equipment / Furniture	-	-	-	-	-	-
Telephone	-	-	22,800	-	-	22,800
Technology	39,200	-	54,000	-	-	93,200
Student Testing & Assessment	40,000	-	-	-	-	40,000
Field Trips	86,508	-	-	-	-	86,508
Transportation (student)	-	-	-	-	-	-
Student Services - other	-	-	-	-	-	-
Office Expense	-	-	-	-	-	-
Staff Development	114,150	-	-	-	-	114,150
Staff Recruitment	2,000	-	-	-	-	2,000
Student Recruitment / Marketing	22,000	-	-	-	-	22,000
School Meals / Lunch	-	-	-	-	-	-
Travel (Staff)	-	-	-	-	-	-
Fundraising	-	-	-	-	-	-
Other	-	-	-	-	-	-
TOTAL SCHOOL OPERATIONS	600,453	-	103,029	-	2,500	705,982
FACILITY OPERATION & MAINTENANCE						
Insurance	-	-	-	-	-	-

Democracy Prep Endurance

PROJECTED BUDGET FOR 2014-2015

PROJECTED BUDGET FOR 2014-2015							Assumptions
July 1, 2014 to June 30, 2015							DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable
Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 147. This will populate the data in row 9.							
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Total Revenue	4,685,010	525,534	404,381	-	1,170	5,616,095	
Total Expenses	3,544,825	247,479	452,846	-	1,344,839	5,589,989	
Net Income	1,140,185	278,055	(48,465)	-	(1,343,669)	26,106	
Actual Student Enrollment	291	39					
Total Paid Student Enrollment	291	39				330	Middle School
	PROGRAM SERVICES			SUPPORT SERVICES			
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Janitorial	-	-	-	-	-	-	
Building and Land Rent / Lease	10,000	-	-	-	-	10,000	
Repairs & Maintenance	24,000	-	-	-	-	24,000	
Equipment / Furniture	-	-	-	-	-	-	
Security	12,000	-	-	-	-	12,000	
Utilities	-	-	-	-	-	-	
TOTAL FACILITY OPERATION & MAINTENANCE	46,000	-	-	-	-	46,000	
DEPRECIATION & AMORTIZATION	29,560	-	-	-	-	29,560	
DISSOLUTION ESCROW & RESERVES / CONTIGENCY	56,161	-	-	-	-	56,161	
TOTAL EXPENSES	3,544,825	247,479	452,846	-	1,344,839	5,589,989	
NET INCOME	1,140,185	278,055	(48,465)	-	(1,343,669)	26,106	
ENROLLMENT - *School Districts Are Linked To Above Entries*	REGULAR EDUCATION	SPECIAL EDUCATION	TOTAL ENROLLED				
District of Location							
School District 2 (Enter Name)							
School District 3 (Enter Name)							
School District 4 (Enter Name)							
School District 5 (Enter Name)	291	39	330				
TOTAL ENROLLMENT	291	39	330				
REVENUE PER PUPIL	16,100	13,475	1,225				
EXPENSES PER PUPIL	12,182	6,346	1,372				

Appendix E: Disclosure of Financial Interest Form

Created Tuesday, July 22, 2014

Page 1

310500861001 DEMOCRACY PREP ENDURANCE CS

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

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

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

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

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

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

Yes

Thank you.

Appendix F: BOT Membership Table

Created Friday, July 25, 2014

Page 1

310500861001 DEMOCRACY PREP ENDURANCE 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	Khary Barnes	Chair/President	Yes		2 Terms Elected: 2011 Expiration: 2015	Governance, Academic Accountability
2	Craig Canton	Treasurer	Yes		2 Terms Elected: 2011 Expiration: 2015	Finance, Family & Community Communications
3	Rashida LaLande	Secretary	Yes		2 Terms Elected: 2011 Expiration: 2015	Academic Accountability
4	Christina Grant	Member	Yes		2 Terms Elected: 2011 Expiration: 2015	Governance, Academic Accountability
5	Katie Duffy	Member	Yes		2 Terms Elected: 2011 Expiration: 2015	
6	Sonya Crosswell	Member	Yes		2 Terms Elected: 2012 Expiration: 2016	Governance, Development
7	Don Porter	Member	Yes		1 Term Elected: 2013 Expiration: 2015	Development, Finance
8	Ross Frommer	Member	Yes		1 Term Elected: 2013 Expiration: 2015	Academic Accountability, Family & Community Communications
9	Jason Broder	Member	Yes		1 Term Elected: 2014 Expiration: 2016	Finance, Academic Accountability
10	Joseph Puthenveetil	Member	Yes		1 Term Elected: 2014 Expiration: 2016	

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

2

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

1

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

15

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

10

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

11

Thank you.



DEMOCRACY PREP ENDURANCE MIDDLE

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Democracy Prep Endurance Charter School Board of Trustees Meeting

SEPTEMBER 19, 2013

Minutes of Meeting

Trustees Present

Khary Barnes
Rashida LaLande
Christina Grant
Craig Canton
Sonya Crosswell
Don Porter
Ross Frommer

Trustees Absent

Josh Lotstein

Others Present

Raphael Gang
Melanie Hok
Howard Schnidman
Margaret Marrer
Daniel Brewer
Chiv Heng
Nick Resnick

Katie Duffy

Khary Barnes called the meeting or order at 6:38 PM.

AGENDA ITEM 1: Board Minutes Approval

MOTION: Motion to approve the minutes by the Secretary passed unanimously at 6:40 PM.

AGENDA ITEM 2: School Update

Ms. Marrer announced that there are 224 scholars. The new teachers at the school are adjusting well and are a positive addition to the school. The operations team at the school grew to accommodate the larger number of students. The 7th graders are now reading Ray Bradbury as well as The Giver and Fall of the House of Usher. The retained scholars are doing well. The year is off to a positive start and Ms. Marrer is excited for the year.

Katie Duffy and Chiv Heng presented the results of the 2012-2013 standardized assessments. The data demonstrated that the longer scholars are in DPPS schools, the better those students tend to do. This matches perfectly with the DPPS belief that growth matters most. Instead of looking strictly at proficiency and instead looking at scale scores, the data demonstrates that Democracy Prep's students are starting lower and each cohort of students doing better than the grade below it, meaning that the academic program in the schools is working. This data reflected that the network's commitment to backfilling students at all grades and having the main entry point for students in the network be in 6th grade make Democracy Prep different than many other schools.

Heng and Duffy explained that while the network was not satisfied with the results, the network had, even before the results were announced, made significant changes to better support schools. This includes the creation of Assistant Superintendents over Elementary, Middle, and High schools as well as a renewed focus on building content knowledge and transitioning away from teaching strategies as a standalone concept.



DEMOCRACY PREP ENDURANCE MIDDLE

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Finally, Duffy and Heng noted that this year's scores were in essence, a reset from all previous results for 3-8 students. The scores from previous years do not translate to this year's scores because not only is the test harder, but the scale on which scores were calculated is different. The state education department released a tool to assist with making comparisons to past years and Heng's team is currently analyzing the data.

During and after the presentation, trustees commented on the scores and asked questions regarding comparisons. Elementary schools became a conversation point on whether or not to try start more because the sooner we reach a young scholar, the more of a chance they have to succeed.

AGENDA ITEM 3: Network Update

Ms. Duffy presented the new org chart. It showed growth throughout the entire network. We are moving forward, both in new charters and investigating in more turnaround schools. Immediate school growth could be in Camden and Washington DC.

She spoke about the 11 Leader U Fellows and the success of our program.

AGENDA ITEM 4: Grant agreement approval

The Democracy Builder Grant was not discussed due to time limitations, nor was it signed. It will be put on next month's agenda.

AGENDA ITEM 5: Management Contract approval

The Management Contract was signed and approved. The redlined version of it was requested.

AGENDA ITEM 6: Handbook approval

The Handbook was not approved due to time limitations and will be put on next month's agenda.

AGENDA ITEM 7: Retreat

The retreat is postponed until January due to too many trustees not being available.

AGENDA 8: Committee Assignment

Mr. Brewer explained each committee's responsibilities and asked that trustees email him their committee (s) choice. Serving on two committees would be ideal.

AGENDA 9: Review of Year Long Calendar

The board calendar was not discussed but everyone has the dates for FY 13-14.

Mr. Brewer passed out the school's calendar highlighting each school's events.

MOTION: Motion to adjourn the meeting passed unanimously at 7:35 PM.



DEMOCRACY PREP ENDURANCE MIDDLE

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Democracy Prep Endurance Charter School Board of Trustees Meeting

October 17, 2013

Minutes of Meeting

Trustees Present

Khary Barnes
Ross Frommer
Christina Grant
Don Porter
Katie Duffy

Trustees Absent

Sonya Crosswell
Rashida LaLande
Craig Canton

Others Present

Daniel Brewer
Melanie Hok
Howard Schnidman
Margaret Marrer

Khary Barnes called the meeting or order at 6:40PM.

AGENDA ITEM 1: Board Minutes Approval

MOTION: Motion to approve the minutes by the Secretary passed unanimously at 6:41PM.

AGENDA ITEM 2: School Update

DPE is hosting the Excellent Schools Network (ESN) this week. ESN is part of our partnership with Building Excellent Schools and acts as a way for BES partners to learn from one another through site visits, conferences, and other resources.

School has now been in session for eight weeks and returning teachers are stepping into leadership roles.

Fifteen scholars were retained last year; many students who came to us were extremely far behind and were impossible to get to grade level in one year. All of the scholars who were retained stayed at school. This is important, and mainly due to Margaret's leadership.

Hiring for 2014/15 has started. 70% of our DPE staff here came from referrals from staff. Our motto is "hungry, humble and smart (and nice)." We do not have a problem with finding applicants. We hire the top 1%. In addition to new hires, we have several teachers who will switch from their current positions to teach 8th grade from a lower grade at DPE.

The Winter Concert is on Dec. 19. We encourage board members to attend if they are available.

AGENDA ITEM 3: Network Update



DEMOCRACY PREP ENDURANCE MIDDLE

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Katie and the Assistant Superintendents are conducting school reviews. School reviews are intended to give schools feedback at multiple points during the year so that school leaders can continuously improve and not have to wait for end of year assessments come out. School reviews consist of a daylong visit by Katie and the Assistant Superintendents. The visits include classroom observations, looking at school culture, discipline, and routines, and staff interviews. Prior to the daylong visit, school leaders complete a self-assessment, which is then used as part of the debrief afterwards. At DPE, the push is to get the school to the next level, which has to do with scaling up systems and tightening all around. An example of a “push” is breaking down questions, teachers tightening behavior expectations, and scaffolding. The overall pushes for all school are: increased rigor and authority in classroom. Schools scores ranged from 2.3 to 2.9 Reviews are twice a year. Reviews are not mandated by our authorizers, but are rather an opportunity for PD in real time.

Expansion Update:

- Katie was in DC yesterday at a public hearing for our first charter application in Washington DC (an elementary school); we are also contemplating a potential turnaround (prek-6). We are likely only to do one new school in DC this year.
- We also submitted a request to expand our Freedom Prep charter to serve high school and elementary scholars.

AGENDA ITEM 4: Grant agreement approval for DB

The trustees voted to move this agenda item to the next meeting.

AGENDA ITEM 5: Handbook approval

Board members asked several questions on the purpose of the handbook. The function of the handbook is to give the school guidelines with which to make decisions. Dr. North and Eric Ozawa from the DPH read through all handbooks to ensure they were in compliance, clear and consistent.

MOTION: Motion to approve the middle school handbook was passed unanimously at 6:41PM.

AGENDA ITEM 6: Financial Updates

Review of FY 12 - 13 pre-audit statements.

- DPE ended FY12-13 with approx. \$513k in positive net income vs. \$264k budget.
- Enrollment was slightly higher than budgeted – 110 vs. 104.
- FY 14 budget recognized the growth of another grade level & reaction to this years staffing and expense actuals. Income is budgeted at \$3.7M and net Income at \$60,000.



DEMOCRACY PREP ENDURANCE MIDDLE

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The Board discussed the process for spending the remaining PCSP grant and requested a progress report on this for the next meeting. It will be included in the monthly financial reviews. Questions from the board regarding expenses were on expansion of staff, teachers and students.

AGENDA ITEM 7: Gala Discussion

Katie and Daniel announced plans to hold a single gala this year for all schools instead of a gala for each school. Members of the board inquired about how money would be divided between schools and what the money would be used for.

The board agreed that one gala is the best idea.

AGENDA ITEM 8: ASSIGN COMMITTEE MEMBERS

Don Porter gave a brief announcement for the Development Committee and the Advisory Council, alerting them to the fact that they are holding an event that all will be invited to.

MOTION: Motion to adjourn the meeting passed unanimously at 7:50 PM.



DEMOCRACY PREP ENDURANCE MIDDLE

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Democracy Prep Endurance Charter School Board of Trustees Meeting November 13, 2013

MINUTES

Present

Khary Barnes
Craig Canton
Rashida La Lande
Sonya Crosswell
Donald Porter
Ross Frommer

Absent

Katie Duffy
Christina Grant

Guests

Melanie Hok
Howard Schnidman
Daniel Brewer
Margaret Marrer
Raphael Gang

Khary Barnes called the meeting to order at 6:37PM.

AGENDA ITEM 1: Board Candidate Nominations

Mr. Barnes and the Committee will be meeting and/or speaking with the two candidates.

AGENDA ITEM 2: Board Minutes Approval

MOTION: Motion to approve the minutes from October 17, 2013 was approved unanimously at 6:38.

AGENDA ITEM 3: Democracy Builders contract approval

The board discussed sections of the DB Inc. agreement & desired revisions. The revisions included:

- Making language clearer around the process for canceling the contract mid year. The board will send suggested wording that they would prefer.
- Clarifying the allowable lobbying activities for DB. The board will send suggested wording.
- Reviewing the 1% of revenue fee and how that fee will potentially grow over time. Raphael and Howard reminded the board that the growth in the fee is tied to the growth in the schools, is extremely small, and that the contract is renewed on an annual basis, so that the board has an ability to renegotiate in the future should the fee become unacceptable. The Finance Committee will hold a call to discuss this point.

The approval of the DB contract will be added to next month's agenda.

AGENDA ITEM 4: School Update



DEMOCRACY PREP ENDURANCE MIDDLE

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Margaret Marrer, Principal of DPE, reported that DPE was not eligible for a formal DOE Progress Report because it is not yet a school with all the required grades. But the school did receive an informal Progress Report from the DOE. The informal calculations, conducted internally, resulted in DPE scoring a 93.3, which, if correct, would mean that DPE would be the highest rated middle school in the city, and the fourth highest rated in New York State. Highlights of DPE's success include the progress made in math and ELA and the significant academic growth among the lowest third of our students. DPE has also moved a significant number of students out of Special Ed.

Recruiting faculty for next year has started.

AGENDA ITEM 5: Network Update

Raphael Gang reported on expansion. DPPS is committed to achieving excellence in education as well as to opening nine schools over the next four years in accordance with the CSP grant. This will result in an increase of approximately 2500 additional scholars. In the immediate future, the plan includes adding a high school in Camden, NJ an elementary school in Washington DC and a middle school in Baton Rouge, LA. Some of these schools may be turnarounds.

In future years, states like Massachusetts, Tennessee, Delaware and North Carolina are being considered, but these expansion plans depend on several factors such as the political climate, the market need, financial viability, academic model, and talent available.

AGENDA ITEM 6: Committee Updates

- a. *Development:* Don Porter reported that no development meeting was held. Mr. Porter did attend the Auxiliary Council (junior board) meeting that plans to raise funding for DPPS. Development work will begin once all the charters approve the gala plan.
- b. *Finance:* Craig Canton, Howard Schnidman and Melanie Hok gave the finance report. Mr. Schnidman passed out a financial summary page. Details included on the financial summary page included:
 - The DPE audit has been completed. The results are similar to the results from the management review completed in October. The audit had two small findings requiring action: 1) student files are incomplete and 2) insurance coverage is too low. Both of these items will be followed up on by the finance team before the next board meeting.
 - The FY 14 Budget vs. Forecast status shows the initial enrollment exceeds projections, coming in at 219 students vs. a projected 210 students. Special needs enrollment is also ahead of projections. This additional enrollment results in \$172K of income not represented in the budget. Mr. Schnidman



DEMOCRACY PREP ENDURANCE MIDDLE

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noted that these numbers are for the October enrollment results, and added that as the year progresses, things could change.

- The PCSP grant (covering new school start up expenses) is in the budget for \$250K and is a carrying over and additional \$92K from FY 13
- Staffing is in line with budget and Medical Benefits are projected to run under by as much as \$100K.
- There is an overrun in teacher development.
- The overage in income causes an overage in DPPS fees.

In summary we are in good position to potentially be \$260K above budget in net income.

- Governance*: Sonya Crosswell was selected as chair.
- Community and Family Communications*: Ross Frommer was selected as chair.
- Academic Accountability Committee*: Rashida LaLande was selected as chair.

AGENDA ITEM 7: Executive Session – No executive session was required.

Next meeting date: Thursday, December 12, 2013

MOTION: Motion to adjourn the meeting was approved unanimously at 8:10 PM.



DEMOCRACY PREP

ENDURANCE MIDDLE

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Democracy Prep Endurance Charter School Board of Trustees Meeting

December 12, 2013

6:30PM – 7:30PM

MINUTES

Present

Khary Barnes
Craig Canton
Christina Grant
Sonya Crosswell
Donald Porter
Katie Duffy
Ross Fromer

Absent

Rashida La Lande

Guests

Benjamin Feit
Howard Schnidman
Nick Resnick
Margaret Marrer
Jason Broder

Khary Barnes called the meeting to order at 6:45 p.m.

AGENDA ITEM 1: Network Update

Katie Duffy reported that she and the assistant superintendents had completed their Fall school reviews. The final review was in Camden, where Freedom Prep — the network's lone school operating outside of Harlem — remains in turnaround mode but continues to make meaningful progress. Freedom Prep has applied to expand its charter to serve students in grades K-12 and is awaiting authorizer approval of its amendment request. The most pressing need in Camden is for a high-quality high school that will ensure students stepping out of the Freedom Prep middle school program remain on the path to college and do not merely enjoy a temporary respite from bad schools. Democracy Prep has also received conditional approval to begin operating in the District of Columbia in the 2014-15 school year and remains interested in overseeing a turnaround effort in a low-performing school.

AGENDA ITEM 2: School Update

Margaret Marrer reported that DPE has begun building its team for 2014-15. Margaret has hired an 8th Grade Reading teacher and will have two of her stronger sixth-grade teachers loop up to serve as the cultural foundation at the eighth-grade level. When asked about what she looks for in prospective candidates, Margaret cited intelligence, a strong work ethic, and a team-oriented disposition as core attributes of those able to thrive in DPE's rigorous start-up environment. Margaret is focused on building the leadership capacity of the school's endogenous talent pool and will be visiting Endeavor College Prep in Los Angeles with her grade-level chairs in January. Margaret acknowledged that the school's budget includes CSP grant funds that will expire at the end of August if unexpended, and she indicated an interest in exploring a new dance floor, additional security cameras, and a school-wide intercom system as potential purchases.

Trimester One is over, and Parent-Teacher Conferences will be held before the December holiday. Katie Duffy reminded the Board that the network rewrote all internal assessments over the summer to ensure Common Core alignment and then kept the exams blind from teachers prior to administration. In raising the rigor of the exams, the network may not have done enough to prepare teachers and students to succeed. Consequently, DPPS is considering grading the exams on a curve that would apply to scholars and to the quantitative measures of the network's teacher evaluation rubric that assess absolute student performance. Because DPE will use scholars' original grades to track growth on internal assessments from Trimester One to Trimester Three, however, this adjustment would not apply to the value-added metrics on the teacher evaluation rubric.

Khary Barnes introduced Jason Broder as a prospective trustee.

AGENDA ITEM 3: Committee Updates

a. *Development.* Don Porter discussed raising last-dollar financial aid for Democracy Prep alumni to get home from their college campuses for the holidays. Katie Duffy said that her understanding is that this group has raised roughly \$900.

b. *Governance:* Sonya Crosswell reported that the Governance Committee has been exchanging emails and has identified three prospective trustees including Jason Broder. Khary Barnes indicated his interest in rounding out the board's expertise with trustees from fields currently underrepresented (e.g. creative, marketing, higher education).

c. *Family & Community Relations:* Ross Frommer said the Family & Community Relations Committee had nothing of note on which to report.

d. *Academic Accountability:* With Rashida La Lande home with an illness, the committee had nothing to report.

e. *Finance:* Howard Schnidman reported that DPE's forecast for the current fiscal year remains in the black based on over-enrollment of Special Education students relative to projections. Conversation ensued regarding the school's need to spend its CSP grant funding by the end of August.

AGENDA ITEM 4: Action Items

MOTION: Khary Barnes moved to approve the minutes from the Board's November 13, 2013 meeting. Craig Canton seconded. The motion was approved unanimously at 7:35 p.m.

MOTION: Khary Barnes moved to approve the 2013-14 Democracy Prep Personnel Handbook. Christina Grant seconded. The motion was approved unanimously at 7:35 p.m.

MOTION: Khary Barnes moved to approve the 2013-14 Democracy Builders Grant Agreement. Christina Grant seconded. The motion was approved unanimously at 7:36 p.m. with Katie Duffy abstaining.

AGENDA ITEM 5: Executive Session – No executive session was required.

Next meeting date: Thursday, January 23, 2014

MOTION: Khary Barnes moved to adjourn the meeting at 7:37 p.m. Christina Grant seconded. The motion was approved unanimously.



DEMOCRACY PREP

ENDURANCE CHARTER SCHOOL

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Board Meeting I Minutes February 6, 2014

PRESENT

Khary Barnes
Katie Duffy
Ross Frommer
Christina Grant
Sonya Crosswell
Donald Porter

ABSENT

Rashida La Lande
Craig Canton

GUESTS

Jason Broder
Joe Puthenveetil
Marielys Divanne
Alice Maggin
Howard Schnidman
Margaret Marrer
Daniel Brewer
Seth Andrew

Khary Barnes called the meeting to order at 6:43PM.

I. Network Update (Katie Duffy)

- We have been approved in Washington DC for a K-9 turnaround in Congress Heights. We take control on July 1 and open with students in September 2014. The ED is a former DPPS teacher.
- We may be approved for another turnaround in Camden. If yes, we could be serving approximately 1000 scholars soon.
- In Katie's absence, Lindsay Malanga will handle educational issues and HR Director, Linda Easton, will handle all other issues.

II. School Update (Margaret Marrer)

- There has been great success in hiring for next year and that two of Margaret's staff will be in Leader U.
- A description of the expansion to 8th grade for next year and what that will look like was given.
- An overview on the T1 data was given. DPE is leading in academics in the DPPS network.
- A lengthy discussion ensued on a succession plan if Margaret was no longer here. There is a detailed plan in place.

III. Approval of Minutes

MOTION: Motion to approve the minutes from December 12, 2013 was approved unanimously at 6:44PM.

IV. Board nomination (Jason Broder)

MOTION: Motion to elect Jason Broder to the DPE board was approved unanimously at 6:45PM.

V. Gala Overview

Alice Maggin and Katie Duffy gave an overview of the gala. Ms. Maggin announced that Dan Rather was the honoree.

MOTION: Motion to adjourn the meeting was approved unanimously at 7:03PM.

**Board Meeting 2
Minutes
February 6, 2014**

PRESENT

Khary Barnes
Katie Duffy
Jason Broder
Christina Grant
Sonya Crosswell
Donald Porter
Ross Frommer

ABSENT

Rashida La Lande
Craig Canton

GUESTS

Joe Puthenveetil
Marielys Divanne
Alice Maggin
Howard Schnidman
Margaret Marrer
Daniel Brewer
Seth Andrew

Khary Barnes called the meeting to order at 7:05PM.

I. Alumni Revolution

Seth Andrew introduced himself and Marielys Divanne from Alumni Revolution (AR) to the Board. Discussion ensued regarding ARs current work and future goals. It was also highlighted on how DPE could be contracted with AR.

II. Committee Updates (35 minutes)

a. Development (Don Porter)

Don spoke about the gala on April 8 and about the junior board's event on March 13.

b. Finance: Board approval to add Howard Schnidman, CFO, as a signer of all banking related items, with the same approval authority as held by Katie Duffy, CEO

Finance (Howard Schnidman) Khary brought forth a motion to authorize Howard Schnidman to sign checks.

MOTION: Motion to approve the addition of Howard Schnidman as an authorized check signer and for authorized online banking access effective immediately was approved unanimously at 8:35 PM.

- Howard Schnidman, DPPS CFO, delivered the Finance Committee Report in Craig's Canton's absence.
- DPE is in a strong financial position
- PCSP funds remain available to the school leader.
- The enrollment is above budget and benefits expenses are below budget.
- The finance committee recommends consideration of the creation of a Dream Dollar Fund. This topic will be discussed at future board sessions.

- c. Governance (Sonya Crosswell)
Sonya spoke about April meeting the Annual Meeting at which to re-elected trustees into their classes for two-year terms.
It was also mentioned that the by-laws need to be updated and that will be a governance committee undertaking.
- d. Community and Family Communications (Ross Frommer) No report
- e. Academic Accountability Committee (Rashida LaLande) No report
- III. Executive Session (if needed) (18 minutes) No session needed.

MOTION: Motion to adjourn the meeting was approved unanimously at 8:38PM.

Next meeting date: Thursday, March 20, 2014



DEMOCRACY PREP

ENDURANCE MIDDLE

Work Hard. Go to College. Change the World!

Democracy Prep Endurance Charter School

Board of Trustees Meeting

March 20, 2014

6:30PM – 7:30PM

MINUTES

Present

Rashida La Lande
Craig Canton
Ross Fromer
Sonya Crosswell
Jason Broder

Absent

Khary Barnes
Christina Grant
Donald Porter

Guests

Benjamin Feit
Howard Schnidman
Linda Jones Easton
Margaret Marrer
Steve Cunning
Maribeth White

Rashida La Lande called the meeting to order at 6:58p.m.

School Update (Margaret Marrer):

Margaret Marrer presented an update for DPE. She reported that the recent SED site visit went very well and that DPE is on track to achieve all goals set out in the charter. The SED reviewer interviewed teaching staff and leadership in addition to observing classes and provided a written assessment of the school's progress according to the authorizer's accountability framework.

Regarding hiring, Ms. Marrer noted that DPE is nearly done hiring for next school year and that 90% of new hires have come from referrals from current employees. Two current teachers are interviewing for the *Leader U* program; teachers who are selected for the *Leader U* fellowship and who leave the classroom to enter the network's leadership pipeline are classified as "positive" attrition.

Ms. Marrer discussed how CSP funds are being spent at DPE.

Ms. Marrer pointed out that space for next year will be more of an issue than in the past. For next school year, DPE has only been allocated two classrooms, but four new sections of students are expected to enroll. Ms. Marrer has developed several contingency but is still working with DOE and the M154 Building Council to identify available space for 2014-15.

Discussion ensued regarding space and building utilization at the current DPE space.

Ms. Marrer plans to have a meeting with parents in the future to look at options and outlooks for each student and the possibility of a DPE high school. If DPE applies for and is granted a charter amendment to open a high school, it would likely need to be in a different building given space concerns at M154.

Discussion ensued regarding the charter school climate in NYC.

Network Update (Benjamin Feit):

Benjamin Feit offered a brief update for the Democracy Prep network. Mr. Feit touched on subjects including the recent approval of the Democracy Prep Congress Heights charter, turnaround and leadership plans for the school, and possible DPPS expansion opportunities.

DPPS notified the Board Chair of its intent to renew the DPPS management agreement. Ms. La Lande informed the board that the agreement will be reviewed and presented to the full board at a later date.

Gala Update (Steve Cunning):

Steve Cunning offered an update for the upcoming Democracy Prep gala. Weekly updates have been sent out to development committee chairs and will be sent out to all board members starting next week.

Committee Updates:

- a. *Development*: The update for this committee was covered in the gala update.
- b. *Governance*: The board decided to hold an annual meeting in lieu of a regular meeting in May.
- c. *Family & Community Relations*: There were no updates for this committee.
- d. *Academic Accountability*: There were no updates for this committee.
- e. *Finance*: There were no updates for this committee.

Alumni Revolution Discussion:

The board decided to table this discussion until the next board meeting.

Executive Session:

No executive session was required.

Motion [1]: The Democracy Prep Endurance BoT voted to select Joe Puthenveetil as the final candidate to its BoT, with a term expiring on March 20, 2016, pending approval by SED. The resolution approving Joe Puthenveetil is formally adopted upon SED's approval. Motion was approved unanimously at 7:37pm

MOTION: Motion to adjourn the meeting was approved unanimously at 7:39pm

Next meeting date: Thursday, April 10, 2014



DEMOCRACY PREP

ENDURANCE MIDDLE

Work Hard. Go to College. Change the World!

Democracy Prep Endurance Charter School

Board of Trustees Meeting

April 10, 2014

6:30PM – 7:30PM

MINUTES

Present

Khary Barnes
Christina Grant
Craig Canton
Ross Frommer
Joseph Puthenveetil
Sonya Crosswell
Jason Broder

Absent

Rashida La Lande
Jason Broder
Donald Porter

Guests

Howard Schnidman
Benjamin Feit
Linda Jones Easton
Steve Cuning
Maribeth White
Margaret Marrer

Khary Barnes called the meeting to order at 6:55pm.

School Update (Steve Cuning): Mr. Cuning offered an update for the school on behalf of Ms. Marrer. New York State Exams were administered last week, and DPE is optimistic about how its students fared. Mr. Cuning reported that the current performing arts teacher at DPE, Mr Phelps, will be moving up to the role of Arts Director for the Democracy Prep Public Schools network. Mr. Phelps will help to build out the arts program for the entire network.

Discussion ensued regarding test preparation and the involvement of DPE's male scholars in school activities.

Network Update (Benjamin Feit): Mr. Feit presented an update on the Democracy Prep network. In his update, Mr. Feit discussed the New York State budget and its implications for schools in the Democracy Prep network.

Discussion ensued regarding facilities for a potential high school expansion of DPE.

Committee Updates:

- a. *Development:* Mr Cuning reported on the success of the Democracy Prep gala on behalf of the Development Committee. Discussion ensued regarding the gala and other fundraising efforts within the Democracy Prep network.
- b. *Governance:* Ms. Crosswell reported that the DPE annual meeting would be held in May, in place of a regular board meeting that month. Additionally, Ms. Crosswell reported that the Democracy Prep management agreement would be presented to the board in May for approval in June.
- c. *Family & Community Relations:* There were no updates given for this committee.

- d. *Academic Accountability*: There were no updates given for this committee.
- e. *Finance*: Mr. Schnidman and Mr. Canton offered the following report on behalf of the Finance Committee:
 - I. The FY 14 net income forecast remains strong. There is room for more in the PCSP grant funds.
 - II. At the June board session the finance committee will bring to the board a recommendation to initiate funding of the Dream Dollar scholarship program.
 - III. At the May board meeting the Finance committee will bring to the board a budget reflecting the YTY growth, a positive net income and covering funding for an investment in Alumni Revolution for consideration..
 - IV. Discussion ensued regarding leased space expenses for future usage.

Alumni Revolution Discussion: Discussion ensued regarding a potential agreement with Alumni Revolution and how an agreement between DPE and Alumni Revolution would benefit current DPE scholars.

Executive Session: An executive session was not necessary.

MOTION: Motion to approve the minutes from March 20, 2014 was approved unanimously at 8:14pm.

MOTION: Motion to adjourn the meeting was approved unanimously at 8:15pm

Next meeting date: May 1, 2013



DEMOCRACY PREP

ENDURANCE MIDDLE

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Democracy Prep Endurance Charter School

Board of Trustees Meeting

May 1, 2014

6:30PM – 7:30PM

MINUTES

Present

Khary Barnes
Christina Grant
Donald Porter
Ross Frommer
Joseph Puthenveetil
Sonya Crosswell

Absent

Rashida La Lande
Jason Broder
Katie Duffy
Craig Canton

Guests

Howard Schnidman
Benjamin Feit
Linda Jones Easton
Margaret Marrer
Maribeth White

Khary Barnes called the meeting to order at 6:50pm.

Network Update (Benjamin Feit): Mr. Feit offered an update on affairs at DPPS. In his report, Mr. Feit reminded the board about the upcoming Korean Street Fair, discussed the Bronx Prep 5-12 turnaround, and discussed the role of an Executive Director. Mr. Feit explained that having an ED in place to help lead turnaround efforts increases the likelihood of success. Next year, all DPPS turnarounds will have an ED in place. The ED will be responsible for handling school administration, accountability, and compliance. In new turnarounds, the ED will also be responsible for managing the transition from the old structure to the new one. This helps to lessen the load on instructional leaders, allowing them to focus on instruction and teacher coaching. Mr. Feit added that next year there will be one superintendent to oversee curriculum and instruction across the network instead of three assistant superintendents. Lastly, Mr. Feit notified the board that DPPS may be expanding in Camden to takeover a k-5 school.

The board inquired about how DPPS will handle the large-scale growth that is in place for the next school year. Mr. Feit discussed the continuous work to find instructional and non-instructional staff to support the expanding network. Mr. Feit continued by highlighting the plan to expand to Baton Rouge in 2015 and briefly covering CSP grant fulfillment.

A brief discussion ensued regarding Democracy Prep's expansion efforts.

Ms. Grant briefly reported on the space at Mother Cabrini. Ms. Grant notified the board that the NYC DOE has signed a lease on the space and will be renting space to Success Academy. She also stressed that the DPE board needs to aggressively approach a plan to find space for a DPE high school.

Mr. Barnes pointed out that the board needs to work with the CMO to ensure that everyone understands the timetable for revising the current DPE charter to include grades 9-12. He also emphasized that the board needs to be clear on what DPE can afford and where a potential school would be sited. Mr. Barnes requested that the board receive a strategic plan that offers a clear

framework for addressing this issue by the next board meeting. Ms. Marrer added that about 110 scholars would be moving on to High School after next year but since there is not a clear idea of where a DPE high school will be located, it is likely that some parents will choose to leave.

MOTION: Motion to authorize management to submit the following charter amendment request to the State Education Department:

Democracy Prep Endurance Charter School respectfully requests authorization to serve students in grades K-5 and 9-12, beginning with kindergarten and grade 9 in 2015-16 and expanding both its elementary and high school programs one grade level each year until the school reaches full growth as a K-12 continuum in the 2020-21 instructional year.

Motion approved unanimously at 7:38 p.m.

Discussion ensued regarding space for a potential DPE high school and how DPE should expand over the coming years.

School Update (Margaret Marrer): Ms. Marrer provided an update on affairs at DPE. She started out her discussion expressing optimism about state test scores for this year, highlighting student performance on internal testing, and student growth during the last school year. On average, scholars scored 10 points above average on reading exams than other students in network. Ms. Marrer also pointed out that scholars who have been enrolled at DPE for longer performed better. Lastly, Ms. Marrer discussed exam scores and promotion criteria. DPE will use state testing and internal assessments to determine which scholars will be retained. Parents have received promotion in doubt letters and DPE will work with them to improve performance before final decisions are made.

Discussion ensued about changes in the state exams and their impact on goals set out in accountability plan.

Management Agreement Discussion: Mr. Barnes notified the board that they have a call to review the management agreement in more detail.

The board discussed the proposed management agreement between DPPS and DPE. This discussion covered revisions, additions, and fees in the agreement. The board also discussed fundraising and school leadership provisions under the agreement.

Committee Updates:

- a. *Development:* There were no updates for this committee.
- b. *Governance:* Ms. Crosswell discussed annual meeting requirements under the bylaws. The DPE annual meeting will happen in June and every June thereafter. Ms. Crosswell pointed out that under the bylaws, the board must designate classes for each board member. As there are ten board members, the board will be split evenly into two classes. Board members that joined in 2011 (Mr. Barnes, Mr. Canton, Ms. La Lande, Ms. Duffy, and Ms. Grant) are class one and will be up for reelection at the annual meeting. Ms. Crosswell, Mr. Porter, Mr. Broder, Mr. Frommer, and Mr. Puthenveetil, will be class two. Officers and subcommittee assignments will also be chosen at the annual meeting. Lastly, the annual meeting will cover board member responsibilities.

Additionally, Ms. Crosswell reminded the board that the board is responsible for biannual self assessments and school leader evaluations. Ms. Crosswell stressed that the board needs to be committed to making sure that these tasks are done and discussed ways that this could be carried out.

- c. *Family & Community Relations*: There were no updates for this committee.
- d. *Academic Accountability*: There were no updates for this committee.
- e. *Finance*: The finance committee discussed the FY 15 draft budget. The board empowered the finance committee to approve the final budget later this month. The finance committee also assigned the DPPS CFO to be a part or the real estate committee

MOTION: Motion to empower the Finance Committee to approve the FY 2014-15 budget in subcommittee was unanimously approved at 8:04 p.m.

MOTION: Motion to create an ad hoc committee on real estate and space planning, with the DPPS CFO as a member, was unanimously approved at 8:05 p.m.

MOTION: Motion to approve the minutes from April 24, 2014 was unanimously approved at 8:09 p.m.

MOTION: Motion to adjourn the meeting was approved unanimously at 8:09 p.m.

Next meeting date: June 19, 2013



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Appendix H: Enrollment and Retention Targets

Democracy Prep Endurance Charter School educates an appropriately high number of high-needs students. In 2013-14, 80% of DPE scholars were eligible for Free or Reduced Price Lunch (FRPL), 22% qualified for Special Education (SPED) services, 7% were English Language Learners (ELL), and 98% were Black or Latino. DPE uses various outreach efforts to attract and retain students who are at risk of academic failure and will continue to adopt and implement new measures designed to sustain its comparatively large proportion of such students in 2014-15 and beyond. Specifically, DPE contacts SPED instructors, ELL instructors, and guidance counselors in elementary and middle schools in Community School District 5 in order to identify high-needs students who could naturally feed into DPE. Additionally, DPE directly mails applications to all students in Upper Manhattan and the Bronx and canvasses each housing development in Upper Manhattan in order to drop off enrollment applications at each door irrespective of whether a school-aged student resides in that apartment. Native Spanish speakers accompany each canvasser to ensure that Spanish-speaking families are not precluded from applying.

2014-2015 Student Recruitment Guide Democracy Prep Endurance Charter School

A. Open House (dates available via Flyers, Online and on official 2014-2015 Applications) January 25th- March 29th 2014

Saturday, January 25th 10AM: Democracy Prep Endurance Middle
Saturday, February 1st 10AM: Democracy Prep Charter Middle
Wednesday, February 12th 6PM: Democracy Prep Charter High
Tuesday, February 25th 6PM: Harlem Prep Elementary
Saturday, March 1st 10AM: Harlem Prep Middle
Thursday, March 13th 6PM: Democracy Prep Harlem High
Thursday, March 20th 6PM: Democracy Prep Harlem Elementary
Saturday, March 29th 10AM: Democracy Prep Harlem Middle

B. Outreach via Canvassing and Literature Drops in Housing Developments in Upper Manhattan January 25th - April 2nd 2014

- St. Nicholas Houses, 2406 Frederick Douglas Blvd
- Manhattanville Houses Rehab, 515 W 134th Street
- Manhattanville Houses, 1425 Amsterdam Avenue
- Lincoln Houses, 60 East 135th Street
- 3333 Broadway, 135th/ Broadway
- Wagner Houses, 435 East 120th Street
- Jackie Robinson Houses, 111 East 128th Street
- Frederick E. Samuel, 109 West 144th Street
- Ralph Rangel Houses, 159-14 Harlem River Drive
- Polo Grounds Houses, 2931 Frederick Douglas Blvd
- Milbank-Frawley Houses, 1780 Madison Avenue
- Metro Plaza North, 307 East 101st Street
- Lexington Houses, 110 East 115th Street
- Lehman Houses, 1641 Madison Avenue
- King Towers, 70 West 115th Street

- James Weldon Johnson, 1581 Park Avenue
- Thomas Jefferson Houses, 310 East 115th Street
- John Hayne Houses, 1780 1st Avenue
- Drew Hamilton Houses, 2660 Frederick Douglas Blvd
- Dyckman Houses, 177 Nagle Avenue
- Tianno Towers, 240 East 123rd Street
- Harlem River Houses, 231 West 151st Street

C. Promotional Advertisements at Bus Shelters

February 24th- April 15th 2014

Locations included:

- Madison Avenue Between East 125th Street & East 126th Street
- 3rd Avenue Between East 106th Street & East 107th Street
- 125th Street Between Adam Clayton Powell & Lenox Avenue
- 125th Street Between Lenox & Adam Clayton Powell Jr. Blvd
- Adam Clayton Powell Jr. Blvd Between West 135th Street and West 134th Street
- Adam Clayton Powell Jr. Blvd Between West 126th Street and 125th Street
- Madison Avenue & East 127th Street
- Malcolm X Blvd Between West 125th Street and West 126th Street
- 135th Street Between Madison Avenue and 5th Avenue
- Malcolm X Blvd Between West 135th Street and West 134th Street

D. Vanguard Mailings: 3 mailings sent to over 100,000 families. Mailings included a letter and application for admissions

Zip Codes included:

- | | |
|---------|---------|
| • 10026 | • 10452 |
| • 10027 | • 10453 |
| • 10029 | • 10454 |
| • 10030 | • 10455 |
| • 10031 | • 10456 |
| • 10032 | • 10457 |
| • 10033 | • 10458 |
| • 10034 | • 10459 |
| • 10035 | • 10462 |
| • 10037 | • 10468 |
| • 10039 | • 10473 |
| • 10040 | • 10474 |
| • 10451 | |

E. Participating in Recruiting Events (Including but not limited to the following:)

District 3 Middle School Fair- October 8th, 2013 Alfred E Smith (P.S. 163)
District 5 Middle School Fair- October 10th, 2013 Henry H. Garnet (P.S. 175)
District 7 Middle School Fair- October 16th, 2013 South Bronx Prep
District 4 Middle School Fair- October 17th, 2013 Esperanza Preparatory Academy
Citywide High School Fair- October 19th, 2013 MLK Educational Campus
Citywide High School Fair, Day 2- October 20th, 2013 MLK Educational Campus
Sissulu Walker Middle School Fair- November 21st, 2013 Sissulu Walker
Uptown Harlem Gems Fair- December 18th, 2013 232 West 124th Street
Community Life Head Start Kindergarten Fair- February 6th, 2014 15 Mount Morris Park West
Boys & Girls Harbor Fair- February 6th, 2014 Boys & Girls Harbor

F. Recruitment Activities for English Language Learners and Special Education Students.

- All marketing materials and applications state that we actively encourage English Language Learners and students with Individualized Education Plans to apply to our schools.
- In marketing for recruitment we place a special emphasis on reaching out to ELL instructors and Special Education Instructors in elementary schools in District 4 and District 5.

G. Lottery

- The Lottery Process took place electronically and was viewed by auditors on April 17th, 2014. Lottery results were followed by letters sent home to parents stating whether their students had been accepted or waitlisted for admission. All waitlisted students were provided with their waitlist number and are being followed up with as we get to their number on our waitlist.

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

Created Wednesday, July 09, 2014

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-trustee-disclosure-form/e8e3dfac9165e86ebf75ae7d3823e14ebd62430b/>

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:

Rashida La Lande

2. Charter School Name:

Democracy Preparatory Endurance Charter School

3. Charter Authorizer:

Board of Regents

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

- Secretary

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

No

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

No

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

No

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

No

Signature of Trustee

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

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

Created Wednesday, July 09, 2014

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-trustee-disclosure-form/66e4696ecb97c884db1950b13ad81a1d3759a9b9>

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:

Khary P. Barnes

2. Charter School Name:

Democracy Preparatory Endurance Charter School

3. Charter Authorizer:

Board of Regents

4. *Your Home Address:

4. *Your Home Address: | Street Address

4. *Your Home Address: | City/State

4. *Your Home Address: | Zip

5. *Your Business Address

5. *Your Business Address | Street Address

5. *Your Business Address | City/State

5. *Your Business Address | Zip

6. *Daytime Phone Number:

7. *E-mail Address:

8. Select all positions you held on Board:

(check all that apply)

• Chair/President

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

No

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

No

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

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 Transactions	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	2012	Employee	N/A No Financial Interest. Employee is no longer at DPCS	Nicole. Jennette
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

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

Created Thursday, July 10, 2014

<https://fluidsurveys.com/surveys/vickie-smith/appendix-e-trustee-disclosure-form/e9e559b1734ea5abd9636b480b8b8292206fe0c1>

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:

Kathryn Stanton

2. Charter School Name:

Democracy Preparatory Endurance Charter School

3. Charter Authorizer:

Board of Regents

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?

Yes

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

[cmoeY.0] 10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date in the next Position Held	Chief Executive Officer
[cmoeY.1] 10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date in the next Responsibilities	As CEO I oversee all operations of the Charter Management Organization (CMO), including governance of the Board of Trustees for the CMO and for the schools of Democracy Prep.
[cmoeY.2] 10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date in the next Salary	201,000
[cmoeY.3] 10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date in the next Start Date	May 1, 2007

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 Transactions	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	July 1, 2013-June 30, 2014	Employee of the CMO	Will recuse from votes on the CMO contract with DPPS or those that could be perceived as a conflict of interest	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?

Yes

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

	Organization Conducting Business with the School	Nature of Business Conducted	Approximate Value of the Business Conducted	Name of Trustee and/or Immediate Family Member with Interest	Steps Taken to Avoid Conflict of Interest
1	Democracy Prep Public Schools	Management	~\$500,000 per year	Self	Recuse from any voting that could be perceived as a conflict.
2					
3					

Signature of Trustee

A handwritten signature in black ink, appearing to read "Krista Dwyer". The signature is written in a cursive style with a large initial 'K' and a long horizontal stroke at the end.