

I. SCHOOL INFORMATION AND COVER PAGE

Created Tuesday, June 17, 2014

Updated Thursday, October 16, 2014

Page 1

1. SCHOOL NAME

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

310500860864 HARLEM CHILDREN'S ZONE PROMISE

2. CHARTER AUTHORIZER

NYCDOE-Authorized Charter School

3. DISTRICT / CSD OF LOCATION

NYC CSD 5

4. SCHOOL INFORMATION

PRIMARY ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS
245 West 129th Street, New York, NY 10027	646-556-6275	212-280-2960	[REDACTED]

4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES

Contact Name	Achil Petit
Title	Superintendent
Emergency Phone Number (###-###-####)	[REDACTED]

5. SCHOOL WEB ADDRESS (URL)

www.hczpromise.org

6. DATE OF INITIAL CHARTER

2004-05-01 00:00:00

7. DATE FIRST OPENED FOR INSTRUCTION

2004-09-01 00:00:00

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

(as reported on BEDS Day)

9. GRADES SERVED IN SCHOOL YEAR 2013-14

Check all that apply

• K

• 1

• 2

• 3

• 4

• 5

• 6

• 7

• 8

• 9

• 10

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

Yes/No	Name of CMO/EMO
No	

11. FACILITIES

Will the School maintain or operate multiple sites?

No, just one site.

12. SCHOOL SITES

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

	Physical Address	Phone Number	District/CSD	Grades Served at Site	School at Full Capacity at Site	Facilities Agreement
Site 1 (same as primary site)	245 West 129th Street, New York, NY 10027	646-556-6275	CSD 5	K-11	No	Own

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

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Achil Petit	[REDACTED]	[REDACTED]	[REDACTED]
Operational Leader	Sharleen Morris	[REDACTED]	[REDACTED]	

13. Are the School sites co-located?

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).

Yes

15. Summary of Charter Revisions

	Category (Select Best Description)	Specific Revision (150 word limit)	Date Approved by BOT (if applicable)	Date Approved by Authorizer (if applicable)
1	Change in Bylaws	The requirement for committees was removed, the office of Chief Executive Officer was added to the Board of Trustees, and the Superintendent and the Principal are now both required to sign/approve amounts exceed \$5,000.	6/19/14	6/19/14
2	Change in discipline policy	Updated to align with the 2013-2014 Chancellor's Regulations.	9/18/13	9/18/13
3	Change in Grade Level Configuration	Served grades K-9 for the 2013-2014 school year. (Previous year served K-8)	n/a	n/a

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 stylist on your mobile device to sign your name).

• Yes

Signature, Head of Charter School



Signature, President of the Board of Trustees

Wesley Love

Thank you.

Appendix A: Progress Toward Goals

Created Monday, August 04, 2014

Updated Friday, October 31, 2014

Page 1

Charter School Name: 310500860864 HARLEM CHILDREN'S ZONE PROMISE

1. NEW YORK STATE REPORT CARD

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

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

<http://data.nysed.gov/reportcard.php?year=2013&instid=800000057519>

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	Throughout the course of the school's next charter term, it will earn a score of B or better in "Performance" section of the citywide Progress Report.	NYC DOE Progress Reports	Progress Reports are not yet available	
Academic Goal 2	Throughout the course of the school's next charter term, the school will show progress towards achieving earning 75 percent of 3—8 graders who have been enrolled at the school on BEDS day for at least two consecutive years will perform at or above Level 3 on the New York State ELA examination.	NYS ELA exam scores	In 12-13, 21.8% of 3-8 graders who had been at the school for two years got a level 3 or above on the ELA exam. In 13-14, 22.9% of 3-8 graders who had been at the school for two years got a level 3 or above on the ELA exam. This increase indicates progress toward 75% proficient.	
Academic Goal 3	Throughout the course of the school's next charter term, the school will show progress towards achieving 75 percent of 3—8 graders who have been enrolled at the school on BEDS	NYS Math exam scores	In 12-13, 28.1% of 3-8 graders who had been at the school for two years got a level 3 or above on the math exam. In 13-14, 38.5% of 3-8 graders who had been at the school for	

	day for at least two consecutive years will perform at or above Level 3 on the New York State Mathematics examination.		two years got a level 3 or above on the math exam. This increase indicates progress toward 75% proficient.	
Academic Goal 4	Throughout the course of the school's next charter term, the school will show progress towards achieving 75 percent of 4th and 8th graders who have been enrolled at the school on BEDS day for at least two consecutive years will perform at or above Level 3 on the New York State Science examination	NYS Science exam scores	In 12-13, 97.7% of 4th graders and 79.4% of 8th graders who had been at the school for two years got a level 3 or above on the math exam. In 13-14, 92.0% of 4th graders and 63.0% of 8th graders who had been at the school for two years got a level 3 or above on the math exam. Students were above 75% at both time points. While the 4th grade has consistently been above 90%, the 8th grade did not make progress this year.	Under the direction of a new superintendent, we are providing more opportunities for teachers to collaborate and design interdisciplinary lessons. These lessons, particularly in the 8th grade, will focus on incorporating scientific principles into other areas of study, such as math, ELA, and the arts.
Academic Goal 5	Throughout the course of the school's next charter term, the school will show progress towards earning a score of B or better on the "Progress" section of the citywide Progress Report.	NYC DOE Progress Reports	Progress Reports are not yet available	
Academic Goal 6	Throughout the next charter term, each grade-level cohort of the same students (i.e. students who are in the school for two years in a row) will reduce by a quarter the gap between the percent at or above Level 3 on the previous year's State ELA exam (baseline) and 75 percent at or above Level 3 on the current year's State ELA exam. For schools in which the number of students scoring above proficiency in a grade level cohort exceeded 75 percent on the previous year's ELA exam, the school is expected to demonstrate some growth (above 75 percent) in the current year (relevant for schools serving grades 3-8). (For measuring this goal, the difference will be calculated by subtracting the percentage of students who scored proficient on the NYS ELA test enrolled at the school on BEDS day of year 1 of the new charter term from the percentage of the same students who scored proficient on the NYS ELA test in year 2 of new charter term and were continuously enrolled	NYS ELA exams	When matched cohorts are created of students who took the ELA test in both 12-13 and 13-14 and had been at the school for two years at both time points, 21.4% of students were proficient in 12-13 and 22.7% of students were proficient in 13-14. In order to meet the goal, .25% of the difference between 21.4 and 75, or 13.4 higher proficiency rate would have been needed in 13-14. Because the proficiency rate only increased by 1.3 points, we did not meet this goal.	Under the leadership of a new superintendent, our schools are creating new opportunities for our teachers to learn from each other. We hold PD half-days every Friday, so our ELA department will be able to meet with the ELA teachers at our sister school, Promise Academy II, to share best practices. We are also making visits to charter schools who performed exceptionally on the NYS ELA Exam in order to translate methods for success back to our classrooms.

	for two consecutive years on BEDS day.)			
Academic Goal 7	Throughout the next charter term, each grade-level cohort of the same students will reduce by a quarter between the percent at or above Level 3 on the previous year's State Math exam (baseline) and 75 percent at or above Level 3 on the current year's State Math exam. For schools in which the number of students scoring above proficiency in a grade level cohort exceeded 75 percent on the previous year's Math exam, the school is expected to demonstrate growth (above 75 percent) in the current year. (Relevant for schools serving grades 3-8.) (For measuring this goal, the difference will be calculated by subtracting the percentage of student who scored proficient on the NYS MATH test enrolled at the school on BEDS day of year 1 from the percentage of the same students who scored proficient on the NYS MATH test in year 2 and were continuously enrolled for two consecutive years on BEDS day)	NYS Math exams	When matched cohorts are created of students who took the math test in both 12-13 and 13-14 and had been at the school for two years at both time points, 29.3% of students were proficient in 12-13 and 39.3% of students were proficient in 13-14. In order to meet the goal, .25% of the difference between 29.3 and 75, or 11.4 higher proficiency rate would have been needed in 13-14. Because the proficiency rate only increased by 10 points, we did not meet this goal.	Under the leadership of a new superintendent, our schools are creating new opportunities for our teachers to learn from each other. We hold PD half-days every Friday, so our math department will be able to meet with the math teachers at our sister school, Promise Academy II, to share best practices. We are also making visits to charter schools who performed exceptionally on the NYS Math Exam in order to translate methods for success back to our classrooms.
Academic Goal 8	Throughout the next charter term, the school will show progress towards having 75% of students enrolled in grades 9-11 accumulate 10 or more credits towards graduation. The school will be accountable for all credits accumulated by students who were continuously enrolled in the school including students who have dropped out or enrolled in an accredited GED program, however, excluding the credits accumulated by students who have transferred from or to another school, were incarcerated, left the country, or died during the school year. The school will report this each September by submitting a report of student credit accumulation from the previous school year for purposes of the NYC DOE	Annual credit accumulation for high school students	96.5% of Promise Academy High School students earned 10 or more credits.	

2a1. Do have more academic goals to add?

Yes

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 9	Each year, 75% of each cohort who have been in high school for at least 3 years will have scored at least 65 on the New York State Regents examinations in ELA.	NYS English Regents Exam	Not applicable because there were no Juniors or Seniors in 2013-2014	
Academic Goal 10	Each year, 75% of each cohort will have scored at least 65 on the New York State Regents examinations in Math	NYS Math Regents exams	98% of cohort R and 93% of cohort S have passed a math Regents exam	
Academic Goal 11	Each year, 75% of each cohort will have scored at least 65 on the New York State Regents examinations in Science (Living Environment, Chemistry, or other).	NYS Science Regents exams	100% of cohort R and 100% of cohort S have passed a science Regents exam	
Academic Goal 12	Each year, 75% of each cohort who have been in high school for at least 3 years will have scored at least 65 on a New York State Regents examinations in History (Global Studies or U.S. History).	NYS Social Studies Regents exams	Not applicable because there were no Juniors or Seniors in 2013-2014	
Academic Goal 13	Each year, at least 75% of each student cohort (as defined by NYSED) graduates within five years	Cohort Graduation Rate	98.5% of the cohort who entered HS in 2009 have graduated	
Academic Goal 14	Throughout the next charter term, it will achieve a B grade or better in the college readiness index measure on the NYC DOE Progress Report.	NYC DOE Progress Reports	Progress Reports are not yet available	
Academic Goal 15	Throughout the next charter term, 80% of students enrolled in classes designed towards college accreditation will receive earn the minimum amount of college credits.	College credit accumulation	No students took classes for college credit.	
Academic Goal 16	Each year, the percent of students in grades 3-8 performing at or above Level 3 on the 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 the Community School District in which the school is located. This will be measured by an analysis of performance compared to CSDs conducted by NYCDOE.	NYS ELA exam	In every grade, 3-8, Promise Academy exceeded the performance of the local community school district, CSD 5.	

2a2. Do have more academic goals to add?

Yes

2013-14 Progress Toward Attainment of Academic Goals

	Academic Student Performance Goal	Measure Used to Evaluate Progress	2013-14 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Academic Goal 17	Each year, the percent of students in grades 3-8 performing at or above Level 3 on the 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 the Community School District in which the school is located. This will be measured by an analysis of performance compared to CSDs conducted by NYCDOE	NYS Math exam	In every grade, 3-8, Promise Academy exceeded the performance of the local community school district, CSD 5.	
Academic Goal 18	Each year, the percent of students in the high school accountability cohort passing an English Regents exam with a score of 65 or above by the end of their fourth year will exceed that of the students in the high school accountability cohort from a group of similar schools as determined by the NYC DOE Progress Report peer schools	NYS English Regents exam scores	Not applicable because no Seniors in 2013-2014	
Academic Goal 19	Each year, the percent of students in the high school accountability cohort passing a Math Regents exam with a score of 65 or above by the end of their fourth year will exceed that of the students in the high school accountability cohort from a group of similar schools as determined by the NYC DOE Progress Report peer schools.	NYS Math Regents exam scores	Not applicable because no Seniors in 2013-2014	
Academic Goal 20	Each year, the percent of students performing at or above Level 3 on the State ELA exam in each tested grade will, in the majority of grades, exceed the performance of Black and Latino students in New York City	NYS ELA exam scores	In every grade but one, 3-8, Promise Academy exceeded the performance of Black students in New York City.	
Academic Goal 21	Each year, beginning in 2010-2011, 75 percent of the initial cohort will have scored at least 65 on the New York State Regents	NYS Math exam scores	In every grade, 3-8, Promise Academy exceeded the performance of Black students in New York City.	

examinations in History (Global Studies or U.S. History).

Academic Goal 22	Each year, the School will have an annual average student attendance rate of at least 95% as calculated by ATS	ATS average daily attendance	Goal not met; attendance was 94.4%.	We have developed a committee with the support of our non-profit partner, the Harlem Children's Zone, to provide early intervention for students who are displaying early warning indicators, such as chronic absenteeism. Interventions such as a private busing service to the Bronx, engaging a partner organization aimed at reducing asthma-related absences, and home visits by family workers will continue to support our efforts to reach our attendance goal.
Academic Goal 23	Each year, 95% of all students enrolled on the last day of the school year who do not move out of district will return the following September	ATS enrollment and discharge records	95% of students from the last day of school who did not move away were still enrolled in September	

2b. ORGANIZATIONAL GOALS

2013-14 Progress Toward Attainment of Organizational Goals

	Organizational Goal	Measure Used to Evaluate Progress	2013-14 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Org Goal 1	Each year, the school will comply with all applicable laws, rules, regulations and contract terms including, but not limited to, the New York Charter Schools Act, the New York Freedom of Information Law, the New York Open Meetings Law, the federal Individuals with Disabilities Education Act, and federal Family Educational Rights and Privacy Act.		Goal met.	
Org Goal 2	As reflected in the Board minutes, the Superintendent or Principals will present Program reports that outline enrollment, attendance, discharge status, IEP, and ELL numbers as well as any available testing results at every Board of Trustees meeting. The Superintendent or Chief Financial Officer will present an up-to-date Financial Report as well.		Goal met.	
Org Goal 3	95% of the members of the Board of Trustees will be active members of a subcommittee of the Board.		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	Upon completion of the each school year the school will undergo an independent financial audit that will result in an unqualified opinion and no major findings.		Goal met.	
Financial Goal 2	Each year, the school will operate on a balanced budget[7] and maintain a stable cash flow.		Goal met.	

Appendix J: Uncertified Teachers

Created Monday, August 04, 2014

Page 1

Charter School Name: 310500860864 HARLEM CHILDREN'S ZONE PROMISE

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?

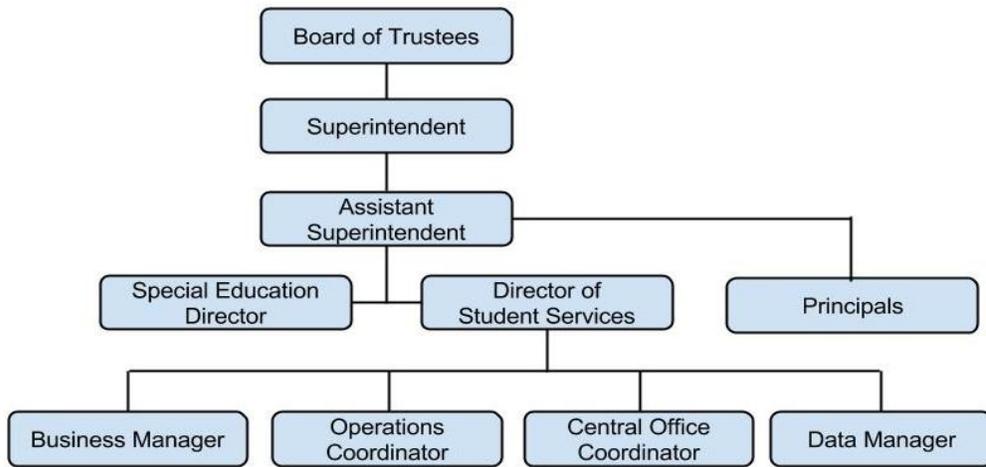
For each applicable category (i-iv), input the relevant full time equivalent (FTE) count of teachers.

	FTE
(i) uncertified teachers with at least three years of elementary, middle or secondary classroom teaching experience	5
(ii) tenured or tenure track college faculty	0
(iii) individuals with two years satisfactory experience through Teach for America	0
(iv) individuals who possess exceptional business, professional, artistic, athletic, or military experience	0
Total FTE (Sum of all Uncertified Teaching Staff)	5

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

72

Thank you.



Appendix B: Total Expenditures and Administrative Expenditures per Child

Created Tuesday, July 08, 2014

Updated Monday, August 04, 2014

Page 1

Charter School Name: 310500860864 HARLEM CHILDREN'S ZONE PROMISE

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	15533555
1. Total Expenditures Per Child Line 2: BEDS Day Pupil Count	895
1. Total Expenditures Per Child Line 3: Divide Line 1 by Line 2	16829

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)	625703
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)	82287
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	707990
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	895
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	767

Thank you.

Audited Financial Statement Checklist

Created Monday, August 04, 2014

Updated Saturday, November 01, 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)	No
CSP Agreed Upon Procedures (if applicable)	No
Management Letter	No
Report on Extracurricular Student Activity Accounts (if applicable)	No
Corrective Action Plans for any Findings	No

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	No

Thank you.

Financial Statements and Supplementary
Information Together with
Reports of Independent Certified Public Accountants

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**

For the years ended June 30, 2014 and 2013

HARLEM CHILDREN'S ZONE PROMISE ACADEMY CHARTER SCHOOL

TABLE OF CONTENTS

	Page
Report of Independent Certified Public Accountants	1 - 2
Financial Statements:	
Statements of Financial Position as of June 30, 2014 and 2013	3
Statements of Activities for the years ended June 30, 2014 and 2013	4
Statements of Cash Flows for the years ended June 30, 2014 and 2013	5
Notes to Financial Statements	6 - 12
Supplementary Information:	
Schedule of Functional Expenses for the year ended June 30, 2014	14
Schedule of Functional Expenses for the year ended June 30, 2013	15
Report of Independent Certified Public Accountants on Internal Control over Financial Reporting and on Compliance and Other Matters Required by Government Auditing Standards	16 - 17
Schedule of Findings and Questioned Costs	18
Schedule of Prior Year (Fiscal 2013) Audit Findings and Corrective Action Plan	19 - 21



Audit • Tax • Advisory

Grant Thornton LLP
666 Third Avenue, 13th Floor
New York, NY 10017-4011

T 212.599.0100

F 212.370.4520

www.GrantThornton.com

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees of

Harlem Children's Zone Promise Academy Charter School:

Report on the financial statements

We have audited the accompanying financial statements of Harlem Children's Zone Promise Academy Charter School (the "School"), which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities and cash flows for the years 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 audits. We conducted our audits 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 Harlem Children's Zone Promise Academy Charter School as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Functional Expenses for the years ended June 30, 2014 and 2013 is presented for purposes of additional analysis and is not a required part of the financial statements. Such supplementary 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 audits of the financial statements and certain additional procedures. These additional procedures included comparing and reconciling the 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 supplementary 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 31, 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 the effectiveness of 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.

Grant Thornton LLP

New York, New York
October 31, 2014

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Statements of Financial Position
As of June 30, 2014 and 2013

ASSETS	2014	2013
Cash	\$ 2,451,807	\$ 3,874,979
Restricted cash	70,575	70,496
Government grants and contracts receivable	495,524	875,449
Due from Harlem Children's Zone - 457(f) plan	6,659,381	5,778,881
Due from related parties	1,050,299	-
Property and equipment, net	191,641	349,017
Other assets	<u>96,257</u>	<u>45,784</u>
Total assets	<u>\$ 11,015,484</u>	<u>\$ 10,994,606</u>
 LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 1,887,476	\$ 1,637,241
Due to related parties	-	202,767
457(f) plan liability	<u>5,432,265</u>	<u>5,245,164</u>
Total liabilities	<u>7,319,741</u>	<u>7,085,172</u>
 CONTINGENCIES		
 NET ASSETS - unrestricted	 <u>3,695,743</u>	 <u>3,909,434</u>
Total liabilities and net assets	<u>\$ 11,015,484</u>	<u>\$ 10,994,606</u>

The accompanying notes are an integral part of these statements.

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Statements of Activities
For the years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
SUPPORT AND REVENUE		
Support:		
In-kind contributions	\$ 4,619,482	\$ 4,871,205
Subsidy from Harlem Children's Zone for 457(f) plan	<u>903,000</u>	<u>1,303,500</u>
Total support	<u>5,522,482</u>	<u>6,174,705</u>
Revenue:		
Government grants and contracts	14,664,140	14,117,810
Other income	<u>4,195</u>	<u>99</u>
Total revenue	<u>14,668,335</u>	<u>14,117,909</u>
 Total support and revenue	 <u>20,190,817</u>	 <u>20,292,614</u>
EXPENSES		
Program services:		
Regular education	16,719,236	15,781,048
Special education	<u>2,736,652</u>	<u>2,304,382</u>
Total program services	19,455,888	18,085,430
Management and general	<u>948,620</u>	<u>889,430</u>
Total expenses	<u>20,404,508</u>	<u>18,974,860</u>
 Change in net assets	 (213,691)	 1,317,754
Net assets, beginning of year	<u>3,909,434</u>	<u>2,591,680</u>
Net assets, end of year	<u>\$ 3,695,743</u>	<u>\$ 3,909,434</u>

The accompanying notes are an integral part of these statements.

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Statements of Cash Flows
For the years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (213,691)	\$ 1,317,754
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation	173,132	116,642
Changes in assets and liabilities:		
Decrease in government grants and contracts receivable	379,925	691,732
Increase in due from Harlem Children's Zone - 457(f) plan	(880,500)	(1,375,742)
Increase in due from related parties	(1,050,299)	-
(Increase) decrease in other assets	(50,473)	176,729
Increase (decrease) in accounts payable and accrued expenses	250,235	(42,652)
(Decrease) increase in due to related parties	(202,767)	204,167
Increase in 457(f) plan liability	<u>187,101</u>	<u>1,150,257</u>
Net cash (used in) provided by operating activities	<u>(1,407,337)</u>	<u>2,238,887</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(15,756)</u>	<u>(197,994)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in restricted cash	<u>(79)</u>	<u>(99)</u>
Net (decrease) increase in cash	(1,423,172)	2,040,794
Cash, beginning of year	<u>3,874,979</u>	<u>1,834,185</u>
Cash, end of year	<u>\$ 2,451,807</u>	<u>\$ 3,874,979</u>

The accompanying notes are an integral part of these statements.

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Notes to Financial Statements
June 30, 2014 and 2013

1. NATURE OF OPERATIONS

Harlem Children's Zone Promise Academy Charter School (the "School") is a public charter school that is open to all New York City public school children via a lottery. Opened in 2004, the School features small class sizes, an extended day and year, high expectations, and access to an extended support system through its Institutional Partner, Harlem Children's Zone, Inc. ("HCZ").

HCZ is a not-for-profit organization that offers a wide array of education and social programs to the children and families of Harlem. Created in 1970 as a truancy prevention agency (then called "Rheedlen"), HCZ has expanded its services to address the needs of children from birth through college, and as part of that mission, it also works to strengthen families and the surrounding community.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

The financial statement presentation conforms with accounting principles generally accepted in the United States of America for non-profit organizations, which require that the School report information regarding its financial position and changes in net assets according to three classes of net assets, as follows:

Unrestricted net assets

Net assets that are not subject to donor-imposed stipulations and are, therefore, available for the general operations of the School.

Temporarily restricted net assets

Net assets which include resources that have been limited by donor-imposed stipulations that either expire with the passage of time and/or can be fulfilled by the actions of the School pursuant to those stipulations. At June 30, 2014 and 2013, the School did not possess any temporarily restricted net assets.

Permanently restricted net assets

Net assets which include funds whereby the donors have stipulated that the principal contributed be invested and maintained in perpetuity. Income earned from these investments is available for expenditures according to restrictions, if any, imposed by donors. At June 30, 2014 and 2013, the School did not possess any permanently restricted net assets.

Property and Equipment

Property and equipment purchased for a value greater than \$1,000 and with depreciable lives greater than one year are carried at cost, net of depreciation. Significant additions or improvements extending asset lives are capitalized; normal maintenance and repair costs are expensed as incurred. Leasehold improvements are amortized based on the lesser of the estimated useful life or remaining lease term.

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Notes to Financial Statements
June 30, 2014 and 2013

Property and equipment used in operations are depreciated over their estimated useful lives using the straight-line method, as follows:

	Useful Life (Years)
Furniture, fixtures, and equipment	5
Leasehold improvements	5 - 31.5

Revenue

Revenue is recorded on the accrual basis of accounting. The School derives its revenue principally from the New York State and New York City governments, through the New York City Department of Education Office of Charter Schools, based on pupil enrollment for regular and special education, with the balance from contributions, subsidies and US Federal government grants.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by explicit donor-imposed restrictions. Revenues based on pupil enrollment are recognized over the period earned. Amounts received in advance are reported as deferred revenue.

Revenue from other grants and contracts is recognized as the related expenses are incurred in accordance with the terms of the respective grant or contract agreement. Amounts received in advance are reported as deferred revenue.

The School records contributions of cash and other assets when an unconditional promise to give such assets is received from a donor. Contributions are recorded at the fair market value of the assets received and are classified as either unrestricted, temporarily restricted or permanently restricted support, depending on whether the donor has imposed a restriction on the use of such assets. When a donor restriction expires (i.e., when a stipulated time restriction ends and/or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Receivables

Receivable contains some level of uncertainty surrounding timing and amount at collection. Therefore, management provides an allowance for doubtful accounts based on the consideration of the type of receivable, responsible party, the known financial condition of the respective party, historical collection patterns and comparative aging. These allowances are maintained at a level management considers adequate to provide for subsequent adjustments and potential uncollectible accounts. These estimates are reviewed periodically and, if the financial condition of a party changes significantly, management will evaluate the recoverability of any receivables from that organization and write off any amounts that are no longer considered to be recoverable. Any payments subsequently collected on such written-off receivables are recorded as income in the period received.

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Notes to Financial Statements
June 30, 2014 and 2013

Accounting for Income Taxes

The School recognizes the tax effects from an uncertain tax position in the financial statements only if the position is “more-likely-than-not” to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged. Management determined that there are no uncertain tax positions within its financial statements.

The School is exempt from federal income taxation by virtue of being an organization described in Section 501(c)(3) of the Internal Revenue Code. Nevertheless, the School may be subject to tax on any income deemed unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The tax years ending June 30, 2011, 2012, 2013, and 2014 are still open to audit for both federal and state purposes.

Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassification

Certain reclassifications have been made to the fiscal 2013 financial statements to conform to the current year's presentation. Such reclassifications had no impact on total assets, liabilities, revenues, expenses or changes in net assets as reflected in the fiscal 2013 financial statements.

3. CASH

The School maintains cash balances in financial institutions, which generally exceed the amount insured by the Federal Depository Insurance Corporation (“FDIC”) and subject the School to credit risk. The School monitors this risk on a regular basis and has not experienced, nor does it anticipate, nonperformance by any of these financial institutions.

4. RESTRICTED CASH

Pursuant to an addendum to the Charter Agreement dated August 4, 2008, with the NYCDOE, the School is required to set up an escrow of at least \$70,000. In the event of termination of the Charter, whether prematurely or otherwise, the School shall establish and follow procedures consistent with those required by Section 2851(2)(t) of the New York State Education Law in its use of the escrow.

5. PUPIL ENROLLMENT AND OTHER REVENUES FROM GOVERNMENT AGENCIES

Under the School's Charter agreement and the Charter Schools Act, the School is entitled to receive funding from state and federal sources that are available to public schools. These funds include New York City pupil enrollment funds, federal food subsidies, and Title I and Title II funds. The calculation of the amounts to be paid to the School under these programs is determined by the State and is based on complex

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Notes to Financial Statements
June 30, 2014 and 2013

laws and regulations, enrollment levels, and economic information related to the home school districts of the children enrolled in the School. If these regulations, some of which are relatively new in the State of New York, were to change, or other factors included in the calculations were to change, the level of funding that the School receives could vary significantly.

The amounts received and receivable from government agencies and included as revenue in the financial statements consisted of the following as of and for the years ended June 30, 2014 and 2013:

	2014		2013	
	Revenues	Receivable	Revenues	Receivable
City of New York (Pupil enrollment)	\$ 13,378,438	\$ 161,393	\$ 12,847,982	\$ -
Outside the City of New York (Pupil enrollment)	174,496	72,681	131,725	82,204
Title I	437,477	126,556	370,296	153,867
Title II	5,720	-	34,440	369
E-rate	110,936	84,583	291,794	26,356
Food Service - State of New York	<u>557,073</u>	<u>50,311</u>	<u>441,573</u>	<u>612,653</u>
Total grants and contracts from government sources	<u>\$ 14,664,140</u>	<u>\$ 495,524</u>	<u>\$ 14,117,810</u>	<u>\$ 875,449</u>

6. PROPERTY AND EQUIPMENT, NET

At June 30, 2014 and 2013, property and equipment consisted of the following:

	2014	2013
Computer equipment	\$ 767,360	\$ 751,604
Furniture and fixtures	595,472	595,472
Leasehold improvements	<u>25,160</u>	<u>25,160</u>
	1,387,992	1,372,236
Less: accumulated depreciation	<u>(1,196,351)</u>	<u>(1,023,219)</u>
Total	<u>\$ 191,641</u>	<u>\$ 349,017</u>

Depreciation expense for the years ended June 30, 2014 and 2013 amounted to \$173,132 and \$116,642, respectively.

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Notes to Financial Statements
June 30, 2014 and 2013

7. PROFIT-SHARING PLAN

The School maintains the Vanguard Profit Sharing Plan (the "Plan") with Vanguard Fiduciary Trust Company for all eligible employees. The Plan is non-contributory and employees become eligible once they have reached age 21 and have completed one year of service. Employees participating in the Plan will be fully vested after completing six years of service. Employer contributions made to the Plan are discretionary. For the years ended June 30, 2014 and 2013, contributions made to the Plan amounted to \$244,882 and \$210,629, respectively.

8. RELATED-PARTY TRANSACTIONS

457(f) Plan

HCZ maintains a 457(f) plan for certain eligible employees of the School. Employees become eligible to participate in this plan based solely at the discretion of the School's Board of Trustees. The amounts contributed vest five years after the date of the initial contribution and will then be paid to eligible employees when vested. Forfeitures of the plan may be allocated to the remaining eligible employees at the discretion of management. Terminated employees become vested immediately at the date of their termination. HCZ provides the School with an annual subsidy to cover this cost by contributing to a HCZ investment account. During fiscal 2014 and 2013, HCZ provided a net subsidy of \$903,000 and \$1,303,500 for contributions to the 457(f) plan. The cumulative amount due from HCZ relating to the 457(f) plan was \$6,659,381 and \$5,778,881 at June 30, 2014 and 2013, which will then be settled with the eligible employees when they become vested or represents reimbursements of amounts already paid by the School in advance of receiving the funds from HCZ. The cumulative amount due from the School to eligible employees was \$5,432,265 and \$5,245,164 at June 30, 2014 and 2013, respectively.

In-Kind Support

Pursuant to the terms of a commitment letter between HCZ and the School, HCZ, as the School's Institutional Partner, committed to provide the School certain services at no cost at least through June 30, 2019. These services include financial management, social, library, technology, fundraising, public relations, and teaching assistance services. In addition, HCZ committed to provide the School with the use of space in its premises located at 245 West 129th Street, New York, NY. The commitment to the School can be cancelled by either party with one year's notice.

HCZ's in-kind services for the years ended June 30, 2014 and 2013 amounted to \$4,619,482 and \$4,871,205, respectively. These amounts included personnel service costs for the years ended June 30, 2014 and 2013, of \$2,632,706 and \$3,963,703, and non-personnel service costs of \$1,986,776 and \$907,502, respectively.

Other

Certain expenses, primarily administration costs, may be shared amongst the Charter School, HCZ and the Promise Academy II Charter School and amounts may also be received on behalf of another of these entities. Additionally, the Charter School may be reimbursed for certain expenses, primarily personnel

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Notes to Financial Statements
June 30, 2014 and 2013

service costs, by HCZ, for which the reimbursed expenses are treated as an in-kind contribution from HCZ. At June 30, 2014, amounts due from related parties were \$1,050,299, pertaining to these transactions.

New Building Construction

During the fiscal year ended June 30, 2011, HCZ entered into agreements for the construction of a new charter school (the "School Project"). The agreements provided that the New York School Construction Authority (the "SCA") contribute up to \$60,000,000 towards the School Project, with the estimated balance of approximately \$40,000,000, to be contributed by HCZ or other donors. After completion of construction and issuance of the certificate of occupancy, title to the School Project will be transferred to the New York City Department of Education (the "DOE"), leased back to HCZ, and portions of the premises sub-leased to the School. The lease agreement will designate HCZ and the School as initial users of the premises.

Construction of the building was completed and the School utilized the premises during fiscal 2014, however the respective leases were not executed until August 7, 2014. As such, the School recognized in-kind income and expense of \$695,295 for the fair value of the space utilized in fiscal 2014.

The sub-lease which was executed in fiscal 2015 will expire in August 2044 and under the terms of the lease the School is not required to pay any consideration for use of the space. Upon execution of the lease agreement during fiscal 2015, the School will record a contribution receivable – contributed space, and recognized temporarily restricted contribution revenue, which will represent the imputed fair value of the space under the lease. The receivable will be amortized to rent expense, and the related temporarily restricted net assets will be released from restrictions, over the term of the lease. As of the date of these financial statements the imputed fair value of the space under the lease is still being determined.

9. CONCENTRATION OF RISK

The School is dependent on various government agencies for funding and is responsible for meeting the requirements of such agencies. If the School were to lose students or the related government funding, it could have a substantial effect on the School's ability to continue operations.

As discussed in Note 8, HCZ is responsible for certain operations of the School and donates its services and space. If this relationship were to change or cease, such change could have a substantial effect on the School's ability to continue operations.

10. CONTINGENCIES

Government Agency Audits

The School participates in a number of federal and state programs. These programs require that the School comply with certain requirements of laws, regulations, contracts, and agreements applicable to the programs in which it participates. All funds expended in connection with government grants and contracts are subject to audit by government agencies. While the ultimate liability, if any, from any such audits of government contracts by government agencies is presently not determinable, it should not, in the opinion of management, have a material effect on the School's financial position or change in net assets. Accordingly, no provision for any such liability that may result has been made in the accompanying financial statements.

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Notes to Financial Statements
June 30, 2014 and 2013

Litigation

The School may be involved in various legal actions from time to time arising in the normal course of business. In the opinion of management, there are no matters outstanding that would have a material adverse effect on the financial statements of the School.

11. SUBSEQUENT EVENTS

The School evaluated its June 30, 2014 financial statements for subsequent events through October 31, 2014, the date the financial statements were available to be issued. The School is not aware of any subsequent events which would require recognition or disclosure in the financial statements, other than as disclosed in Note 8.

SUPPLEMENTARY INFORMATION

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Schedule of Functional Expenses
For the year ended June 30, 2014

	<u>Regular Education</u>	<u>Special Education</u>	<u>Management and General</u>	<u>Total</u>
Salaries	\$ 9,997,736	\$ 1,636,458	\$ 612,326	\$ 12,246,520
Payroll taxes	980,803	160,541	60,071	1,201,415
Employee benefits	1,792,908	293,468	109,809	2,196,185
Profit-sharing plan contribution	<u>199,915</u>	<u>32,723</u>	<u>12,244</u>	<u>244,882</u>
Total personnel services	<u>12,971,362</u>	<u>2,123,190</u>	<u>794,450</u>	<u>15,889,002</u>
Admissions	50,822	8,319	3,113	62,254
Classroom supplies	250,596	41,018	15,348	306,962
Consultants and professional fees	418,431	68,490	25,627	512,548
Depreciation	141,340	23,135	8,657	173,132
Equipment rental and maintenance	139,165	22,779	8,523	170,467
Food	728,945	119,316	-	848,261
Insurance	68,929	11,282	4,222	84,433
Occupancy	935,816	153,177	57,315	1,146,308
Office supplies	97,607	15,977	5,978	119,562
Payroll processing	13,523	2,213	828	16,564
Printing, publications, and memberships	27,833	4,556	1,705	34,094
Software/software maintenance	66,875	10,946	4,096	81,917
Special services/incentives	288,201	47,174	-	335,375
Staff travel	10,085	1,651	618	12,354
Student travel	148,196	24,257	-	172,453
Telephone	129,683	21,227	7,943	158,853
Training	146,043	23,905	8,945	178,893
Uniforms	65,359	10,698	-	76,057
Miscellaneous	<u>20,425</u>	<u>3,342</u>	<u>1,252</u>	<u>25,019</u>
Total other than personnel services	<u>3,747,874</u>	<u>613,462</u>	<u>154,170</u>	<u>4,515,506</u>
Total expenses	<u>\$ 16,719,236</u>	<u>\$ 2,736,652</u>	<u>\$ 948,620</u>	<u>\$ 20,404,508</u>

This schedule should be read in conjunction with the accompanying financial statements and notes thereto.

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Schedule of Functional Expenses
For the year ended June 30, 2013

	Regular Education	Special Education	Management and General	Total
Salaries	\$ 10,162,327	\$ 1,483,924	\$ 612,961	\$ 12,259,212
Payroll taxes	821,233	119,918	49,534	990,685
Employee benefits	1,834,038	267,810	110,624	2,212,472
Retirement plan contribution	<u>174,602</u>	<u>25,496</u>	<u>10,531</u>	<u>210,629</u>
Total personnel services	<u>12,992,200</u>	<u>1,897,148</u>	<u>783,650</u>	<u>15,672,998</u>
Admissions	28,872	4,216	1,741	34,829
Classroom supplies	282,762	41,290	17,055	341,107
Consultants and professional fees	343,063	50,095	20,693	413,851
Depreciation	96,691	14,119	5,832	116,642
Equipment rental and maintenance	131,580	19,214	7,937	158,731
Food	658,462	96,150	-	754,612
Insurance	54,276	7,926	3,274	65,476
Occupancy	140,539	20,522	8,477	169,538
Office supplies	64,981	9,489	3,919	78,389
Payroll processing	9,558	1,396	577	11,531
Printing, publications, and memberships	87,127	12,722	5,255	105,104
Software/software maintenance	94,159	13,749	5,679	113,587
Special services/incentives	176,887	25,829	-	202,716
Staff travel	21,891	3,197	1,320	26,408
Student travel	147,512	21,540	-	169,052
Telephone	159,814	23,336	9,639	192,789
Training	208,107	30,388	12,552	251,047
Uniforms	52,286	7,635	2	59,923
Miscellaneous	<u>30,281</u>	<u>4,421</u>	<u>1,828</u>	<u>36,530</u>
Total other than personnel services	<u>2,788,848</u>	<u>407,234</u>	<u>105,780</u>	<u>3,301,862</u>
Total expenses	<u>\$ 15,781,048</u>	<u>\$ 2,304,382</u>	<u>\$ 889,430</u>	<u>\$ 18,974,860</u>



Audit • Tax • Advisory

Grant Thornton LLP
666 Third Avenue, 13th Floor
New York, NY 10017-4011

T 212.599.0100
F 212.370.4520
www.GrantThornton.com

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

To the Board of Trustees of
Harlem Children’s Zone Promise Academy Charter School:

We have audited, 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, the financial statements of Harlem Children’s Zone Promise Academy 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 then ended, and the related notes to the financial statements, and have issued our report thereon dated October 31, 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 design 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 internal control. Accordingly, we do not express an opinion on the effectiveness of the School’s internal control.

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

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

Compliance and other matters

As part of obtaining reasonable assurance about whether the School's financial statements are free 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*.

Intended purpose

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 report is not suitable for any other purpose.

Grant Thornton LLP

New York, New York

October 31, 2014

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL**
Schedule of Findings and Questioned Costs
For the year ended June 30, 2014

None noted.

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL
Schedule of Prior Year (Fiscal 2013) Audit Findings and Corrective Action Plan
For the year ended June 30, 2014**

FINDING NO. 2013-01 – INTERNAL CONTROLS OVER FINANCIAL REPORTING (MATERIAL WEAKNESS)

Criteria:

Government Auditing Standards require an auditee to design and implement an internal control environment to achieve effective and efficient operations; reliability of financial reporting; and compliance with applicable laws and regulations. The control environment sets the tone of an organization, which influences the control consciousness of its people. The key factors impacting the control environment include, among other things, management's philosophy and operating style, organizational structure, assignment of authority and responsibility and policies and practices with respect to human resources.

Condition, Context, Effect and Recommendation:

During our fiscal 2013 audit, we noted a material weakness in the internal control over financial reporting with regard to the School's journal entry process. We noted that the CFO, Assistant CFO, Controller and Senior Accountants all had the ability to prepare and post journal entries. Additionally, while the School's policies and procedures call for the CFO to review journal entries, our review of the journal entry documentation did not indicate that an approval process was performed. We also noted that many reversing journal entries were made to correct prior entries made during the year. The above findings indicate that there is both a lack of segregation of duties, as well as a lack of internal controls over the journal entry process. We recommend that a formal journal entry process be implemented that will address the segregation of duties as well as the review process.

FINDING NO. 2013-02 – INTERNAL CONTROLS OVER FINANCIAL REPORTING (SIGNIFICANT DEFICIENCY)

Criteria:

Government Auditing Standards require an auditee to design and implement an internal control environment to achieve effective and efficient operations; reliability of financial reporting; and compliance with applicable laws and regulations. The control environment sets the tone of an organization, which influences the control consciousness of its people. The key factors impacting the control environment include, among other things, management's philosophy and operating style, organizational structure, assignment of authority and responsibility and policies and practices with respect to human resources.

Condition, Context, Effect and Recommendation:

During our audit, we noted a significant deficiency in the internal control over financial reporting with regard to the following:

Accounting for 457(f) Plan

During our fiscal 2013 audit, we noted that the School does not retain adequate documentation or approval of the calculations performed for payments made to terminated employees and that the School does not have formal policies or procedures in place for the payments to terminated employees. We recommend that the school establish formal policies and procedures for deferred compensation payments made to employees, including formal documentation and approval for all payments.

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL
Schedule of Prior Year (Fiscal 2013) Audit Findings and Corrective Action Plan
For the year ended June 30, 2014**

Accounting for In-kind Contributions

During our fiscal 2013 audit, we noted that the School recorded an expense and payable for bonuses pertaining to fiscal 2013, however these bonuses were paid by HCZ on behalf of the School. As such, the School overstated its payables and understated its in-kind contribution for the bonuses paid by HCZ for the School's employees. As a result, an audit adjustment of approximately \$55,000 was recorded to reduce the payable and record the in-kind contribution.

During our fiscal 2013 audit, we also noted that the School recorded an incorrect amount of in-kind revenue and expense for employer payroll taxes that were paid by HCZ for the School's employees. As a result, an audit adjustment was recorded for approximately \$26,000 to decrease in-kind contribution revenue and in-kind payroll tax expenses. We also noted that the School did not record in-kind revenue and expense for the free space provided by HCZ, resulting in an adjustment of \$100,000 to increase both in-kind revenue and in-kind rent expense.

We recommend that the School meet with personnel from HCZ on a monthly basis to capture, reconcile and record all of the in-kind contributions made by HCZ.

Bank Reconciliations

During our fiscal 2013 audit, we noted that the School did not complete bank reconciliations on a monthly basis for its payroll account. As such, upon reconciling the account at year-end, an audit adjustment was recorded for approximately \$7,000 to increase the payroll cash account balance and decrease payroll tax expense. We recommend the School complete bank reconciliations on a monthly basis going forward, in order to properly manage cash balances throughout the year.

Accounting Staff

Although HCZ hired a new controller during fiscal 2013, the position was not filled until the latter part of the year. As a result, as of year-end, the School had not implemented adequate monitoring controls and there were significant processes that were not supported by up-to-date written policies and procedures. We recommend that HCZ and the School ensure the personnel in the accounting/finance function are sufficiently qualified to meet the financial reporting needs of the organization. We also recommend that additional written policies, procedures and controls be implemented to ensure that accounts are analyzed and reconciled in a timely manner, that the general ledger is closed timely and that financial statements are accurately prepared.

Questioned Costs:

None noted.

Views of Responsible Officials and Planned Corrective Action:

Journal Entries

We agree that the ability to both prepare and post journals is not a proper segregation of duties; however, we note that there were no improper journal entries posted as a result. The staff size and skill sets that existed throughout most of the fiscal year were not conducive to establishing the requisite segregation of duties with regard to journal entries. During the second half of the year, a new CFO and Controller were added to the financial management

**HARLEM CHILDREN'S ZONE
PROMISE ACADEMY CHARTER SCHOOL
Schedule of Prior Year (Fiscal 2013) Audit Findings and Corrective Action Plan
For the year ended June 30, 2014**

team and, effective beginning fiscal 2014, we have implemented a procedure whereby each journal entry contains a cover sheet, requiring signoff by a preparer and a separate approver, generally the Controller – the CFO signs off of any journal entries prepared by the controller.

Accounting for 457(f) Plan

Though the payments made to terminated employees were based on account balances at the time of termination, we agree that not retaining a copy of such account balances was an inadequate control. Effective late in fiscal 2013, accounting for the 457(f) plan was transferred to the new Controller and, effective for fiscal 2014, we will retain a copy each month's file of employee account balances. We will also ensure each payment to employees is properly authorized and documented.

Accounting for In-kind Contributions

Beginning effective with fiscal 2014, we implemented weekly staff meetings of the financial and business office personnel for HCZ and the School to better ensure proper coordination of accounting and payment activities between HCZ and the School.

Bank Reconciliations

We note that all reconciliations of the payroll bank accounts were completed prior to finalizing the audit, but that such reconciliations were not performed timely during fiscal 2013. We are in the process of adding accounting resources, with roles specifically assigned to prepare such reconciliations on a monthly basis.

Accounting Staff

As noted in prior comments, we added a new CFO and Controller in the second half of fiscal 2013. We have recently concluded a review of our staffing and are implementing a new staffing plan that will better define the roles and add resources to improve the internal control environment as well as the quality and timeliness of financial reporting, both internally and externally.

Fiscal 2014 Status:

The internal control findings over financial reporting noted during fiscal 2013 have been addressed by the School. No such findings were noted during our fiscal 2014 audit.

Appendix I: Teacher and Administrator Attrition

Created Friday, August 01, 2014

Page 1

Charter School Name: 310500860864 HARLEM CHILDREN'S ZONE PROMISE

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

2013-14 Teacher Attrition Table

FTE Teachers on June 30, 2013	FTE Teachers Additions 7/1/13 – 6/30/14	FTE Teacher Departures 7/1/13 – 6/30/14
97	53	48

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
17	3	5

Thank you

Harlem Children's Zone Promise Academy Charter School

PROJECTED BUDGET FOR 2014-2015

July 1, 2014 to June 30, 2015

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

							<u>Assumptions</u>
							DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Total Revenue	16,735,188	-	-	-	-	16,735,188	
Total Expenses	16,735,188	-	-	-	-	16,735,188	
Net Income	0	-	-	-	-	0	
Actual Student Enrollment	913	132					
Total Paid Student Enrollment	913	132				1,045	

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

REVENUE

REVENUES FROM STATE SOURCES

	CY Per Pupil Rate	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL
Per Pupil Revenue							
District of Location	\$13,777.00	14,259,195	-	-	-	-	14,259,195
MT Vernon	\$16,794.00	100,764	-	-	-	-	100,764
Yonkers	\$14,523.00	29,046	-	-	-	-	29,046
Greenburgh	\$22,343.00	44,686	-	-	-	-	44,686
School District 5 (Enter Name)							
		14,433,691	-	-	-	-	14,433,691
Special Education Revenue		780,809	-	-	-	-	780,809
Grants							
Stimulus		-	-	-	-	-	-
Other		-	-	-	-	-	-
Other State Revenue		-	-	-	-	-	-
TOTAL REVENUE FROM STATE SOURCES		15,214,500	-	-	-	-	15,214,500

REVENUE FROM FEDERAL FUNDING

IDEA Special Needs		141,310	-	-	-	-	141,310
Title I		408,519	-	-	-	-	408,519
Title Funding - Other		19,741	-	-	-	-	19,741
School Food Service (Free Lunch)		564,511	-	-	-	-	564,511
Grants							
Charter School Program (CSP) Planning & Implementation		-	-	-	-	-	-
Other		-	-	-	-	-	-
Other Federal Revenue		-	-	-	-	-	-
TOTAL REVENUE FROM FEDERAL SOURCES		1,134,081	-	-	-	-	1,134,081

LOCAL and OTHER REVENUE

Contributions and Donations, Fundraising		229,587	-	-	-	-	229,587
Erate Reimbursement		157,020	-	-	-	-	157,020
Interest Income, Earnings on Investments,		-	-	-	-	-	-
NYC-DYCD (Department of Youth and Community Developmt.)		-	-	-	-	-	-
Food Service (Income from meals)		-	-	-	-	-	-
Text Book		-	-	-	-	-	-
Other Local Revenue		-	-	-	-	-	-
TOTAL REVENUE FROM LOCAL and OTHER SOURCES		386,607	-	-	-	-	386,607

TOTAL REVENUE		16,735,188	-	-	-	-	16,735,188
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EXPENSES

ADMINISTRATIVE STAFF PERSONNEL COSTS

	No. of Positions	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL
Executive Management	1.00	96,000	-	-	-	-	96,000
Instructional Management	9.00	981,181	-	-	-	-	981,181
Deans, Directors & Coordinators	12.00	841,192	-	-	-	-	841,192
CFO / Director of Finance	-	-	-	-	-	-	-
Operation / Business Manager	3.00	109,459	-	-	-	-	109,459
Administrative Staff	9.00	345,278	-	-	-	-	345,278
TOTAL ADMINISTRATIVE STAFF	34	2,373,110	-	-	-	-	2,373,110

INSTRUCTIONAL PERSONNEL COSTS

Teachers - Regular	59.00	4,474,799	-	-	-	-	4,474,799
Teachers - SPED	12.00	788,277	-	-	-	-	788,277
Substitute Teachers	-	-	-	-	-	-	-
Teaching Assistants	31.00	800,790	-	-	-	-	800,790
Specialty Teachers	23.00	1,436,502	-	-	-	-	1,436,502
Aides	18.00	741,918	-	-	-	-	741,918

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

Harlem Children's Zone Promise Academy Charter School

PROJECTED BUDGET FOR 2014-2015

PROJECTED BUDGET FOR 2014-2015							<u>Assumptions</u>
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 155. This will populate the data in row 10.							
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Total Revenue	16,735,188	-	-	-	-	16,735,188	
Total Expenses	16,735,188	-	-	-	-	16,735,188	
Net Income	0	-	-	-	-	0	
Actual Student Enrollment	913	132					
Total Paid Student Enrollment	913	132				1,045	
	PROGRAM SERVICES			SUPPORT SERVICES			
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Janitorial	5,668	-	-	-	-	5,668	
Building and Land Rent / Lease	19,103	-	-	-	-	19,103	
Repairs & Maintenance	-	-	-	-	-	-	
Equipment / Furniture	-	-	-	-	-	-	
Security	-	-	-	-	-	-	
Utilities	9,380	-	-	-	-	9,380	
TOTAL FACILITY OPERATION & MAINTENANCE	34,151	-	-	-	-	34,151	
DEPRECIATION & AMORTIZATION	-	-	-	-	-	-	
DISSOLUTION ESCROW & RESERVES / CONTINGENCY	5,000	-	-	-	-	5,000	
TOTAL EXPENSES	16,735,188	-	-	-	-	16,735,188	
NET INCOME	0	-	-	-	-	0	
ENROLLMENT - *School Districts Are Linked To Above Entries*	REGULAR EDUCATION	SPECIAL EDUCATION	TOTAL ENROLLED				
District of Location	903	132	1,035				
MT Vernon	6		6				
Yonkers	2		2				
Greenburgh	2		2				
School District 5 (Enter Name)			-				
TOTAL ENROLLMENT	913	132	1,045				
REVENUE PER PUPIL	18,330	-	-				
EXPENSES PER PUPIL	18,330	-	-				

Appendix E: Disclosure of Financial Interest Form

Created Tuesday, June 17, 2014

Updated Monday, August 04, 2014

Page 1

310500860864 HARLEM CHILDREN'S ZONE PROMISE

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 Tuesday, July 08, 2014

Updated Monday, July 28, 2014

Page 1

310500860864 HARLEM CHILDREN'S ZONE PROMISE

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	Kenneth Langone	Chair/President	Yes	Chairman Kenneth Langone is an investment banker, co-founder of the Home Depot, Inc and former Director of the New York Stock Exchange.	2004, Served 5 terms. He was re-elected in June 2014 as Chairman Emeritus.	Executive Subcommittee
2	Geoffrey Canada	Chair/President	Yes	President Geoffrey Canada is founder of Harlem Children's Zone. Among the programs Mr. Canada has overseen the creation and implementation of are the Beacon Schools, which provide comprehensive educational and youth development services to children and families in Harlem.	2004. Served 5 terms. Elected into new BOT position of Chairman in June 2014.	Supervision and Evaluation, Student Achievement, Executive, and Finance
3	Mitchell Kurz	Treasurer	Yes	Treasurer Mitchell Kurz served as a Board member of Teach for America. The Board benefits from his experience in communications, nonprofit leadership and education.	2004. Served 5 terms. Re-elected in June 2014 as Treasurer.	Supervision and Evaluation, Executive, and Finance
4	Stanley Druckenmiller	Member	Yes	Stanley Druckenmiller is widely regarded as one of the preeminent money managers in the world. He also has extensive non-profit experience as Chairman of the Board of HCZ, Inc. and as a Board member of The Children's Scholarship Fund, Memorial Sloan Kettering, and the Robin Hood Foundation.	2004. Served 5 terms. Re-elected as board member in June 2014.	Executive, and Finance
5	Arlene Gibson	Member	Yes	Arlene Gibson is former Head of School at the Spence School in New York City. She is a Trustee of Bryn Mawr College and recently served as Chair of the Bryn Mawr College Presidential Search Committee. The Board benefits from her experience in education, educational Board participation and school leader	2004. Served 5 terms. Re-elected in June 2014 as Treasurer.	Student Achievement

recruitment.						
6	Denise Nash Fuller	Member	Yes	Denise Fuller has parented three children who graduated from Promise Academy.	2006. 4 terms. Re-elected in June 2014	Supervision and Evaluation
7	Willie Mae Lewis	Member	Yes	Willie Mae Lewis is the former President of the St. Nicholas Houses Resident Association, and previously served in that capacity since 1979. She has worked for the Department of Education since 1989.	2012. 1 term. Re-elected in June 2014.	Student Achievement
8	Alfonso Wyatt	Member	Yes	Rev. Alfonso Wyatt is an ordained minister on the staff of The Greater Allen Cathedral of New York, and he works for the Fund for the City of New York. He also serves as a Board member of several nonprofit organizations and was a teacher and administrator for the New York City Board of Education and in various community-based organizations.	2004. 5 terms. Re-elected in June 2014.	Supervision and Evaluation, Student Achievement
9	Aisha Tomlinson	Parent Rep	Yes	Aisha Tomlinson currently has a child in Promise Academy	2008. 2 terms. Re-elected in June 2014.	Student Achievement

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

0

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

2

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

17

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

9

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

10

Thank you.

Each year, HCZ Promise Academy holds information sessions at the school to inform families and community members about the school and the admissions process. The sessions are publicized widely, through means such as flyers, mailings, local schools, community organizations, and local businesses. In addition, HCZ Promise Academy, in coordination with Harlem Children's Zone, takes full advantage of comprehensive resources for community outreach, including networking and information-sharing with the thousands of families that participate in or receive services from Harlem Children's Zone programs.

The Harlem Children's Zone does aggressive, door to door outreach to parents in the neighborhood for the Baby College, which is a nine-week series of Saturday parenting classes. Parents are eligible for Baby College if they are expecting or have a child under the age of 4. Parents who have participated in Baby College are actively recruited to participate in the Promise Academy lottery. The outreach workers that do recruitment for Baby College and Promise Academy speak multiple languages (including Spanish, French, and multiple West African dialects), outreach materials are available in multiple languages, we put up recruitment materials at local community groups that serve immigrant communities, and we offer our Baby College classes to parents in Spanish and French.

Families interested in enrolling a child at HCZ Promise Academy are required to submit a completed application or reapplication form. The applications are made available at the school's information sessions and at the school. There are no fees associated with the filing of an application. The application process begins in January or February with information sessions and the distribution of applications. Applications must be submitted by a due date included in the application and outreach materials. If the school receives more applications than allotted spaces by the end of the first round of information sessions, then the school holds a public lottery to allocate available slots. If fewer applications than spaces available are received during this first round, those students who applied by the first round deadline are admitted to the school, and a second round of information sessions are held to allocate any remaining spaces and to establish a waiting list. Information sessions may be held and students may be added to the waiting list on a continuing basis.

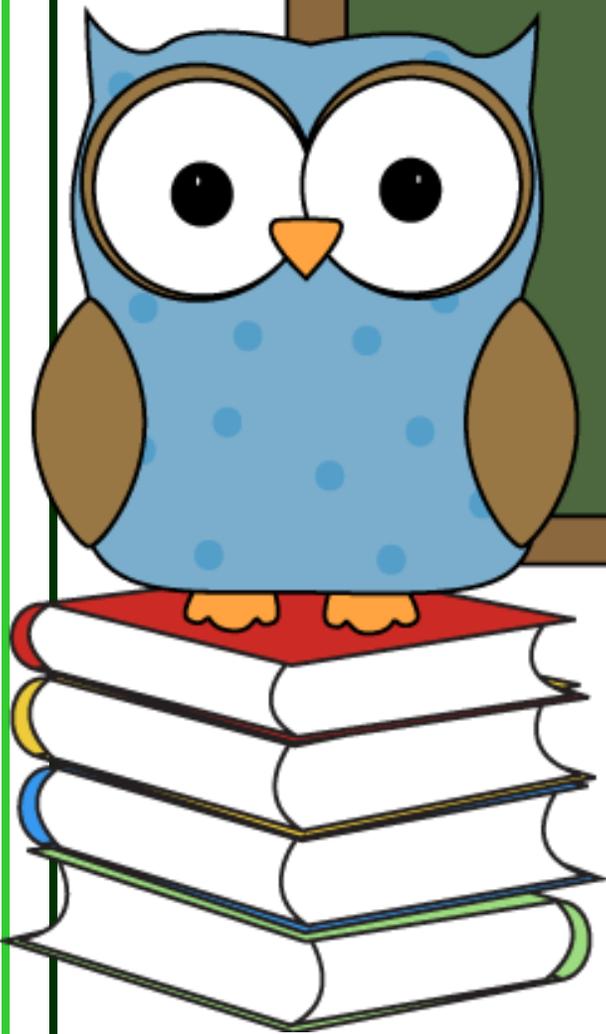
Special Education and English Language Learners

With consideration to parents of children who require special education services, HCZ Promise Academy uses several recruiting methods, including: (1) posting flyers and placing notices in local supermarkets, churches, community centers, and apartment complexes; (2) conducting open houses at after-school programs and youth centers; (3) visiting local organizations in surrounding neighborhoods; and (4) canvassing neighborhoods to further reach interested families. With the success of these measures, HCZ Promise Academy expects attracts and retains a comparable or greater enrollment of students with disabilities as compared to the enrollment figures for students in its Community School District.

We hold our initial lottery for Promise Academy when children are three, two years before they would enter Kindergarten. In the two intervening years, families that win the lottery are encouraged to participate in our early childhood programs. This includes Three Year Old Journey an 18 week Saturday program designed to work with children and parents in activities to enhance the development of a growing three year old. At late three early four children attend a six week program called Get Ready for Pre-K to support the phase in process to Pre K. In September of a child's fourth year of life he/ she will attend a full year of intensive pre-kindergarten. HCZ's Harlem Gems pre-k is an all-day pre-kindergarten program that prepares children for kindergarten. Classes have a 4:1 child-to-adult ratio, teach English, Spanish and French, and runs from 8:00 AM to 6:00 PM.



Harlem Children's
Z O N E



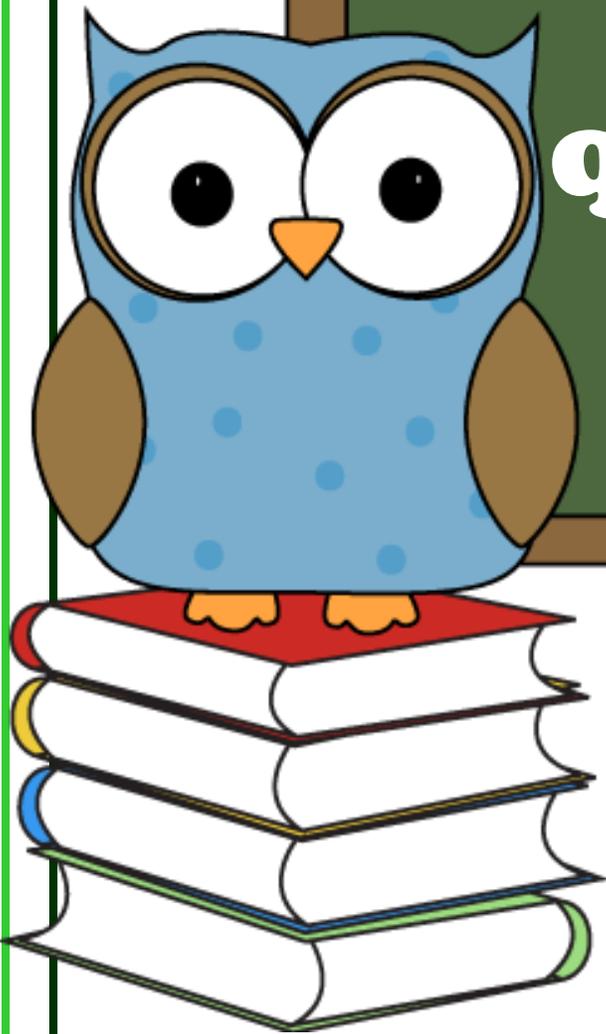
Do You Have A Child Born in 2011?

If Yes, then you are eligible to apply for the kindergarten lottery for Promise Academy 1 Charter School.

- **Promise Academy makes the promise to all families that their child will go to college.**
- **St. Nicholas Houses families receive a preference in the lottery**
- **The lottery application is available starting June 13th at Promise Academy I 245 West 129th Street Suite #203**
- **Please call 646-582-1200 ext.1237 for more details**



Harlem Children's
Z O N E



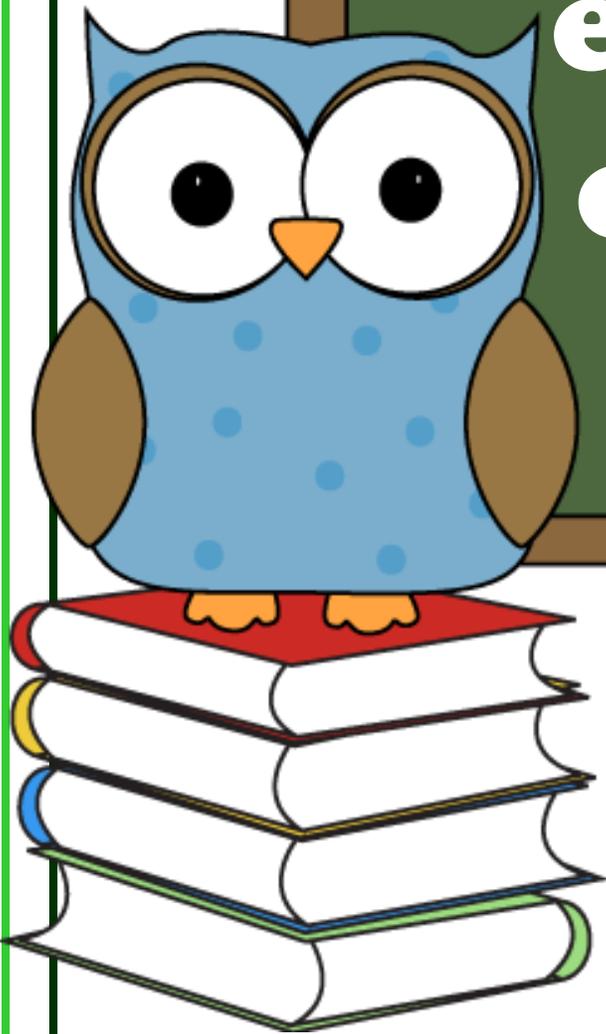
Tiene usted un niño(a) que nació en el 2011?

Si la respuesta es sí, usted es elegible para aplicar para la lotería del jardín de infancia para la escuela "Promise Academy"

- **Promise Academy hace una promesa a todas las familias que sus niños irán a la universidad.**
- **Las familias que viven en el proyecto, St. Nicholas Houses recibirán preferencia en la lotería.**
- **La aplicación para la lotería estará disponible al partir del 13 de junio, 2014 en Promise Academy I localizada en el 245 Oeste de la calle 129 Cuarto #203.
(245 West 129th Street Suite #203)**
- **Por favor de llamar al 646-582-1200 ext.1237 para mas información.**



Harlem Children's
Z O N E



Vous avez in enfant qui est nee en 2011?

**Si c'est out, alors vous êtes qualifié a
appliquer pour la maternelle pour
Promise Academy 1 Charter School**

- **Promise Academy fait la promesse a
toute les familles que leurs enfants
iront au collège.**
- **Les familles de St.Nicholas Houses
auront une préférence a la loterie.**
- **L'application pour la loterie seras
disponible a partir du 13 Juin a la
Promise Academy 1 245 W 129th St.
Suite #203**
- **Pour plus d'information SVP
Appeller le 646-582-1200 Ext. 1237**

Harlem Children's Zone Promise Academy I & II Charter School Application Form for 2015-2016 Kindergarten School Year

Please indicate below to which school you are applying: (Each Promise Academy holds a separate lottery)

- Promise Academy I** 245 West 129th Street (between 7th and 8th Avenue)
An additional lottery preference for residents of New York City Housing Authority St. Nicholas Houses is included in the Promise Academy I lottery.
- Promise Academy II** 2005 Madison Avenue (cross street 127th street)

Student Information

*Student's Full Name: _____
First Middle Last

*Date of Birth: ____/____/____
Month /Day/ Year

*Gender: Male Female

*Does this student currently have any siblings enrolled in Promise Academy I or II? Yes, PA I Yes, PA II No

Please provide the **name(s) and grade(s) of the sibling(s)**: **Sibling Date of Birth:** _____

Does this student have any siblings also applying for Kindergarten? Yes, PA I Yes, PA II No

Please provide the school **name(s) of the sibling(s)**:

Parent/Guardian Information

*Name of Parent/Legal Guardian: _____
First Last

*Relationship to child: _____

*Address: _____
Street Apt City State Zip Code

*Telephone: _____ / _____ / _____
Home Work Cell

Language(s) Spoken at Home: _____
Which language is the child most comfortable speaking? _____

Check here if you live in St. Nicholas Houses

Emergency Contact Information

In case you move or cannot be reached, please provide the name, address, and telephone number of someone we could reach to get your updated contact information.

Name: _____
First Last

Relationship to family: _____

Address: _____
Street Apt City State Zip Code

Telephone: _____ / _____ / _____
Home Work Cell

Please check all of the Harlem Children's Zone programs in which your child or someone in your family has participated in the past or is currently participating:

Program	Name of Participant
Baby College <input type="checkbox"/>	_____
3 Year Old Journey <input type="checkbox"/>	_____
Get Ready for Pre-K <input type="checkbox"/>	_____
Harlem Gems UPK <input type="checkbox"/>	_____
Uptown Harlem Gems <input type="checkbox"/>	_____
Harlem Gems Head Start <input type="checkbox"/>	_____
Promise Academy I <input type="checkbox"/>	_____
Promise Academy II <input type="checkbox"/>	_____
HCZ Community Center <input type="checkbox"/>	_____
Booker T. Washington Beacon <input type="checkbox"/>	_____
Counted Cullen Beacon <input type="checkbox"/>	_____
5 th Grade Institute <input type="checkbox"/>	_____

Program	Name of Participant
Truancy Prevention <input type="checkbox"/>	_____
Project CLASS <input type="checkbox"/>	_____
Family Development Program <input type="checkbox"/>	_____
Midtown Family Place <input type="checkbox"/>	_____
Community Pride <input type="checkbox"/>	_____
TRUCE <input type="checkbox"/>	_____
TRUCE Fitness <input type="checkbox"/>	_____
A Cut above <input type="checkbox"/>	_____
Learn to Earn <input type="checkbox"/>	_____
Employment and Technology Center <input type="checkbox"/>	_____
College Success <input type="checkbox"/>	_____
Family Support Center <input type="checkbox"/>	_____

Signature of Parent or Guardian submitting application: _____

Please Print Name Here: _____ Date: _____

Please initial below to confirm that these items are submitted/presented with your application:

- _____ School selection (check above to apply to one school)
- _____ Proof of address (Con Edison bill, a lease, or a NYCHA or HRA letter showing address)
- _____ Free or reduced lunch form (completed form included or presented supporting documents: pay stub, letter from employer, food stamp card)

Returning Application:

Deadline for applications is 5 pm on Friday, July 19, 2013.
Parents must deliver applications in person and receive a receipt, which shall be your proof that you submitted an application:

DELIVER IN PERSON TO:
Harlem Children's Zone,
245 West 129th Street (between 7th and 8th Avenue)

The lottery for the 2015-2016 Kindergarten classes will be held on Tuesday, August 6, 2013 at 6pm at the above address.

If you have any questions, please contact us at 212.360.3255.

For Office Use Only:

School District: _____

Date Received: _____

Receipt Number: _____

Proof of address observed

	Yes	No	Sibling
Free/Reduced Eligibility Documents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Non-Discrimination Statement: A charter school shall not discriminate against or limit the admission of any student on any unlawful basis, including on the basis of ethnicity, national origin, gender, disability, intellectual ability, measures of achievement or aptitude, athletic ability, race, creed, national origin, religion or ancestry. A school may not require any action by a student or family (such as an admissions test, interview, essay, attendance at an information session, etc.) in order for an applicant to either receive or submit an application for admission to that school. However, Promise Academy provides an academic program specifically designed for students "at-risk" of academic failure. These preferences have been approved by the school's authorizer and are permissible.

* The items marked with an asterisk (*) are the only items that may be required in order to apply to this charter school. Any items not marked by an (*) are optional. However, Harlem Children's Zone recommends that applicants provide information to the fullest extent possible.