



I. SCHOOL INFORMATION AND COVER PAGE (To be Completed By All Charter Schools)

Created: 07/27/2015

Last updated: 09/01/2015

Please be advised that you will need to complete this task first (including signatures) before all of the other tasks assigned to you by your authorizer are visible on your task page. While completing this task, please ensure that you select the correct authorizer or you may not be assigned the correct tasks.

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1. SCHOOL NAME AND AUTHORIZER

(Select name from the drop down menu)

LEFFERTS GARDENS CS (NYC CHANCELLOR) 331700860967

2. CHARTER AUTHORIZER

(For technical reasons, please re-select authorizer name from the drop down menu).

NYCDOE-Authorized Charter School

3. DISTRICT / CSD OF LOCATION

NYC CSD 17

4. SCHOOL INFORMATION

	PRIMARY ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS
	601 Parkside Avenue	718-284-1480	718-284-2166	

4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES

Contact Name	Michael Windram
Title	School Leader
Emergency Phone Number (###-###-####)	

5. SCHOOL WEB ADDRESS (URL)

leffertsgardens.org

6. DATE OF INITIAL CHARTER

2009-12-01 00:00:00

7. DATE FIRST OPENED FOR INSTRUCTION

2010-09-01 00:00:00

8. FINAL VERIFIED BEDS ENROLLMENT FOR THE 2014-15 School Year as reported to Department's Office of Information and Reporting Services (via the NYC DOE for charter schools in NYC) in August.

446

9. GRADES SERVED IN SCHOOL YEAR 2014-15

Check all that apply

Grades Served	K, 1, 2, 3, 4, 5
---------------	------------------

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

	Yes/No	Name of CMO/EMO
	No	

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11. FACILITIES

Will the School maintain or operate multiple sites?

No, just one site.

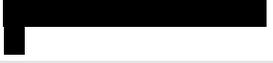
12. SCHOOL SITES

Please list the sites where the school will operate in 2015-16.

	Physical Address	Phone Number	District/CSD	Grades Served at Site	School at Full Capacity at Site	Facilities Agreement
Site 1 (same as primary site)	601 Parkside Avenue, Brooklyn, NY 11226	718-284-1480	CSD 17	K-5	Yes	DOE space
Site 2						
Site 3						

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

Name	Work Phone	Alternate Phone	Email Address
------	------------	-----------------	---------------

School Leader	Michael Windram	718-284-1480		
Operational Leader	Wendy Ramos	718-284-1480		
Compliance Contact	Wendy Ramos	718-284-1480		
Complaint Contact	Wendy Ramos	718-284-1480		

13. Are the School sites co-located?

Yes

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

	Date School will leave current co-location	Is school working with NYCDOE to expand into current space?	If so, list year expansion will occur.	Is school working with NYCDOE to move to separate space?	If so, list the proposed space and year planned for move	School at Full Capacity at Site
Site 1 (primary site)	Permanent	No		No		Yes
Site 2						
Site 3						

Page 3

14. Were there any revisions to the school's charter during the 2014-2015 school year? (Please include both those that required authorizer approval and those that did not require authorizer approval).

No

15. Name and Position of Individual(s) Who Completed the 2014-15 Annual Report.

Michael Windram, School Leader

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).

Responses Selected:

Yes

Signature, Head of Charter School

Michael Winko

Signature, President of the Board of Trustees

Jana Kormanik

Thank you.



Appendix A: Link to the New York State School Report Card

Created: 07/27/2015

Last updated: 08/01/2015

Page 1

Charter School Name:

1. NEW YORK STATE REPORT CARD

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

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

<http://data.nysed.gov/profile.php?instid=800000067016>



Appendix I: Teacher and Administrator Attrition

Last updated: 07/29/2015

Report changes in teacher and administrator staffing.

Page 1

Charter School Name:

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, 2014, the FTE for added staff from July 1, 2014 through June 30, 2015, and the FTE for any departed staff from July 1, 2014 through June 30, 2015 using the two tables provided.

2013-14 Teacher Attrition Table

	FTE Teachers on June 30, 2014	FTE Teachers Additions 7/1/14 – 6/30/15	FTE Teacher Departures 7/1/14 – 6/30/15
	35	16	7

2013-14 Administrator Position Attrition Table

	FTE Administrator Positions On 6/30/2014	FTE Administrator Additions 7/1/14 – 6/30/15	FTE Administrator Departures 7/1/14 – 6/30/15
	4	5	0

Thank you



Appendix J: Uncertified Teachers

Created: 07/29/2015

Last updated: 07/30/2015

"thirty per centum or 5 teachers, whichever is less"

To comply with NYS Education Law Section 2854(3)(a-1), please report the (FTE) count of uncertified and certified teaching staff as of the last day of school for the 2014-15 school year.

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Charter School Name:

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 2014-15?

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

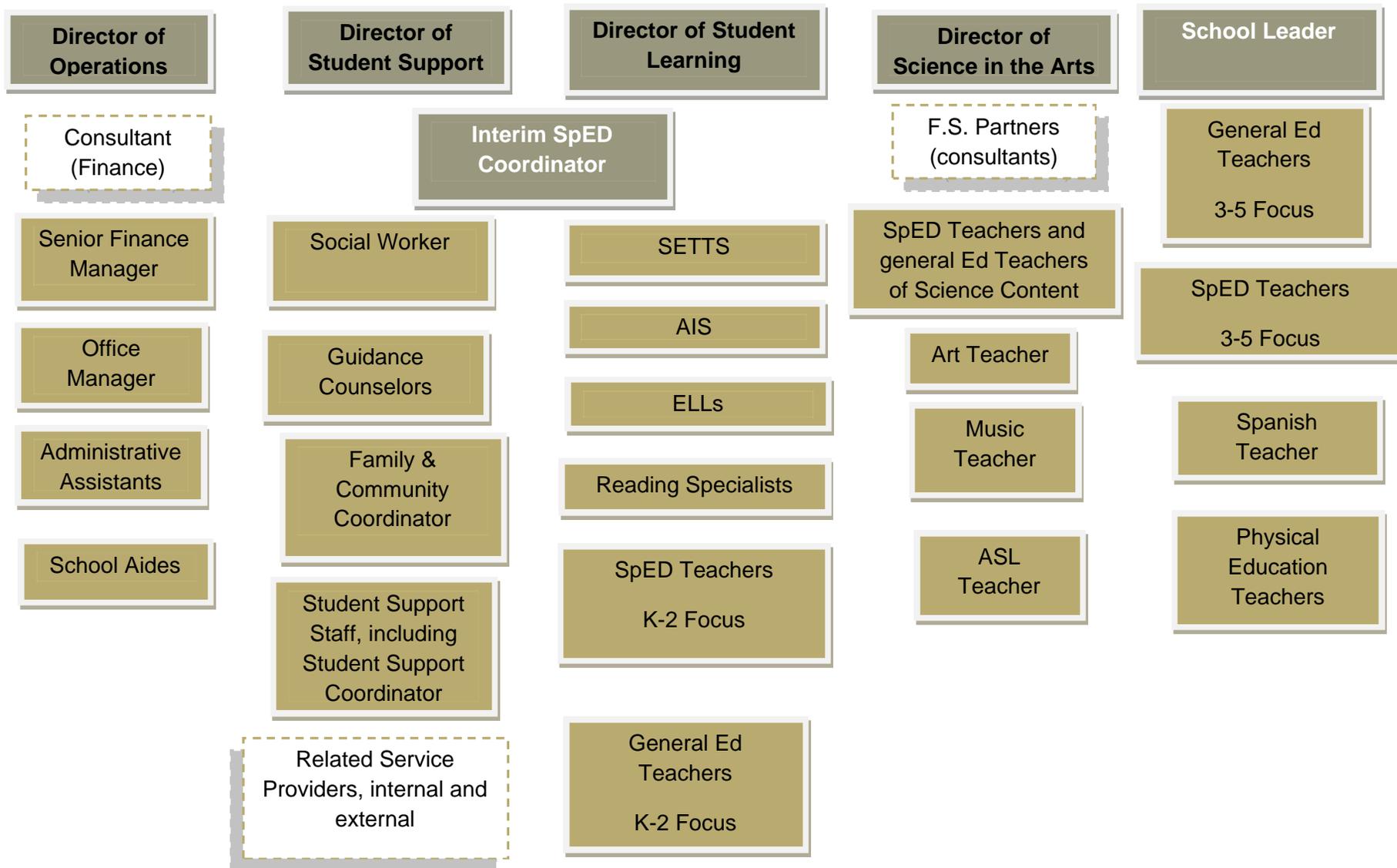
	FTE - (June 30, 2015)
(i) uncertified teachers with at least three years of elementary, middle or secondary classroom teaching experience	1
(ii) individuals who are tenured or tenure track college faculty	
(iii) individuals with two years satisfactory experience through Teach for America	
(iv) individuals who possess exceptional business, professional, artistic, athletic, or military experience	
FTE count of uncertified teachers who do not fit into any of the four statutory categories	3
Total	3.0

How many **CERTIFIED** Full-Time Equivalent Teachers were employed in the charter school as of the last day of school in 2014-15?

36

Thank you.

School Leader



Mission Statement

The **Lefferts Gardens Charter School** will utilize an environmental science program to develop academically motivated and civic-minded students to succeed in competitive high school and college programs. The proximity of several community-based environmental institutions provides a unique opportunity for learning that extends beyond the classroom. Graduates of LGCS will leave with an understanding of the relationship among science, the environment, and the everyday world.

Key Design Elements

The Lefferts Gardens Charter School is designed to ensure that all students have access to a rich education that includes both the study of academic theory and the application of that understanding in the field on a weekly basis. To accomplish this dynamic approach to instruction, the school has established partnerships throughout Brooklyn. Our partners provide a space and instructional expertise that promotes deep exploration of scientific concepts and skills. For instance, our third graders visit one of our partners to build guitars during their study of sound. Our Kindergarten visits Prospect Park to study their local environment and the relationship between animals and local habitats.

The design of our academic program allows for approximately three hours of field study per week for every child we serve. These experiences allow students to develop the sense of academic motivation and civic-mindedness demanded by our mission. Through each of these opportunities, our students are developing the schema that will be necessary to thrive in future studies and the world as they are consistently confronted with novel and real-life situations that allow for rich problem solving and exploration.

The Lefferts Gardens Charter School promotes a growth mindset necessary for academic motivation. Students are continuously assessed by professional learning teams within the building. These assessments lead to action plans that lead our intervention and enrichment programs. Staff and children celebrate growth and respond to learning difficulties as we understand we are a community of learners consistently striving to meet new goals and close learning gaps.

Our community also celebrates differences and enjoys the opportunity to live within our diversity. All children study language, with third, fourth, and fifth graders studying Spanish while our younger students explore American Sign Language. Each of our classrooms offer an inclusive learning environment, serving all children. We fully realize the power of the inclusive classroom, including the academic, emotional, and social benefits such an environment has for all children.



Appendix A: Progress Toward Goals

Created: 07/27/2015

Last updated: 10/31/2015

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Charter School Name:

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/>) which captures school-level enrollment and demographic information, staff qualifications, electronic student records, and attendance rates, as prescribed by New York State statute (8 NYCRR 119.3).

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

<http://data.nysed.gov/profile.php?instid=800000067016>

2. APPENDIX A: PROGRESS TOWARD CHARTER GOALS

The following tables reflect formatting in the online portal required for Board of Regents-authorized charter schools and NYCDOE-authorized charter schools only. Schools should list Progress Toward Charter Goals by August 1, 2015. If the goals are based on student performance data that the school will not have access to before August 1, 2015 (e.g., the NYS Assessment results), explain this in the "2014-2015 Progress Toward Attainment of Goal" column. The information can be updated when available. Appendix A must be fully completed no later than November 1, 2015.

2a. ACADEMIC STUDENT PERFORMANCE GOALS

2014-15 Progress Toward Attainment of Academic Goals

	Academic Student Performance Goal	Measure Used to Evaluate Progress Toward Attainment of Goal	2014-2015 Progress Toward Attainment of Goal - Met, Partially Met, or Not Met	If Not Met, Describe Efforts School Will Take
				To prepare for the work of the 2015-16 school year, LGCS teachers attended pre-service professional development sessions in August 2015. These sessions reviewed the use assessments to determine areas of student need and methods for targeting those areas. Interim assessments throughout the year will inform the methods that teachers are using to deliver CCSS-aligned instruction. LGCS teachers will pair student data with

<p>Academic Goal 1</p>	<p>For each year of the school's next charter term, the school will show academic performance with a percent of students proficient at or above Level 3 that meets or exceeds the percent proficient of the Community School District (CSD) of location and also meets or exceeds the citywide percent proficient on the New York State ELA examination</p>	<p>NYS ELA Exam</p>	<p>This ELA measure was not met.</p> <p>Percent at Standards 3 & 4 Grade----LGCS--CSD 17-- NYC 3-----13%---23%---- 30% 4-----10%---26%---- 31% 5-----11%---16%---- 30% All-----11.5%--22%---- 30%</p>	<p>the Cognitive Rigor Matrix to develop a strong understanding of what standards students are being asked to meet and how to best instruct for those standards.</p> <p>ELA During the nine-day LGCS summer pre-service professional development, teachers began work to deeply review the standards for ELA that were shown to be areas of weakness on the NYS ELA exam. This work will extend throughout the 2015-16 school year. LGCS will use the ANET question bank to ensure that our interim assessments are accurately measuring the progress students make toward mastery of the ELA standards.</p> <p>In the 2015-16 school year, LGCS introduced extended reading intervention that will target children who are below proficiency. These students will be placed in groups of five students with one teacher. We anticipate that at full roll out for the 2015-16 school year, approximately 80 students will participate in extended reading intervention. This extended reading intervention supplements the literacy intervention offered throughout the day. For the 2015-16 school year, LGCS added three members to the academic intervention team: one SETTS teacher, and 1.5 Academic Intervention Specialists. The extra staff will increase our capacity to offer meaningful intervention for struggling students.</p>
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<p>Academic Goal 2</p>	<p>For each year of the school's next charter term, the school will show academic performance with a percent of students proficient at or above Level 3 that meets or exceeds the percent proficient of the Community School District (CSD) of location and also meets or exceeds the citywide percent proficient on the New York State math examination.</p>	<p>NYS Math Exam</p>	<p>This Math measure was not met.</p> <p>Percent at Standards 3 & 4 Grade----LGCS--CSD 17-- NYC</p> <p>3-----20%---31%----- 39%</p> <p>4-----23%---28%----- 39%</p> <p>5-----20%---28%----- 41%</p> <p>All----- 21%--- 29%----- 40%</p>	<p>LGCS students have shown consistent year-to-year increases in performance on the NYS math exam. We attribute this increase to the use of EngageNY and our focus on rigorous instructional methods. The 2014-15 school year required extensive revision to the pacing calendar to roll out the EngageNY modules. Now teachers know exactly how much time is required to fully implement the EngageNY modules for math, and can devote more resources to deeper investigation of the standards.</p> <p>We attribute our steady growth in math to two key attributes of EngageNY for math: vocabulary and conceptual foundations. EngageNY places focus on concept before practice, which has helped teachers build student skill in math. As well, the consistent emphasis on key math vocabulary has provided students and teachers with a common language to discuss math that is consistent from class to class and from grade to grade.</p>
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Academic Goal 3	<p>For each year of the school's next charter term, each grade-level cohort will demonstrate growth with a reduction by a half the gap between the percent at or above Level 3 on the previous year's NYS ELA exam (baseline) and the CSD or citywide percent (whichever is higher) of students proficient 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 the CSD or citywide percent proficient (whichever is higher) on the previous year's ELA exam, the school is expected to demonstrate growth comparable to the CSD in the current year (relevant for schools serving grades 3-8).</p>	NYS ELA Scores	<p>This ELA measure was not met.</p> <p>The students who took the 4th grade test in 2014-15 went from trailing the NYC average by 22 points in 2014 to 21 points in 2015. The students who took the 5th grade test in 2014-15 went from trailing the NYC average by 9 points in 2014 to 19 points in 2015.</p>	Please refer to the aforementioned ELA strategies.
Academic Goal 4	<p>For each year of the school's next charter term, each grade-level cohort will demonstrate growth with a reduction by a half the gap between the percent at or above Level 3 on the previous year's NYS math exam (baseline) and the CSD or citywide percent (whichever is higher) of students proficient 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 the CSD or citywide percent proficient (whichever is higher) on the previous year's math exam, the school is expected to demonstrate growth comparable to the CSD in the current year (relevant for schools serving grades 3-8).</p>	NYS Math Scores	<p>This Math measure was not met.</p> <p>The students who took the 4th grade test in 2014-15 went from trailing the NYC average by 27 points in 2014 to 16 points in 2015. The students who took the 5th grade test in 2014-15 went from trailing the NYC average by 18 points in 2014 to 21 points in 2015.</p>	Please refer to the aforementioned math strategies.
Academic Goal 5				
Academic Goal 6				
Academic Goal 7				
Academic Goal 8				

2a1. Do have more academic goals to add?

No

2a2. Do have more academic goals to add?

No

Page 2

2b. ORGANIZATIONAL GOALS

2014-15 Progress Toward Attainment of Organizational Goals

	Organizational Goal	Measure Used to Evaluate Progress	2014-15 Progress Toward Attainment	If Not Met, Describe Efforts School Will Take
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Org Goal 1	Each year, the school will have an average daily student attendance rate of at least 95 percent.	ATS Attendance Reports	Goal Not Met	<p>Lefferts Gardens Charter School understands that we must have high rates of attendance to meet our academic goals. We recently assembled an Attendance Committee to study our attendance rates and provide necessary supports to families.</p> <p>Each student who is marked absent from school receives a phone call home. During that call, families are asked to provide documentation for the cause of absence. In situations where a family shares a hardship, we explore every possible solution to partner with families.</p> <p>In cases of excessive absences, we conduct home visits and our social worker and guidance counselors work with families as advocates. When necessary, we work collaboratively with other social agencies to support families.</p> <p>It should be noted that five children assigned to our ATS roster did attend our school during the 2014-2015 school year. These five children account for over 1.1% of our population. Before June, we were meeting monthly attendance targets and showing improvement. We will continue this improvement and meet this goal in the 2015-2016 school year.</p>
Org Goal 2	Each year, 95 percent of all students enrolled on the last day of the school year will return the following school year.	School Records	Goal Not Met 87 percent of students returned in the fall.	
Org Goal 3	Each year, 90 percent of all instructional staff employed during the prior school year will return and/or be asked to return the following school year.	Current Staff Roster along with Staff Offer Letters	Goal Met 97% of staff were asked to return for the 2015-2016 school year. 91% of staff signed offer letters to return for the 2015-2016 school year.	

Org Goal 4	In each year of the charter term, staff will express satisfaction with the school's program, based on the NYC DOE School Survey. On key questions as identified in the NYC DOE Charter Schools Accountability Handbook, the school will have a percentage of staff that agree or strongly agree that meets or exceeds citywide averages. The school will only have met this goal if 50% or more staff participate in the survey.	NYC School Survey 2014-2015	Goal Met- 95% of all staff responses were positive for the school. We exceeded the citywide averages for each component of the Framework for Great Schools.	
Org Goal 5	In each year of the charter term, parents will express satisfaction with the school's program, based on the NYC DOE School Survey. On key questions as identified in the NYC DOE Charter Schools Accountability Handbook, the school will have a percentage of parents that agree or strongly agree that meets or exceeds citywide averages. The school will only have met this goal if 50% or more parents participate in the survey.	NYC School Survey 2014-2015	Goal Met- 94% of all parents responses were positive for the school. We exceeded the citywide averages for each component of the Framework for Great Schools.	

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

No

2c. FINANCIAL GOALS

2014-15 Progress Toward Attainment of Financial Goals

	Financial Goals	Measure Used to Evaluate Progress	2014-2015 Progress Toward Attainment	If Not Met, Describe Efforts School Will Take
Financial Goal 1	Each year, the school will operate on a balanced budget and maintain a stable cash flow.	Preliminary audits with final audit being conducted in August. Monthly Budget Reports	Goal Met	
Financial Goal 2				
Financial Goal 3				
Financial Goal 4				
Financial Goal 5				



Audited Financial Statement Checklist

Last updated: 10/29/2015

Page 1

Charter School Name:

1. Please check each item that is included in the 2014-15 Audited Financial Statement submitted for your charter school.

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

2. Please indicated if there is a finding(s) noted in any of the following sections of your charter school's 2014-15 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.



Appendix B: Total Expenditures and Administrative Expenditures per Child

Created: 07/27/2015

Last updated: 08/01/2015

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Charter School Name:

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 2014-15 Schedule of Functional Expenses) and divide by the year end per pupil count. (Integers Only. No dollar signs or commas).

Line 1: Total Expenditures	6081817
Line 2: Year End Per Pupil Count	441
Line 3: Divide Line 1 by Line 2	13775

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 2014-15 Schedule of Functional Expenses) and divide by the year end 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 20 of the 2014-15 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 2014-15 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 2014-15 Schedule of Functional Expenses) and divide by the year end per pupil count. (Integers Only. No dollar signs or commas).**

Line 1: Relevant Personnel Services Cost (Row)	292389
Line 2: Management and General Cost (Column)	260538
Line 3: Sum of Line 1 and Line 2	552926
Line 4: Year End Per Pupil Count	441
Line 5: Divide Line 3 by the Year End Per Pupil Count	1252

Thank you.



SCHALL Certified Public Accountants, LLC
& ASHENFARB

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



LEFFERTS GARDENS
CHARTER SCHOOL

Audited Financial Statements In Accordance With Government Auditing Standards

June 30, 2015

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LEFFERTS GARDENS CHARTER SCHOOL

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Lefferts Gardens Charter School

Report on the Financial Statements

We have audited the accompanying financial statements of Lefferts Gardens Charter School (the "School"), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

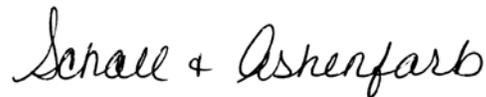
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lefferts Gardens Charter School as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the School's 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 18, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2015 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



Schall & Ashenfarb
Certified Public Accountants, LLC

September 17, 2015

LEFFERTS GARDENS CHARTER SCHOOL
STATEMENT OF FINANCIAL POSITION
AT JUNE 30, 2015
(With comparative totals at June 30, 2014)

	<u>6/30/15</u>	<u>6/30/14</u>
Assets		
Cash and cash equivalents	\$2,543,479	\$1,561,648
Restricted cash (Note 3)	75,279	75,204
Grant receivable - New York City (Note 5)	74,871	0
Government grants receivable	119,600	21,720
Other receivables	0	2,576
Prepaid expenses	70,669	59,838
Fixed assets, net (Note 4)	342,928	415,999
	<u>3,226,826</u>	<u>2,136,985</u>
Total assets	<u>\$3,226,826</u>	<u>\$2,136,985</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$744,815	\$507,641
Advance payable - New York City (Note 5)	0	4,923
Advance payable - Federal grants	389	0
	<u>745,204</u>	<u>512,564</u>
Total liabilities	<u>745,204</u>	<u>512,564</u>
Net Assets:		
Unrestricted	<u>2,481,622</u>	<u>1,624,421</u>
Total net assets	<u>2,481,622</u>	<u>1,624,421</u>
Total liabilities and net assets	<u>\$3,226,826</u>	<u>\$2,136,985</u>

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

LEFFERTS GARDENS CHARTER SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015
(With comparative totals for the year ended June 30, 2014)

	<u>6/30/15</u>	<u>6/30/14</u>
Unrestricted:		
Public Support and Revenue:		
Public school district: (Note 5)		
Revenue - resident student enrollment	\$6,082,353	\$5,097,389
Revenue - students with special education services	<u>627,648</u>	<u>404,409</u>
Subtotal public school district revenue	6,710,001	5,501,798
Government grants	254,011	229,616
Contributions	14,341	1,635
Other income	<u>1,572</u>	<u>1,795</u>
Total public support and revenue	<u>6,979,925</u>	<u>5,734,844</u>
Expenses:		
Program services:		
Regular education	3,494,177	2,807,321
Special education	<u>2,010,225</u>	<u>1,473,771</u>
Total program services	5,504,402	4,281,092
Supporting services:		
Management and general	<u>618,322</u>	<u>556,541</u>
Total expenses	<u>6,122,724</u>	<u>4,837,633</u>
Change in net assets	857,201	897,211
Net assets - beginning	<u>1,624,421</u>	<u>727,210</u>
Net assets - ending	<u><u>\$2,481,622</u></u>	<u><u>\$1,624,421</u></u>

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

**LEFFERTS GARDENS CHARTER SCHOOL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2015**
(With comparative totals for the year ended June 30, 2014)

	Program Services			Supporting Services	Total Expenses 6/30/15	Total Expenses 6/30/14
	Regular Education	Special Education	Total	Management and General		
Salaries	\$2,216,409	\$1,410,100	\$3,626,509	\$295,388	\$3,921,897	\$3,124,983
Employee benefits and payroll taxes	525,351	334,233	859,584	70,016	929,600	732,953
Retirement	51,946	33,049	84,995	6,923	91,918	78,323
Total personnel costs	2,793,706	1,777,382	4,571,088	372,327	4,943,415	3,936,259
Professional development	19,892	12,656	32,548	2,651	35,199	12,201
Legal fees				11,387	11,387	11,334
Financial management services				130,000	130,000	125,438
Professional fees	116,395	20,494	136,889	57,659	194,548	135,526
Student and staff recruitment				11,851	11,851	13,507
Supplies and materials	270,987	37,847	308,834		308,834	248,454
Office expenses	60,014	38,181	98,195	7,998	106,193	67,081
Food services	12,109	1,691	13,800		13,800	18,700
Student services	34,936	5,133	40,069	68	40,137	22,960
Insurance	18,611	11,841	30,452	2,480	32,932	25,655
Technology	56,254	35,789	92,043	7,497	99,540	75,242
Equipment and furnishings	9,426	4,415	13,841	831	14,672	10,746
Repairs and maintenance	4,239	2,697	6,936	564	7,500	7,280
Depreciation	89,647	57,034	146,681	11,948	158,629	111,531
Other	7,961	5,065	13,026	1,061	14,087	15,719
Total other than personnel costs	700,471	232,843	933,314	245,995	1,179,309	901,374
Total expenses	\$3,494,177	\$2,010,225	\$5,504,402	\$618,322	\$6,122,724	\$4,837,633

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

LEFFERTS GARDENS CHARTER SCHOOL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015
(With comparative totals for the year ended June 30, 2014)

	6/30/15	6/30/14
Cash Flows from Operating Activities:		
Change in net assets	\$857,201	\$897,211
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	158,629	111,531
Changes in assets and liabilities:		
Restricted cash	(75)	(88)
Grant receivable - New York City	(74,871)	8,203
Government grants receivable	(97,880)	19,899
Other receivables	2,576	1,060
Prepaid expenses	(10,831)	(50,633)
Accounts payable and accrued expenses	237,174	10,852
Advance payable - New York City	(4,923)	4,923
Advance payable - Federal grants	389	0
Total adjustments	210,188	105,747
Net cash provided by operating activities	1,067,389	1,002,958
Cash Flows from Investing Activities:		
Purchase of fixed assets	(85,558)	(365,381)
Net cash used for investing activities	(85,558)	(365,381)
Net increase in cash and cash equivalents	981,831	637,577
Cash and cash equivalents - beginning of year	1,561,648	924,071
Cash and cash equivalents - end of year	\$2,543,479	\$1,561,648
 Supplemental disclosures:		
Interest paid - \$0		
Taxes paid - \$0		

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

**LEFFERTS GARDENS CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 1 - Organization and Nature of Activities

Lefferts Gardens Charter School (the "School"), located in Brooklyn, New York, is a not-for-profit education corporation chartered by the Regents of the University of the State of New York. The School provides a full range of educational services appropriate for kindergarten, through fifth grade levels. The School completed the 2014-2015 fiscal year with an average enrollment of approximately 441 students with the addition of the fifth grade level which started this year. The School is a publicly funded, privately managed school, which is independent of the New York City Department of Education ("NYCDOE").

On December 15, 2009, the School was granted a provisional charter by the University of the State of New York, Education Department for a term up through and including December 14, 2014. Such provisional charter may be extended upon application for a term of up to five years in accordance with the provisions of Article 56 of the Education Law. In January 2015, the School was granted an extension for a term up through and including June 30, 2016.

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

Note 2 - Significant Accounting Policies

a. Basis of Presentation

The accompanying financial statements have been prepared using the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred rather than when received or paid.

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

- *Unrestricted* – represent those resources for which there are no restrictions by donors as to their use.
- *Temporarily restricted* – represent those resources, the uses of which have been restricted by donors to specific purposes or the passage of time. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor. Temporarily restricted contributions, the requirements of which are met in the year of donation, are reported as unrestricted. The School did not have any temporary restricted net assets at June 30, 2015.
- *Permanently restricted* – accounts for activity restricted by donors that must remain intact in perpetuity. The School did not have any permanently restricted net assets at June 30, 2015.

b. Cash and Cash Equivalents

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

c. Concentration of Credit

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

d. Capitalization Policy

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

e. Contributions

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

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

f. Revenues

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

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

g. Functional Allocation of Expenses

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

h. Use of Estimates

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

i. Prior-Year Comparative Information

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the School's financial statements for the year ended June 30, 2014, from which the summarized information was derived.

j. Accounting for Uncertainty in Income Taxes

The School does not believe its financial statements include any material, uncertain tax positions. Tax returns for periods ending June 30, 2012 and later are subject to examination by applicable taxing authorities.

k. Subsequent Events

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through September 17, 2015, the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements.

Note 3 - Restricted Cash

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

Note 4 - Fixed Assets

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

	<u>6/30/15</u>	<u>6/30/14</u>
Furniture and equipment	\$681,779	\$598,631
Leasehold improvements	<u>98,017</u>	<u>98,017</u>
	779,796	696,648
Less: accumulated depreciation	<u>(436,868)</u>	<u>(280,649)</u>
Fixed assets, net	<u>\$342,928</u>	<u>\$415,999</u>

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

	<u>6/30/15</u>	<u>6/30/14</u>
Beginning (advance payable)/grant receivable	(\$4,923)	\$8,203
Payments received	0	(8,203)
Funding based on allowable FTE's	6,710,001	5,501,798
Advances received	<u>(6,630,207)</u>	<u>(5,506,721)</u>
Ending grant receivable/(advance payable)	<u>\$74,871</u>	<u>(\$4,923)</u>

Note 6 – Significant Concentrations

The School is dependent upon grants from NYCDOE to carry out its operations. For the year ended June 30, 2015 and June 30, 2014, approximately 96% of the School's total public support and revenue was from NYCDOE.

Note 7 – Defined Contribution Plan

The School offers a voluntary 401(k) plan for substantially all of its employees. Participants are eligible to join the plan on the first pay day in September or on the first pay day in March. Employees can make pretax contributions up to a maximum of 100% of their annual compensation, subject to IRS restrictions. The School matches the employee contribution up to 3% of the employees' annual compensation. Employer expense for the years ended June 30, 2015 and June 30, 2014 was \$91,918 and \$78,323, respectively.

Note 8 - Commitments and Contingencies

Government contracts are subject to audit by the grantor. Management does not believe that any audits, if they were to occur, would result in material disallowed costs, and has not established any reserves. Any disallowed costs would be recorded in the period notified.

In January 2015, the School entered into a collective bargaining agreement with the United Federation of Teachers ("UFT") to represent teachers, teaching assistants, academic intervention specialists, learning specialists, guidance counselors and social workers as their collective bargaining representative. While this agreement became effective September 1, 2014 and ends August 31, 2017, the employees are not subject to any union retirement or other benefit plans.

In the normal course of business, the School is involved in proceedings, lawsuits and other claims. These matters are subject to many uncertainties, and outcomes are not predictable with a high degree of assurance. Consequently, the ultimate aggregate amount of monetary liability or financial impact with respect to these matters as of June 30, 2015 cannot be ascertained. Management believes that the final outcome of these matters will not have a material impact on the financial statements of the School.

Note 9- Donated Space

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

Note 10- Related Party Transactions

Program assessment services were provided by a company, whose employee is a board member of the School. The total expense incurred by the School was \$38,000 in 2015.

Note 11- Subsequent Events

Subsequent to the year-end, the School commenced the process of applying for an extension of its charter which expires June 30, 2016. The School believes NYCDOE will extend its charter renewal, which is expected to be made sometime in January – February 2016.



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

To the Board of Trustees of
Lefferts Gardens Charter School

Report on the Financial Statements

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Lefferts Gardens Charter School (the "School"), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated September 17, 2015.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



Schall & Ashenfarb
Certified Public Accountants, LLC

September 17, 2015

**LEFFERTS GARDENS CHARTER SCHOOL
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

Current Year:

None

Prior-Year:

None



Communication with Those Charged with Governance

To the Board of Directors of
Lefferts Gardens Charter School

We have audited the financial statements of Lefferts Gardens Charter School (“the School”), as of and for the year ended June 30, 2015, and have issued our report thereon dated September 17, 2015. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Generally Accepted Auditing Standards

As stated in our engagement letter dated May 26, 2015, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with generally accepted accounting principles. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, fraud, or other illegal acts may exist and not be detected by us. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope of Audit

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

Significant Accounting Policies

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

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

Subsequent to June 30, 2015, the School is applying for a charter renewal. The last renewal extended the charter from December 14, 2014 to June 30, 2016. While the School believes its charter will be renewed, the School will be notified sometime in January – February 2016. The possibility exists that the School’s charter may not be renewed which means that the School was be closed at June 30, 2016. While we are aware of this uncertainty, the financial statements do not include any adjustments that might be necessary if the School is unable to continue.

Accounting Estimates

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

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

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

Significant Audit Adjustments

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

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

There were no un-booked adjustments, however as indicated above, no adjustment was booked for in-kind rent.

Disagreements with Management

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

Consultations with Other Independent Accountants

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

Issues Discussed Prior to Retention of Independent Auditors

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

Difficulties Encountered in Performing the Audit

There were no significant difficulties encountered in performing the audit.

Management Representations

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

Industry updates

There are several new regulations that impact the nonprofit sector that we want you to be aware of. Some relate to changes that should be implemented as soon as possible and others that are still in the draft stage. To summarize:

Uniform Guidance on Federal Awards is in effect for 2015

In late December 2013, the U.S. Office of Management and Budget (OMB) took a major step to issuing its long awaited final grant reform rules in a document entitled Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. Final regulations were posted in the Federal Register on December 26, 2013. Many changes were made to cost principles and **they are effective for new federal awards issued in 2015**. The changes to the audit requirements are effective for those entities with a year end of December 31, 2015 and later. It is possible that nonprofit organizations can have grants that follow the older rules and the newer rules, in the same fiscal year. That makes understanding the new rules that much more important. The following describes some of the key areas of change:

Streamlining of Related Circulars and Guidance

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

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

Procurement

We are finding this to be the most difficult and time consuming new process to implement. That is because the guidance on procurement is more consistent with the older regulations that applied to states and local governments rather than nonprofit organizations. Therefore, major changes have been made to how nonprofits procure goods and services:

There are several new methods that must be followed:

- Micro purchases which applies to goods and services less than \$3,000 and does not require competitive quotes but does require attempts at equitable distribution to avoid all purchases from the same vendor.
- Small purchases which apply to goods and services below the Simplified Acquisition Threshold (\$150,000) and requires multiple rate quotes from qualified sources.
- Sealed bids when services are above the \$150,000 level and which are most applicable for construction.
- Competitive proposals to be used when sealed bids are not practical.

Documentation which includes the detail of the purchase transaction must be maintained that includes support of the procurement method used and the basis of the award and price.

Indirect Costs

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

Time and Effort Reporting

A number of changes are included in the documents which provides for more flexibility for entities in how they document time and effort. The key is having a strong system of internal control to capture how employees perform tasks related to grants on an after-the fact basis. Budgets are still not permitted, although guidance has loosened to allow interim costs to be charged based on budgets if it is representative of best estimates and can be adjusted to reflect actual results periodically. Current systems that meet the old requirements of OMB Circular A-122 (timesheets) will still be permitted.

Auditors will make note of the following changes to the single audit:

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

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

For more information on this, please view an archived version of a webinar that we did on this topic that is saved on our website.

FASB issues exposure draft

The Financial Accounting Standards Board (FASB) has issued an exposure draft that is being touted as a once in a generation project. This statement, once passed, will have a major impact on the display of financial statements for all nonprofit organizations. As with all new FASB statements, this

is still in the public comment period and there will be changes to the final regulation, however the following summary represents some of the objectives of the new regulations:

- The streamlining of net assets classes to two; net assets that contain donor restrictions and net assets that do not contain donor restrictions. This will have a major impact on organizations with endowments as the financial statements will no longer have a permanently restricted class of net assets. There will also be a change to how underwater endowments will be treated.
- Making financial statements more comparable between different entities, a defined measure of operations will become standard.
- Disclosures on liquidity will become more prominent, which will include allowing management to self define what they consider to be assets available for expenditure.
- The direct method of reporting cash flows will be required to enhance the understanding and usability of this statement. This should help the reader by having the statement of cash flows be more intuitive and provide more transparency on liquidity.
- Creating a 4 step process to help determine when revenue should be recognized that is based on the deliverable of goods and services. This would apply to membership, tuition, program fees, but would exclude contributions.

We will keep you notified of when these new changes become finalized.

Internal Controls - COSO Updates Integrated Framework

This new framework, which is recognized as the leading guidance for designing, implementing, and conducting a system of internal control, was updated to ensure its continued relevance. Nonprofits should begin utilizing the new framework in evaluating the effectiveness of its internal controls because this is an area their auditors will be focusing on.

Board Governance

- Overhead Myth - The three major watchdog groups have put out a call to action for donors to focus more on what a charity has done to meet its mission as opposed to how much money it spends on programmatic activity. We are seeing a shift of donations that are tied to achievement of milestones as opposed to funding general, non-specific areas.
- Nonprofit Revitalization Act - Became effective in 2014 and put what had previously been considered best practice into the nonprofit corporate law. The primary areas impact conflicts of interest (having policies that outline how a charity should review and approve transactions with board members, officers, their families and businesses and making sure that these transactions are in the best interest of the charity), monitoring of the independent audit, including establishing an audit committee of members of the board of directors (or having the full board of directors itself) that meet with the independent auditors regularly, establish whistleblower policies to provide employees with a method to report to the board any suspected fraud within the organization, and other administrative matters.

Independence Issues

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

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



Schall & Ashenfarb
Certified Public Accountants, LLC

September 17, 2015

EXHIBIT 1



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

May 26, 2015

Mr. Richard Maathey
Board Treasurer
Lefferts Gardens Charter School
601 Parkside Avenue, 4th Floor
Brooklyn, NY 11226

Dear Mr. Maathey:

We are pleased to confirm our understanding of the services we are to provide for Lefferts Gardens Charter School for the year ended June 30, 2015.

We will audit the statement of financial position of Lefferts Gardens Charter School as of June 30, 2015, and the related statements of activities, functional expenses, and cash flows for the year then ended.

Audit Objectives

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

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

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EXHIBIT 1

Management Responsibilities

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

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

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

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

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

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

Management is responsible for establishment and maintenance for tracking the status of audit findings and recommendations. **Management is also responsible** for identifying for us previous audits or other engagements or studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address

EXHIBIT 1

significant findings and recommendations resulting from those audits or other engagements or studies. **The Organization is also responsible for providing** management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, and the timing and format related thereto.

Audit Procedures—General

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

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

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

Audit Procedures—Internal Control

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

EXHIBIT 1

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

Audit Procedures—Compliance

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

Other Services

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

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

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

We will prepare the tax returns as outlined separately below.

Audit Administration and Other

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

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

EXHIBIT 1

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

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

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

E-mail Communication

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

Posting of Audit Report and Financial Statements on Your Web Site

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

Taxes

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

EXHIBIT 1

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

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

Fee

Our fee will be \$15,000. At the completion of the audit, we will provide electronic versions of the audited financial statements, management letter (if applicable) and communications with those charged with governance and 10 copies of the final report without charge. Any additional copies will cost \$5 per report. If applicable, we will charge you other out of pocket costs such as postage for confirmations, fees incurred for certain electronic bank confirmations and setting up conference calls through our phone center, etc. Our fee will be billed monthly and is payable upon receipt. Invoices that are unpaid 30 days past the invoice date are deemed delinquent and we reserve the right to charge interest at 1% per month (not to exceed the maximum amount permitted by law.) In the event any collection action is required to collect unpaid balances due to us, you agree to reimburse us for all our costs of collection, including without limitation attorney's fees.

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

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

Independence

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

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

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

EXHIBIT 1

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

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2014 peer review report accompanies this letter.

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

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

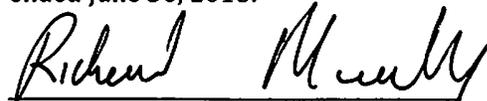
Very truly yours,



Schall & Ashenfarb
Certified Public Accountants, LLC

RESPONSE:

This letter correctly sets forth the understanding of Lefferts Gardens Charter School for the year ended June 30, 2015.



Officer signature



Title

Date

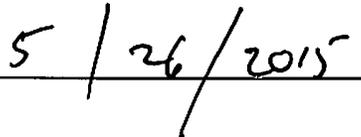


EXHIBIT 2



September 17, 2015

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

This representation letter is provided in connection with your audit of the financial statements of Lefferts Gardens Charter School, which comprise the statements of financial position as of June 30, 2015, and the related statements of [activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

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

We confirm, to the best of our knowledge and belief, as of Sept 17, 2015 the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 26, 2015, including our responsibility for the preparation and fair presentation of the financial statements.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

EXHIBIT 2

5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable. This specifically includes the methodology for the statement of functional expenses.
6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. There was one event subsequent to the date of the financial statements which requires disclosure in the financial statements to be in accordance with the requirements of U.S. GAAP. We have disclosed that subsequent to the year end, the School commenced the process of applying for an extension of its charter which expires June 30, 2016. The School believes the DOE will extend its charter renewal which is expected to be made sometime in January – February 2016.
8. We are aware that the School operates out of a public school building owned by New York City. We are aware that we have passed on recording an adjustment for in-kind rent, and are aware that this conflicts with generally accepted accounting principles. We feel the impact on the financial statements is immaterial, both individually and in the aggregate, to the financial statements as a whole. There are no other uncorrected misstatements that are immaterial, both individually and in the aggregate, to the financial statements as a whole.
9. There were no known actual or possible litigation, claims, and assessments required to be accounted for and disclosed in accordance with U.S. GAAP.
10. There was one material concentration required to be disclosed in accordance with U.S. GAAP.
11. There were no guarantees, either written or oral, under which the organization is contingently liable, that are required to be recorded or disclosed in accordance with U.S. GAAP.

Non Attest Services

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

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

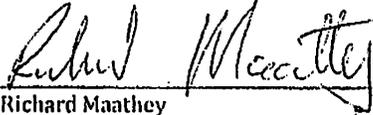
As part of your audit, you prepared the draft financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have assumed all management responsibilities. We have reviewed, approved, and accepted responsibility for those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

EXHIBIT 2

Information Provided

1. We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have no knowledge of any fraud or suspected fraud that affects the organization and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
5. We have no knowledge of any allegations of fraud or suspected fraud affecting the organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
6. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
7. We are not aware of any pending or threatening litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
8. We have disclosed to you the identity of the organization's related parties and all the related party relationships and transactions of which we are aware.
9. The organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
10. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

11. Lefferts Gardens Charter School is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you and appropriately reported. All required filings with tax authorities are up-to-date.


Richard Maathey
Board Treasurer


Michael Windrau
School Leader



SCHALL *Certified Public Accountants, LLC*
& ASHENFARB

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



LEFFERTS GARDENS
CHARTER SCHOOL

Audited Financial Statements In Accordance With Government Auditing Standards

June 30, 2015

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LEFFERTS GARDENS CHARTER SCHOOL

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

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
Lefferts Gardens Charter School

Report on the Financial Statements

We have audited the accompanying financial statements of Lefferts Gardens Charter School (the "School"), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

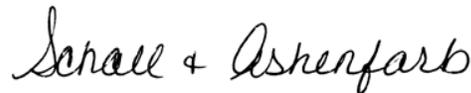
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lefferts Gardens Charter School as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the School's 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 18, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2015 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



Schall & Ashenfarb
Certified Public Accountants, LLC

September 17, 2015

LEFFERTS GARDENS CHARTER SCHOOL
STATEMENT OF FINANCIAL POSITION
AT JUNE 30, 2015
(With comparative totals at June 30, 2014)

	6/30/15	6/30/14
Assets		
Cash and cash equivalents	\$2,543,479	\$1,561,648
Restricted cash (Note 3)	75,279	75,204
Grant receivable - New York City (Note 5)	74,871	0
Government grants receivable	119,600	21,720
Other receivables	0	2,576
Prepaid expenses	70,669	59,838
Fixed assets, net (Note 4)	342,928	415,999
Total assets	\$3,226,826	\$2,136,985
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$744,815	\$507,641
Advance payable - New York City (Note 5)	0	4,923
Advance payable - Federal grants	389	0
Total liabilities	745,204	512,564
Net Assets:		
Unrestricted	2,481,622	1,624,421
Total net assets	2,481,622	1,624,421
Total liabilities and net assets	\$3,226,826	\$2,136,985

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

LEFFERTS GARDENS CHARTER SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015
(With comparative totals for the year ended June 30, 2014)

	<u>6/30/15</u>	<u>6/30/14</u>
Unrestricted:		
Public Support and Revenue:		
Public school district: (Note 5)		
Revenue - resident student enrollment	\$6,082,353	\$5,097,389
Revenue - students with special education services	<u>627,648</u>	<u>404,409</u>
Subtotal public school district revenue	6,710,001	5,501,798
Government grants	254,011	229,616
Contributions	14,341	1,635
Other income	<u>1,572</u>	<u>1,795</u>
Total public support and revenue	<u>6,979,925</u>	<u>5,734,844</u>
Expenses:		
Program services:		
Regular education	3,494,177	2,807,321
Special education	<u>2,010,225</u>	<u>1,473,771</u>
Total program services	5,504,402	4,281,092
Supporting services:		
Management and general	<u>618,322</u>	<u>556,541</u>
Total expenses	<u>6,122,724</u>	<u>4,837,633</u>
Change in net assets	857,201	897,211
Net assets - beginning	<u>1,624,421</u>	<u>727,210</u>
Net assets - ending	<u><u>\$2,481,622</u></u>	<u><u>\$1,624,421</u></u>

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

**LEFFERTS GARDENS CHARTER SCHOOL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2015**

(With comparative totals for the year ended June 30, 2014)

	Program Services			Supporting Services	Total Expenses 6/30/15	Total Expenses 6/30/14
	Regular Education	Special Education	Total	Management and General		
Salaries	\$2,216,409	\$1,410,100	\$3,626,509	\$295,388	\$3,921,897	\$3,124,983
Employee benefits and payroll taxes	525,351	334,233	859,584	70,016	929,600	732,953
Retirement	51,946	33,049	84,995	6,923	91,918	78,323
Total personnel costs	2,793,706	1,777,382	4,571,088	372,327	4,943,415	3,936,259
Professional development	19,892	12,656	32,548	2,651	35,199	12,201
Legal fees				11,387	11,387	11,334
Financial management services				130,000	130,000	125,438
Professional fees	116,395	20,494	136,889	57,659	194,548	135,526
Student and staff recruitment				11,851	11,851	13,507
Supplies and materials	270,987	37,847	308,834		308,834	248,454
Office expenses	60,014	38,181	98,195	7,998	106,193	67,081
Food services	12,109	1,691	13,800		13,800	18,700
Student services	34,936	5,133	40,069	68	40,137	22,960
Insurance	18,611	11,841	30,452	2,480	32,932	25,655
Technology	56,254	35,789	92,043	7,497	99,540	75,242
Equipment and furnishings	9,426	4,415	13,841	831	14,672	10,746
Repairs and maintenance	4,239	2,697	6,936	564	7,500	7,280
Depreciation	89,647	57,034	146,681	11,948	158,629	111,531
Other	7,961	5,065	13,026	1,061	14,087	15,719
Total other than personnel costs	700,471	232,843	933,314	245,995	1,179,309	901,374
Total expenses	\$3,494,177	\$2,010,225	\$5,504,402	\$618,322	\$6,122,724	\$4,837,633

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

LEFFERTS GARDENS CHARTER SCHOOL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015
(With comparative totals for the year ended June 30, 2014)

	6/30/15	6/30/14
Cash Flows from Operating Activities:		
Change in net assets	\$857,201	\$897,211
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	158,629	111,531
Changes in assets and liabilities:		
Restricted cash	(75)	(88)
Grant receivable - New York City	(74,871)	8,203
Government grants receivable	(97,880)	19,899
Other receivables	2,576	1,060
Prepaid expenses	(10,831)	(50,633)
Accounts payable and accrued expenses	237,174	10,852
Advance payable - New York City	(4,923)	4,923
Advance payable - Federal grants	389	0
Total adjustments	210,188	105,747
Net cash provided by operating activities	1,067,389	1,002,958
Cash Flows from Investing Activities:		
Purchase of fixed assets	(85,558)	(365,381)
Net cash used for investing activities	(85,558)	(365,381)
Net increase in cash and cash equivalents	981,831	637,577
Cash and cash equivalents - beginning of year	1,561,648	924,071
Cash and cash equivalents - end of year	\$2,543,479	\$1,561,648
 Supplemental disclosures:		
Interest paid - \$0		
Taxes paid - \$0		

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

**LEFFERTS GARDENS CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 1 - Organization and Nature of Activities

Lefferts Gardens Charter School (the "School"), located in Brooklyn, New York, is a not-for-profit education corporation chartered by the Regents of the University of the State of New York. The School provides a full range of educational services appropriate for kindergarten, through fifth grade levels. The School completed the 2014-2015 fiscal year with an average enrollment of approximately 441 students with the addition of the fifth grade level which started this year. The School is a publicly funded, privately managed school, which is independent of the New York City Department of Education ("NYCDOE").

On December 15, 2009, the School was granted a provisional charter by the University of the State of New York, Education Department for a term up through and including December 14, 2014. Such provisional charter may be extended upon application for a term of up to five years in accordance with the provisions of Article 56 of the Education Law. In January 2015, the School was granted an extension for a term up through and including June 30, 2016.

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

Note 2 - Significant Accounting Policies

a. Basis of Presentation

The accompanying financial statements have been prepared using the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred rather than when received or paid.

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

- *Unrestricted* – represent those resources for which there are no restrictions by donors as to their use.
- *Temporarily restricted* – represent those resources, the uses of which have been restricted by donors to specific purposes or the passage of time. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor. Temporarily restricted contributions, the requirements of which are met in the year of donation, are reported as unrestricted. The School did not have any temporary restricted net assets at June 30, 2015.
- *Permanently restricted* – accounts for activity restricted by donors that must remain intact in perpetuity. The School did not have any permanently restricted net assets at June 30, 2015.

b. Cash and Cash Equivalents

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

c. Concentration of Credit

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

d. Capitalization Policy

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

e. Contributions

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

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

f. Revenues

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

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

g. Functional Allocation of Expenses

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

h. Use of Estimates

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

i. Prior-Year Comparative Information

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the School's financial statements for the year ended June 30, 2014, from which the summarized information was derived.

j. Accounting for Uncertainty in Income Taxes

The School does not believe its financial statements include any material, uncertain tax positions. Tax returns for periods ending June 30, 2012 and later are subject to examination by applicable taxing authorities.

k. Subsequent Events

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through September 17, 2015, the date the financial statements were available to be issued. No events have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements.

Note 3 - Restricted Cash

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

Note 4 - Fixed Assets

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

	<u>6/30/15</u>	<u>6/30/14</u>
Furniture and equipment	\$681,779	\$598,631
Leasehold improvements	<u>98,017</u>	<u>98,017</u>
	779,796	696,648
Less: accumulated depreciation	<u>(436,868)</u>	<u>(280,649)</u>
Fixed assets, net	<u>\$342,928</u>	<u>\$415,999</u>

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

	<u>6/30/15</u>	<u>6/30/14</u>
Beginning (advance payable)/grant receivable	(\$4,923)	\$8,203
Payments received	0	(8,203)
Funding based on allowable FTE's	6,710,001	5,501,798
Advances received	<u>(6,630,207)</u>	<u>(5,506,721)</u>
Ending grant receivable/(advance payable)	<u>\$74,871</u>	<u>(\$4,923)</u>

Note 6 – Significant Concentrations

The School is dependent upon grants from NYCDOE to carry out its operations. For the year ended June 30, 2015 and June 30, 2014, approximately 96% of the School's total public support and revenue was from NYCDOE.

Note 7 – Defined Contribution Plan

The School offers a voluntary 401(k) plan for substantially all of its employees. Participants are eligible to join the plan on the first pay day in September or on the first pay day in March. Employees can make pretax contributions up to a maximum of 100% of their annual compensation, subject to IRS restrictions. The School matches the employee contribution up to 3% of the employees' annual compensation. Employer expense for the years ended June 30, 2015 and June 30, 2014 was \$91,918 and \$78,323, respectively.

Note 8 – Commitments and Contingencies

Government contracts are subject to audit by the grantor. Management does not believe that any audits, if they were to occur, would result in material disallowed costs, and has not established any reserves. Any disallowed costs would be recorded in the period notified.

In January 2015, the School entered into a collective bargaining agreement with the United Federation of Teachers ("UFT") to represent teachers, teaching assistants, academic intervention specialists, learning specialists, guidance counselors and social workers as their collective bargaining representative. While this agreement became effective September 1, 2014 and ends August 31, 2017, the employees are not subject to any union retirement or other benefit plans.

In the normal course of business, the School is involved in proceedings, lawsuits and other claims. These matters are subject to many uncertainties, and outcomes are not predictable with a high degree of assurance. Consequently, the ultimate aggregate amount of monetary liability or financial impact with respect to these matters as of June 30, 2015 cannot be ascertained. Management believes that the final outcome of these matters will not have a material impact on the financial statements of the School.

Note 9- Donated Space

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

Note 10- Related Party Transactions

Program assessment services were provided by a company, whose employee is a board member of the School. The total expense incurred by the School was \$38,000 in 2015.

Note 11- Subsequent Events

Subsequent to the year-end, the School commenced the process of applying for an extension of its charter which expires June 30, 2016. The School believes NYCDOE will extend its charter renewal, which is expected to be made sometime in January – February 2016.



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

To the Board of Trustees of
Lefferts Gardens Charter School

Report on the Financial Statements

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Lefferts Gardens Charter School (the "School"), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated September 17, 2015.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



Schall & Ashenfarb
Certified Public Accountants, LLC

September 17, 2015

**LEFFERTS GARDENS CHARTER SCHOOL
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

Current Year:

None

Prior-Year:

None

<Enter School Name Here>

PROJECTED BUDGET FOR 2015-2016							Assumptions
July 1, 2015 to June 30, 2016							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	6,245,589	650,160	-	-	736	6,896,485	
Total Expenses	4,320,926	2,133,194	878	-	377,989	6,832,988	
Net Income	1,924,663	(1,483,034)	(878)	-	(377,254)	63,498	
Actual Student Enrollment	386	49					
Total Paid Student Enrollment	-	-					
	PROGRAM SERVICES			SUPPORT SERVICES			
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Other	3	235,302	29,870	-	-	265,172	
TOTAL INSTRUCTIONAL	63	2,329,066	1,400,547	-	-	3,729,613	
NON-INSTRUCTIONAL PERSONNEL COSTS							
Nurse	-	-	-	-	-	-	
Librarian	-	-	-	-	-	-	
Custodian	-	-	-	-	-	-	
Security	-	-	-	-	-	-	
Other	-	-	-	-	-	-	
TOTAL NON-INSTRUCTIONAL	-	-	-	-	-	-	
SUBTOTAL PERSONNEL SERVICE COSTS	73	2,828,929	1,464,002	-	241,422	4,534,352	
PAYROLL TAXES AND BENEFITS							
Payroll Taxes	216,413	111,996	-	-	18,469	346,878	
Fringe / Employee Benefits	424,700	219,787	-	-	36,244	680,731	
Retirement / Pension	68,244	35,317	-	-	5,824	109,385	
TOTAL PAYROLL TAXES AND BENEFITS	709,357	367,100	-	-	60,537	1,136,993	
TOTAL PERSONNEL SERVICE COSTS	3,538,286	1,831,101	-	-	301,958	5,671,345	
CONTRACTED SERVICES							
Accounting / Audit	-	-	-	-	16,000	16,000	
Legal	15,597	8,072	-	-	1,331	25,000	
Management Company Fee	-	-	-	-	-	-	
Nurse Services	-	-	-	-	-	-	
Food Service / School Lunch	-	-	-	-	-	-	
Payroll Services	-	-	-	-	16,610	16,610	
Special Ed Services	-	-	-	-	-	-	
Titlement Services (i.e. Title I)	-	-	-	-	-	-	
Other Purchased / Professional / Consulting	199,719	103,357	-	-	17,044	320,120	
TOTAL CONTRACTED SERVICES	215,316	111,429	-	-	50,985	377,730	
SCHOOL OPERATIONS							
Board Expenses	10,291	5,326	878	-	-	16,495	
Classroom / Teaching Supplies & Materials	81,104	10,296	-	-	-	91,400	
Special Ed Supplies & Materials	-	-	-	-	-	-	
Textbooks / Workbooks	31,057	3,943	-	-	-	35,000	
Supplies & Materials other	43,282	22,399	-	-	3,694	69,374	
Equipment / Furniture	14,454	7,480	-	-	1,233	23,167	
Telephone	11,604	6,005	-	-	990	18,600	
Technology	-	-	-	-	-	-	
Student Testing & Assessment	57,678	7,322	-	-	-	65,000	
Field Trips	75,425	9,575	-	-	-	85,000	
Transportation (student)	1,775	225	-	-	-	2,000	
Student Services - other	-	-	-	-	-	-	
Office Expense	43,516	22,520	-	-	3,714	69,750	
Staff Development	25,611	13,254	-	-	2,186	41,050	
Staff Recruitment	3,119	1,614	-	-	266	5,000	
Student Recruitment / Marketing	5,615	2,906	-	-	479	9,000	
School Meals / Lunch	16,505	2,095	-	-	-	18,600	
Travel (Staff)	312	161	-	-	27	500	
Fundraising	-	-	-	-	-	-	
Other	9,358	4,843	-	-	799	15,000	
TOTAL SCHOOL OPERATIONS	430,707	119,963	878	-	13,387	564,936	
FACILITY OPERATION & MAINTENANCE							
Insurance	28,685	14,845	-	-	2,448	45,978	
Janitorial	-	-	-	-	-	-	
Building and Land Rent / Lease	-	-	-	-	-	-	

<Enter School Name Here>

PROJECTED BUDGET FOR 2015-2016							Assumptions
July 1, 2015 to June 30, 2016							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	6,245,589	650,160	-	-	736	6,896,485	
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Net Income	1,924,663	(1,483,034)	(878)	-	(377,254)	63,498	
Actual Student Enrollment	386	49					
Total Paid Student Enrollment	-	-					
	PROGRAM SERVICES			SUPPORT SERVICES			
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Repairs & Maintenance	4,367	2,260	-	-	373	7,000	
Equipment / Furniture							
Security	624	323	-	-	53	1,000	
Utilities	-	-	-	-	-	-	
TOTAL FACILITY OPERATION & MAINTENANCE	33,676	17,428	-	-	2,874	53,978	
DEPRECIATION & AMORTIZATION	102,942	53,273	-	-	8,785	165,000	
DISSOLUTION ESCROW & RESERVES / CONTINGENCY	-	-	-	-	-	-	
TOTAL EXPENSES	4,320,926	2,133,194	878	-	377,989	6,832,988	
NET INCOME	1,924,663	(1,483,034)	(878)	-	(377,254)	63,498	
ENROLLMENT - *School Districts Are Linked To Above Entries*	REGULAR EDUCATION	SPECIAL EDUCATION	TOTAL ENROLLED				
District of Location			-				
Per Pupil	386		386				
Special Education < 20%		17	17				
Special Education 20%- 59%		2	2				
Special Education >60%		30	30				
TOTAL ENROLLMENT	386	49	435				
REVENUE PER PUPIL	16,180	13,269	-				
EXPENSES PER PUPIL	11,194	43,535	2				



Appendix E: Disclosure of Financial Interest Form

Last updated: 10/29/2015

Page 1

All trustees who served on an education corporation governing one or more charter schools during the 2014-2015 school year must complete the form in Appendix E (Disclosure of Financial Interest Form). [The Disclosure of Financial Interest Forms are due on November 1, 2015. A link to a safe and secure form that each Trustee must complete by the November 1, 2015 deadline will be provide here by September 1, 2015 or sooner.](#)

ALL charter schools or merged education corporations must complete the Board of Trustees Membership Table within the online portal in Appendix F (Board of Trustees Membership Table). The Board of Trustees Membership Table must be submitted by August 1, 2015.

Regents-authorized charter schools must upload a complete set of board of trustee Meeting Minutes from July 2014-June 2015 into Appendix G (Board Minutes). Board of Trustee Meeting Minutes must be submitted by August 1, 2015.

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

Yes

Thank you.



Appendix F: BOT Membership Table

Last updated: 07/29/2015

Page 1

1. Current Board Member Information

	Trustee Name	Email Address	Committee Affiliation(s)	Voting Member? (Y/N)	Area of Expertise, and/or Additional Role and School (parent, staff member, etc.)	Number of Terms Served and Length of Each (Include election date and term expiration)
1	Tim Pratt	[REDACTED]	Chair/Board President	Yes	Finance	
2	Tara Harrison	[REDACTED]	Chair/Board President	Yes	Finance	
3	Richard Maathy	[REDACTED]	Treasurer	Yes	Technology	
4	Tobi Parks	[REDACTED]	Secretary	Yes	Development	
5	Monique Jefferson	[REDACTED]	Trustee/Member	Yes	Human Resources	
6	Renee Ciccone	[REDACTED]	Parent Representative	Yes	Community Affairs/Education	
7	Jason Nhambiu	[REDACTED]	Trustee/Member	Yes	Law/Collective Bargaining	
8	Charlotte Bloomberg	[REDACTED]	Trustee/Member	Yes	Education	
9	Haady Taslim	[REDACTED]	Trustee/Member	Yes	Education	
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

2. Total Number of Members Joining Board during the 2014-15 school year

2

3. Total Number of Members Departing the Board during the 2014-15 school year

2

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

15

5. How many times did the Board meet during the 2014-15 school year?

12

6. How many times will the Board meet during the 2015-16 school year?

12

Thank you.

Appendix H: Enrollment and Retention Plan

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

Students with Special Needs

- Direct mail advertising that mentions special needs
- School website that mentions special needs
- Outreach to specialized feeder schools and programs
- Enhancing our program to increase our capabilities to serve students with special needs, including the addition of a Director of Student Learning, and a second SETTTS provider
- Increased professional development for staff so that we maximize our academic program within our collaborative team teaching model.

English Language Learners

- Increased capacity of staff members through the hiring of an academic intervention specialist with specific expertise in the needs of English Language Learners.
- The hiring of a bilingual speech therapist to meet the needs of our English Language Learners
- Direct mail advertising that mentions accommodation for ELL students
- Direct mail advertising in languages other than English
- Radio Ad on Haitian radio station
- Outreach to immigrant community/ies
- Advertising and school materials are translated as needed
- A Google language translator dropdown will be added to the school website
- Develop relationships with trusted cultural centers in the community in an effort to attract more families who speak a language other than English
- Advertising materials will be distributed in the primary languages other than English spoken in the area

Students Eligible for Free and Reduced Lunch Programs

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

Required Form: 2014-15 Appendix E - Trustee Disclosure of Financial Interest Form

Created Friday, October 30, 2015

<https://nysed.fluidsurveys.com/account/surveys/537586/responses/export//s/Regents-Appendix-E-BOT-Form/a69a5ef9b70e35dcfd>

Page 1

Please open the link to this form using **Google Chrome** as your browser. Doing so will allow you to input your signature on page 2 of the form. Thank you.

1. TRUSTEE NAME

	First Name	Last Name
Trustee Name	Richard	Maathey

2. *Your Home Address:

2. *Your Home Address: Street Address	[REDACTED]
2. *Your Home Address: City/State	[REDACTED]
2. *Your Home Address: Zip	[REDACTED]

3. *Your Business Address

3. *Your Business Address Street Address	[REDACTED]
3. *Your Business Address City/State	[REDACTED]
3. *Your Business Address Zip	[REDACTED]

4. *Daytime Phone Number:

[REDACTED]

5. *E-mail Address:

[REDACTED]

6. I am a Trustee of a parent education corporation listed below which governs one or more charter schools.

No, I am not.

7. Select the name of the education corporation that operates a single charter school.

LEFFERTS GARDENS CS (NYC CHANCELLOR) 331700860967

8. Select all positions you have held on the Board:

(check all that apply)

- Treasurer

- Other, please specify...: Technology

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

No

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

No

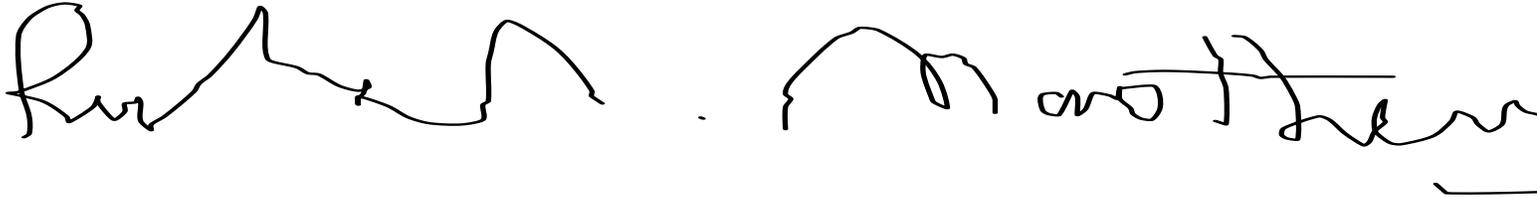
11. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

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

No

Signature of Trustee

Two handwritten signatures in black ink. The first signature is on the left and the second is on the right, separated by a period. Both are cursive and somewhat stylized.

Thank you.

Required Form: 2014-15 Appendix E - Trustee Disclosure of Financial Interest Form

Created Friday, October 30, 2015

<https://nysed.fluidsurveys.com/account/surveys/537586/responses/export//s/Regents-Appendix-E-BOT-Form/aa1ca93c5b8d8fe2ee>

Page 1

Please open the link to this form using **Google Chrome** as your browser. Doing so will allow you to input your signature on page 2 of the form. Thank you.

1. TRUSTEE NAME

	First Name	Last Name
Trustee Name	Charlotte	Bloomberg

2. *Your Home Address:

2. *Your Home Address: Street Address	[REDACTED]
2. *Your Home Address: City/State	[REDACTED]
2. *Your Home Address: Zip	[REDACTED]

3. *Your Business Address

3. *Your Business Address Street Address	[REDACTED]
3. *Your Business Address City/State	[REDACTED]
3. *Your Business Address Zip	[REDACTED]

4. *Daytime Phone Number:

[REDACTED]

5. *E-mail Address:

[REDACTED]

6. I am a Trustee of a parent education corporation listed below which governs one or more charter schools.

No, I am not.

7. Select the name of the education corporation that operates a single charter school.

LEFFERTS GARDENS CS (NYC CHANCELLOR) 331700860967

8. Select all positions you have held on the Board:

(check all that apply)

- Chair/President
- Other, please specify...: Academic Excellence Committee

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

No

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

No

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

No

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

No

Signature of Trustee

A handwritten signature in black ink that reads "Charlotte Bloomberg". The signature is written in a cursive style. The name "Charlotte" is written in a smaller, more fluid script, while "Bloomberg" is written in a larger, more formal cursive. A horizontal line is drawn under the "Bloomberg" portion of the signature.

Thank you.

Required Form: 2014-15 Appendix E - Trustee Disclosure of Financial Interest Form

Created Friday, October 30, 2015

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Page 1

Please open the link to this form using **Google Chrome** as your browser. Doing so will allow you to input your signature on page 2 of the form. Thank you.

1. TRUSTEE NAME

	First Name	Last Name
Trustee Name	Haady	Taslim

2. *Your Home Address:

2. *Your Home Address: Street Address	[REDACTED]
2. *Your Home Address: City/State	[REDACTED]
2. *Your Home Address: Zip	[REDACTED]

3. *Your Business Address

3. *Your Business Address Street Address	[REDACTED]
3. *Your Business Address City/State	[REDACTED]
3. *Your Business Address Zip	[REDACTED]

4. *Daytime Phone Number:

[REDACTED]

5. *E-mail Address:

[REDACTED]

6. I am a Trustee of a parent education corporation listed below which governs one or more charter schools.

No, I am not.

7. Select the name of the education corporation that operates a single charter school.

LEFFERTS GARDENS CS (NYC CHANCELLOR) 331700860967

8. Select all positions you have held on the Board:

(check all that apply)

(No response)

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

No

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

Yes

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

[cmoeY.0] 10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date. Position Held	Director, Coaching Strategy
[cmoeY.1] 10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date. Responsibilities	Create professional development and manage e-learning initiatives
[cmoeY.2] 10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date. Salary	108,750
[cmoeY.3] 10a. If YES, please provide a description of the position you hold and your responsibilities, your salary and your start date. Start Date	08/05/13

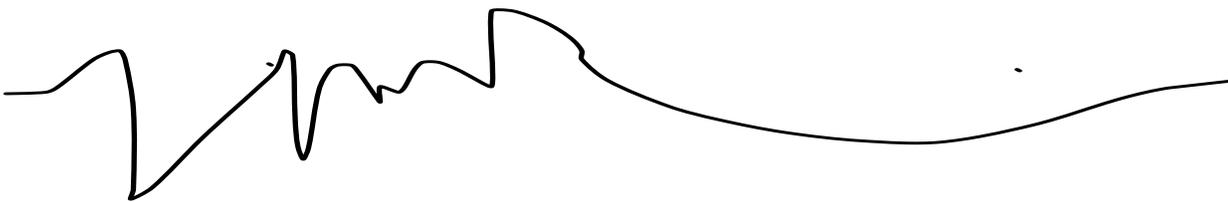
11. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

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

No

Signature of Trustee



Thank you.

Required Form: 2014-15 Appendix E - Trustee Disclosure of Financial Interest Form

Created Friday, October 30, 2015

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Page 1

Please open the link to this form using **Google Chrome** as your browser. Doing so will allow you to input your signature on page 2 of the form. Thank you.

1. TRUSTEE NAME

	First Name	Last Name
Trustee Name	Tobi	Parks

2. *Your Home Address:

2. *Your Home Address: Street Address	[REDACTED]
2. *Your Home Address: City/State	[REDACTED]
2. *Your Home Address: Zip	[REDACTED]

3. *Your Business Address

3. *Your Business Address Street Address	[REDACTED]
3. *Your Business Address City/State	[REDACTED]
3. *Your Business Address Zip	[REDACTED]

4. *Daytime Phone Number:

[REDACTED]

5. *E-mail Address:

[REDACTED]

6. I am a Trustee of a parent education corporation listed below which governs one or more charter schools.

No, I am not.

7. Select the name of the education corporation that operates a single charter school.

LEFFERTS GARDENS CS (NYC CHANCELLOR) 331700860967

8. Select all positions you have held on the Board:

(check all that apply)

-
- Secretary
-

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

No

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

No

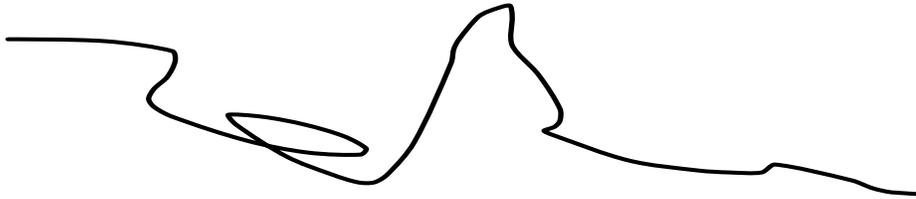
11. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

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

No

Signature of Trustee

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

Thank you.

Required Form: 2014-15 Appendix E - Trustee Disclosure of Financial Interest Form

Created Friday, October 30, 2015

<https://nysed.fluidsurveys.com/account/surveys/537586/responses/export//s/Regents-Appendix-E-BOT-Form/e556e2359e26d4d8a>

Page 1

Please open the link to this form using **Google Chrome** as your browser. Doing so will allow you to input your signature on page 2 of the form. Thank you.

1. TRUSTEE NAME

	First Name	Last Name
Trustee Name	Monique	Jefferson

2. *Your Home Address:

2. *Your Home Address: Street Address	[REDACTED]
2. *Your Home Address: City/State	[REDACTED]
2. *Your Home Address: Zip	[REDACTED]

3. *Your Business Address

3. *Your Business Address Street Address	[REDACTED]
3. *Your Business Address City/State	[REDACTED]
3. *Your Business Address Zip	[REDACTED]

4. *Daytime Phone Number:

[REDACTED]

5. *E-mail Address:

[REDACTED]

6. I am a Trustee of a parent education corporation listed below which governs one or more charter schools.

No, I am not.

7. Select the name of the education corporation that operates a single charter school.

LEFFERTS GARDENS CS (NYC CHANCELLOR) 331700860967

8. Select all positions you have held on the Board:

(check all that apply)

-
- Chair/President
-
- Vice Chair/Vice President
-
- Secretary

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

No

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

No

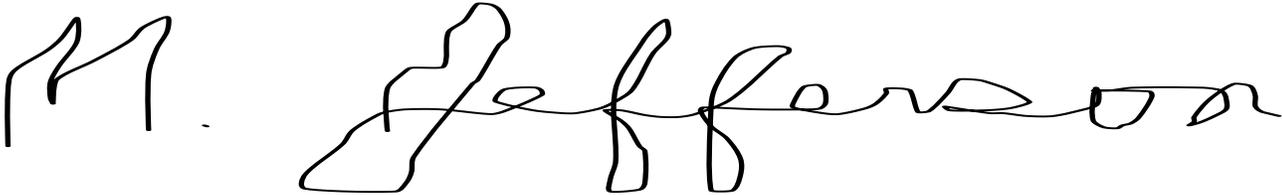
11. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

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

No

Signature of Trustee

A handwritten signature in black ink. It begins with a stylized initial 'M' followed by a period. The rest of the signature is written in a cursive script and appears to read 'Jefferson'.

Thank you.

Required Form: 2014-15 Appendix E - Trustee Disclosure of Financial Interest Form

Created Friday, October 30, 2015

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Page 1

Please open the link to this form using **Google Chrome** as your browser. Doing so will allow you to input your signature on page 2 of the form. Thank you.

1. TRUSTEE NAME

	First Name	Last Name
Trustee Name	Tara	Harrison

2. *Your Home Address:

2. *Your Home Address: Street Address	[REDACTED]
2. *Your Home Address: City/State	[REDACTED]
2. *Your Home Address: Zip	[REDACTED]

3. *Your Business Address

3. *Your Business Address Street Address	[REDACTED]
3. *Your Business Address City/State	[REDACTED]
3. *Your Business Address Zip	[REDACTED]

4. *Daytime Phone Number:

[REDACTED]

5. *E-mail Address:

[REDACTED]

6. I am a Trustee of a parent education corporation listed below which governs one or more charter schools.

No, I am not.

7. Select the name of the education corporation that operates a single charter school.

LEFFERTS GARDENS CS (NYC CHANCELLOR) 331700860967

8. Select all positions you have held on the Board:

(check all that apply)

• Chair/President

• Treasurer

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

No

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

No

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

No

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

No

Signature of Trustee

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

Thank you.

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Created Friday, October 30, 2015

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Page 1

Please open the link to this form using **Google Chrome** as your browser. Doing so will allow you to input your signature on page 2 of the form. Thank you.

1. TRUSTEE NAME

	First Name	Last Name
Trustee Name	Jasen	Nhambiu

2. *Your Home Address:

2. *Your Home Address: Street Address	[REDACTED]
2. *Your Home Address: City/State	[REDACTED]
2. *Your Home Address: Zip	[REDACTED]

3. *Your Business Address

3. *Your Business Address Street Address	[REDACTED]
3. *Your Business Address City/State	[REDACTED]
3. *Your Business Address Zip	[REDACTED]

4. *Daytime Phone Number:

[REDACTED]

5. *E-mail Address:

[REDACTED]

6. I am a Trustee of a parent education corporation listed below which governs one or more charter schools.

No, I am not.

7. Select the name of the education corporation that operates a single charter school.

LEFFERTS GARDENS CS (NYC CHANCELLOR) 331700860967

8. Select all positions you have held on the Board:

(check all that apply)

-
- Other, please specify...: member at large
-

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

No

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

No

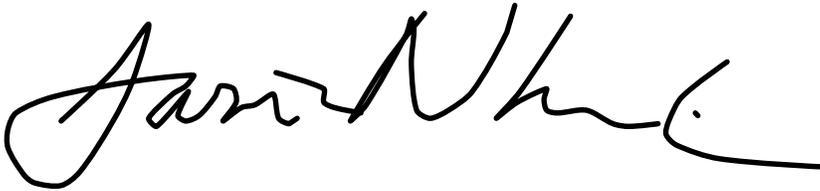
11. Have you or any of your immediate family members or any persons who live with you in your house had an interest in or engaged in a transaction with the charter school during the time you have served on the board, and in the six-month period prior to such service?

No

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

No

Signature of Trustee

A handwritten signature in black ink, appearing to read "James White". The signature is fluid and cursive, with a long horizontal stroke at the end.

Thank you.