



**Charter Schools Institute**  
The State University of New York

## **Summary of Performance**

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### **MERGER OF BRONX PREPARATORY CHARTER SCHOOL, HARLEM PREP CHARTER SCHOOL, DEMOCRACY PREPARATORY CHARTER SCHOOL AND DEMOCRACY PREP CHARTER SCHOOL - HARLEM**

**REPORT DATE: FEBRUARY 24, 2017**

Charter Schools Institute  
State University of New York  
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Albany, New York 12207  
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## **BACKGROUND INFORMATION**

### **Bronx Preparatory Charter School**

The Board of Trustees approved the charter for Bronx Preparatory Charter School (“Bronx Prep”) on January 21, 2000. In November of 2014, the Board of Trustees approved a charter revision allowing Democracy Prep Public Schools Inc. (“Dem Prep CMO”) to serve as the Education Corporation’s not-for-profit charter management organization due in part to the organization’s success with the previous turnaround of Harlem Day Charter School. In March of 2015, the Committee approved a full-term, five year renewal for Bronx Prep. The school currently serves approximately 710 students in grades 6 - 12.

### **Harlem Prep Charter School**

Harlem Prep Charter School (“Harlem Prep”) emerged from the Board of Trustees’ restructuring of the Harlem Day Charter School on March 22, 2011 after Harlem Day Charter School tendered its charter to the Board of Trustees. As part of the process, Dem Prep CMO was approved as the management entity for the school. On February 25, 2016, the Board of Trustees granted Harlem Prep a full-term five year renewal. The school currently serves approximately 810 students in grades K -9.

### **Democracy Preparatory Charter School**

On the recommendation of the New York City Schools Chancellor, Democracy Preparatory Charter School was granted a charter on December 5, 2005. Its charter was renewed for a full term of five years on May 11, 2015. The school currently serves approximately 730 students in grades 6 -12.

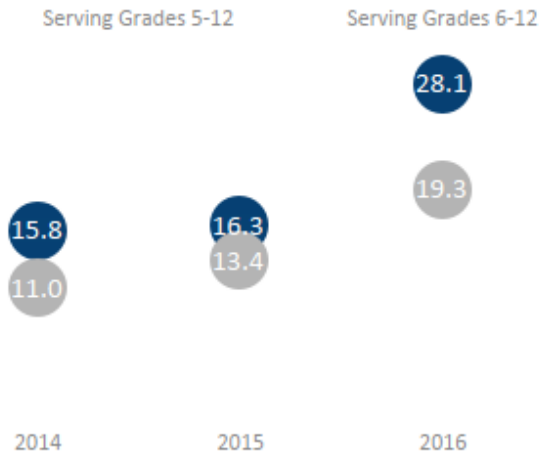
### **Democracy Prep Charter School - Harlem**

Democracy Prep Charter School - Harlem (“Democracy Prep Harlem”) received its initial charter on February 2, 2010 on the recommendation of the New York City Schools Chancellor. On January 10, 2015, Democracy Prep Harlem received a renewal of four and half years. The school currently serves approximately 900 students in grades K -3 and 6 -12.

# Bronx Prep Charter School

## English Language Arts

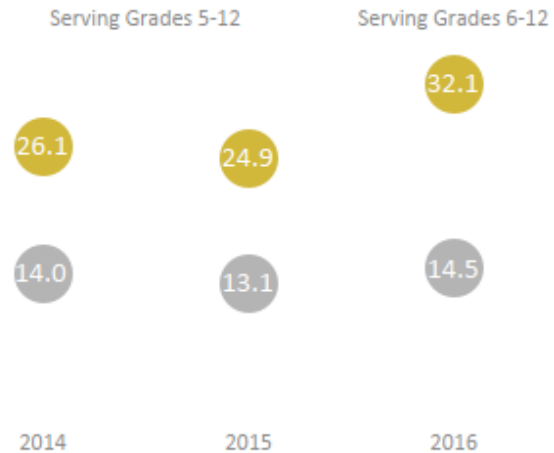
Percentage of students at or above proficiency on New York State's ELA exam: **Bronx Prep Charter School** and Bronx District 9.



The chart shows a grade level comparison between the school's and the district's percentage of students proficient on the state's ELA exam. Proficiency rates include only those grades between 3rd and 8th that were tested by the school.

## Mathematics

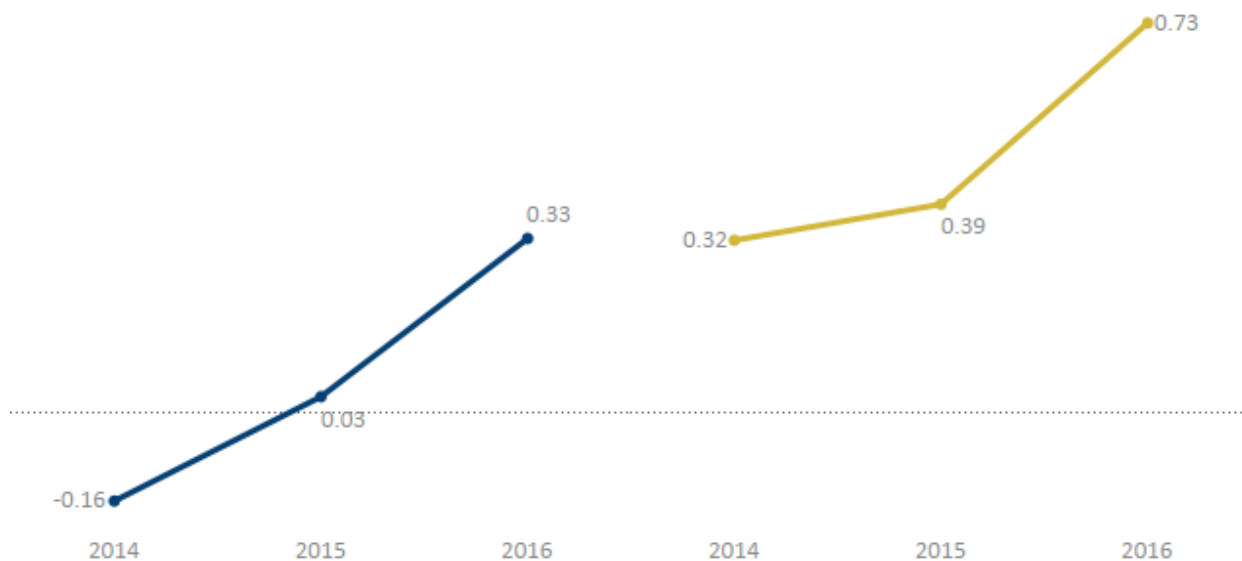
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## Effect Size: A comparative measure of school performance

A school's effect size indicates its performance in comparison to all other schools throughout the state with similar concentrations of economically disadvantaged students. The range of effect sizes is usually between -4 and +4. The Institute sets the benchmark for schools at 0.3 representing performance that is roughly one third of a standard deviation above the mean performance level among the group of comparison schools. The Institute ensures the accuracy of economically disadvantaged rates which may affect outcomes on this measure. Schools not authorized by the Institute have not had an opportunity to verify thes..



Suspensions: Bronx Prep Charter School's **Out of School suspension rate**, **In School suspension rate**, and the **District Overall suspension rate**.



Although Community School District ("CSD") and school suspension rates are presented on the same graph, a direct comparison between the rates is not possible for three primary reasons. Available CSD data includes Kindergarten through 12th grades and school data includes only the grades served by the school. CSD data are not available that show multiple instances of suspension of a single student, the overall number of suspensions, the duration of suspensions, or the time of year when the school administered the suspension. CSD data showing the difference between in school and out of school suspensions are not available. The percentage rate shown here is calculated using the method employed by the New York City Department of Education: the total the number of students receiving an in school or out of school suspension at any time during the school year is divided by the total enrollment, then multiplied by 100.

**Expulsions:** The number of students expelled from the school each year.

| Year | Expulsions |
|------|------------|
| 2015 | 0          |
| 2016 | 0          |

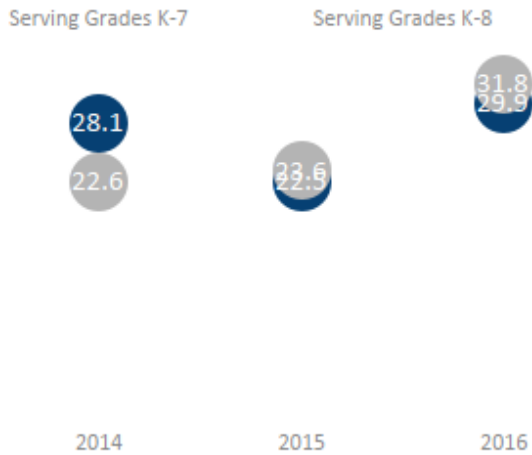
Bronx Prep Charter School's Enrollment and Retention Status; 2015-16

| Category   | Group                      | 2015 | 2016 |
|------------|----------------------------|------|------|
| Enrollment | Economically Disadvantaged | 84.2 | 92.8 |
|            | English language learners  | 6.4  | 22.4 |
|            | Students with disabilities | 13.0 | 19.6 |
| Retention  | Economically Disadvantaged | 79.3 | 87.7 |
|            | English language learners  | 58.7 | 87.2 |
|            | Students with disabilities | 73.3 | 86.9 |

# Harlem Prep Charter School

## English Language Arts

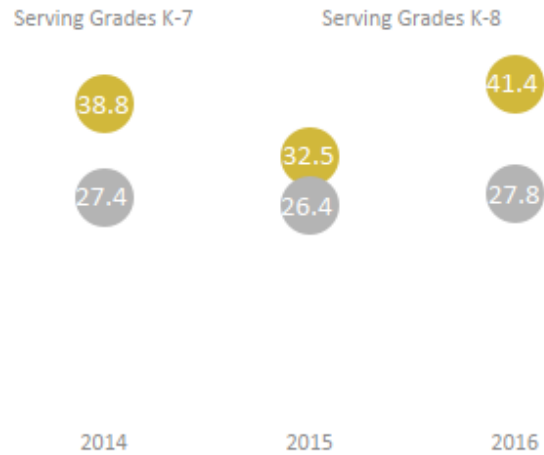
Percentage of students at or above proficiency on New York State's ELA exam: **Harlem Prep Charter School** and Manhattan District 4.



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## Mathematics

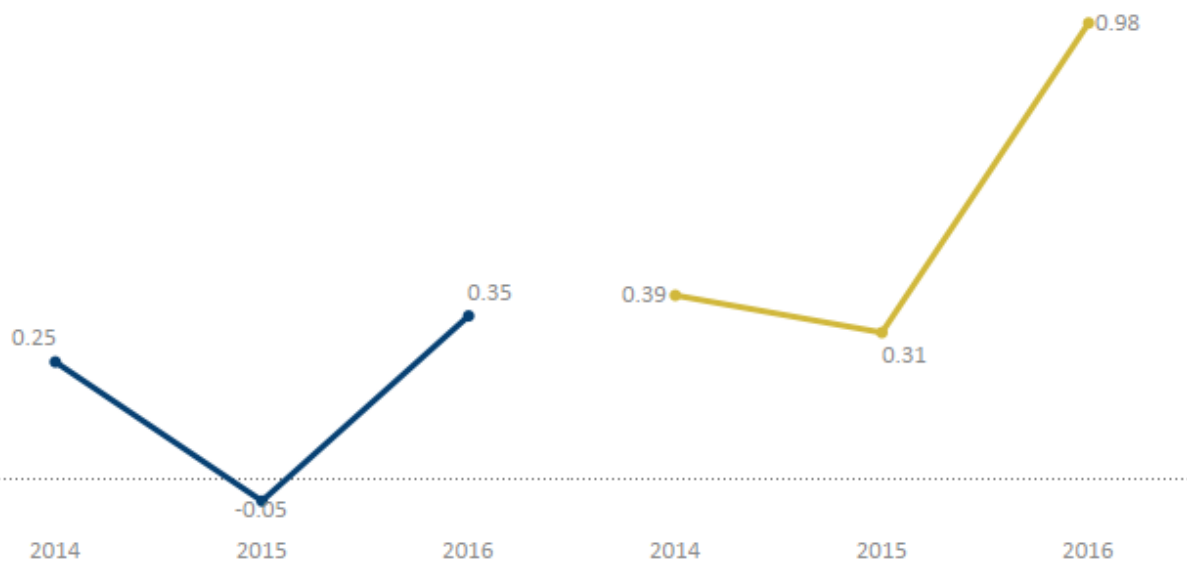
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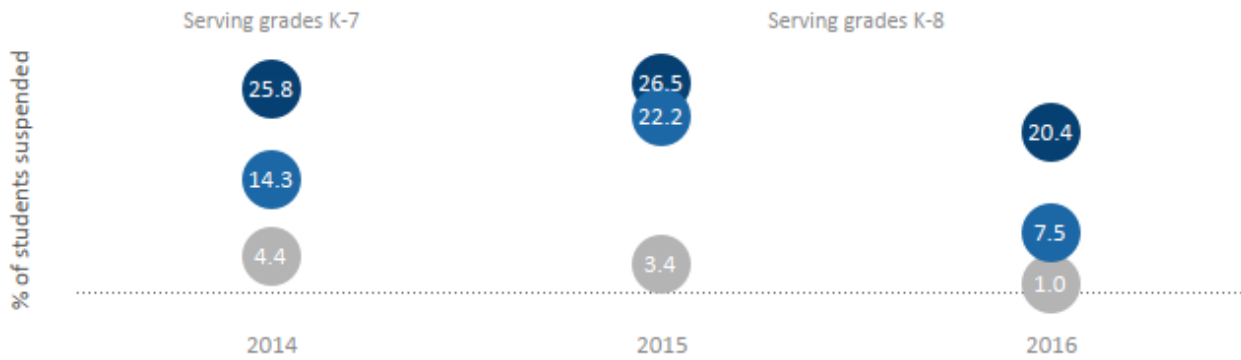
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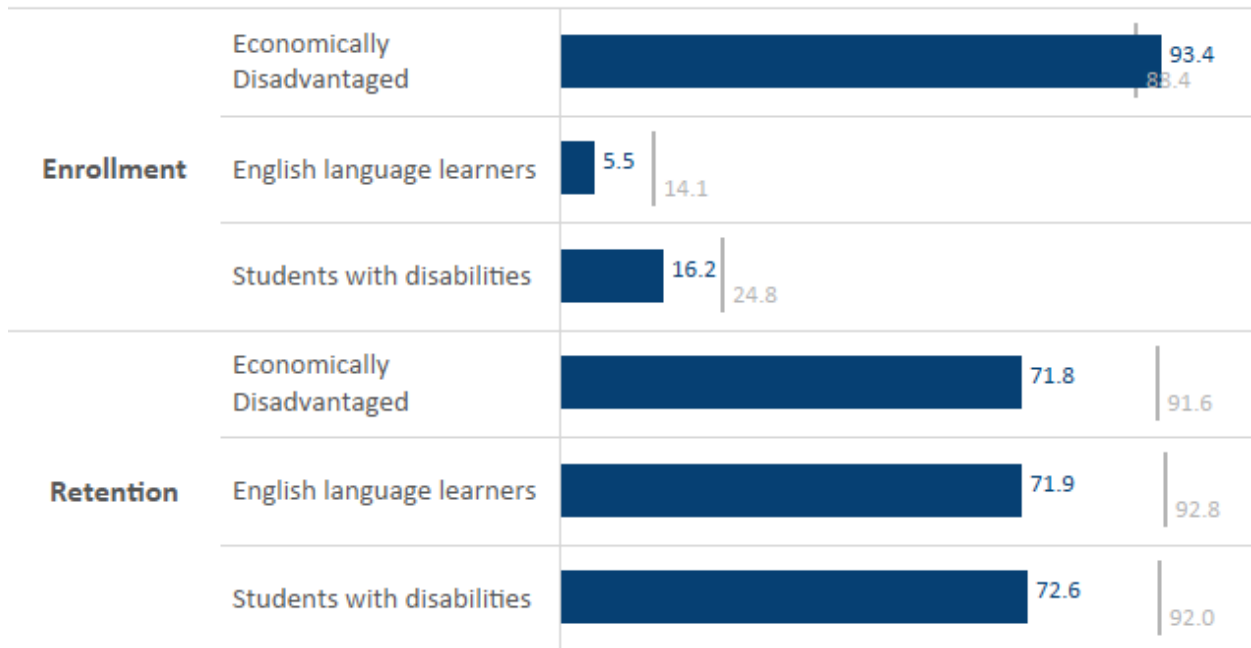


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| 2014     | 2015     | 2016     |
|----------|----------|----------|
| <b>0</b> | <b>0</b> | <b>0</b> |

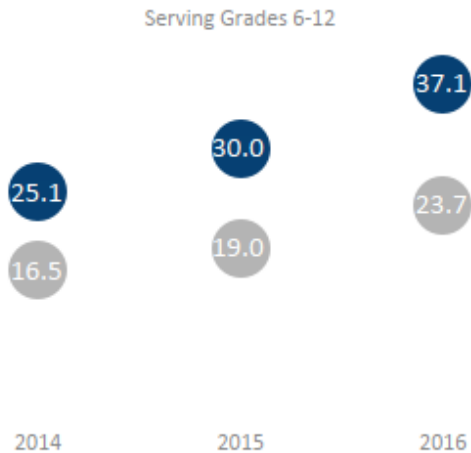
Harlem Prep Charter School's Enrollment and Retention Status; 2015-16



# Democracy Prep Charter School

## English Language Arts

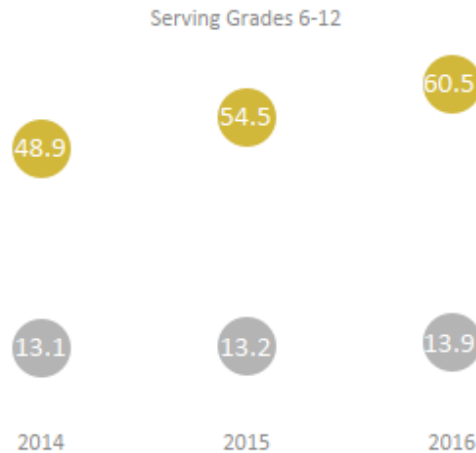
Percentage of students at or above proficiency on New York State's ELA exam: **Democracy Prep Charter School** and Manhattan District 5.



The chart shows a grade level comparison between the school's and the district's percentage of students proficient on the state's ELA exam. Proficiency rates include only those grades between 3rd and 8th that were tested by the school.

## Mathematics

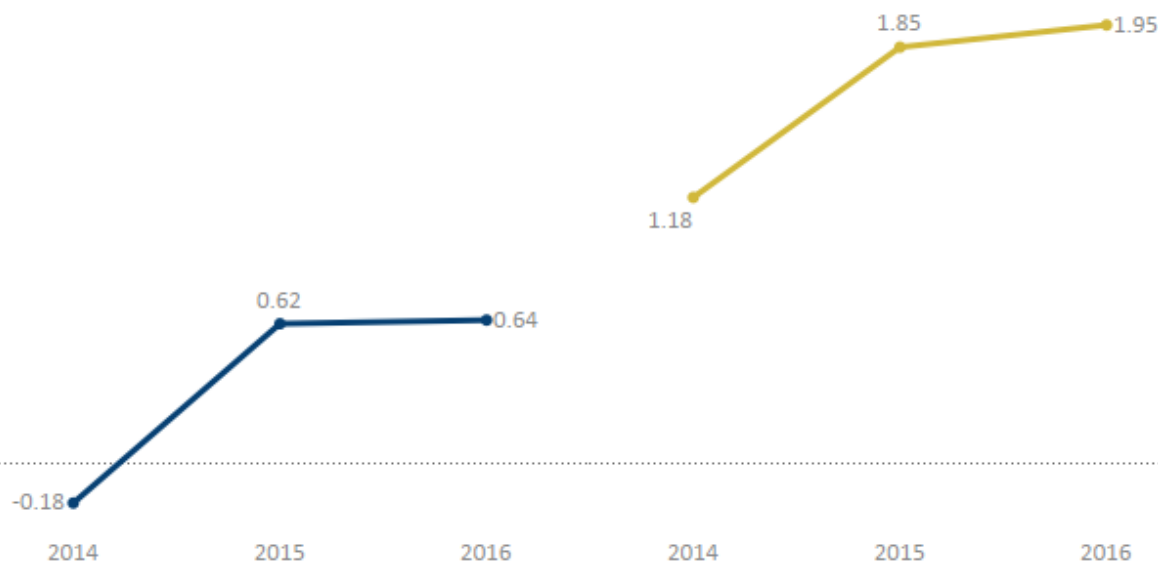
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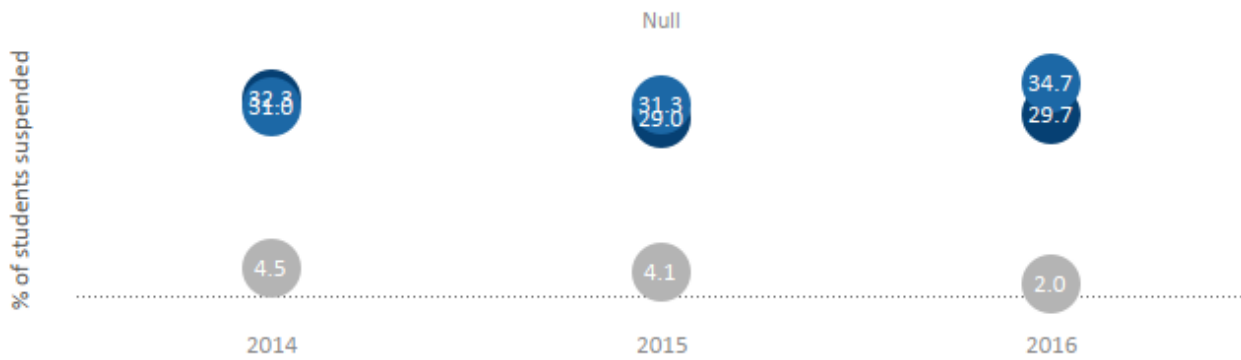
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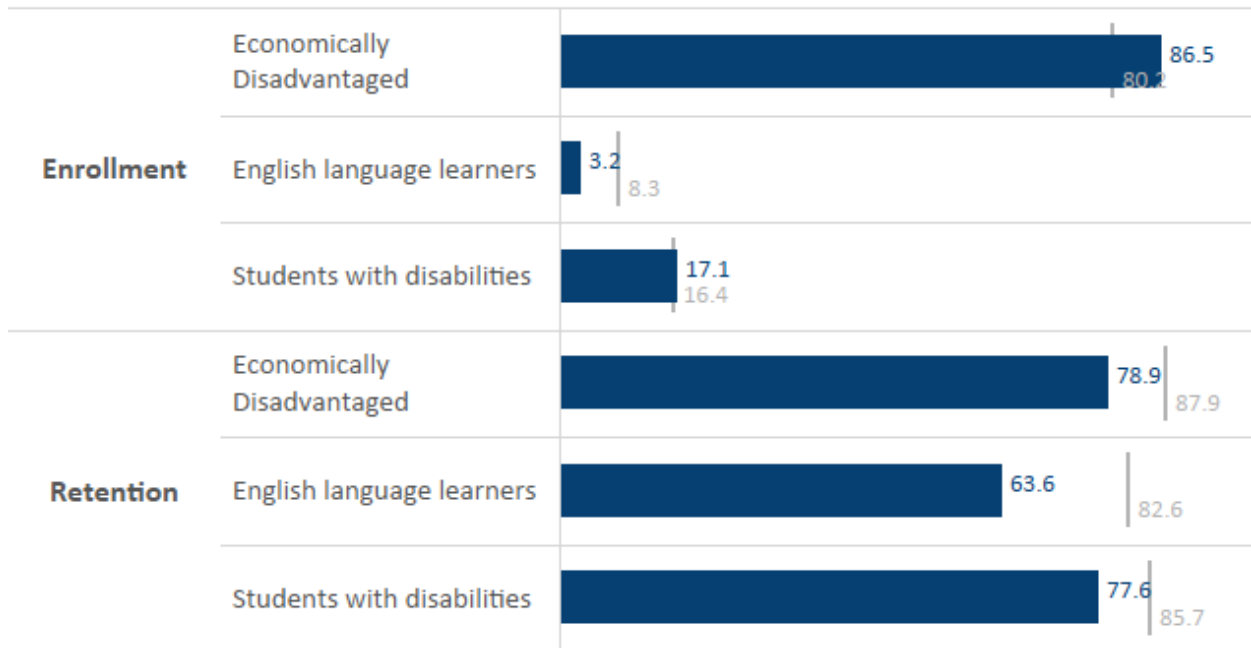


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**Expulsions:** The number of students expelled from the school each year.

| Year       | 2014 | 2015 | 2016 |
|------------|------|------|------|
| Expulsions | 0    | 0    | 0    |

Democracy Prep Charter School's Enrollment and Retention Status; 2015-16

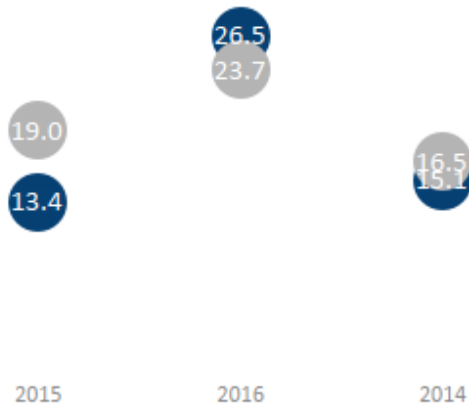


# Democracy Prep Harlem Charter School

## English Language Arts

Percentage of students at or above proficiency on New York State's ELA exam: **Democracy Prep Harlem Charter School** and Manhattan District 5.

Serving Grades K-1,.. Serving Grades K-2,.. Serving Grades K, 6..

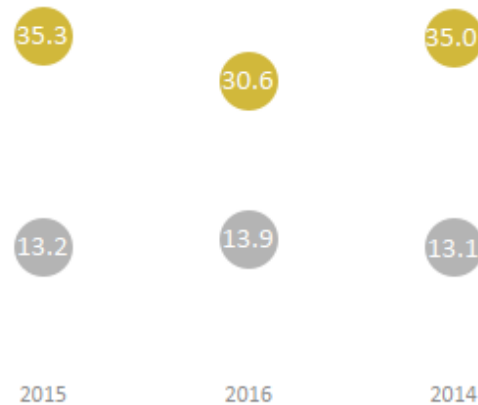


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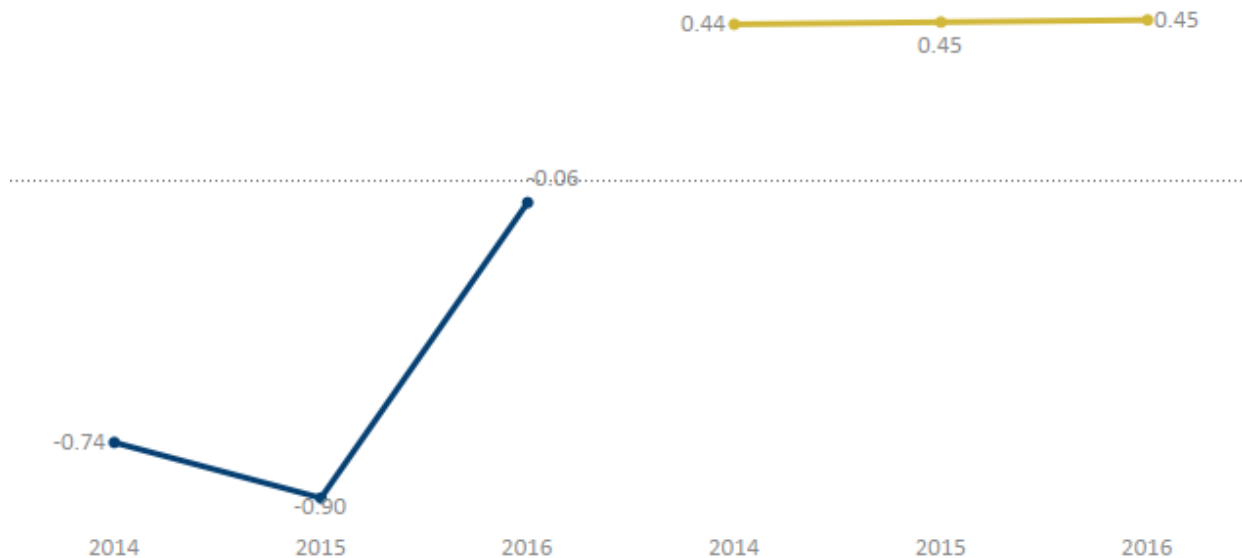
Serving Grades K-1, .. Serving Grades K-2, .. Serving Grades K, 6-9



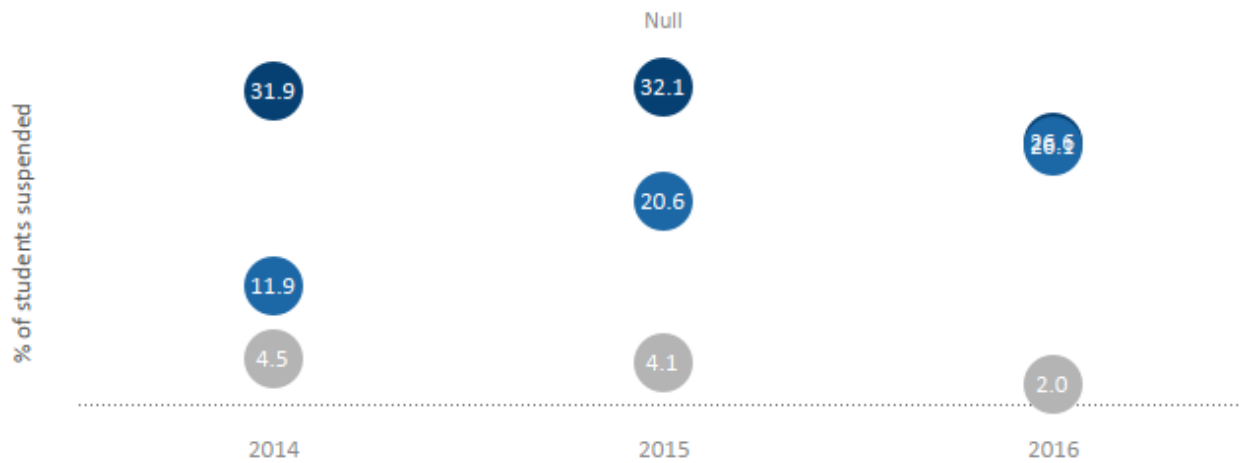
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**Expulsions:** The number of students expelled from the school each year.

| 2014 | 2015 | 2016 |
|------|------|------|
| 0    | 0    | 0    |

**Democracy Prep Harlem Charter School's Enrollment and Retention Status; 2015-16**

|                   |                            | 2015 | 2016 |
|-------------------|----------------------------|------|------|
| <b>Enrollment</b> | Economically disadvantaged | 85.4 | 86.7 |
|                   | English language learners  | 4.9  | 11.5 |
|                   | Students with disabilities | 14.8 | 18.8 |
| <b>Retention</b>  | Economically disadvantaged | 74.0 | 88.7 |
|                   | English language learners  | 60.0 | 87.3 |
|                   | Students with disabilities | 70.2 | 88.0 |

**BRONX PREPARATORY CHARTER SCHOOL**

**SCHOOL INFORMATION**

**BALANCE SHEET**

Opened 2001-02

**Assets**

**Current Assets**

|                                       | 2011-12           | 2012-13           | 2013-14           | 2014-15           | 2015-16           |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Cash and Cash Equivalents - GRAPH 1   | 1,937,296         | 2,517,559         | 2,635,948         | 1,124,788         | 1,027,735         |
| Grants and Contracts Receivable       | -                 | 185,932           | -                 | 270,261           | 502,704           |
| Accounts Receivable                   | -                 | 29,838            | -                 | -                 | -                 |
| Prepaid Expenses                      | 72,815            | 88,770            | -                 | -                 | 119,313           |
| Contributions and Other Receivables   | 424,980           | 4,000             | 124,519           | 523,838           | 183,634           |
| <b>Total Current Assets - GRAPH 1</b> | <b>2,435,091</b>  | <b>2,826,099</b>  | <b>2,760,467</b>  | <b>1,918,887</b>  | <b>1,833,386</b>  |
| Property, Building and Equipment, net | 16,956,452        | 16,313,370        | 15,633,415        | 14,523,596        | 14,052,907        |
| Other Assets                          | 996,616           | 952,413           | 27,000            | 86,174            | -                 |
| <b>Total Assets - GRAPH 1</b>         | <b>20,388,159</b> | <b>20,091,882</b> | <b>18,420,882</b> | <b>16,528,657</b> | <b>15,886,293</b> |

**Liabilities and Net Assets**

**Current Liabilities**

|  |                |                |                |                |                |
|--|----------------|----------------|----------------|----------------|----------------|
| Accounts Payable and Accrued Expenses              | 368,362        | 212,340        | 391,993        | 452,360        | 397,087        |
| Accrued Payroll and Benefits                       | -              | -              | -              | 223,316        | 354,230        |
| Deferred Revenue                                   | -              | -              | -              | -              | -              |
| Current Maturities of Long-Term Debt               | -              | -              | -              | -              | -              |
| Short Term Debt - Bonds, Notes Payable             | -              | -              | -              | -              | -              |
| Other  | -              | -              | 23,912         | 73,477         | 36,216         |
| <b>Total Current Liabilities - GRAPH 1</b>         | <b>368,362</b> | <b>212,340</b> | <b>415,905</b> | <b>749,153</b> | <b>787,533</b> |
| L-T Debt and Notes Payable, net current maturities | -              | -              | -              | -              | 3,115          |
| <b>Total Liabilities - GRAPH 1</b>                 | <b>368,362</b> | <b>212,340</b> | <b>415,905</b> | <b>749,153</b> | <b>790,648</b> |

**Net Assets**

|   |                   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Unrestricted                            | 19,869,797        | 19,874,542        | 17,994,977        | 2,430,384         | 2,430,384         |
| Temporarily restricted                  | 150,000           | 5,000             | 10,000            | 13,349,120        | 12,665,261        |
| <b>Total Net Assets</b>                 | <b>20,019,797</b> | <b>19,879,542</b> | <b>18,004,977</b> | <b>15,779,504</b> | <b>15,095,645</b> |
| <b>Total Liabilities and Net Assets</b> | <b>20,388,159</b> | <b>20,091,882</b> | <b>18,420,882</b> | <b>16,528,657</b> | <b>15,886,293</b> |

**ACTIVITIES**

**Operating Revenue**

|                                      |                   |                   |                   |                   |                   |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Resident Student Enrollment          | 10,023,710        | 9,872,150         | 9,468,264         | 10,169,951        | 9,804,985         |
| Students with Disabilities           | -                 | -                 | -                 | 788,515           | 581,753           |
| <b>Grants and Contracts</b>          |                   |                   |                   |                   |                   |
| State and local                      | -                 | -                 | -                 | -                 | 43,243            |
| Federal - Title and IDEA             | 448,184           | 529,504           | 422,907           | 452,264           | 491,015           |
| Federal - Other                      | -                 | 201,847           | 25,589            | -                 | -                 |
| Other                                | -                 | -                 | 36,963            | -                 | -                 |
| Food Service/Child Nutrition Program | 275,172           | 267,723           | 320,154           | 747,769           | -                 |
| <b>Total Operating Revenue</b>       | <b>10,747,066</b> | <b>10,871,224</b> | <b>10,273,876</b> | <b>12,158,499</b> | <b>10,920,996</b> |

**Expenses**

|   |                   |                   |                    |                   |                   |
|---|-------------------|-------------------|--------------------|-------------------|-------------------|
| Regular Education                                 | 8,835,454         | 9,282,093         | 10,994,583         | 10,150,393        | 8,973,194         |
| SPED  | 583,808           | 597,604           | -                  | 731,060           | 1,335,094         |
| Regular Education & SPED (combined)               | -                 | -                 | -                  | -                 | -                 |
| Other   | 1,025,368         | 587,192           | 549,930            | 390,883           | -                 |
| <b>Total Program Services</b>                     | <b>10,444,630</b> | <b>10,466,889</b> | <b>11,544,513</b>  | <b>11,272,336</b> | <b>10,308,288</b> |
| Management and General                            | 697,767           | 690,764           | 599,857            | 1,209,838         | 1,327,875         |
| Fundraising                                       | 246,141           | 235,531           | 176,452            | -                 | -                 |
| <b>Total Expenses - GRAPHS 2, 3 &amp; 4</b>       | <b>11,388,538</b> | <b>11,393,184</b> | <b>12,320,822</b>  | <b>12,482,174</b> | <b>11,636,163</b> |
| <b>Surplus / (Deficit) From School Operations</b> | <b>(641,472)</b>  | <b>(521,960)</b>  | <b>(2,046,946)</b> | <b>(323,675)</b>  | <b>(715,167)</b>  |

**Support and Other Revenue**

|  |                |                |                |                |               |
|--|----------------|----------------|----------------|----------------|---------------|
| Contributions                          | 438,753        | 244,103        | 92,485         | 203,000        | 25,800        |
| Fundraising                            | 24,692         | 26,832         | (176,452)      | 14,955         | -             |
| Miscellaneous Income                   | 137,124        | 110,770        | 79,896         | 132,162        | 5,508         |
| Net assets released from restriction   | -              | -              | -              | -              | -             |
| <b>Total Support and Other Revenue</b> | <b>600,569</b> | <b>381,705</b> | <b>(4,071)</b> | <b>350,117</b> | <b>31,308</b> |

|   |                   |                   |                    |                   |                   |
|---|-------------------|-------------------|--------------------|-------------------|-------------------|
| Total Unrestricted Revenue                      | 11,347,635        | 11,397,929        | 10,264,805         | 12,308,616        | 11,636,163        |
| Total Temporarily Restricted Revenue            | -                 | (145,000)         | 5,000              | 200,000           | (683,859)         |
| <b>Total Revenue - GRAPHS 2 &amp; 3</b>         | <b>11,347,635</b> | <b>11,252,929</b> | <b>10,269,805</b>  | <b>12,508,616</b> | <b>10,952,304</b> |
| <b>Change in Net Assets</b>                     | <b>(40,903)</b>   | <b>(140,255)</b>  | <b>(2,051,017)</b> | <b>26,442</b>     | <b>(683,859)</b>  |
| <b>Net Assets - Beginning of Year - GRAPH 2</b> | <b>20,060,700</b> | <b>20,019,797</b> | <b>19,879,542</b>  | <b>18,004,977</b> | <b>15,779,504</b> |
| Prior Year Adjustment(s)                        | -                 | -                 | -                  | (2,251,915)       | -                 |
| <b>Net Assets - End of Year - GRAPH 2</b>       | <b>20,019,797</b> | <b>19,879,542</b> | <b>17,828,525</b>  | <b>15,779,504</b> | <b>15,095,645</b> |

**BRONX PREPARATORY CHARTER SCHOOL**

**SCHOOL INFORMATION - (Continued)**

**Functional Expense Breakdown**

|  | 2011-12           | 2012-13           | 2013-14           | 2014-15           | 2015-16           |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Personnel Service                                  |                   |                   |                   |                   |                   |
| Administrative Staff Personnel                     | 829,837           | 834,411           | 650,035           | 362,800           | 690,323           |
| Instructional Personnel                            | 5,560,376         | 5,873,362         | 6,168,485         | 5,453,668         | 5,261,645         |
| Non-Instructional Personnel                        | 263,427           | 302,183           | 329,118           | 241,780           | 122,933           |
| Personnel Services (Combined)                      | -                 | -                 | -                 | -                 | -                 |
| <b>Total Salaries and Staff</b>                    | <b>6,653,640</b>  | <b>7,009,956</b>  | <b>7,147,638</b>  | <b>6,058,248</b>  | <b>6,074,901</b>  |
| Fringe Benefits & Payroll Taxes                    | 1,278,650         | 1,278,710         | 1,382,087         | 1,250,661         | 1,179,527         |
| Retirement   | 143,165           | 74,213            | -                 | 87,250            | -                 |
| Management Company Fees                            | -                 | -                 | -                 | 1,714,702         | 1,405,800         |
| Building and Land Rent / Lease                     | -                 | -                 | -                 | 61,231            | 225,811           |
| Staff Development                                  | 162,518           | 161,262           | 292,104           | 53,497            | 84,782            |
| Professional Fees, Consultant & Purchased Services | 175,967           | 228,139           | 210,353           | 109,335           | 259,645           |
| Marketing / Recruitment                            | 162,518           | -                 | -                 | 21,025            | 28,596            |
| Student Supplies, Materials & Services             | 749,129           | 676,702           | 1,163,163         | 543,440           | 872,010           |
| Depreciation                                       | 730,474           | 754,924           | 775,607           | 208,470           | 771,535           |
| Other  | 1,332,477         | 1,209,278         | 1,349,870         | 2,374,315         | 733,556           |
| <b>Total Expenses</b>                              | <b>11,388,538</b> | <b>11,393,184</b> | <b>12,320,822</b> | <b>12,482,173</b> | <b>11,636,163</b> |

**SCHOOL ANALYSIS**

**ENROLLMENT**

|                                | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|--------------------------------|---------|---------|---------|---------|---------|
| Chartered Enroll               | 709     | 706     | 695     | 691     | 693     |
| Revised Enroll                 | -       | -       | -       | 755     | -       |
| Actual Enroll - <b>GRAPH 4</b> | 694     | 671     | 640     | 733     | 696     |
| Chartered Grades               | 5-12    | 5-12    | 5-12    | 5-12    | 6-12    |
| Revised Grades                 | -       | -       | -       | -       | -       |

**Primary School District:**

| <b>Per Pupil Funding</b> (Weighted Avg of All Districts) | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|--|---------|---------|---------|---------|---------|
|  | 13,527  | 13,527  | 13,527  | 13,877  | 13,877  |
| Increase over prior year                                 | 100.0%  | 0.0%    | 0.0%    | 2.5%    | 0.0%    |

**PER STUDENT BREAKDOWN**

**Revenue**

|                           |               |               |               |               |               |
|---------------------------|---------------|---------------|---------------|---------------|---------------|
| Operating                 | 15,486        | 16,202        | 16,043        | 16,587        | 15,691        |
| Other Revenue and Support | 865           | 569           | (6)           | 478           | 45            |
| <b>TOTAL - GRAPH 3</b>    | <b>16,351</b> | <b>16,770</b> | <b>16,037</b> | <b>17,065</b> | <b>15,736</b> |

**Expenses**

|  |               |               |               |               |               |
|--|---------------|---------------|---------------|---------------|---------------|
| Program Services                                 | 15,050        | 15,599        | 18,027        | 15,378        | 14,811        |
| Management and General, Fundraising              | 1,360         | 1,380         | 1,212         | 1,651         | 1,908         |
| <b>TOTAL - GRAPH 3</b>                           | <b>16,410</b> | <b>16,979</b> | <b>19,239</b> | <b>17,029</b> | <b>16,719</b> |
| % of Program Services                            | 91.7%         | 91.9%         | 93.7%         | 90.3%         | 88.6%         |
| % of Management and Other                        | 8.3%          | 8.1%          | 6.3%          | 9.7%          | 11.4%         |
| <b>% of Revenue Exceeding Expenses - GRAPH 5</b> | <b>-0.4%</b>  | <b>-1.2%</b>  | <b>-16.6%</b> | <b>0.2%</b>   | <b>-5.9%</b>  |

**Student to Faculty Ratio**

|  |     |     |     |     |     |
|--|-----|-----|-----|-----|-----|
|  | 9.2 | 7.5 | 7.9 | 7.0 | 9.7 |
|--|-----|-----|-----|-----|-----|

**Faculty to Admin Ratio**

|  |     |     |     |     |     |
|--|-----|-----|-----|-----|-----|
|  | 3.0 | 5.6 | 5.8 | 6.2 | 8.0 |
|--|-----|-----|-----|-----|-----|

**Financial Responsibility Composite Scores - GRAPH 6**

| Score   | 2011-12         | 2012-13         | 2013-14         | 2014-15         | 2015-16         |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Fiscally Strong 1.5 - 3.0 / Fiscally Adequate 1.0 - 1.4 / Fiscally Needs Monitoring < 1.0 | 2.5             | 2.5             | 1.8             | 1.8             | 1.5             |
|   | Fiscally Strong | Fiscally Strong | Fiscally Strong | Fiscally Strong | Fiscally Strong |

**Working Capital - GRAPH 7**

|  |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|
| Net Working Capital                                    | 2,066,729 | 2,613,759 | 2,344,562 | 1,169,734 | 1,045,853 |
| As % of Unrestricted Revenue                           | 18.2%     | 22.9%     | 22.8%     | 9.5%      | 9.0%      |
| Working Capital (Current) Ratio Score                  | 6.6       | 13.3      | 6.6       | 2.6       | 2.3       |
| Risk (Low ≥ 3.0 / Medium 1.4 - 2.9 / High < 1.4)       | LOW       | LOW       | LOW       | MEDIUM    | MEDIUM    |
| Rating (Excellent ≥ 3.0 / Good 1.4 - 2.9 / Poor < 1.4) | Excellent | Excellent | Excellent | Good      | Good      |

**Quick (Acid Test) Ratio**

|  |           |           |           |           |        |
|--|-----------|-----------|-----------|-----------|--------|
| Score  | 6.4       | 12.9      | 6.6       | 2.6       | 2.2    |
| Risk (Low ≥ 2.5 / Medium 1.0 - 2.4 / High < 1.0)       | LOW       | LOW       | LOW       | LOW       | MEDIUM |
| Rating (Excellent ≥ 2.5 / Good 1.0 - 2.4 / Poor < 1.0) | Excellent | Excellent | Excellent | Excellent | Good   |

**Debt to Asset Ratio - GRAPH 7**

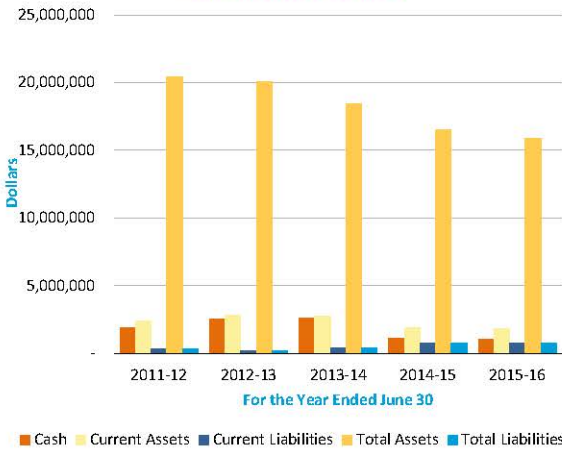
|  |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|
| Score  | 0.0       | 0.0       | 0.0       | 0.0       | 0.0       |
| Risk (Low < 0.50 / Medium 0.51 - .95 / High > 1.0)       | LOW       | LOW       | LOW       | LOW       | LOW       |
| Rating (Excellent < 0.50 / Good 0.51 - .95 / Poor > 1.0) | Excellent | Excellent | Excellent | Excellent | Excellent |

**Months of Cash - GRAPH 8**

|  |        |        |        |        |        |
|--|--------|--------|--------|--------|--------|
| Score  | 2.0    | 2.7    | 2.6    | 1.1    | 1.1    |
| Risk (Low > 3 mo. / Medium 1 - 3 mo. / High < 1 mo.)       | MEDIUM | MEDIUM | MEDIUM | MEDIUM | MEDIUM |
| Rating (Excellent > 3 mo. / Good 1 - 3 mo. / Poor < 1 mo.) | Good   | Good   | Good   | Good   | Good   |

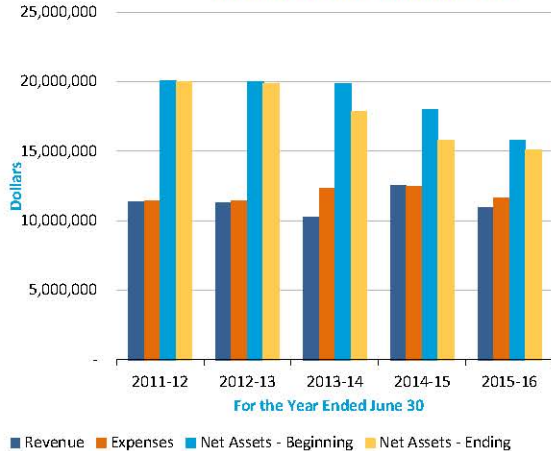
**BRONX PREPARATORY CHARTER SCHOOL**

**GRAPH 1 Cash, Assets and Liabilities**



This chart illustrates the relationship between assets and liabilities and to what extent cash reserves makes up current assets. Ideally for each subset, subsets 2 thru 4, (i.e. current assets vs. current liabilities), the column on the left is taller than the immediate column on the right; and, generally speaking, the bigger that gap, the better.

**GRAPH 2 Revenue, Expenses and Net Assets**



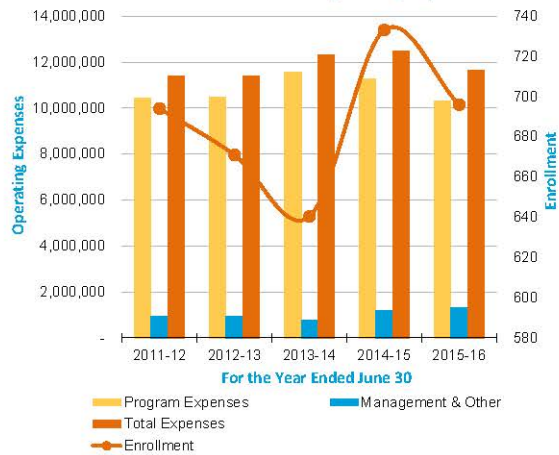
This chart illustrates total revenue and expenses each year and the relationship those subsets have on the increase/decrease of net assets on a year-to-year basis. Ideally subset 1, revenue, will be taller than subset 2, expenses, and as a result subset 3, net assets - beginning, will increase each year building a more fiscally viable school.

**GRAPH 3 Revenue & Expenses Per Pupil**



This chart illustrates the breakdown of revenue and expenses on a per pupil basis. Caution should be exercised in making school-by-school comparisons since schools serving different missions or student populations are likely to have substantially different educational cost bases. Comparisons with similar schools with similar dynamics are most valid.

**GRAPH 4 Enrollment vs. Operating Expenses**

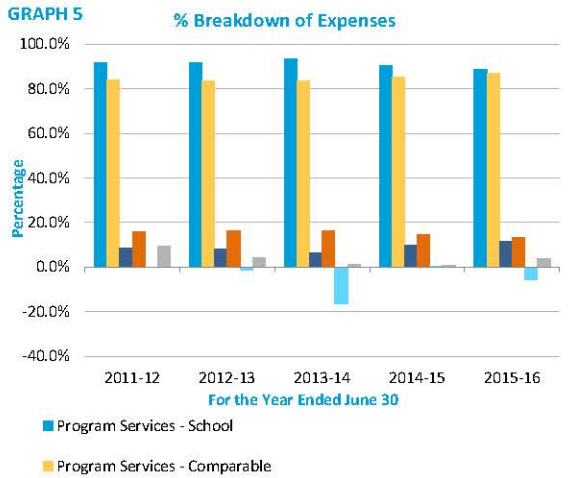


This chart illustrates to what extent the school's operating expenses have followed its student enrollment pattern. A baseline assumption that this data tests is that operating expenses increase with each additional student served. This chart also compares and contrasts growth trends of both, giving insight into what a reasonable expectation might be in terms of economies of scale.

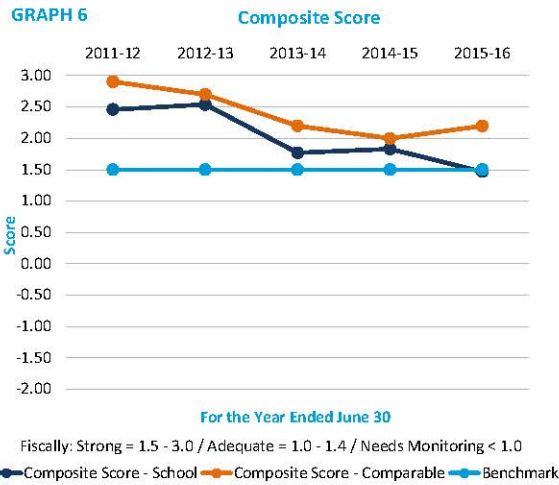
**BRONX PREPARATORY CHARTER SCHOOL**

**Comparable School, Region or Network: All SUNY Authorized Charter Schools (Including Closed Schools)**

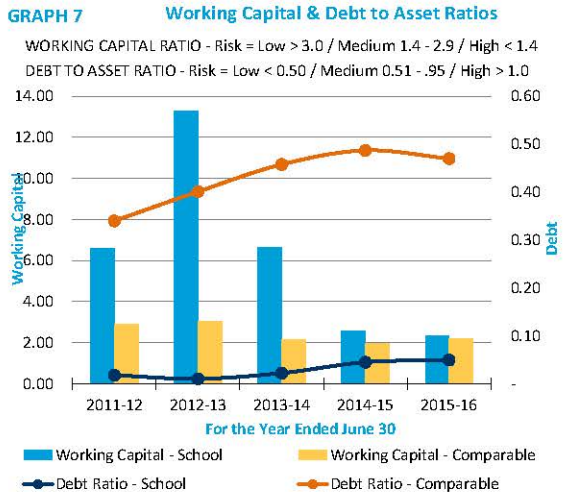
\* Average = Average - 5 Yrs. OR Charter Term



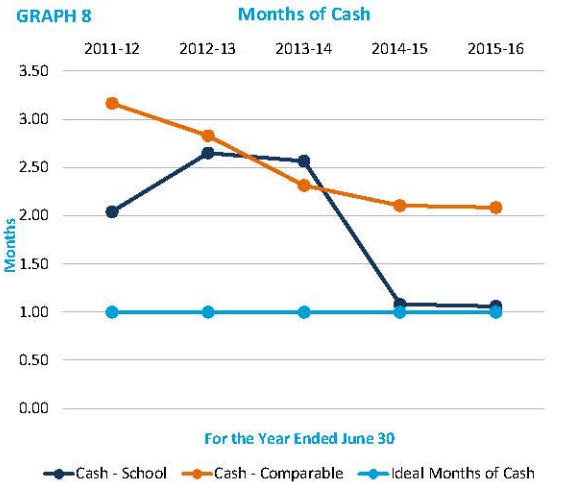
This chart illustrates the percentage expense breakdown between program services and management & others as well as the percentage of revenues exceeding expenses. Ideally the percentage expense for program services will far exceed that of the management & other expense. The percentage of revenues exceeding expenses should not be negative. Similar caution, as mentioned on GRAPH 3, should be used in comparing schools.



This chart illustrates a school's composite score based on the methodology developed by the United States Department of Education (USDOE) to determine whether private not-for-profit colleges and universities are financially strong enough to participate in federal loan programs. These scores can be valid for observing the fiscal trends of a particular school and used as a tool to compare the results of different schools.



This chart illustrates Working Capital and Debt to Asset Ratios. The Working Capital ratio indicates if a school has enough short-term assets to cover its immediate liabilities/short term debt. The Debt to Asset ratio indicates what proportion of debt a school has relative to its assets. The measure gives an idea to the leverage of the school along with the potential risks the school faces in terms of its debt-load.



This chart illustrates how many months of cash the school has in reserves. This metric is to measure solvency – the school's ability to pay debts and claims as they come due. This gives some idea of how long a school could continue its ongoing operating costs without tapping into some other, non-cash form of financing in the event that revenues were to cease flowing to the school.

**HARLEM PREP CHARTER SCHOOL**

**SCHOOL INFORMATION**

**BALANCE SHEET**

Opened 2001-02 & Restructured 2011-12

**Assets**

**Current Assets**

Cash and Cash Equivalents - **GRAPH 1**  
 Grants and Contracts Receivable  
 Accounts Receivable  
 Prepaid Expenses  
 Contributions and Other Receivables

**Total Current Assets - GRAPH 1**

Property, Building and Equipment, net

Other Assets

**Total Assets - GRAPH 1**

**Liabilities and Net Assets**

**Current Liabilities**

Accounts Payable and Accrued Expenses  
 Accrued Payroll and Benefits  
 Deferred Revenue  
 Current Maturities of Long-Term Debt  
 Short Term Debt - Bonds, Notes Payable  
 Other

**Total Current Liabilities - GRAPH 1**

L-T Debt and Notes Payable, net current maturities

**Total Liabilities - GRAPH 1**

**Net Assets**

Unrestricted  
 Temporarily restricted

**Total Net Assets**

**Total Liabilities and Net Assets**

**ACTIVITIES**

**Operating Revenue**

Resident Student Enrollment  
 Students with Disabilities

**Grants and Contracts**

State and local  
 Federal - Title and IDEA  
 Federal - Other  
 Other

Food Service/Child Nutrition Program

**Total Operating Revenue**

**Expenses**

Regular Education  
 SPED  
 Regular Education & SPED (combined)  
 Other

**Total Program Services**

Management and General  
 Fundraising

**Total Expenses - GRAPHS 2, 3 & 4**

**Surplus / (Deficit) From School Operations**

**Support and Other Revenue**

Contributions  
 Fundraising  
 Miscellaneous Income  
 Net assets released from restriction

**Total Support and Other Revenue**

Total Unrestricted Revenue

Total Temporarily Restricted Revenue

**Total Revenue - GRAPHS 2 & 3**

**Change in Net Assets**

**Net Assets - Beginning of Year - GRAPH 2**

Prior Year Adjustment(s)

**Net Assets - End of Year - GRAPH 2**

|  | 2011-12          | 2012-13          | 2013-14          | 2014-15           | 2015-16           |
|--|------------------|------------------|------------------|-------------------|-------------------|
| <b>Assets</b>                                      |                  |                  |                  |                   |                   |
| <b>Current Assets</b>                              |                  |                  |                  |                   |                   |
| Cash and Cash Equivalents - <b>GRAPH 1</b>         | 1,717,691        | 2,696,431        | 4,017,735        | 5,632,800         | 4,765,631         |
| Grants and Contracts Receivable                    | 244,922          | 163,522          | 732,340          | 782,279           | 674,683           |
| Accounts Receivable                                | -                | -                | -                | -                 | -                 |
| Prepaid Expenses                                   | 40,975           | 1,869            | 82,507           | 2,891             | 54,201            |
| Contributions and Other Receivables                | 48,150           | 144,060          | -                | -                 | -                 |
| <b>Total Current Assets - GRAPH 1</b>              | <b>2,051,738</b> | <b>3,005,882</b> | <b>4,832,582</b> | <b>6,417,970</b>  | <b>5,494,515</b>  |
| Property, Building and Equipment, net              | 2,860,771        | 2,531,501        | 2,245,600        | 1,901,119         | 1,866,128         |
| Other Assets                                       | 70,042           | 75,220           | 75,371           | 75,472            | 75,548            |
| <b>Total Assets - GRAPH 1</b>                      | <b>4,982,551</b> | <b>5,612,603</b> | <b>7,153,553</b> | <b>8,394,561</b>  | <b>7,436,191</b>  |
| <b>Liabilities and Net Assets</b>                  |                  |                  |                  |                   |                   |
| <b>Current Liabilities</b>                         |                  |                  |                  |                   |                   |
| Accounts Payable and Accrued Expenses              | 249,638          | 272,013          | 517,817          | 333,342           | 475,787           |
| Accrued Payroll and Benefits                       | 149,867          | 272,041          | 335,005          | 328,196           | 369,952           |
| Deferred Revenue                                   | -                | -                | 45,992           | -                 | -                 |
| Current Maturities of Long-Term Debt               | -                | -                | -                | 27,990            | -                 |
| Short Term Debt - Bonds, Notes Payable             | -                | -                | -                | -                 | 32,750            |
| Other  | -                | -                | 687,059          | 1,323,939         | 164,999           |
| <b>Total Current Liabilities - GRAPH 1</b>         | <b>399,505</b>   | <b>544,054</b>   | <b>1,585,873</b> | <b>2,013,467</b>  | <b>1,043,488</b>  |
| L-T Debt and Notes Payable, net current maturities | 303,236          | 289,572          | 275,909          | 294,989           | 241,608           |
| <b>Total Liabilities - GRAPH 1</b>                 | <b>702,741</b>   | <b>833,626</b>   | <b>1,861,782</b> | <b>2,308,456</b>  | <b>1,285,096</b>  |
| <b>Net Assets</b>                                  |                  |                  |                  |                   |                   |
| Unrestricted                                       | 4,279,810        | 4,778,977        | 5,291,771        | 5,765,562         | 6,151,095         |
| Temporarily restricted                             | -                | -                | -                | 320,543           | -                 |
| <b>Total Net Assets</b>                            | <b>4,279,810</b> | <b>4,778,977</b> | <b>5,291,771</b> | <b>6,086,105</b>  | <b>6,151,095</b>  |
| <b>Total Liabilities and Net Assets</b>            | <b>4,982,551</b> | <b>5,612,603</b> | <b>7,153,553</b> | <b>8,394,561</b>  | <b>7,436,191</b>  |
| <b>ACTIVITIES</b>                                  |                  |                  |                  |                   |                   |
| <b>Operating Revenue</b>                           |                  |                  |                  |                   |                   |
| Resident Student Enrollment                        | 4,106,456        | 6,320,153        | 8,306,593        | 9,209,580         | 10,217,413        |
| Students with Disabilities                         | -                | 779,311          | 707,133          | 866,315           | -                 |
| <b>Grants and Contracts</b>                        |                  |                  |                  |                   |                   |
| State and local                                    | 25,829           | 38,045           | 41,112           | 64,160            | 42,445            |
| Federal - Title and IDEA                           | 335,500          | 244,903          | 663,401          | 864,664           | 543,341           |
| Federal - Other                                    | 55,763           | 286,996          | 71,565           | 158,371           | -                 |
| Other  | 215,561          | -                | -                | -                 | -                 |
| Food Service/Child Nutrition Program               | -                | -                | 10,469           | 7,923             | -                 |
| <b>Total Operating Revenue</b>                     | <b>4,739,109</b> | <b>7,669,408</b> | <b>9,800,273</b> | <b>11,171,013</b> | <b>10,803,199</b> |
| <b>Expenses</b>                                    |                  |                  |                  |                   |                   |
| Regular Education                                  | 3,416,614        | 5,443,149        | 6,949,355        | 7,794,790         | 8,122,348         |
| SPED   | 352,867          | 1,203,939        | 1,002,090        | 1,224,687         | 1,069,046         |
| Regular Education & SPED (combined)                | -                | -                | -                | -                 | -                 |
| Other  | 10,305           | -                | 5,327            | 5,829             | 4,075             |
| <b>Total Program Services</b>                      | <b>3,779,786</b> | <b>6,647,088</b> | <b>7,956,772</b> | <b>9,025,306</b>  | <b>9,195,469</b>  |
| Management and General                             | 887,676          | 861,131          | 1,467,346        | 1,726,868         | 1,584,633         |
| Fundraising  | 20,698           | 82,699           | -                | -                 | -                 |
| <b>Total Expenses - GRAPHS 2, 3 &amp; 4</b>        | <b>4,688,160</b> | <b>7,590,918</b> | <b>9,424,118</b> | <b>10,752,174</b> | <b>10,780,102</b> |
| <b>Surplus / (Deficit) From School Operations</b>  | <b>50,949</b>    | <b>78,490</b>    | <b>376,155</b>   | <b>418,839</b>    | <b>23,097</b>     |
| <b>Support and Other Revenue</b>                   |                  |                  |                  |                   |                   |
| Contributions                                      | -                | 334,733          | 131,359          | 33,584            | 41,798            |
| Fundraising  | 108,151          | 85,748           | 5,100            | -                 | -                 |
| Miscellaneous Income                               | 2,460            | 196              | 180              | 21,369            | 95                |
| Net assets released from restriction               | -                | -                | -                | -                 | -                 |
| <b>Total Support and Other Revenue</b>             | <b>110,611</b>   | <b>420,677</b>   | <b>136,639</b>   | <b>54,953</b>     | <b>41,893</b>     |
| Total Unrestricted Revenue                         | 4,849,720        | 8,090,085        | 9,936,912        | 11,225,966        | 10,845,092        |
| Total Temporarily Restricted Revenue               | -                | -                | -                | -                 | -                 |
| <b>Total Revenue - GRAPHS 2 &amp; 3</b>            | <b>4,849,720</b> | <b>8,090,085</b> | <b>9,936,912</b> | <b>11,225,966</b> | <b>10,845,092</b> |
| <b>Change in Net Assets</b>                        | <b>161,560</b>   | <b>499,167</b>   | <b>512,794</b>   | <b>473,792</b>    | <b>64,990</b>     |
| <b>Net Assets - Beginning of Year - GRAPH 2</b>    | <b>4,118,250</b> | <b>4,279,810</b> | <b>4,778,977</b> | <b>5,612,313</b>  | <b>6,086,105</b>  |
| Prior Year Adjustment(s)                           | -                | -                | -                | -                 | -                 |
| <b>Net Assets - End of Year - GRAPH 2</b>          | <b>4,279,810</b> | <b>4,778,977</b> | <b>5,291,771</b> | <b>6,086,105</b>  | <b>6,151,095</b>  |

**HARLEM PREP CHARTER SCHOOL**

**SCHOOL INFORMATION - (Continued)**

**Functional Expense Breakdown**

|  | 2011-12          | 2012-13          | 2013-14          | 2014-15           | 2015-16           |
|--|------------------|------------------|------------------|-------------------|-------------------|
| Personnel Service                                  |                  |                  |                  |                   |                   |
| Administrative Staff Personnel                     | 211,868          | 205,554          | 305,777          | 440,597           | 429,108           |
| Instructional Personnel                            | 1,799,759        | 3,286,731        | 4,159,722        | 4,584,905         | 4,992,510         |
| Non-Instructional Personnel                        | 179,860          | 230,586          | 133,119          | 164,671           | 282,710           |
| Personnel Services (Combined)                      | -                | -                | -                | -                 | -                 |
| <b>Total Salaries and Staff</b>                    | <b>2,191,487</b> | <b>3,722,871</b> | <b>4,598,618</b> | <b>5,190,173</b>  | <b>5,704,328</b>  |
| Fringe Benefits & Payroll Taxes                    | 367,928          | 628,502          | 771,777          | 884,425           | 969,203           |
| Retirement   | 66,923           | 59,420           | 86,289           | 114,260           | 179,953           |
| Management Company Fees                            | 432,496          | 1,109,458        | 1,343,708        | 1,483,706         | 1,429,493         |
| Building and Land Rent / Lease                     | 392,741          | 383,195          | 385,198          | 393,026           | 394,221           |
| Staff Development                                  | 84,000           | 150,475          | 183,861          | 193,565           | 137,992           |
| Professional Fees, Consultant & Purchased Services | 84,863           | 149,178          | 190,080          | 245,570           | 241,925           |
| Marketing / Recruitment                            | 14,347           | 22,308           | 40,203           | 35,705            | 32,558            |
| Student Supplies, Materials & Services             | 298,614          | 395,964          | 553,457          | 865,496           | 738,270           |
| Depreciation                                       | 354,834          | 405,363          | 436,582          | 465,365           | 364,587           |
| Other  | 399,927          | 564,184          | 834,345          | 880,883           | 587,572           |
| <b>Total Expenses</b>                              | <b>4,688,160</b> | <b>7,590,918</b> | <b>9,424,118</b> | <b>10,752,174</b> | <b>10,780,102</b> |

**SCHOOL ANALYSIS**

**ENROLLMENT**

|                         | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|-------------------------|---------|---------|---------|---------|---------|
| Chartered Enroll        | 270     | 297     | 324     | 324     | 324     |
| Revised Enroll          | -       | 432     | 594     | 729     | 756     |
| Actual Enroll - GRAPH 4 | 265     | 449     | 614     | 674     | 683     |
| Chartered Grades        | K-5     | K-5     | K-5     | K-5     | K-5     |
| Revised Grades          | -       | K-6     | K-7     | K-8     | K-8     |

**Primary School District:**

| Per Pupil Funding (Weighted Avg of All Districts) | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|---|---------|---------|---------|---------|---------|
|   | 13,527  | 13,527  | 13,527  | 13,877  | 13,877  |
| Increase over prior year                          | 100.0%  | 0.0%    | 0.0%    | 2.5%    | 0.0%    |

**PER STUDENT BREAKDOWN**

**Revenue**

|                           |               |               |               |               |               |
|---------------------------|---------------|---------------|---------------|---------------|---------------|
| Operating                 | 17,883        | 17,081        | 15,961        | 16,574        | 15,811        |
| Other Revenue and Support | 417           | 937           | 223           | 82            | 61            |
| <b>TOTAL - GRAPH 3</b>    | <b>18,301</b> | <b>18,018</b> | <b>16,184</b> | <b>16,656</b> | <b>15,873</b> |

**Expenses**

|  |               |               |               |               |               |
|--|---------------|---------------|---------------|---------------|---------------|
| Program Services                                 | 14,263        | 14,804        | 12,959        | 13,391        | 13,458        |
| Management and General, Fundraising              | 3,428         | 2,102         | 2,390         | 2,562         | 2,319         |
| <b>TOTAL - GRAPH 3</b>                           | <b>17,691</b> | <b>16,906</b> | <b>15,349</b> | <b>15,953</b> | <b>15,778</b> |
| % of Program Services                            | 80.6%         | 87.6%         | 84.4%         | 83.9%         | 85.3%         |
| % of Management and Other                        | 19.4%         | 12.4%         | 15.6%         | 16.1%         | 14.7%         |
| <b>% of Revenue Exceeding Expenses - GRAPH 5</b> | <b>3.4%</b>   | <b>6.6%</b>   | <b>5.4%</b>   | <b>4.4%</b>   | <b>0.6%</b>   |

**Student to Faculty Ratio**

|         |         |         |         |         |
|---------|---------|---------|---------|---------|
| 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
| 9.5     | 10.2    | 10.6    | 9.2     | 9.0     |

**Faculty to Admin Ratio**

|         |         |         |         |         |
|---------|---------|---------|---------|---------|
| 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
| 4.7     | 4.4     | 4.1     | 9.1     | 10.9    |

**Financial Responsibility Composite Scores - GRAPH 6**

| Score   | 2011-12         | 2012-13         | 2013-14         | 2014-15         | 2015-16         |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| 2.9   | 3.0             | 3.0             | 3.0             | 3.0             | 2.7             |
| Fiscally Strong 1.5 - 3.0 / Fiscally Adequate 1.0 - 1.4 / Fiscally Needs Monitoring < 1.0 | Fiscally Strong | Fiscally Strong | Fiscally Strong | Fiscally Strong | Fiscally Strong |

**Working Capital - GRAPH 7**

|  |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|
| Net Working Capital                                    | 1,652,233 | 2,461,828 | 3,246,709 | 4,404,503 | 4,451,027 |
| As % of Unrestricted Revenue                           | 34.1%     | 30.4%     | 32.7%     | 39.2%     | 41.0%     |
| Working Capital (Current) Ratio Score                  | 5.1       | 5.5       | 3.0       | 3.2       | 5.3       |
| Risk (Low ≥ 3.0 / Medium 1.4 - 2.9 / High < 1.4)       | LOW       | LOW       | LOW       | LOW       | LOW       |
| Rating (Excellent ≥ 3.0 / Good 1.4 - 2.9 / Poor < 1.4) | Excellent | Excellent | Excellent | Excellent | Excellent |

**Quick (Acid Test) Ratio**

|  |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|
| Score  | 5.0       | 5.5       | 3.0       | 3.2       | 5.2       |
| Risk (Low ≥ 2.5 / Medium 1.0 - 2.4 / High < 1.0)       | LOW       | LOW       | LOW       | LOW       | LOW       |
| Rating (Excellent ≥ 2.5 / Good 1.0 - 2.4 / Poor < 1.0) | Excellent | Excellent | Excellent | Excellent | Excellent |

**Debt to Asset Ratio - GRAPH 7**

|  |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|
| Score  | 0.1       | 0.1       | 0.3       | 0.3       | 0.2       |
| Risk (Low < 0.50 / Medium 0.51 - .95 / High > 1.0)       | LOW       | LOW       | LOW       | LOW       | LOW       |
| Rating (Excellent < 0.50 / Good 0.51 - .95 / Poor > 1.0) | Excellent | Excellent | Excellent | Excellent | Excellent |

**Months of Cash - GRAPH 8**

|  |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|
| Score  | 4.4       | 4.3       | 5.1       | 6.3       | 5.3       |
| Risk (Low > 3 mo. / Medium 1 - 3 mo. / High < 1 mo.)       | LOW       | LOW       | LOW       | LOW       | LOW       |
| Rating (Excellent > 3 mo. / Good 1 - 3 mo. / Poor < 1 mo.) | Excellent | Excellent | Excellent | Excellent | Excellent |

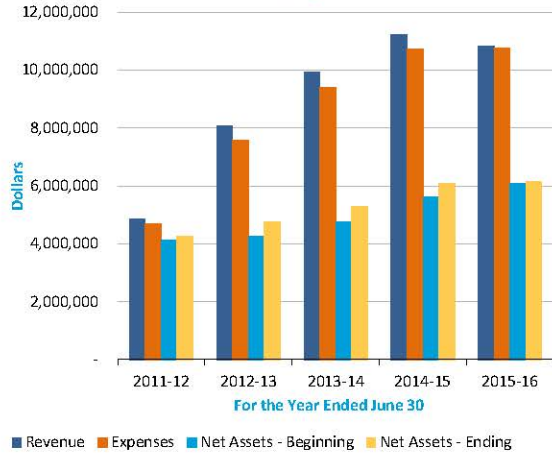
**HARLEM PREP CHARTER SCHOOL**

**GRAPH 1 Cash, Assets and Liabilities**



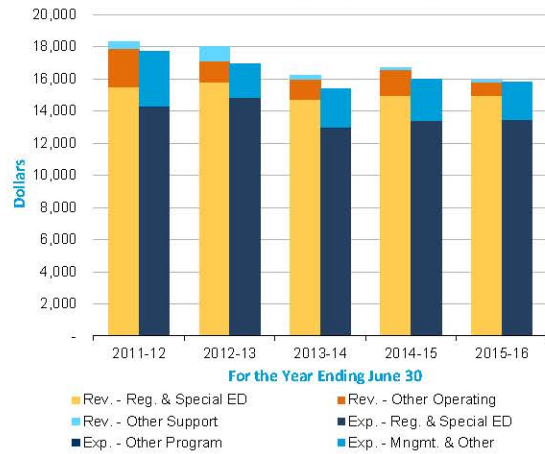
This chart illustrates the relationship between assets and liabilities and to what extent cash reserves makes up current assets. Ideally for each subset, subsets 2 thru 4, (i.e. current assets vs. current liabilities), the column on the left is taller than the immediate column on the right; and, generally speaking, the bigger that gap, the better.

**GRAPH 2 Revenue, Expenses and Net Assets**



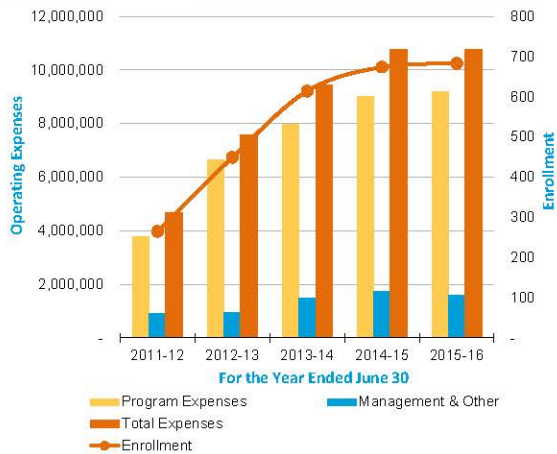
This chart illustrates total revenue and expenses each year and the relationship those subsets have on the increase/decrease of net assets on a year-to-year basis. Ideally subset 1, revenue, will be taller than subset 2, expenses, and as a result subset 3, net assets - beginning, will increase each year building a more fiscally viable school.

**GRAPH 3 Revenue & Expenses Per Pupil**



This chart illustrates the breakdown of revenue and expenses on a per pupil basis. Caution should be exercised in making school-by-school comparisons since schools serving different missions or student populations are likely to have substantially different educational cost bases. Comparisons with similar schools with similar dynamics are most valid.

**GRAPH 4 Enrollment vs. Operating Expenses**

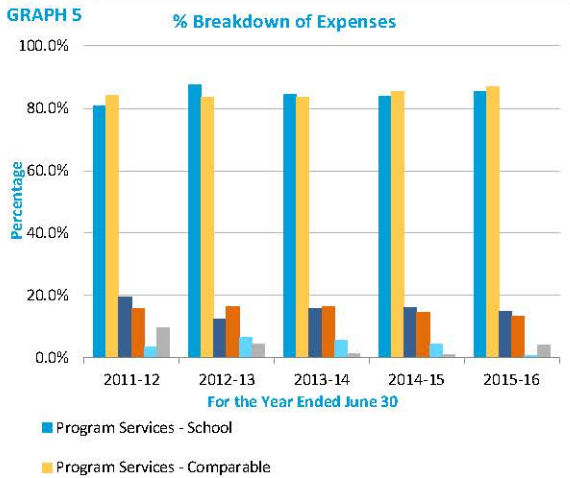


This chart illustrates to what extent the school's operating expenses have followed its student enrollment pattern. A baseline assumption that this data tests is that operating expenses increase with each additional student served. This chart also compares and contrasts growth trends of both, giving insight into what a reasonable expectation might be in terms of economies of scale.

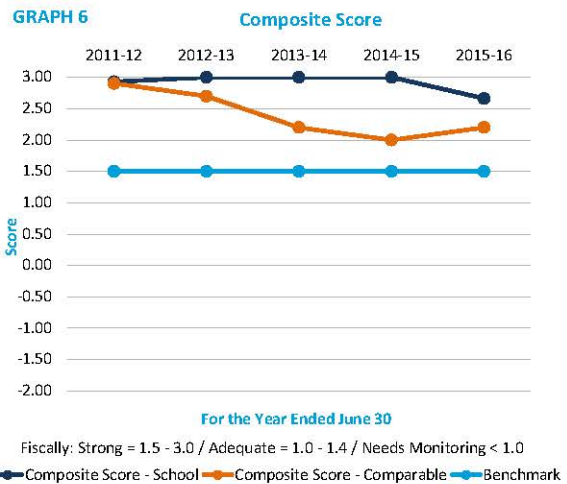
**HARLEM PREP CHARTER SCHOOL**

**Comparable School, Region or Network: All SUNY Authorized Charter Schools (Including Closed Schools)**

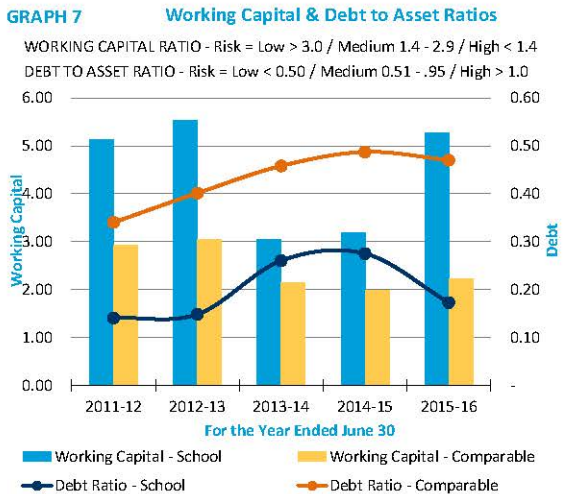
\* Average = Average - 5 Yrs. OR Charter Term



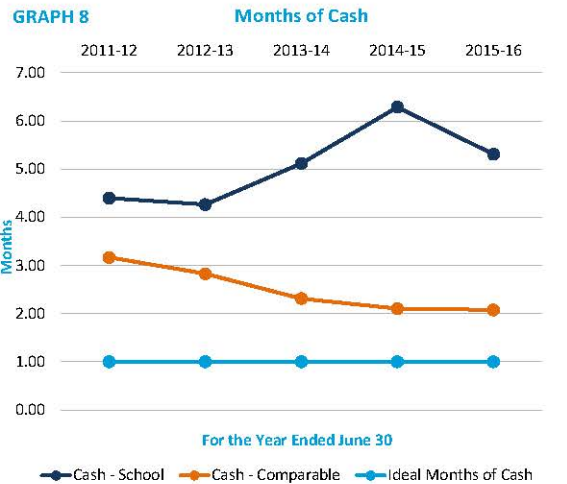
This chart illustrates the percentage expense breakdown between program services and management & others as well as the percentage of revenues exceeding expenses. Ideally the percentage expense for program services will far exceed that of the management & other expense. The percentage of revenues exceeding expenses should not be negative. Similar caution, as mentioned on GRAPH 3, should be used in comparing schools.



This chart illustrates a school's composite score based on the methodology developed by the United States Department of Education (USD OE) to determine whether private not-for-profit colleges and universities are financially strong enough to participate in federal loan programs. These scores can be valid for observing the fiscal trends of a particular school and used as a tool to compare the results of different schools.



This chart illustrates Working Capital and Debt to Asset Ratios. The Working Capital ratio indicates if a school has enough short-term assets to cover its immediate liabilities/short term debt. The Debt to Asset ratio indicates what proportion of debt a school has relative to its assets. The measure gives an idea to the leverage of the school along with the potential risks the school faces in terms of its debt-load.



This chart illustrates how many months of cash the school has in reserves. This metric is to measure solvency – the school's ability to pay debts and claims as they come due. This gives some idea of how long a school could continue its ongoing operating costs without tapping into some other, non-cash form of financing in the event that revenues were to cease flowing to the school.

DEMOCRACY PREPARATORY CHARTER SCHOOL

SCHOOL INFORMATION

BALANCE SHEET

Assets

Current Assets

Cash and Cash Equivalents - GRAPH 1  
 Grants and Contracts Receivable  
 Accounts Receivable  
 Prepaid Expenses  
 Contributions and Other Receivables

Total Current Assets - GRAPH 1

Property, Building and Equipment, net

Other Assets

Total Assets - GRAPH 1

Liabilities and Net Assets

Current Liabilities

Accounts Payable and Accrued Expenses  
 Accrued Payroll and Benefits  
 Deferred Revenue  
 Current Maturities of Long-Term Debt  
 Short Term Debt - Bonds, Notes Payable  
 Other

Total Current Liabilities - GRAPH 1

L-T Debt and Notes Payable, net current maturities

Total Liabilities - GRAPH 1

Net Assets

Unrestricted  
 Temporarily restricted

Total Net Assets

Total Liabilities and Net Assets

ACTIVITIES

Operating Revenue

Resident Student Enrollment  
 Students with Disabilities

Grants and Contracts

State and local  
 Federal - Title and IDEA  
 Federal - Other  
 Other  
 Food Service/Child Nutrition Program

Total Operating Revenue

Expenses

Regular Education  
 SPED  
 Regular Education & SPED (combined)  
 Other

Total Program Services

Management and General  
 Fundraising

Total Expenses - GRAPHS 2, 3 & 4

Surplus / (Deficit) From School Operations

Support and Other Revenue

Contributions  
 Fundraising  
 Miscellaneous Income  
 Net assets released from restriction

Total Support and Other Revenue

Total Unrestricted Revenue

Total Temporarily Restricted Revenue

Total Revenue - GRAPHS 2 & 3

Change in Net Assets

Net Assets - Beginning of Year - GRAPH 2

Prior Year Adjustment(s)

Net Assets - End of Year - GRAPH 2

|  | 2011-12 | 2012-13 | 2013-14 | 2014-15           | 2015-16           |
|--|---------|---------|---------|-------------------|-------------------|
| Cash and Cash Equivalents - GRAPH 1                | -       | -       | -       | 389,001           | 400,500           |
| Grants and Contracts Receivable                    | -       | -       | -       | 662,986           | 573,275           |
| Accounts Receivable                                | -       | -       | -       | 1,320,238         | 1,320,852         |
| Prepaid Expenses                                   | -       | -       | -       | 22,228            | 69,228            |
| Contributions and Other Receivables                | -       | -       | -       | -                 | -                 |
| <b>Total Current Assets - GRAPH 1</b>              | -       | -       | -       | <b>2,394,453</b>  | <b>2,363,855</b>  |
| Property, Building and Equipment, net              | -       | -       | -       | 786,628           | 1,004,014         |
| Other Assets                                       | -       | -       | -       | 371,346           | 371,889           |
| <b>Total Assets - GRAPH 1</b>                      | -       | -       | -       | <b>3,552,427</b>  | <b>3,739,758</b>  |
| <b>Liabilities and Net Assets</b>                  |         |         |         |                   |                   |
| <b>Current Liabilities</b>                         |         |         |         |                   |                   |
| Accounts Payable and Accrued Expenses              | -       | -       | -       | 447,625           | 651,176           |
| Accrued Payroll and Benefits                       | -       | -       | -       | 381,024           | 392,377           |
| Deferred Revenue                                   | -       | -       | -       | -                 | -                 |
| Current Maturities of Long-Term Debt               | -       | -       | -       | -                 | -                 |
| Short Term Debt - Bonds, Notes Payable             | -       | -       | -       | 29,816            | 31,624            |
| Other  | -       | -       | -       | 50,030            | 81,387            |
| <b>Total Current Liabilities - GRAPH 1</b>         | -       | -       | -       | <b>908,495</b>    | <b>1,156,564</b>  |
| L-T Debt and Notes Payable, net current maturities | -       | -       | -       | 53,766            | 17,566            |
| <b>Total Liabilities - GRAPH 1</b>                 | -       | -       | -       | <b>962,261</b>    | <b>1,174,130</b>  |
| <b>Net Assets</b>                                  |         |         |         |                   |                   |
| Unrestricted                                       | -       | -       | -       | 2,572,004         | 2,537,514         |
| Temporarily restricted                             | -       | -       | -       | 18,162            | 28,114            |
| <b>Total Net Assets</b>                            | -       | -       | -       | <b>2,590,166</b>  | <b>2,565,628</b>  |
| <b>Total Liabilities and Net Assets</b>            | -       | -       | -       | <b>3,552,427</b>  | <b>3,739,758</b>  |
| <b>ACTIVITIES</b>                                  |         |         |         |                   |                   |
| <b>Operating Revenue</b>                           |         |         |         |                   |                   |
| Resident Student Enrollment                        | -       | -       | -       | 10,906,002        | 10,519,112        |
| Students with Disabilities                         | -       | -       | -       | -                 | -                 |
| <b>Grants and Contracts</b>                        |         |         |         |                   |                   |
| State and local                                    | -       | -       | -       | 64,605            | 55,176            |
| Federal - Title and IDEA                           | -       | -       | -       | 1,045,109         | 564,699           |
| Federal - Other                                    | -       | -       | -       | -                 | -                 |
| Other  | -       | -       | -       | -                 | -                 |
| Food Service/Child Nutrition Program               | -       | -       | -       | -                 | -                 |
| <b>Total Operating Revenue</b>                     | -       | -       | -       | <b>12,015,716</b> | <b>11,138,987</b> |
| <b>Expenses</b>                                    |         |         |         |                   |                   |
| Regular Education                                  | -       | -       | -       | 9,419,412         | 8,262,731         |
| SPED   | -       | -       | -       | 1,901,732         | 1,647,379         |
| Regular Education & SPED (combined)                | -       | -       | -       | -                 | -                 |
| Other  | -       | -       | -       | -                 | -                 |
| <b>Total Program Services</b>                      | -       | -       | -       | <b>11,321,144</b> | <b>9,910,110</b>  |
| Management and General                             | -       | -       | -       | 1,133,380         | 1,852,341         |
| Fundraising  | -       | -       | -       | -                 | -                 |
| <b>Total Expenses - GRAPHS 2, 3 &amp; 4</b>        | -       | -       | -       | <b>12,454,524</b> | <b>11,762,451</b> |
| <b>Surplus / (Deficit) From School Operations</b>  | -       | -       | -       | <b>(438,808)</b>  | <b>(623,464)</b>  |
| <b>Support and Other Revenue</b>                   |         |         |         |                   |                   |
| Contributions                                      | -       | -       | -       | 186,560           | 92,690            |
| Fundraising  | -       | -       | -       | -                 | -                 |
| Miscellaneous Income                               | -       | -       | -       | 680,630           | 530,774           |
| Net assets released from restriction               | -       | -       | -       | -                 | (24,538)          |
| <b>Total Support and Other Revenue</b>             | -       | -       | -       | <b>867,190</b>    | <b>598,926</b>    |
| Total Unrestricted Revenue                         | -       | -       | -       | 12,882,906        | 11,737,913        |
| Total Temporarily Restricted Revenue               | -       | -       | -       | -                 | -                 |
| <b>Total Revenue - GRAPHS 2 &amp; 3</b>            | -       | -       | -       | <b>12,882,906</b> | <b>11,737,913</b> |
| <b>Change in Net Assets</b>                        | -       | -       | -       | <b>428,382</b>    | <b>(24,538)</b>   |
| <b>Net Assets - Beginning of Year - GRAPH 2</b>    | -       | -       | -       | <b>1,821,915</b>  | <b>2,590,166</b>  |
| Prior Year Adjustment(s)                           | -       | -       | -       | 339,869           | -                 |
| <b>Net Assets - End of Year - GRAPH 2</b>          | -       | -       | -       | <b>2,590,166</b>  | <b>2,565,628</b>  |

DEMOCRACY PREPARATORY CHARTER SCHOOL

SCHOOL INFORMATION - (Continued)

Functional Expense Breakdown

|  | 2011-12 | 2012-13 | 2013-14 | 2014-15    | 2015-16    |
|--|---------|---------|---------|------------|------------|
| Personnel Service                                  | -       | -       | -       | -          | -          |
| Administrative Staff Personnel                     | -       | -       | -       | -          | -          |
| Instructional Personnel                            | -       | -       | -       | -          | -          |
| Non-Instructional Personnel                        | -       | -       | -       | -          | -          |
| Personnel Services (Combined)                      | -       | -       | -       | 6,262,305  | 6,327,894  |
| <b>Total Salaries and Staff</b>                    | -       | -       | -       | 6,262,305  | 6,327,894  |
| Fringe Benefits & Payroll Taxes                    | -       | -       | -       | 1,226,326  | 1,261,409  |
| Retirement   | -       | -       | -       | -          | -          |
| Management Company Fees                            | -       | -       | -       | 1,377,625  | 1,199,591  |
| Building and Land Rent / Lease                     | -       | -       | -       | 898,610    | 783,643    |
| Staff Development                                  | -       | -       | -       | 133,836    | 109,165    |
| Professional Fees, Consultant & Purchased Services | -       | -       | -       | 202,489    | 104,359    |
| Marketing / Recruitment                            | -       | -       | -       | 35,688     | 15,121     |
| Student Supplies, Materials & Services             | -       | -       | -       | 1,238,794  | 1,135,668  |
| Depreciation                                       | -       | -       | -       | 248,373    | 189,034    |
| Other  | -       | -       | -       | 830,478    | 636,567    |
| <b>Total Expenses</b>                              | -       | -       | -       | 12,454,524 | 11,762,451 |

SCHOOL ANALYSIS

ENROLLMENT

|                         | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|-------------------------|---------|---------|---------|---------|---------|
| Chartered Enroll        | -       | -       | -       | -       | -       |
| Revised Enroll          | -       | -       | -       | -       | -       |
| Actual Enroll - GRAPH 4 | -       | -       | -       | -       | -       |
| Chartered Grades        | -       | -       | -       | -       | -       |
| Revised Grades          | -       | -       | -       | -       | -       |

Primary School District:

| Per Pupil Funding (Weighted Avg of All Districts) | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|---|---------|---------|---------|---------|---------|
| Increase over prior year                          | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    |

PER STUDENT BREAKDOWN

Revenue

|                           |   |   |   |   |   |
|---------------------------|---|---|---|---|---|
| Operating                 | - | - | - | - | - |
| Other Revenue and Support | - | - | - | - | - |
| <b>TOTAL - GRAPH 3</b>    | - | - | - | - | - |

Expenses

|  |      |      |      |      |      |
|--|------|------|------|------|------|
| Program Services                                 | -    | -    | -    | -    | -    |
| Management and General, Fundraising              | -    | -    | -    | -    | -    |
| <b>TOTAL - GRAPH 3</b>                           | -    | -    | -    | -    | -    |
| % of Program Services                            | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| % of Management and Other                        | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| <b>% of Revenue Exceeding Expenses - GRAPH 5</b> | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

Student to Faculty Ratio

|  |   |   |   |   |   |
|--|---|---|---|---|---|
|  | - | - | - | - | - |
|--|---|---|---|---|---|

Faculty to Admin Ratio

|  |   |   |   |   |   |
|--|---|---|---|---|---|
|  | - | - | - | - | - |
|--|---|---|---|---|---|

Financial Responsibility Composite Scores - GRAPH 6

|   |     |     |     |                 |                 |
|---|-----|-----|-----|-----------------|-----------------|
| Score   | 0.0 | 0.0 | 0.0 | 2.3             | 1.9             |
| Fiscally Strong 1.5 - 3.0 / Fiscally Adequate 1.0 - 1.4 / Fiscally Needs Monitoring < 1.0 | N/A | N/A | N/A | Fiscally Strong | Fiscally Strong |

Working Capital - GRAPH 7

|  |      |      |      |           |           |
|--|------|------|------|-----------|-----------|
| Net Working Capital                                    | 0    | 0    | 0    | 1,485,958 | 1,207,291 |
| As % of Unrestricted Revenue                           | 0.0% | 0.0% | 0.0% | 11.5%     | 10.3%     |
| Working Capital (Current) Ratio Score                  | 0.0  | 0.0  | 0.0  | 2.6       | 2.0       |
| Risk (Low ≥ 3.0 / Medium 1.4 - 2.9 / High < 1.4)       | N/A  | N/A  | N/A  | MEDIUM    | MEDIUM    |
| Rating (Excellent ≥ 3.0 / Good 1.4 - 2.9 / Poor < 1.4) | N/A  | N/A  | N/A  | Good      | Good      |

Quick (Acid Test) Ratio

|  |     |     |     |           |        |
|--|-----|-----|-----|-----------|--------|
| Score  | 0.0 | 0.0 | 0.0 | 2.6       | 2.0    |
| Risk (Low ≥ 2.5 / Medium 1.0 - 2.4 / High < 1.0)       | N/A | N/A | N/A | LOW       | MEDIUM |
| Rating (Excellent ≥ 2.5 / Good 1.0 - 2.4 / Poor < 1.0) | N/A | N/A | N/A | Excellent | Good   |

Debt to Asset Ratio - GRAPH 7

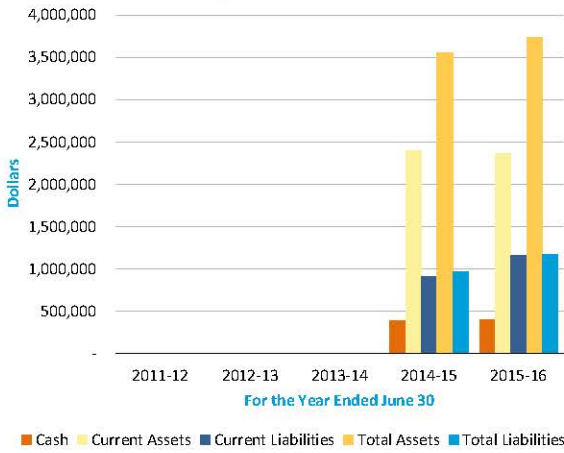
|  |     |     |     |           |           |
|--|-----|-----|-----|-----------|-----------|
| Score  | 0.0 | 0.0 | 0.0 | 0.3       | 0.3       |
| Risk (Low < 0.50 / Medium 0.51 - .95 / High > 1.0)       | N/A | N/A | N/A | LOW       | LOW       |
| Rating (Excellent < 0.50 / Good 0.51 - .95 / Poor > 1.0) | N/A | N/A | N/A | Excellent | Excellent |

Months of Cash - GRAPH 8

|  |     |     |     |      |      |
|--|-----|-----|-----|------|------|
| Score  | 0.0 | 0.0 | 0.0 | 0.4  | 0.4  |
| Risk (Low > 3 mo. / Medium 1 - 3 mo. / High < 1 mo.)       | N/A | N/A | N/A | HIGH | HIGH |
| Rating (Excellent > 3 mo. / Good 1 - 3 mo. / Poor < 1 mo.) | N/A | N/A | N/A | Poor | Poor |

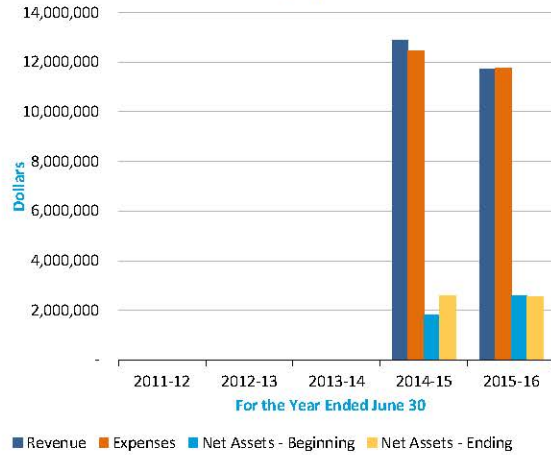
**DEMOCRACY PREPARATORY CHARTER SCHOOL**

**GRAPH 1 Cash, Assets and Liabilities**



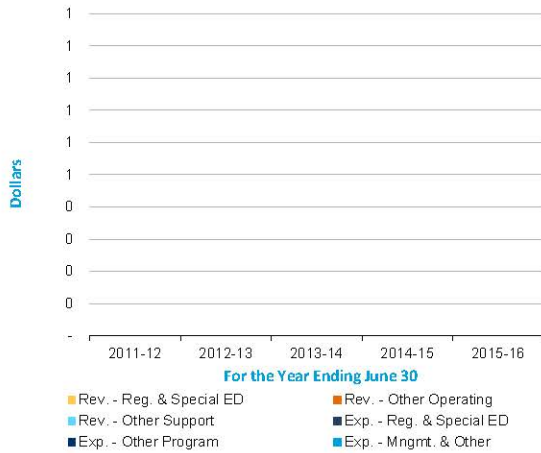
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**GRAPH 2 Revenue, Expenses and Net Assets**



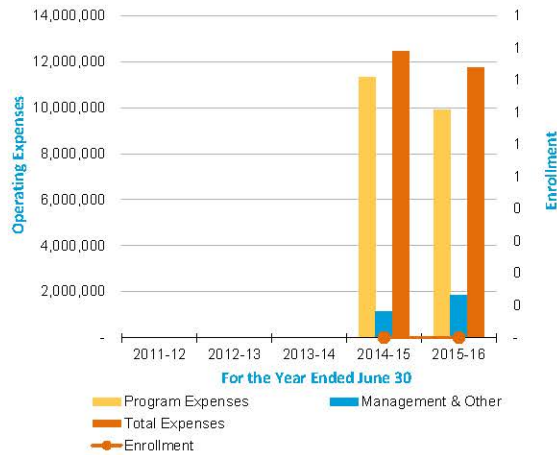
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**GRAPH Revenue & Expenses Per Pupil**



This chart illustrates the breakdown of revenue and expenses on a per pupil basis. Caution should be exercised in making school-by-school comparisons since schools serving different missions or student populations are likely to have substantially different educational cost bases. Comparisons with similar schools with similar dynamics are most valid.

**GRAPH 4 Enrollment vs. Operating Expenses**

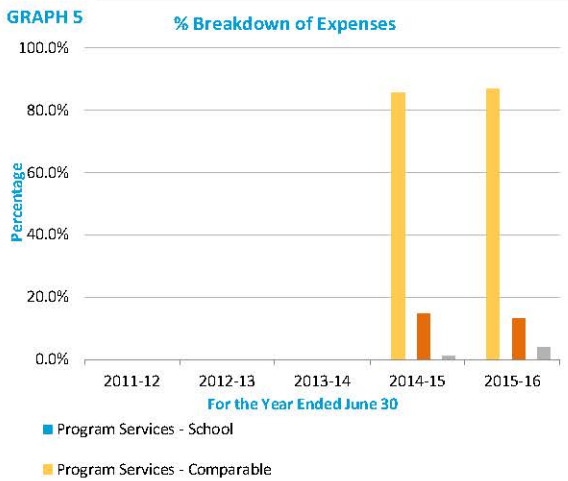


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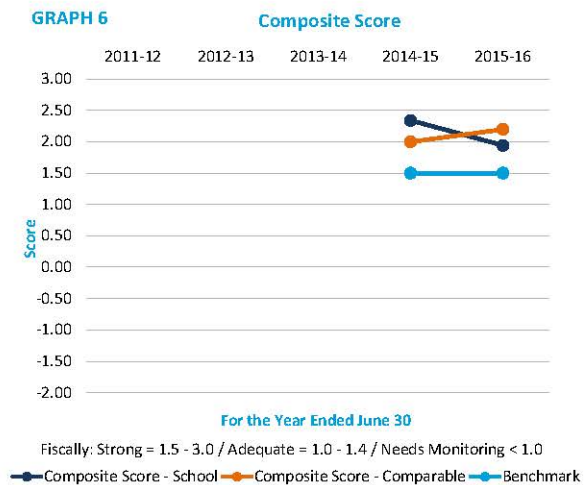
DEMOCRACY PREPARATORY CHARTER SCHOOL

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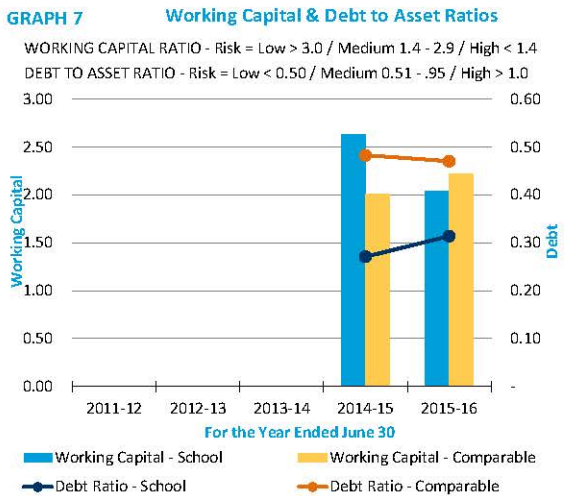


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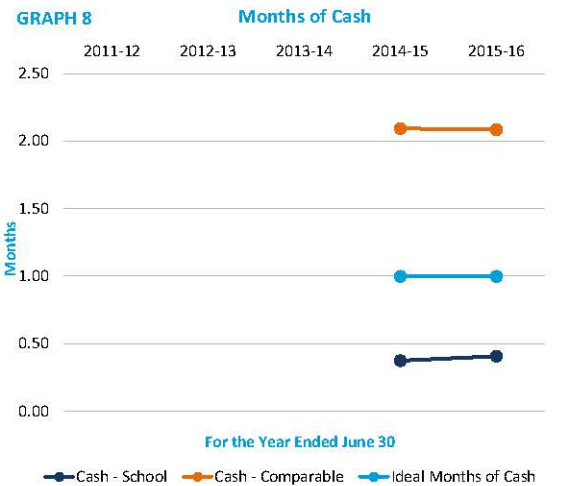


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DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL

SCHOOL INFORMATION

BALANCE SHEET

Assets

Current Assets

Cash and Cash Equivalents - GRAPH 1  
 Grants and Contracts Receivable  
 Accounts Receivable  
 Prepaid Expenses  
 Contributions and Other Receivables

Total Current Assets - GRAPH 1

Property, Building and Equipment, net

Other Assets

Total Assets - GRAPH 1

Liabilities and Net Assets

Current Liabilities

Accounts Payable and Accrued Expenses  
 Accrued Payroll and Benefits  
 Deferred Revenue  
 Current Maturities of Long-Term Debt  
 Short Term Debt - Bonds, Notes Payable  
 Other

Total Current Liabilities - GRAPH 1

L-T Debt and Notes Payable, net current maturities

Total Liabilities - GRAPH 1

Net Assets

Unrestricted  
 Temporarily restricted

Total Net Assets

Total Liabilities and Net Assets

ACTIVITIES

Operating Revenue

Resident Student Enrollment  
 Students with Disabilities

Grants and Contracts

State and local  
 Federal - Title and IDEA  
 Federal - Other  
 Other

Food Service/Child Nutrition Program

Total Operating Revenue

Expenses

Regular Education  
 SPED  
 Regular Education & SPED (combined)  
 Other

Total Program Services

Management and General  
 Fundraising

Total Expenses - GRAPHS 2, 3 & 4

Surplus / (Deficit) From School Operations

Support and Other Revenue

Contributions  
 Fundraising  
 Miscellaneous Income  
 Net assets released from restriction

Total Support and Other Revenue

Total Unrestricted Revenue

Total Temporarily Restricted Revenue

Total Revenue - GRAPHS 2 & 3

Change in Net Assets

Net Assets - Beginning of Year - GRAPH 2

Prior Year Adjustment(s)

Net Assets - End of Year - GRAPH 2

|  | 2011-12 | 2012-13 | 2013-14 | 2014-15           | 2015-16           |
|--|---------|---------|---------|-------------------|-------------------|
| Cash and Cash Equivalents - GRAPH 1                | -       | -       | -       | 3,135,956         | 2,938,117         |
| Grants and Contracts Receivable                    | -       | -       | -       | 288,559           | 584,692           |
| Accounts Receivable                                | -       | -       | -       | 337,785           | 36,854            |
| Prepaid Expenses                                   | -       | -       | -       | 23,116            | 29,910            |
| Contributions and Other Receivables                | -       | -       | -       | -                 | -                 |
| <b>Total Current Assets - GRAPH 1</b>              | -       | -       | -       | <b>3,785,416</b>  | <b>3,589,573</b>  |
| Property, Building and Equipment, net              | -       | -       | -       | 551,742           | 746,650           |
| Other Assets                                       | -       | -       | -       | 70,395            | 70,466            |
| <b>Total Assets - GRAPH 1</b>                      | -       | -       | -       | <b>4,407,553</b>  | <b>4,406,689</b>  |
| Accounts Payable and Accrued Expenses              | -       | -       | -       | 495,690           | 453,306           |
| Accrued Payroll and Benefits                       | -       | -       | -       | 351,174           | 425,008           |
| Deferred Revenue                                   | -       | -       | -       | -                 | -                 |
| Current Maturities of Long-Term Debt               | -       | -       | -       | -                 | -                 |
| Short Term Debt - Bonds, Notes Payable             | -       | -       | -       | 32,456            | 40,231            |
| Other  | -       | -       | -       | 29,717            | 19,775            |
| <b>Total Current Liabilities - GRAPH 1</b>         | -       | -       | -       | <b>909,037</b>    | <b>938,320</b>    |
| L-T Debt and Notes Payable, net current maturities | -       | -       | -       | 38,758            | 8,611             |
| <b>Total Liabilities - GRAPH 1</b>                 | -       | -       | -       | <b>947,795</b>    | <b>946,931</b>    |
| Unrestricted                                       | -       | -       | -       | 3,442,415         | 3,441,362         |
| Temporarily restricted                             | -       | -       | -       | 17,343            | 18,396            |
| <b>Total Net Assets</b>                            | -       | -       | -       | <b>3,459,758</b>  | <b>3,459,758</b>  |
| <b>Total Liabilities and Net Assets</b>            | -       | -       | -       | <b>4,407,553</b>  | <b>4,406,689</b>  |
| Resident Student Enrollment                        | -       | -       | -       | 11,423,907        | 11,722,972        |
| Students with Disabilities                         | -       | -       | -       | -                 | -                 |
| State and local                                    | -       | -       | -       | 199,798           | 62,609            |
| Federal - Title and IDEA                           | -       | -       | -       | 1,107,396         | 656,876           |
| Federal - Other                                    | -       | -       | -       | -                 | -                 |
| Other  | -       | -       | -       | -                 | -                 |
| Food Service/Child Nutrition Program               | -       | -       | -       | -                 | -                 |
| <b>Total Operating Revenue</b>                     | -       | -       | -       | <b>12,731,101</b> | <b>12,442,457</b> |
| Regular Education                                  | -       | -       | -       | 8,276,616         | 9,163,725         |
| SPED   | -       | -       | -       | 1,583,787         | 1,424,537         |
| Regular Education & SPED (combined)                | -       | -       | -       | -                 | -                 |
| Other  | -       | -       | -       | -                 | -                 |
| <b>Total Program Services</b>                      | -       | -       | -       | <b>9,860,403</b>  | <b>10,588,262</b> |
| Management and General                             | -       | -       | -       | 1,600,114         | 1,882,104         |
| Fundraising  | -       | -       | -       | -                 | -                 |
| <b>Total Expenses - GRAPHS 2, 3 &amp; 4</b>        | -       | -       | -       | <b>11,460,517</b> | <b>12,470,366</b> |
| <b>Surplus / (Deficit) From School Operations</b>  | -       | -       | -       | <b>1,270,584</b>  | <b>(27,909)</b>   |
| Contributions                                      | -       | -       | -       | 26,532            | 26,647            |
| Fundraising  | -       | -       | -       | -                 | -                 |
| Miscellaneous Income                               | -       | -       | -       | 22,793            | 1,262             |
| Net assets released from restriction               | -       | -       | -       | -                 | -                 |
| <b>Total Support and Other Revenue</b>             | -       | -       | -       | <b>49,325</b>     | <b>27,909</b>     |
| Total Unrestricted Revenue                         | -       | -       | -       | 12,780,426        | 12,470,366        |
| Total Temporarily Restricted Revenue               | -       | -       | -       | -                 | -                 |
| <b>Total Revenue - GRAPHS 2 &amp; 3</b>            | -       | -       | -       | <b>12,780,426</b> | <b>12,470,366</b> |
| <b>Change in Net Assets</b>                        | -       | -       | -       | <b>1,319,909</b>  | -                 |
| <b>Net Assets - Beginning of Year - GRAPH 2</b>    | -       | -       | -       | <b>1,657,947</b>  | <b>3,459,758</b>  |
| Prior Year Adjustment(s)                           | -       | -       | -       | 481,902           | -                 |
| <b>Net Assets - End of Year - GRAPH 2</b>          | -       | -       | -       | <b>3,459,758</b>  | <b>3,459,758</b>  |

DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL

SCHOOL INFORMATION - (Continued)

Functional Expense Breakdown

|  | 2011-12 | 2012-13 | 2013-14 | 2014-15    | 2015-16    |
|--|---------|---------|---------|------------|------------|
| Personnel Service                                  |         |         |         |            |            |
| Administrative Staff Personnel                     | -       | -       | -       | -          | -          |
| Instructional Personnel                            | -       | -       | -       | -          | -          |
| Non-Instructional Personnel                        | -       | -       | -       | -          | -          |
| Personnel Services (Combined)                      | -       | -       | -       | 5,575,994  | 7,121,270  |
| <b>Total Salaries and Staff</b>                    | -       | -       | -       | 5,575,994  | 7,121,270  |
| Fringe Benefits & Payroll Taxes                    | -       | -       | -       | 959,362    | 1,337,799  |
| Retirement   | -       | -       | -       | -          | -          |
| Management Company Fees                            | -       | -       | -       | 1,548,570  | 1,172,286  |
| Building and Land Rent / Lease                     | -       | -       | -       | 708,477    | -          |
| Staff Development                                  | -       | -       | -       | 144,171    | 113,233    |
| Professional Fees, Consultant & Purchased Services | -       | -       | -       | 187,341    | 110,461    |
| Marketing / Recruitment                            | -       | -       | -       | 40,988     | 31,943     |
| Student Supplies, Materials & Services             | -       | -       | -       | 1,156,452  | 1,279,322  |
| Depreciation                                       | -       | -       | -       | 181,115    | 218,392    |
| Other  | -       | -       | -       | 958,047    | 1,085,660  |
| <b>Total Expenses</b>                              | -       | -       | -       | 11,460,517 | 12,470,366 |

SCHOOL ANALYSIS

ENROLLMENT

|                         | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|-------------------------|---------|---------|---------|---------|---------|
| Chartered Enroll        | -       | -       | -       | -       | -       |
| Revised Enroll          | -       | -       | -       | -       | -       |
| Actual Enroll - GRAPH 4 | -       | -       | -       | -       | -       |
| Chartered Grades        | -       | -       | -       | -       | -       |
| Revised Grades          | -       | -       | -       | -       | -       |

Primary School District:

| Per Pupil Funding (Weighted Avg of All Districts) | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|---|---------|---------|---------|---------|---------|
| Increase over prior year                          | 0.0%    | 0.0%    | 0.0%    | 0.0%    | 0.0%    |

PER STUDENT BREAKDOWN

Revenue

|                           |   |   |   |   |   |
|---------------------------|---|---|---|---|---|
| Operating                 | - | - | - | - | - |
| Other Revenue and Support | - | - | - | - | - |
| <b>TOTAL - GRAPH 3</b>    | - | - | - | - | - |

Expenses

|  |      |      |      |      |      |
|--|------|------|------|------|------|
| Program Services                                 | -    | -    | -    | -    | -    |
| Management and General, Fundraising              | -    | -    | -    | -    | -    |
| <b>TOTAL - GRAPH 3</b>                           | -    | -    | -    | -    | -    |
| % of Program Services                            | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| % of Management and Other                        | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| <b>% of Revenue Exceeding Expenses - GRAPH 5</b> | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

Student to Faculty Ratio

|  |   |   |   |   |   |
|--|---|---|---|---|---|
|  | - | - | - | - | - |
|--|---|---|---|---|---|

Faculty to Admin Ratio

|  |   |   |   |   |   |
|--|---|---|---|---|---|
|  | - | - | - | - | - |
|--|---|---|---|---|---|

Financial Responsibility Composite Scores - GRAPH 6

|   |     |     |     |                 |                 |
|---|-----|-----|-----|-----------------|-----------------|
| Score   | 0.0 | 0.0 | 0.0 | 2.8             | 2.1             |
| Fiscally Strong 1.5 - 3.0 / Fiscally Adequate 1.0 - 1.4 / Fiscally Needs Monitoring < 1.0 | N/A | N/A | N/A | Fiscally Strong | Fiscally Strong |

Working Capital - GRAPH 7

|  |      |      |      |           |           |
|--|------|------|------|-----------|-----------|
| Net Working Capital                                    | 0    | 0    | 0    | 2,876,379 | 2,651,253 |
| As % of Unrestricted Revenue                           | 0.0% | 0.0% | 0.0% | 22.5%     | 21.3%     |
| Working Capital (Current) Ratio Score                  | 0.0  | 0.0  | 0.0  | 4.2       | 3.8       |
| Risk (Low ≥ 3.0 / Medium 1.4 - 2.9 / High < 1.4)       | N/A  | N/A  | N/A  | LOW       | LOW       |
| Rating (Excellent ≥ 3.0 / Good 1.4 - 2.9 / Poor < 1.4) | N/A  | N/A  | N/A  | Excellent | Excellent |

Quick (Acid Test) Ratio

|  |     |     |     |           |           |
|--|-----|-----|-----|-----------|-----------|
| Score  | 0.0 | 0.0 | 0.0 | 4.1       | 3.8       |
| Risk (Low ≥ 2.5 / Medium 1.0 - 2.4 / High < 1.0)       | N/A | N/A | N/A | LOW       | LOW       |
| Rating (Excellent ≥ 2.5 / Good 1.0 - 2.4 / Poor < 1.0) | N/A | N/A | N/A | Excellent | Excellent |

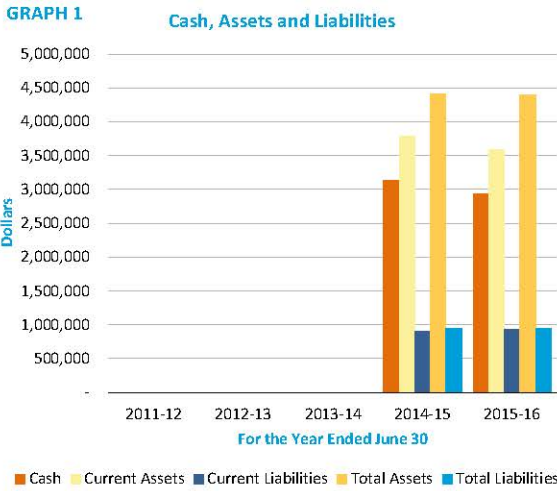
Debt to Asset Ratio - GRAPH 7

|  |     |     |     |           |           |
|--|-----|-----|-----|-----------|-----------|
| Score  | 0.0 | 0.0 | 0.0 | 0.2       | 0.2       |
| Risk (Low < 0.50 / Medium 0.51 - .95 / High > 1.0)       | N/A | N/A | N/A | LOW       | LOW       |
| Rating (Excellent < 0.50 / Good 0.51 - .95 / Poor > 1.0) | N/A | N/A | N/A | Excellent | Excellent |

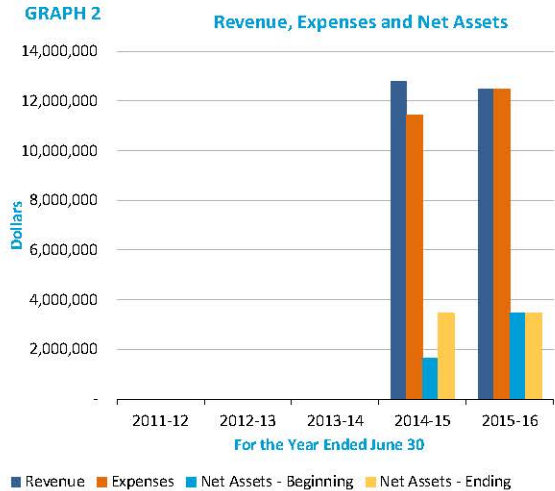
Months of Cash - GRAPH 8

|  |     |     |     |           |        |
|--|-----|-----|-----|-----------|--------|
| Score  | 0.0 | 0.0 | 0.0 | 3.3       | 2.8    |
| Risk (Low > 3 mo. / Medium 1 - 3 mo. / High < 1 mo.)       | N/A | N/A | N/A | LOW       | MEDIUM |
| Rating (Excellent > 3 mo. / Good 1 - 3 mo. / Poor < 1 mo.) | N/A | N/A | N/A | Excellent | Good   |

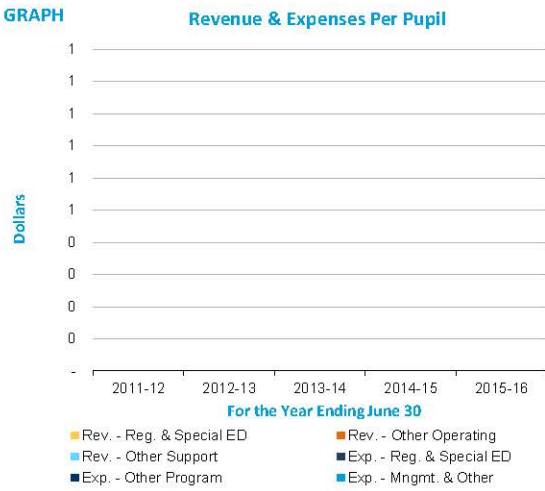
DEMOCRACY PREPARATORY HARLEM CHARTER SCHOOL



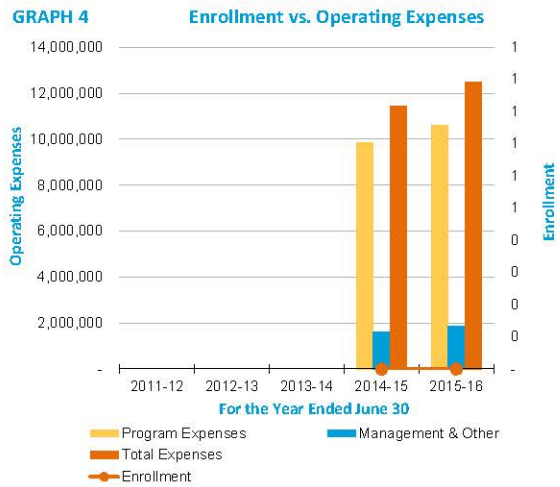
This chart illustrates the relationship between assets and liabilities and to what extent cash reserves makes up current assets. Ideally for each subset, subsets 2 thru 4, (i.e. current assets vs. current liabilities), the column on the left is taller than the immediate column on the right; and, generally speaking, the bigger that gap, the better.



This chart illustrates total revenue and expenses each year and the relationship those subsets have on the increase/decrease of net assets on a year-to-year basis. Ideally subset 1, revenue, will be taller than subset 2, expenses, and as a result subset 3, net assets - beginning, will increase each year building a more fiscally viable school.



This chart illustrates the breakdown of revenue and expenses on a per pupil basis. Caution should be exercised in making school-by-school comparisons since schools serving different missions or student populations are likely to have substantially different educational cost bases. Comparisons with similar schools with similar dynamics are most valid.

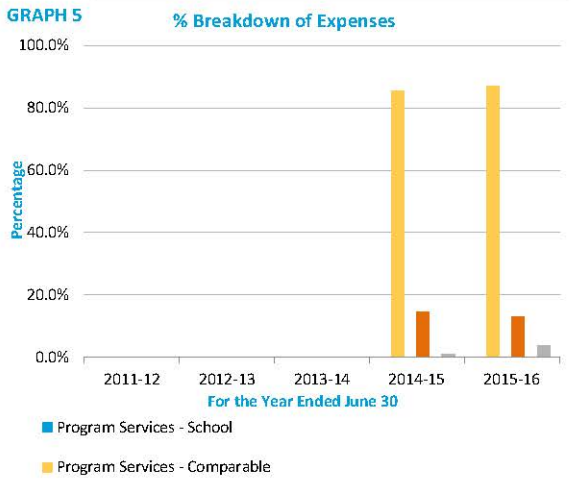


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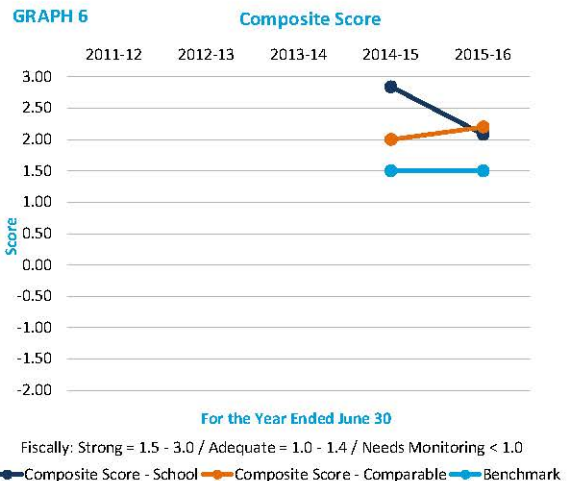
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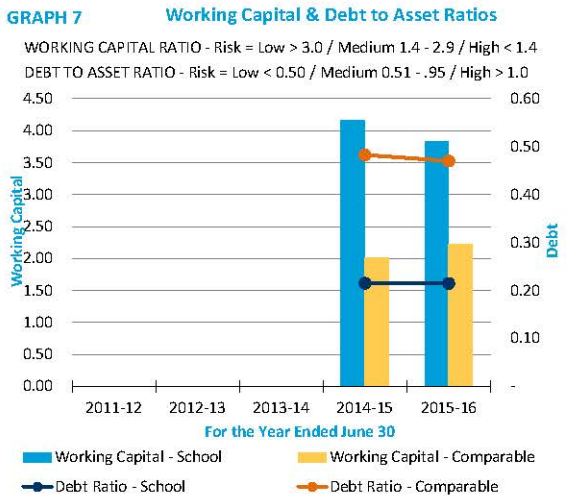
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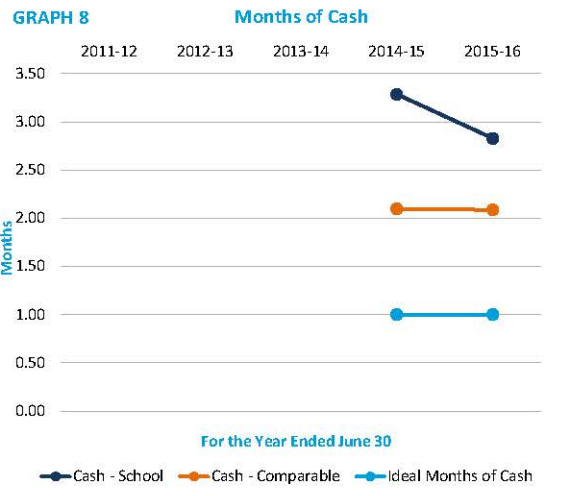
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