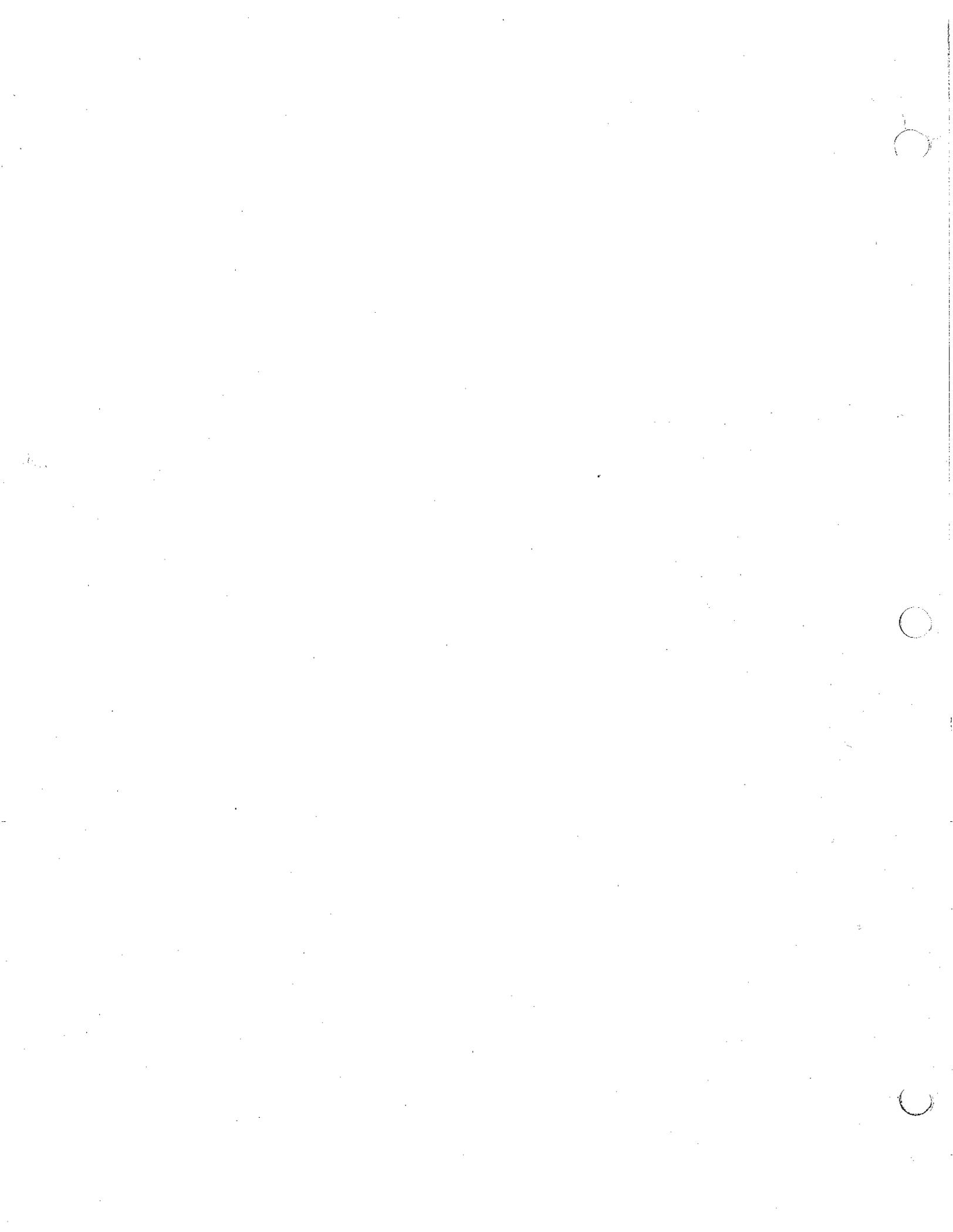


**MEETING OF THE BOARD OF TRUSTEES  
FOR THE  
BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL  
OCTOBER 27, 2011  
5:00/5:30-7:00PM**

Bedford Stuyvesant New Beginnings Charter School  
82 Lewis Avenue  
Brooklyn, New York 11206  
(718) 453-1001

**AGENDA**

- 1. Call to Order by Chair Joseph Sciame  
-Procedure for Committee Meetings**
- 2. Review and approval of minutes of September 15, 2011**
- 3. Update on School Status**
  - A. Operational – Josh Morales & Kashani Stokley**
    - Financial Status/Grant Apps
    - Facilities Issues
    - Enrollment Status Review – Fall 2011
    - Parents' Organization Update
  - B. Academic – Karen Jones**
    - DOE Visit, May 20, 2011 – Progress as to Recommendations
    - May Tests – Discussion re Results & Progress Report for 2011-12
    - Library: Books, shelving and grants (Friends of the Library)
    - Professional Development Update
- 4. Report of Permanent Committees to Board of Trustees**
  - A. Executive Committee – Joseph Sciame**
  - B. Education Committee – Cecelia Russo**
  - C. Financial/Operations Committee – Mike Nieves/Angel Charriez & JM**
  - D. Engagement/Outreach – Kevin Nesbitt**
  - E. Development/Grants – Josh M.**
- 5. Old Business**
- 6. New Business**
- 7. Public Comments**
- 8. Adjournment and Next Meeting Thursday, November 17, 2011**



**MINUTES OF THE MEETING OF  
THE BOARD OF TRUSTEES for  
the  
BEDFORD-STUYVESANT NEW BEGINNINGS  
CHARTER SCHOOL**

Meeting of September  
15, 2011

**Members Present:** Joseph Sciame; Patricia Bramwell; Cecelia Russo; Angel Charriez; Thomas Alwood; Kevin Nesbitt; Mike Nieves; Leticia Theodore-Green.

**Members Absent:** Victor Rivera Jr.

**Also Present:** Karen Jones (CAO); Joshua Morales (COO); Kashani Stokley (Dir. Ops.); Rana Roberts (PO co-president); Marlena Salvant-Mondesir (PO co-president).

\* \* \* \* \*

A quorum being present, the Meeting commenced at 6:09 pm.

Upon a motion duly made by Ms. Bramwell and seconded by Mr. Charriez, the minutes of the July 29, 2011 meeting were adopted with all necessary corrections by a vote of 8 - 0.

**Operations and Financial Reports**

Mr. Stokely presented the Board with the school Operations Report and reviewed the information within. He added that 2 new students had enrolled since Tuesday of this week when the report had been prepared.

Mr. Stokely recounted to the Board the recent visit by the Department of Education and that the visitors seemed pleased. He also clarified that all reports due to the DoE had been submitted so that the school is in full compliance with DoE reporting requirements.

Mr. Stokely also informed the Board that the new website is now up and running and updated for the new academic year.

Mr. Morales presented the Financial Report and informed the Board that no major changes to the budget were required and that he was waiting to hear back from the State on any additional funds, including Title 1 funds.

VR



Mr. Morales also informed the Board that the physical plant, including the boiler, was ready for the school year and winter months.

Upon a motion duly made by Ms. Russo and seconded by Mr. Charriez, the Operations and Financial Report were accepted by a vote of 8 - 0.

### **Academic Report**

Ms. Jones presented the Academic Report to the Board and reviewed its main points. Ms. Jones was pleased to inform the Board that the School is fully staffed. Reviewed Parent Survey results from the end of the previous academic year which were very favorable. Reviewed the Faculty Survey results from the end of the previous academic year which indicated some dissatisfaction due to the approach of the Curriculum Coordinator. Ms. Jones explained that the CC had been replaced and that measures had been taken to involve instructors more directly.

Ms. Jones proposed November 14th for an opening ceremony for the new library to thank the Harry Potter Foundation. Board agreed.

Upon a motion duly made by Ms. Theodore-Green and seconded by Ms. Bramwell, the Academic Report was accepted by a vote of 8 - 0.

### **Treasurer**

Upon a motion duly made by Ms. Bramwell and seconded by Mr. Nieves, Mr. Charriez was appointed Treasurer by a vote of 8 - 0.

### **Parents Organization**

Ms. Roberts and Ms. Salvant-Mondesir requested assistance from the Board on how best to set up a bank account for monies collected for school support. Mr. Morales stated he would contact the auditors for advice.

On a motion by Mr. Nieves, seconded by Ms. Bramwell, the Board unanimously voted to recess the meeting at 7:57 p.m.





BEDFORD-STUYVESANT  
NEW BEGINNINGS  
CHARTER SCHOOL

Monthly Board Report  
October 27, 2011

Academic Leader Report

- I. Instructional Personnel
  - a. Teachers-15
  - b. Associate Teachers-8
  - c. Leadership-4
  - d. Administration-1

II. Assessments-Baseline/Grades 3 & 4

| 3A-ELA                         | Class Average | % Students Proficient |
|--------------------------------|---------------|-----------------------|
| Overall                        | 46%           | 0%                    |
| Reading Comprehension          | 46%           | 8%                    |
| Literature/Literary Devices    | 50%           | 0%                    |
| Critical and Creative Thinking | 44%           | 4%                    |
| Writing                        | 37%           | 0%                    |

| 3B-ELA                         | Class Average | % Students Proficient |
|--------------------------------|---------------|-----------------------|
| Overall                        | 45%           | 4%                    |
| Reading Comprehension          | 45%           | 12%                   |
| Literature/Literary Devices    | 49%           | 4%                    |
| Critical and Creative Thinking | 43%           | 4%                    |
| Writing                        | 32%           | 4%                    |

| 4A-ELA                         | Class Average | % Students Proficient |
|--------------------------------|---------------|-----------------------|
| Overall                        | 63%           | 43%                   |
| Reading Comprehension          | 58%           | 33%                   |
| Literature/Literary Devices    | 73%           | 62%                   |
| Critical and Creative Thinking | 59%           | 43%                   |
| Writing                        | 41%           | 0%                    |



BEDFORD-STUYVESANT  
**NEW BEGINNINGS**  
 CHARTER SCHOOL

| 4B-ELA                             | Class Average | % Students Proficient |
|------------------------------------|---------------|-----------------------|
| Overall                            | 59%           | 24%                   |
| Reading Comprehension              | 55%           | 20%                   |
| <i>Literature/Literary Devices</i> | 68%           | 44%                   |
| Critical and Creative Thinking     | 55%           | 36%                   |
| Writing                            | 47%           | 4%                    |

| 3A-Math                   | Class Average | % Students Proficient |
|---------------------------|---------------|-----------------------|
| Overall                   | 48%           | 0%                    |
| Number Sense & Operations | 49%           | 0%                    |
| Algebra                   | 53%           | 8%                    |
| Geometry                  | 42%           | 0%                    |
| Measurement               | 52%           | 0%                    |
| Statistics/Probability    | 43%           | 4%                    |

| 3B-Math                   | Class Average | % Students Proficient |
|---------------------------|---------------|-----------------------|
| Overall                   | 48%           | 0%                    |
| Number Sense & Operations | 46%           | 4%                    |
| Algebra                   | 54%           | 0%                    |
| Geometry                  | 46%           | 4%                    |
| Measurement               | 45%           | 0%                    |
| Statistics/Probability    | 36%           | 0%                    |

| 4A-Math                   | Class Average | % Students Proficient |
|---------------------------|---------------|-----------------------|
| Overall                   | 55%           | 24%                   |
| Number Sense & Operations | 54%           | 19%                   |
| Algebra                   | 52%           | 19%                   |
| Geometry                  | 75%           | 62%                   |
| Measurement               | 49%           | 19%                   |
| Statistics/Probability    | 49%           | 19%                   |

| 4B-Math                   | Class Average | % Students Proficient |
|---------------------------|---------------|-----------------------|
| Overall                   | 53%           | 12%                   |
| Number Sense & Operations | 53%           | 20%                   |
| Algebra                   | 49%           | 16%                   |
| Geometry                  | 73%           | 68%                   |



REDFORD-STUYVESANT  
NEW BEGINNINGS  
CHARTER SCHOOL

|                        |     |     |
|------------------------|-----|-----|
| Measurement            | 50% | 16% |
| Statistics/Probability | 42% | 16% |

#### English Language Arts Results / Pre-Test

| Overall | Level 1 (0-33%) | Level 2 (34%-70%) | Level 3 (71%-89%) | Level 4 (90%-100%) |
|---------|-----------------|-------------------|-------------------|--------------------|
| 3A      | 88%             | 12%               | 0%                | 0%                 |
| 3B      | 88%             | 8%                | 4%                | 0%                 |
| 4A      | 24%             | 33%               | 43%               | 0%                 |
| 4B      | 28%             | 48%               | 16%               | 8%                 |

#### Mathematics Results / Pre-Test

| Overall | Level 1 (0-33%) | Level 2 (34%-70%) | Level 3 (71%-89%) | Level 4 (90%-100%) |
|---------|-----------------|-------------------|-------------------|--------------------|
| 3A      | 75%             | 25%               | 0%                | 0%                 |
| 3B      | 88%             | 12%               | 0%                | 0%                 |
| 4A      | 19%             | 57%               | 19%               | 5%                 |
| 4B      | 0%              | 88%               | 12%               | 0%                 |

### III. Professional Development

- a. September 21 – Additional training in Language Arts curriculum implementation; General revisit for Lead Teachers and specific instruction for Associate Teachers -Intervention Program – Sidewalks
- b. October 14 – Liberty Science Center – Teacher and Associate Teacher instructional training; hands-on exploration and experimentation (full day)
- c. October 17 – Workshop/Lucy Calkins-Writer’s Workshop Implementation (full day)
- d. October 19 – Debriefing on Peer Observations; review of student and classroom management; debrief on Lucy Calkins workshop (setting up instructional non-negotiables); and expectation of teaching to mastery and recognizing and implementing rigorous instruction.

### IV. Completion of 1<sup>st</sup> Round of Formal Teacher Observations, including video as a discussion tool and self-reflection (completed by October 31<sup>st</sup>)



BEDFORD-STUYVESANT  
NEW BEGINNINGS  
CHARTER SCHOOL

- V. Completion and submission of October running records in Reading (10/31); completion and submission of Mathematics assessments; completion of and submission of writing sample on Progressive Writing Wall.
  
- VI. Evaluation Meetings - Week of October 31<sup>st</sup> ; all staff
  - a. Student and Classroom Management
  - b. Instructional Practice
  - c. Assessment Results
  - d. Professional Practices
  
- VII. Events
  - a. Girl and Boy Scout meetings (Saturdays)
  - b. Third Grade Parent meeting (Assessment information) 10/25
  - c. Fourth Grade Parent Meeting (Assessment Information) 10/26
  - d. Fall Fest 10/28
  - e. Close of 1<sup>st</sup> Quarter 11/10/2011
  
- VIII. Questions? Comments?



**BEDFORD-STUYVESANT  
NEW BEGINNINGS  
CHARTER SCHOOL**

Report on School Operations

Mr. Stokley – Director of Operations

October 21, 2011

**Enrollment**

- Below is the total enrollment as of Friday, October 21<sup>st</sup> by grade:

|                   |            |
|-------------------|------------|
| ▪ K               | 52         |
| ▪ 1 <sup>st</sup> | 52         |
| ▪ 2 <sup>nd</sup> | 50         |
| ▪ 3 <sup>rd</sup> | 49         |
| ▪ 4 <sup>th</sup> | <u>46</u>  |
|                   | <b>249</b> |

**Waitlist**

- Below is the total number of students on our wait list as of Friday, October 21<sup>st</sup> by grade:

|                   |           |
|-------------------|-----------|
| ▪ K               | 12        |
| ▪ 1 <sup>st</sup> | 6         |
| ▪ 2 <sup>nd</sup> | 4         |
| ▪ 3 <sup>rd</sup> | 23        |
| ▪ 4 <sup>th</sup> | <u>16</u> |
|                   | <b>61</b> |

**ENROLLMENT DATA**

**Academic Year: 2011-12**

**Grade Level: All**

| Entry Type  | Count       |
|---|-------------|
| First Public  | 1 (0.4%)    |
| First US public school                                      | 1 (0.4%)    |
| Normal Entry  | 50 (20.1%)  |
| Re-Entry  | 1 (0.4%)    |
| Re-Entry from Same School With no Interruption of Schooling | 165 (66.3%) |
| Transfer from Private, Non-Religious School in State        | 1 (0.4%)    |
| Transfer from Private, Religious School in State            | 1 (0.4%)    |
| Transfer from Public School in State                        | 29 (11.6%)  |
| <b>Total Enrollments</b>                                    | <b>249</b>  |

**WITHDRAWAL DATA**

Academic Year: 2011-12

Grade Level: All

| Exit Type   | Count     |
|---|-----------|
| Other   | 1 (8.3%)  |
| Transfer to Another Public School District        | 2 (16.7%) |
| Transfer to Another Public School within District | 2 (16.7%) |
| Transfer to Charter School                        | 3 (25%)   |
| Transfer to Public School in State                | 4 (33.3%) |
| <b>Total Withdrawals</b>                          | <b>12</b> |

| Grade | Student                 | Exit Code   | Additional Reason                              | Exit Date |
|-------|-------------------------|---|--|-----------|
| K     | Blackwell, Bilal        | Transfer to Charter School                        |  | 10/3/2011 |
| 1     | Brimage, Anasia         | Transfer to Public School in State                | Retention                                      | 9/6/2011  |
| 2     | Dawson, Christopher     | Transfer to Public School in State                |  | 8/29/2011 |
| 3     | Fowler, Clark Christian | Transfer to Public School in State                | Retention                                      | 9/6/2011  |
| K     | Grenaway, Naaz          | Other   | Showed after 9 Day absence; spot given away    | 9/6/2011  |
| 1     | Hicks, Darien           | Transfer to Charter School                        | To attend the same school as his older sibling | 9/16/2011 |
| 1     | Massie, Mekhari         | Transfer to Another Public School District        | Showed after 9 Day absence; spot given away    | 9/6/2011  |
| 3     | Miller, Tameika         | Transfer to Public School in State                | Never Returned on 8/29/11                      | 8/29/2011 |
| K     | Mitchell, Jaylah        | Transfer to Charter School                        |  | 9/27/2011 |
| 3     | Owens, Samuel           | Transfer to Another Public School within District | Discipline & behavioral issues                 | 9/28/2011 |
| K     | Rosa, William           | Transfer to Another Public School District        | Retention                                      | 9/6/2011  |
| K     | William, Alisa          | Transfer to Another Public School within District | Discipline & behavioral issues                 | 10/4/2011 |

**ATTENDANCE DATA**

Academic Year: 2011 - 2012

Dates: 9/12/2011 - 10/21/2011

Grade Level: All

|       | School Days | School Days with Data | Days Present | Days Absent | Average Daily Attendance (ADA) |
|-------|-------------|-----------------------|--------------|-------------|--------------------------------|
| Total | 27          | 27                    | 6313 (94%)   | 403 (6%)    | 233.815                        |



Report on Curriculum and Instruction

Ms. Del Sherpa – Curriculum and Instruction Coordinator

October 21, 2011

**Assessments and Data:** All teachers have completed and turned in their beginning of the year assessments. These assessments include: Reading levels, the reading placement assessment, the mathematics baseline assessments, as well as intervention assessments to identify our students who need additional support. All teachers have placed their assessment data into their data binders in order to allow for easy access when parents, administrators, and outside visitors come to observe our school. Additionally, the school wide data wall in the curriculum office is home to the reading levels of all students grades one to four. Kindergarten will be added to the wall once the middle of the year benchmarks have been administered, as there is no reading level benchmark for the beginning of kindergarten. Below is a breakdown in percentage of students who have met the beginning of the year benchmark in their reading level, their reading placement assessment, and their math baseline assessment.

| Class | Reading Level<br>Have met<br>Benchmark | Reading<br>Placement<br>Assessment<br>Have met<br>Benchmark | Math Placement<br>Assessment<br>Have met<br>Benchmark |
|-------|--|---|---|
| KA    | N/A                                    | 61%   | 69%   |
| KB    | N/A                                    | 71%   | 40%   |
| 1A    | 40%                                    | 96%   | 50%   |
| 1B    | 63%                                    | 93%   | 52%   |
| 2A    | 44%                                    | 52%   | 68%   |
| 2B    | 48%                                    | 64%   | 73%   |
| 3A    | 40%                                    | 44%   | 50%   |
| 3B    | 36%                                    | 27%   | 52%   |
| 4A    | 38%                                    | 35%   | 30%   |
| 4B    | 38%                                    | 23%   | 35%   |

**Lucy Calkins Professional Development:** This Monday, Third and Fourth grade teachers attended a Professional Development by Lucy Calkins on Writers Workshop. Teachers were provided with strategies and a framework for utilizing the Writers Workshop program to its fullest capacity. During our monthly in school Professional Development on October 19<sup>th</sup>, a power point presentation, which covered the most valuable information provided by Lucy Calkins was shown to all teaching staff. The power point covered targeted strategies and ideas to improve student writing, examples of an effective writing mini-lesson, and the non-negotiables of a writing curriculum. Teachers discussed the importance of raising the level of the rigor during writing, as well as preparing the third and fourth graders for the writing component of the ELA exam in April.

**Assessment Coordinator Meeting:** Information regarding this year's state assessment was given out at the Test Coordinator Meeting on Wednesday October 19, 2011. The information will be turn keyed to teaching staff during in school professional development.



BEDFORD-STUYVESANT  
NEW BEGINNINGS  
CHARTER SCHOOL

### Report on Special Needs

Mr. Staines – Special Needs Coordinator

October 21, 2011

We now have an Occupational Therapist. Ms. Davis is servicing 5 students beginning Monday, October 24<sup>th</sup>.

I am awaiting information as to the return date for Ms. Toussaint (Paraprofessional). We hired a Paraprofessional for one of our third grade boys. This individual didn't report when requested and has not contacted Carenet or myself after repeated calls. So we continue to look for someone to fill this position.

We are meeting with the CSE on October 27<sup>th</sup> to review four IEP's. We are meeting at BSNBCS. All four of the students in question are male. One boy is in first grade, two in third grade, and one in the fourth grade.

Below is a break down of gender, grade and services provided for students:

- 4 female and 6 male students in K are in SETTS
- 1 female and 3 male students in K are in Counseling
- 3 female and 7 male students in K are in Speech
- 0 female and 2 male students in K are in OT
  
- 5 male and 1 female student in 1st are in SETTS
- 2 male and 0 female students in 1st are in Counseling
- 4 male and 0 female students in 1st are in Speech
- 1 male and 0 female students in 1st are in OT
  
- 4 female and 4 male students in 2nd are in SETTS
- 0 female and 1 male student in 2nd are in Counseling
- 4 female and 5 male students in 2nd are in Speech
- 1 female and 2 male students in 2nd are in OT
  
- 5 male and 3 female students in 3rd are in SETTS
- 2 male and 0 female students in 3rd are in Counseling
- 2 male and 1 female student in 3rd are in Speech
- 1 male and 0 female students in 3rd are in OT
  
- 4 female and 2 male students in 4th are in SETTS
- 2 female and 2 male student in 4th are in Counseling
- 1 female and 3 male students in 4th are in Speech
- 0 female and 0 male students in 4th are in OT



BEDFORD-STUYVESANT  
NEW BEGINNINGS  
CHARTER SCHOOL

### Report on Guidance Counseling

Ms. Selena Rogers – Guidance Counselor/Social Worker

#### October 2011

|  |                              |
|--|------------------------------|
| Number of students being seen for counseling services:     | 25                           |
| Number of students receiving counseling with IEPs:         | 11                           |
| Number of ACS cases that have been reported by the school: | 2 both for attendance issues |
| Number of ACS cases not reported by the school:            | 3                            |

#### Student Individual Counseling

|  |   |
|--|---|
| Fourth graders for counseling (non IEP): | 5 |
| Third graders for counseling (non IEP):  | 5 |
| Second Graders for counseling (non IEP): | 4 |
| First graders for counseling (non IEP):  | 0 |
| Kindergarten (non IEP):                  | 1 |

#### Group work

1. A support group for girls entitled the Difference has begun and is going very well. The group consists of a member with Asperger's disorder. Each member learns someone from one another to build character and provide support. The group members enjoy playing board games and learning stepping routines.
2. Boys support Tornado group has also begun and is going very well. This group also has a member with a Pervasive Developmental Disorder. The focus of this group is for each member to learn from one another and help one another with their behaviors and anger.



BEDFORD-STUYVESANT  
NEW BEGINNINGS  
CHARTER SCHOOL

Report on School Culture & Enrichment

Mrs. Malene Lawrence – Student Life Coordinator/Dean

**Developing and Maintaining School Culture:**

**Attendance:** Our attendance percentages remain a strong indication of a healthy school culture. Daily attendance from October 3<sup>rd</sup> – October 19<sup>th</sup> was regularly above 90%.

| By Grade                 | K   | 1   | 2   | 3   | 4   | WHOLE SCHOOL |
|--------------------------|-----|-----|-----|-----|-----|--------------|
| # of Students            | 52  | 52  | 50  | 49  | 46  | 249          |
| % as of October 19, 2011 | 91% | 95% | 93% | 95% | 94% | 93.8%        |

To reinforce the importance of attendance as part of our school's culture, students receiving perfect attendance during a given month continue to be celebrated on the "To The Top" board in the main lobby. Families also continue to receive monthly congratulatory personalized postcards via mail when they reinforce the importance of prompt and daily attendance. Children with 100% monthly attendance receive a "Perfect Attendance" postcard while those students with 85-95% receive a "You Can Do It" postcard encouraging their perseverance. Since the school year began on August 30<sup>th</sup> the following have had 100% attendance: seven Kindergarteners; thirteen First Graders; seven Second Graders; thirteen Third Graders; ten Fourth Graders!

**School-wide Trips & Experiential Learning:**

**Liberty Science Center!**

On Friday, October 14<sup>th</sup>, approximately 210 students, thirty-six faculty and staff and twenty parent chaperones enjoyed a day filled with science exploration at the Liberty Science Center. Filled with inquisitive young minds excitedly roaming from one science exhibit to the next, the Center captivated both our students, many of whom had visited the Science Center for the first time, as well as our faculty as they attended an engaging hands-on science professional development.

**First Grade:**

**Green Meadows Farm** – The First graders' October 7<sup>th</sup> trip to Green Meadows Farm in Queens, NY allowed students to explore their interest in ecology by observing and interacting with farm animals and wildlife. Students had opportunities to see, touch, hold, feed, and ride some of the animals. The trip also allowed students to expand their personal connection to subsequent science lessons about living things and their habitats in school. A culminating writing assignment asked students reflect their experiences in their science journals and share the experience with their families.

**Second:**

**Brooklyn Bridge Park** – Second graders had a chance to investigate and assess the health of the East River on their "Rove the Cove" trip to the Brooklyn Bridge Park. Students used observational skills and gathered samples of the water and completed testing to determine the river's cleanliness. Justin R. said "it matched the middle color, so it is clean!" Students then searched their natural habitats for living and non-living things. With the collected specimens, students discussed their properties, physical characteristics and adaptations. "We found sea lettuce under this large rock" commented Devon M. Faith W. said "I found small sea shells; these are in the non living group." The second graders were enthusiastic about applying the skills learned in class to investigate a natural environment.

**Third Grade:**

**Brooklyn Bridge Park** – To further extend their study of communities local & around the world, this Third social studies trip was geared towards continuing to build students' knowledge on the rich history of their Brooklyn Community. Students observed pictures and listened to stories that told how the bridge was built and constructed. They were also involved in an activity, where each student represented a part of the suspension bridge. The trip ended with a walking tour of the bridge, and student participation in a historical scavenger hunt!

**Enrichment:**

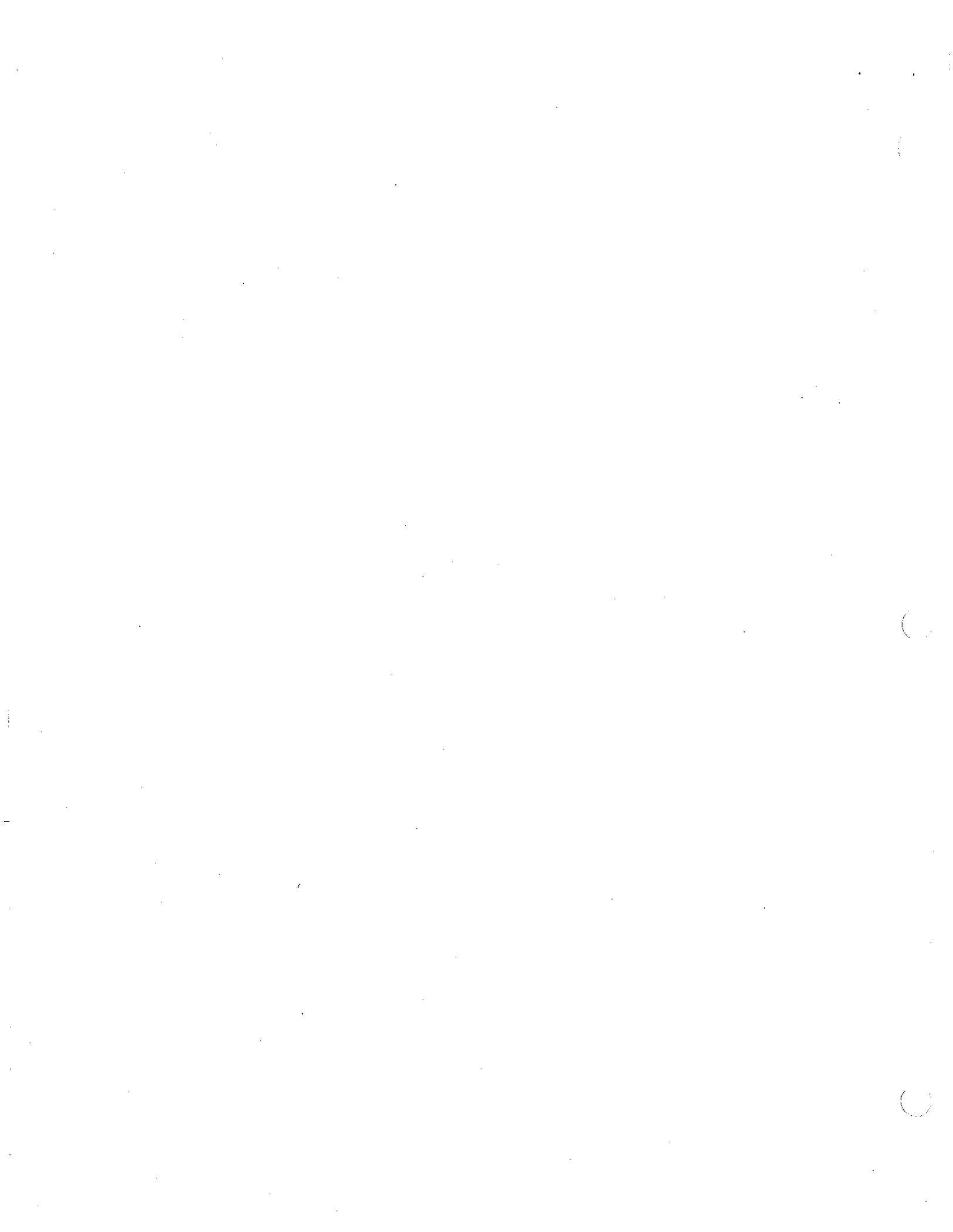
**Piano School of NYC Partnership:** BSNBCS continues its' partnership with the Piano School of NYC. The school year of lessons was kicked off with the registration of ten new students for this after school program. Due to the overwhelming positive parent feedback, the afterschool piano class enrollment at BSNBCS has steadily increased since last year with hopes of exploring the possibility of a similar violin program.

**Parent Engagement:**

BSNBCS is moving forward to continue its' relationship with The Puerto Rican Family Institute and Fatherhood Initiative to provide parent workshops this Fall 2011. Workshops will include the couple's workshop, "Healthy Partnerships & Parenting Initiative" & "Promoting Responsible Fatherhood," geared to increasing the active involvement of male guardians at home and school.

**Scouting at BSNBCS:**

Ms. Weekes, BSNBCS Parent Coordinator, has helped kick off a new school year of building future civic leaders with our partnerships with Boys Scouts and Girls Scouts of America. Boy Scout Pack#82, which started this year, is headed by scout-master Lewis Mosley, father of second graders Devin & Devon Mosley who is looking forward to guiding our boys in building character and becoming better citizens. BSNBCS boys, grades 1-4<sup>th</sup> are eligible to join and participate. Along-side the Boy Scouts, and for its' second year at BSNBCS, is Girl Scout Troop #2263 headed by 3<sup>rd</sup> Grade mom, and BSNBCS Parent Organization Co-President Marlina Mondesir. Mrs. Mondesir will continue working to empower our girls while exposing them to activities to build their courage, confidence and character while making our community a better place.



BEDFORD STUYVESANT  
NEW BEGINNINGS CHARTER SCHOOL  
(A Not-For-Profit Corporation)

FINANCIAL STATEMENTS

JUNE 30, 2011

FINAL DRAFT

BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL  
(A Not-For-Profit Corporation)  
FINANCIAL STATEMENTS  
JUNE 30, 2011

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

TEL: (212) 957-3600  
FAX: (212) 957-3696

## INDEPENDENT AUDITORS' REPORT

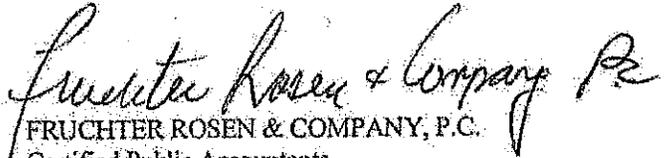
TO THE BOARD OF TRUSTEES  
BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL

We have audited the accompanying statement of financial position of Bedford Stuyvesant New Beginnings Charter School (the "School") (a not-for-profit corporation) as of June 30, 2011, and the related statements of activities, and cash flows for the period from January 12, 2010 (inception) to June 30, 2011. These financial statements are the responsibility of the School's management. 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. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the School as of June 30, 2011, and the changes in its net assets and its cash flows for the period from January 12, 2010 (inception) to June 30, 2011, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2011 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 grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and on compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

New York, New York  
September 23, 2011

BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL  
(A Not-For-Profit Corporation)  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2011

ASSETS

Current assets:

|                                 |    |         |
|---------------------------------|----|---------|
| Cash and cash equivalents       | \$ | 105,228 |
| Grants and contracts receivable |    | 166,687 |
| Accounts receivable             |    | 1,867   |
| Prepaid expenses                |    | 17,844  |
| Total current assets            |    | 291,626 |

Other assets:

|  |  |         |
|--|--|---------|
| Property and equipment, net of accumulated depreciation and amortization of \$49,941 |  | 587,882 |
| Security deposits  |  | 75,000  |
| Restricted cash  |  | 10,027  |
| Total other assets   |  | 672,909 |

TOTAL ASSETS

\$ 964,535

LIABILITIES AND UNRESTRICTED NET ASSETS

Current liabilities:

|                                       |    |         |
|---------------------------------------|----|---------|
| Accounts payable and accrued expenses | \$ | 177,925 |
| Accrued payroll and payroll taxes     |    | 175,255 |
| Refundable advances                   |    | 75,337  |
| Due to related parties                |    | 239,694 |
| Total current liabilities             |    | 668,211 |

Deferred rent

723,322

TOTAL LIABILITIES

1,391,533

Unrestricted net assets

(426,998)

TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS

\$ 964,535

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

BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL  
(A Not-For-Profit Corporation)  
STATEMENT OF ACTIVITIES  
FOR THE PERIOD FROM JANUARY 12, 2010 (INCEPTION) TO  
JUNE 30, 2011

|   |                     |
|---|---------------------|
| Revenue and support:                          |                     |
| State and local per pupil operating revenue   | \$ 2,807,484        |
| Federal grants                                | 301,669             |
| State and city grants                         | 145,071             |
| Contributions and private grants              | 57,942              |
| Donated services                              | 43,241              |
| After school program                          | 27,930              |
| Interest income                               | 1,652               |
| Total revenue and support                     | <u>3,384,989</u>    |
| Expenses:                                     |                     |
| Program services:                             |                     |
| Regular education                             | 2,864,285           |
| Special education                             | 286,632             |
| Supplementary education                       | 30,817              |
| Total program services                        | <u>3,181,734</u>    |
| Supporting services:                          |                     |
| Management and general                        | 594,456             |
| Fundraising                                   | 35,797              |
| Total expenses                                | <u>3,811,987</u>    |
| Change in unrestricted net assets             | (426,998)           |
| Unrestricted net assets - beginning of period | <u>-</u>            |
| Unrestricted net assets - end of period       | <u>\$ (426,998)</u> |

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

BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL  
(A Not-For-Profit Corporation)  
STATEMENT OF CASH FLOWS  
FOR THE PERIOD FROM JANUARY 12, 2010 (INCEPTION) TO  
JUNE 30, 2011

|  |                   |
|--|-------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                   |
| Change in unrestricted net assets  | \$ (426,998)      |
| Adjustments to reconcile change in unrestricted net assets to net cash provided by operating activities: |                   |
| Depreciation and amortization  | 49,941            |
| Changes in certain assets and liabilities:   |                   |
| (Increase) in grants and contracts receivable  | (166,687)         |
| (Increase) in accounts receivable  | (1,867)           |
| (Increase) in prepaid expenses   | (17,844)          |
| (Increase) in security deposit   | (75,000)          |
| Increase in accounts payable and accrued expenses  | 177,925           |
| Increase in accrued payroll and payroll taxes  | 175,255           |
| Increase in refundable advances  | 75,337            |
| Increase in due to related parties   | 239,694           |
| Increase in deferred rent  | 723,322           |
|  | <hr/>             |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>   | <b>753,078</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                   |
| Purchase of property and equipment   | (637,823)         |
| (Increase) in restricted cash  | (10,027)          |
|  | <hr/>             |
| <b>NET CASH (USED IN) INVESTING ACTIVITIES</b>   | <b>(647,850)</b>  |
|  | <hr/>             |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>   | <b>105,228</b>    |
| <b>CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD</b>   | <b>-</b>          |
|  | <hr/>             |
| <b>CASH AND CASH EQUIVALENTS - END OF PERIOD</b>   | <b>\$ 105,228</b> |
|  | <hr/> <hr/>       |

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

BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL  
(A Not-For-Profit Corporation)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

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

Nature of School

Bedford Stuyvesant New Beginnings Charter School (the "School") is a New York State, not-for-profit educational corporation that was incorporated to operate a Charter School pursuant to Article 56 of the Education Law of the State of New York. The School was granted a provisional charter on January 12, 2010 valid for a term of five years and renewable upon expiration by the Board of Regents of the University of the State of New York. The School provides an all-inclusive environment that promotes diverse learning for all students and promotes academic and civic achievements, ranging from the fundamentals of fine art, music, theatre, physical education, and technology. Classes commenced in Brooklyn, New York in September 2010 and the School provided education to approximately 182 students in grades kindergarten through third grade in the 2010-11 academic year.

Food and Transportation Services

The New York City Department of Education provides free lunches and transportation directly to a majority of the School's students. Such costs are not included in these financial statements. The School covers the cost of lunches for children not entitled to the free lunches.

Tax Status

The School is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code as a School described in Section 501(c)(3) and a similar provision under New York State income tax laws. The School has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in section 170(b)(1)(A)(ii). The School is subject to income taxes only on net unrelated business income. The School did not have any unrelated business income for the period from January 12, 2010 (inception) to June 30, 2011.

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

Basis of Presentation

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

BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL  
(A Not-For-Profit Corporation)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

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

Basis of Presentation (Continued)

Unrestricted

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

Temporarily Restricted

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

Permanently Restricted

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

The School has no temporarily or permanently restricted net assets at June 30, 2011.

Revenue and Support

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

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

Use of Estimates

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

BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL  
(A Not-For-Profit Corporation)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

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

Cash and Cash Equivalents

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

Concentration of Credit Risk

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

Property and Equipment

Purchased property and equipment are recorded at cost. Property and equipment acquired with certain government funding are recorded as expenses pursuant to the terms of the contract, in which ownership of such property and equipment is retained by the funding source. Maintenance and repairs are expensed as incurred. No depreciation is recorded on construction-in-progress until property and equipment is placed into service. Depreciation and amortization is provided on the straight line method over the estimated useful lives as follows:

|                         |                              |
|-------------------------|------------------------------|
| Computers and equipment | 3 and 5 years                |
| Furniture and fixtures  | 7 years                      |
| Leasehold improvements  | Useful life or related lease |

Restricted Cash

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

Refundable Advances

The School records grant revenue as deferred revenue until it is expended for the purpose of the grant, at which time it is recognized as revenue.

Deferred Rent

The School records its rent in accordance with FASB ASC 840-20 whereby all rental payments, including fixed rent increases, are recognized on a straight-line basis as an offset to rent expense. The difference between the straight-line rent expense and the required lease payments, as well as any unamortized lease incentives, is reflected in the deferred rent in the accompanying statement of financial position.

BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL  
 (A Not-For-Profit Corporation)  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2011

NOTE 2 - GRANTS AND CONTRACTS RECEIVABLE

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

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, 2011:

|   |            |
|---|------------|
| Computers and equipment                         | \$ 94,594  |
| Furniture and fixtures                          | 61,866     |
| Leasehold improvements                          | 481,363    |
|   | 637,823    |
| Less: Accumulated depreciation and amortization | 49,941     |
|   | \$ 587,882 |

Depreciation and amortization expense was \$49,941 for the period from January 12, 2010 (inception) to June 30, 2011.

NOTE 4 - COMMITMENTS

Operating lease

On September 1, 2010, the School entered into a non-cancelable operating lease for office and classroom space expiring on June 30, 2030, with a renewal option for an additional ten years. The lease provides for rent escalations and the School is responsible for utilities, real estate taxes and other operating expenses. The School is receiving a partial rent credit for the first 10 years of the lease. The School outlined a detailed 10 year capital improvement plan of approximately \$4,900,000 for renovation projects to both the interior and exterior of the building.

Future minimum lease payments are as follows:

|                           | Amount        |
|---------------------------|---------------|
| Year ending June 30, 2012 | \$ 600,000    |
| 2013                      | 740,000       |
| 2014                      | 880,000       |
| 2015                      | 1,022,400     |
| 2016                      | 1,133,640     |
| Thereafter                | 21,389,013    |
|                           | \$ 25,765,053 |

BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL  
(A Not-For-Profit Corporation)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

NOTE 4 - COMMITMENTS (continued)

The School recognizes rent expense on a straight-line basis over the term of the lease. Rent expense in excess of payments is recorded as deferred rent in the accompanying statement of financial position. Rent expense under the lease for the period from January 12, 2010 (inception) to June 30, 2011 amounted to \$1,098,323.

NOTE 5 - CONTINGENCY

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

NOTE 6 - REVENUE CONCENTRATION

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

NOTE 7 - FUNCTIONAL ALLOCATION OF EXPENSE

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

NOTE 8 - DONATED GOODS AND SERVICES

Donated services are recognized as contributions in accordance with FASB ASC 605, "Accounts for Contributions Received and Contributions Made," if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

One entity provided legal services to the School at no charge. The value of these services meets the criteria for recognition in the financial statements and was recorded at fair value of \$43,241 for the period from January 12, 2010 (inception) to June 30, 2011.

BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL  
(A Not-For-Profit Corporation)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011

NOTE 9 - RELATED PARTY TRANSACTIONS

On July 1, 2009 the School entered into an agreement with Antares Venture Solutions ("Antares") to act as a project manager and perform certain professional services during the application and start-up phase of the School's chartering process. Antares' owner is also the COO and a non-voting Board Member of the School. The School incurred \$249,749 in professional fees payable to Antares Ventures Solutions for the period from January 12, 2010 (inception) to June 30, 2011. The balance due to Antares Ventures Solutions at June 30, 2011 amounted to \$230,000. The School paid \$100,000 of this balance subsequent to the balance sheet date.

In addition, the School had a liability of \$9,694 at June 30, 2011 for various expense reimbursements to this Board Member. The School paid \$4,500 of this balance subsequent to the balance sheet date.

NOTE 10 - PENSION PLAN

The School maintains a pension plan qualified under Internal Revenue Code 401(k), for the benefit of its eligible employees. Under the plan, the School will match employee contributions up to 4% of annual compensation. The amount charged for matching contributions to this plan was \$18,929 for the period from January 12, 2010 (inception) to June 30, 2011. In addition, the amount charged to operations for administrative fees under the plan amounted to \$750 for the period from January 12, 2010 (inception) to June 30, 2011.

NOTE 11 - SUBSEQUENT EVENTS

The School has evaluated its subsequent events through September 23, 2011, the date that the accompanying financial statements were issued. The School has no material events requiring disclosure.

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

TEL: (212) 957-3600  
FAX: (212) 957-3696

INDEPENDENT AUDITORS' REPORT  
ON SUPPLEMENTARY INFORMATION

TO THE BOARD OF TRUSTEES  
BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL

Our report on our audit of the basic financial statements of Bedford Stuyvesant New Beginnings Charter School (a not-for-profit corporation) as of and for the period from January 12, 2010 (inception) to June 30, 2011, appears on Page 1. We conducted our audit in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Fruchter Rosen & Company P.C.*  
FRUCHTER ROSEN & COMPANY, P.C.  
Certified Public Accountants

New York, New York  
September 23, 2011

BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL  
(A Not-For-Profit Corporation)

SCHEDULE OF FUNCTIONAL EXPENSES

FOR THE PERIOD FROM JANUARY 12, 2010 (INCEPTION) TO JUNE 30, 2011

|                                     | Regular Education   | Special Education | Supplementary Education | Total Program Service | Management and General | Fundraising      | Total               |
|-------------------------------------|---------------------|-------------------|-------------------------|-----------------------|------------------------|------------------|---------------------|
| Salaries and wages                  | \$ 1,144,359        | \$ 75,299         | \$ 7,355                | \$ 1,227,013          | \$ 172,801             | \$ 1,302         | \$ 1,401,116        |
| Employee benefits and payroll taxes | 219,622             | 14,451            | 1,412                   | 235,485               | 33,164                 | 250              | 268,899             |
| Audit and accounting fees           | -                   | -                 | -                       | -                     | 20,000                 | -                | 20,000              |
| Donated legal services              | 34,593              | 4,757             | -                       | 39,350                | 3,892                  | -                | 43,242              |
| Advertising and recruiting          | 8,869               | 1,135             | -                       | 10,004                | 215                    | -                | 10,219              |
| Legal fees                          | 300                 | 41                | -                       | 341                   | 34                     | -                | 375                 |
| Financial management services       | -                   | -                 | -                       | -                     | 89,403                 | -                | 89,403              |
| Contractual services                | 28,662              | 3,941             | -                       | 32,603                | 3,225                  | -                | 35,828              |
| Consulting                          | 167,743             | 15,809            | 22,080                  | 205,602               | 140,357                | 33,549           | 379,508             |
| Leased equipment                    | 4,000               | 550               | -                       | 4,550                 | 450                    | -                | 5,000               |
| Student food service                | 7,534               | 944               | -                       | 8,478                 | -                      | -                | 8,478               |
| Staff lunches                       | 4,347               | 598               | -                       | 4,945                 | 489                    | -                | 5,434               |
| Insurance                           | 15,208              | 2,091             | -                       | 17,299                | 1,711                  | -                | 19,010              |
| Utilities                           | 69,950              | 9,618             | -                       | 79,568                | 7,870                  | -                | 87,438              |
| Rent                                | 878,658             | 120,815           | -                       | 999,473               | 98,850                 | -                | 1,098,323           |
| Postage and shipping                | 3,298               | 454               | -                       | 3,752                 | 330                    | 41               | 4,123               |
| Classroom supplies                  | 25,215              | 3,459             | -                       | 28,374                | -                      | -                | 28,374              |
| Instructional materials             | 94,153              | 1,708             | -                       | 105,951               | -                      | -                | 105,951             |
| Professional development            | 34,888              | 4,972             | -                       | 39,260                | 5,481                  | -                | 44,741              |
| Repairs and maintenance             | 16,633              | 2,287             | -                       | 18,920                | 1,870                  | -                | 20,790              |
| Office expense                      | 15,694              | 2,158             | -                       | 17,852                | 4,488                  | 121              | 22,461              |
| Telephone and internet services     | 16,565              | 2,278             | -                       | 18,843                | 1,657                  | 207              | 20,707              |
| Information technology              | 26,144              | 3,594             | -                       | 29,735                | 2,614                  | 327              | 32,676              |
| Student transportation              | 7,904               | 990               | -                       | 8,894                 | -                      | -                | 8,894               |
| Dues and subscriptions              | -                   | -                 | -                       | -                     | 877                    | -                | 877                 |
| Depreciation and amortization       | 39,949              | 5,493             | -                       | 45,442                | 4,499                  | -                | 49,941              |
| Miscellaneous                       | -                   | -                 | -                       | -                     | 179                    | -                | 179                 |
| <b>Total</b>                        | <b>\$ 2,864,285</b> | <b>\$ 286,632</b> | <b>\$ 30,817</b>        | <b>\$ 3,181,734</b>   | <b>\$ 594,456</b>      | <b>\$ 35,797</b> | <b>\$ 3,811,987</b> |

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

TEL: (212)957-3600  
FAX: (212)957-3696

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  
BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL

We have audited the financial statements of Bedford Stuyvesant New Beginnings Charter School ("the School") as of and for the period from January 12, 2010 (inception) to June 30, 2011, and have issued our report thereon dated September 23, 2011. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

TO THE BOARD OF TRUSTEES  
BEDFORD STUYVESANT NEW BEGINNINGS CHARTER SCHOOL

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*.

This report is intended solely for the information and use of management, Board of Trustees, federal, state and local awarding agencies, The Department of Education of the City of New York, The State Education Department of the State University of New York, and others within the School and is not intended to be and should not be used by anyone other than these specified parties.

*Fruchter Rosen & Company P.C.*  
FRUCHTER ROSEN & COMPANY, P.C.  
Certified Public Accountants

New York, New York  
September 23, 2011

FINAL DRAFT

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

TEL: (212) 957-3600  
FAX: (212) 957-3696

September 23, 2011

To the Audit Committee of the Board of Trustees  
Bedford Stuyvesant New Beginnings Charter School

We have audited the financial statements of Bedford Stuyvesant New Beginnings Charter School (the "School") for the period from January 12, 2010 (inception) to June 30, 2011, and have issued our report thereon dated September 23, 2011. Professional standards require that we provide you with the following information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated November 15, 2010, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we will consider the internal control of the School. Such considerations will be solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed test of the School's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Planned Scope of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions to be examined and the areas to be tested.

Our audit includes obtaining an understanding of the School 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. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the School. We will communicate any internal control related matters that are required to be communicated under professional standards.

We performed our audit according to the plan previously communicated to you in our engagement letter. Discussions were held with management on various dates throughout the audit process.

### Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Bedford Stuyvesant New Beginnings Charter School are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal 2011. We noted no transactions entered into by the School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

#### *Disagreements with Management*

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

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated September 23, 2011.

*Management Consultations with Other Independent Accountants*

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

*Other Audit Findings or Issues*

Throughout the year, routine discussions regarding a variety of matters, including the application of accounting principles and auditing standards, were held with management in connection with transactions that have occurred, transactions that are contemplated, or reassessment of current circumstances. Such discussions have been helpful in conducting the audit.

We have issued a separate report to you, also dated September 23, 2011, containing our comments on Bedford Stuyvesant New Beginnings Charter School's internal control.

This information is intended solely for the use of the Board of Trustees and management of Bedford Stuyvesant New Beginnings Charter School and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

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

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

TEL: (212) 957-3600  
FAX: (212) 957-3696

September 23, 2011

Audit Committee of the Board of Trustees  
Bedford Stuyvesant New Beginnings Charter School  
82 Lewis Avenue  
Brooklyn, New York 11206

In planning and performing our audit of the financial statements of Bedford Stuyvesant New Beginnings Charter School (the "School") as of June 30, 2011 and for the period from January 12, 2010 (inception) to June 30, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered the School's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

This communication is intended solely for the information and use of management, Board of Trustees, federal, state and local awarding agencies, The Department of Education of the City of New York, The State Education Department of the State University of New York, and others within the School and is not intended to be and should not be used by anyone other than these specified parties.

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

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

New York, New York  
September 23, 2011

**Bed Stuy New Beginnings Charter School**  
**Budget vs. Actuals; BSNB - FY12 P&L**  
 July - September, 2011

|  | Annual Budget          | Budget (July - September<br>(1)) | Actuals (July - September<br>(1)) | Variance               |
|--|------------------------|----------------------------------|-----------------------------------|------------------------|
| <b>Income</b>                              |                        |                                  |                                   |                        |
| <b>4100 State Grants</b>                   |                        |                                  |                                   |                        |
| 4101 Per Pupil Allocation                  | 3,381,750.00           | 845,439.00                       | 845,437.50                        | (1.50)                 |
| 4102 Per Pupil Allocation - SPED           | 441,595.00             | 110,397.00                       | 64,937.52                         | (46,459.48)            |
| 4103 NY State Textbook Aid (NYSTL)         | 14,563.00              | 0.00                             | 0.00                              | 0.00                   |
| 4104 NY State Software Aid (NYSSL)         | 3,745.00               | 0.00                             | 0.00                              | 0.00                   |
| 4105 NY State Library Aid (NYSLIBL)        | 1,583.00               | 0.00                             | 0.00                              | 0.00                   |
| 4107 SSF                                   | 100,000.00             | 10,000.00                        | 0.00                              | (10,000.00)            |
| <b>Total 4100 State Grants</b>             | <b>\$ 3,943,206.00</b> | <b>\$ 965,836.00</b>             | <b>\$ 910,375.02</b>              | <b>\$ (55,460.98)</b>  |
| <b>4200 Federal Grants</b>                 |                        |                                  |                                   |                        |
| 4201 IDEA for Special Education            | 56,010.00              | 0.00                             | 0.00                              | 0.00                   |
| 4202 CSP Grant                             | 200,000.00             | 20,000.00                        | 124,630.60                        | 104,630.60             |
| 4203 Title I                               | 77,328.00              | 7,733.00                         | 6,406.79                          | (1,326.21)             |
| 4204 Title IIA                             | 9,722.00               | 972.00                           | 2,450.00                          | 1,478.00               |
| <b>Total 4200 Federal Grants</b>           | <b>\$ 343,060.00</b>   | <b>\$ 28,705.00</b>              | <b>\$ 133,487.39</b>              | <b>\$ 104,782.39</b>   |
| <b>4300 Contributions</b>                  |                        |                                  |                                   |                        |
| 4301 Unrestricted Contributions            | 0.00                   | 0.00                             | 0.00                              | 0.00                   |
| 4304 Achelis & Bodman Grant                | 0.00                   | 0.00                             | 0.00                              | 0.00                   |
| 4305 In Kind Legal Support                 | 0.00                   | 0.00                             | 0.00                              | 0.00                   |
| 4306 In Kind Donation                      | 0.00                   | 0.00                             | 0.00                              | 0.00                   |
| <b>Total 4300 Contributions</b>            | <b>\$ -</b>            | <b>\$ -</b>                      | <b>\$ -</b>                       | <b>\$ -</b>            |
| <b>4400 Miscellaneous Income</b>           |                        |                                  |                                   |                        |
| 4401 Interest Income                       | 0.00                   | 0.00                             | 463.45                            | 463.45                 |
| 4402 After School Program                  | 0.00                   | 0.00                             | 1,750.00                          | 1,750.00               |
| <b>Total 4400 Miscellaneous Income</b>     | <b>\$ -</b>            | <b>\$ -</b>                      | <b>\$ 2,213.45</b>                | <b>\$ 2,213.45</b>     |
| <b>Total Income</b>                        | <b>\$ 4,286,266.00</b> | <b>\$ 994,541.00</b>             | <b>\$ 1,046,075.86</b>            | <b>\$ 51,534.86</b>    |
| <b>Gross Profit</b>                        | <b>\$ 4,286,266.00</b> | <b>\$ 994,541.00</b>             | <b>\$ 1,046,075.86</b>            | <b>\$ 51,534.86</b>    |
| <b>Expenses</b>                            |                        |                                  |                                   |                        |
| <b>5000 Compensation</b>                   |                        |                                  |                                   |                        |
| <b>5100 Instructional Leadership</b>       |                        |                                  |                                   |                        |
| 5101 Academic Leader                       | 125,000.00             | 15,626.00                        | 14,453.14                         | (1,172.86)             |
| 5102 Curriculum / Assessment Coordinator   | 69,000.00              | 8,825.00                         | 4,187.50                          | (4,637.50)             |
| 5103 Dean / Student Life Coordinator       | 77,250.00              | 9,857.00                         | 8,046.88                          | (1,810.12)             |
| 5104 Special Needs Coordinator             | 69,000.00              | 8,825.00                         | 7,187.50                          | (1,637.50)             |
| 5105 Guidance Counselor                    | 60,770.00              | 7,596.00                         | 6,330.20                          | (1,265.80)             |
| <b>Total 5100 Instructional Leadership</b> | <b>\$ 401,020.00</b>   | <b>\$ 50,129.00</b>              | <b>\$ 40,206.22</b>               | <b>\$ (9,923.78)</b>   |
| <b>5200 Instructional Staff</b>            |                        |                                  |                                   |                        |
| 5201 Classroom Teachers                    | 560,291.00             | 72,537.00                        | 58,891.83                         | (13,645.17)            |
| 5202 Specialty Teachers                    | 232,852.00             | 29,062.00                        | 23,181.18                         | (5,880.82)             |
| 5203 Arts / Home & Career Teacher          | 0.00                   | 0.00                             | 0.00                              | 0.00                   |
| 5204 PE / Health Teacher                   | 0.00                   | 0.00                             | 0.00                              | 0.00                   |
| 5205 Instructional Associates              | 280,000.00             | 35,000.00                        | 31,195.55                         | (3,804.45)             |
| 5206 After School Staff                    | 0.00                   | 0.00                             | 315.00                            | 315.00                 |
| 5207 Special Ed Teacher                    | 69,000.00              | 7,376.00                         | 0.00                              | (7,376.00)             |
| 5208 Special Ed Instructional Associate    | 42,000.00              | 5,250.00                         | 0.00                              | (5,250.00)             |
| 5209 Academic Intervention Specialist      | 75,000.00              | 9,375.00                         | 6,250.00                          | (3,125.00)             |
| 5210 Enrichment Specialist                 | 59,000.00              | 7,376.00                         | 0.00                              | (7,376.00)             |
| <b>Total 5200 Instructional Staff</b>      | <b>\$ 1,327,943.00</b> | <b>\$ 165,996.00</b>             | <b>\$ 119,843.56</b>              | <b>\$ (46,152.44)</b>  |
| <b>5300 Non Instructional Staff</b>        |                        |                                  |                                   |                        |
| 5301 Chief Operating Officer               | 75,000.00              | 18,750.00                        | 0.00                              | (18,750.00)            |
| 5302 Director of Operations                | 100,000.00             | 24,999.00                        | 20,520.86                         | (4,478.15)             |
| 5305 School Aide                           | 22,800.00              | 4,146.00                         | 3,251.25                          | (894.75)               |
| 5306 Custodian                             | 67,000.00              | 18,749.00                        | 6,937.50                          | (9,811.50)             |
| 5307 Parent Coordinator                    | 35,000.00              | 8,761.00                         | 3,701.92                          | (5,049.08)             |
| 5308 Business Manager                      | 75,000.00              | 18,750.00                        | 0.00                              | (18,750.00)            |
| 5309 Operations Associate                  | 73,000.00              | 18,249.00                        | 14,785.24                         | (3,463.76)             |
| <b>Total 5300 Non Instructional Staff</b>  | <b>\$ 447,800.00</b>   | <b>\$ 110,394.00</b>             | <b>\$ 49,196.76</b>               | <b>\$ (61,197.24)</b>  |
| <b>Total 5000 Compensation</b>             | <b>\$ 2,176,783.00</b> | <b>\$ 326,519.00</b>             | <b>\$ 209,245.54</b>              | <b>\$ (117,273.46)</b> |
| <b>5500 Benefits</b>                       |                        |                                  |                                   |                        |
| 5501 FUTA                                  | 0.00                   | 0.00                             | 369.18                            | 369.18                 |
| 5502 Social Security - EmployER            | 134,959.00             | 33,741.00                        | 12,612.98                         | (21,128.02)            |
| 5503 Social Security - EmployEE            | 0.00                   | 0.00                             | 0.00                              | 0.00                   |
| 5504 Medicare - EmployER                   | 31,563.00              | 7,890.00                         | 2,933.71                          | (4,956.29)             |
| 5505 Medicare - EmployEE                   | 0.00                   | 0.00                             | 0.00                              | 0.00                   |
| 5506 Federal Income Tax (Clearing)         | 0.00                   | 0.00                             | 0.00                              | 0.00                   |
| 5507 State Income Tax (Clearing)           | 0.00                   | 0.00                             | 0.00                              | 0.00                   |
| 5508 NYC Local Tax (Clearing)              | 0.00                   | 0.00                             | 0.00                              | 0.00                   |
| 5509 Retirement 401K (Clearing)            | 0.00                   | 0.00                             | 0.00                              | 0.00                   |
| 5510 Retirement 401K Fees                  | 1,000.00               | 249.00                           | 125.00                            | (124.00)               |
| 5511 Retirement 401K Match                 | 108,838.00             | 0.00                             | 0.00                              | 0.00                   |
| 5512 NYS Unemployment Insurance            | 12,848.00              | 3,162.00                         | 2,522.75                          | (839.25)               |
| 5513 NYS Disability                        | 960.00                 | 240.00                           | 0.00                              | (240.00)               |
| 5514 Medical Insurance                     | 159,600.00             | 39,800.00                        | 38,371.83                         | (1,528.37)             |

|   | Annual Budget        | Budget (July - September<br>11) | Actuals (July - September<br>11) | Variance              |
|---|----------------------|---------------------------------|----------------------------------|-----------------------|
| 5515 Dental Insurance                             | 18,900.00            | 4,725.00                        | 2,734.34                         | (1,990.66)            |
| 5516 Vision Insurance                             | 1,250.00             | 315.00                          | 363.00                           | 48.00                 |
| 5517 STD, LTD, Life & AD&D Insurance              | 10,500.00            | 2,625.00                        | 2,363.44                         | (261.56)              |
| 5518 Metro NYC Tax                                | 7,401.00             | 1,851.00                        | 1,241.98                         | (609.02)              |
| 5519 Worker's Compensation                        | 12,000.00            | 3,000.00                        | 3,501.71                         | 501.71                |
| 5520 TransitChek Fees                             | 250.00               | 63.00                           | 193.22                           | 130.22                |
| <b>Total 5500 Benefits</b>                        | <b>\$ 499,879.00</b> | <b>\$ 97,781.00</b>             | <b>\$ 67,332.84</b>              | <b>\$ (30,428.06)</b> |
| <b>6100 General &amp; Administrative</b>          |                      |                                 |                                  |                       |
| 6101 Office Supplies - General                    | 10,000.00            | 2,499.00                        | 7,066.19                         | 4,567.19              |
| 6102 Office Furniture (Non-Asset)                 | 2,500.00             | 624.00                          | 0.00                             | (624.00)              |
| 6103 Office Equipment (Non-Asset)                 | 1,000.00             | 249.00                          | 645.75                           | 396.75                |
| 6105 Copy Machine Expenses                        | 6,000.00             | 1,500.00                        | 0.00                             | (1,500.00)            |
| 6106 Postage and Delivery                         | 3,000.00             | 750.00                          | 969.16                           | 219.16                |
| 6107 Insurance - General                          | 23,000.00            | 5,751.00                        | 8,130.88                         | 379.88                |
| 6108 Insurance - ERISA                            | 1,000.00             | 249.00                          | 0.00                             | (249.00)              |
| 6109 Dues and Subscriptions                       | 500.00               | 123.00                          | 1,583.65                         | 1,460.65              |
| 6110 Team Building / Staff Appreciation           | 5,000.00             | 1,251.00                        | 1,487.54                         | 236.54                |
| 6112 Staff Travel                                 | 1,500.00             | 375.00                          | 0.00                             | (375.00)              |
| 6113 Janitorial Supplies                          | 5,000.00             | 1,251.00                        | 198.29                           | (1,092.71)            |
| 6114 Student Meals                                | 5,000.00             | 805.00                          | -329.30                          | (1,234.30)            |
| 6115 Student Apparel / Uniforms                   | 0.00                 | 0.00                            | 0.00                             | 0.00                  |
| 6116 Signage (Indoor/Outdoor)                     | 0.00                 | 0.00                            | 0.00                             | 0.00                  |
| <b>Total 6100 General &amp; Administrative</b>    | <b>\$ 63,500.00</b>  | <b>\$ 15,527.00</b>             | <b>\$ 17,712.14</b>              | <b>\$ 2,185.14</b>    |
| <b>6200 Professional Services</b>                 |                      |                                 |                                  |                       |
| 6201 Audit Services                               | 20,000.00            | 0.00                            | 0.00                             | 0.00                  |
| 6202 Payroll Services                             | 3,500.00             | 873.00                          | 1,271.31                         | 398.31                |
| 6204 Legal Services - In Kind                     | 0.00                 | 0.00                            | 0.00                             | 0.00                  |
| 6205 Financial Management Services                | 50,000.00            | 12,501.00                       | 31,773.75                        | 19,272.75             |
| 6206 Non-Instructional Contractual Services       | 10,000.00            | 2,499.00                        | 0.00                             | (2,499.00)            |
| 6207 Temporary Admin Staffing Services            | 0.00                 | 0.00                            | 3,858.87                         | 3,858.87              |
| 6208 SPED Consultants                             | 0.00                 | 0.00                            | 0.00                             | 0.00                  |
| 6209 After School Consultants                     | 0.00                 | 0.00                            | 900.00                           | 900.00                |
| 6210 Administrative Services                      | 1,000.00             | 249.00                          | 0.00                             | (249.00)              |
| 6211 Web Site Development                         | 1,500.00             | 375.00                          | 629.21                           | 254.21                |
| 6212 Strategic Planning Consultant                | 25,000.00            | 6,249.00                        | 0.00                             | (6,249.00)            |
| 6213 Educational Consultants                      | 75,000.00            | 18,750.00                       | 0.00                             | (18,750.00)           |
| <b>Total 6200 Professional Services</b>           | <b>\$ 186,000.00</b> | <b>\$ 41,496.00</b>             | <b>\$ 38,431.14</b>              | <b>\$ (3,064.86)</b>  |
| <b>6300 Professional Development</b>              |                      |                                 |                                  |                       |
| 6301 Instructional Staff PD                       | 10,000.00            | 2,499.00                        | 1,970.00                         | (529.00)              |
| 6303 Board Development                            | 3,000.00             | 750.00                          | 2,000.00                         | 1,250.00              |
| <b>Total 6300 Professional Development</b>        | <b>\$ 13,000.00</b>  | <b>\$ 3,249.00</b>              | <b>\$ 3,970.00</b>               | <b>\$ 721.00</b>      |
| <b>6400 Marketing and Staff/Student Rec</b>       |                      |                                 |                                  |                       |
| 6401 Staff Recruiting                             | 1,000.00             | 249.00                          | 655.00                           | 306.00                |
| 6402 Student Recruitment                          | 2,500.00             | 1,250.00                        | 0.00                             | (1,250.00)            |
| 6403 Job Fairs / Conferences                      | 7,500.00             | 1,875.00                        | 0.00                             | (1,875.00)            |
| <b>Total 6400 Marketing and Staff/Student Rec</b> | <b>\$ 11,000.00</b>  | <b>\$ 3,374.00</b>              | <b>\$ 555.00</b>                 | <b>\$ (2,819.00)</b>  |
| <b>7100 Curriculum and Classroom</b>              |                      |                                 |                                  |                       |
| 7102 Classroom Libraries                          | 35,000.00            | 18,638.00                       | 70,602.30                        | 51,966.30             |
| 7103 Curriculum Textbooks & Other                 | 0.00                 | 0.00                            | 13,890.90                        | 13,890.90             |
| 7104 Instructional Equipment (Non-Asset)          | 0.00                 | 0.00                            | 1,920.90                         | 1,920.90              |
| 7105 Standardized Test Materials/Asse             | 2,500.00             | 1,250.00                        | 4,089.88                         | 2,839.88              |
| 7106 Student Transportation                       | 0.00                 | 0.00                            | 7,426.40                         | 7,426.40              |
| 7107 Student Field Trips                          | 2,500.00             | 624.00                          | 87.50                            | (536.50)              |
| 7109 Classroom Supplies                           | 10,000.00            | 5,000.00                        | 7,573.84                         | 2,573.84              |
| 7110 Art Supplies                                 | 3,500.00             | 1,750.00                        | 3,804.90                         | 1,854.90              |
| 7111 Music Supplies                               | 0.00                 | 0.00                            | 4,339.90                         | 4,339.90              |
| 7112 Sports Supplies                              | 0.00                 | 0.00                            | 4,753.84                         | 4,753.84              |
| 7113 Science Supplies                             | 1,000.00             | 500.00                          | 1,737.49                         | 1,237.49              |
| <b>Total 7100 Curriculum and Classroom</b>        | <b>\$ 54,500.00</b>  | <b>\$ 27,766.00</b>             | <b>\$ 120,027.75</b>             | <b>\$ 92,267.75</b>   |
| <b>8100 Facility Expenses</b>                     |                      |                                 |                                  |                       |
| 8101 Rent/Lease                                   | 600,000.00           | 150,000.00                      | 150,000.00                       | 0.00                  |
| 8102 Electricity                                  | 25,000.00            | 6,249.00                        | 0.00                             | (6,249.00)            |
| 8103 Oil  | 30,000.00            | 7,500.00                        | 0.00                             | (7,500.00)            |
| 8104 Gas  | 1,000.00             | 249.00                          | 155.32                           | (83.68)               |
| 8107 Contracted Security                          | 27,000.00            | 6,750.00                        | 12,379.39                        | 5,629.39              |
| 8108 Elevator Maintenance                         | 5,000.00             | 1,251.00                        | 436.04                           | (814.96)              |
| 8109 Maintenance / Repairs                        | 5,000.00             | 1,251.00                        | 125.00                           | (1,126.00)            |
| <b>Total 8100 Facility Expenses</b>               | <b>\$ 693,000.00</b> | <b>\$ 173,250.00</b>            | <b>\$ 163,095.75</b>             | <b>\$ (10,154.25)</b> |
| <b>8200 Technology/Communication</b>              |                      |                                 |                                  |                       |
| 8201 Telephone Expenses                           | 5,000.00             | 1,251.00                        | 2,381.19                         | 1,110.19              |
| 8202 Mobile Phone Expenses                        | 6,000.00             | 1,500.00                        | 1,588.77                         | 88.77                 |
| 8203 Internet Connectivity Expenses               | 1,200.00             | 300.00                          | 599.00                           | 299.00                |
| 8204 Network Maintenance / Tech SUpport           | 30,000.00            | 7,500.00                        | 90.00                            | (7,410.00)            |
| 8205 Student Database Development Services        | 0.00                 | 0.00                            | 1,231.59                         | 1,231.59              |
| 8207 Technology Supplies                          | 0.00                 | 0.00                            | 636.68                           | 636.68                |
| 8208 Technology Consultants                       | 5,000.00             | 1,251.00                        | 0.00                             | (1,251.00)            |
| <b>Total 8200 Technology/Communication</b>        | <b>\$ 47,200.00</b>  | <b>\$ 11,802.00</b>             | <b>\$ 6,585.21</b>               | <b>\$ (5,286.79)</b>  |
| <b>8800 Miscellaneous Expenses</b>                |                      |                                 |                                  |                       |
| 8801 Bank Service Charges                         | 0.00                 | 0.00                            | 161.88                           | 161.88                |

8803 Expense Suspense Account  
 8804 Debt  
 Total 8800 Miscellaneous Expenses  
 8900 Depreciation Expense  
 Total Expenses  
 Net Operating Income  
 Net Income

|  | Annual Budget   | Budget (July - September 11) | Actuals (July - September 11) | Variance       |
|--|-----------------|------------------------------|-------------------------------|----------------|
|  | 0.00            | 0.00                         | 228.63                        | 228.63         |
|  | 320,600.00      | 0.00                         | 0.00                          | 0.00           |
|  | \$ 320,600.00   | \$ -                         | \$ 390.51                     | \$ 390.51      |
|  | 0.00            | 0.00                         | 0.00                          | 0.00           |
|  | \$ 4,085,442.00 | \$ 700,738.00                | \$ 627,265.98                 | \$ (73,472.02) |
|  | \$ 220,824.00   | \$ 293,803.00                | \$ 418,809.88                 | \$ 125,006.88  |
|  | \$ 220,824.00   | \$ 293,803.00                | \$ 418,809.88                 | \$ 125,006.88  |



**Bed Stuy New Beginnings Charter School  
2011-2012 Budget  
SUMMARY**

| Header Accounts & GL Codes                   | FY 2011-2012<br>Budget |
|--|------------------------|
| <b>REVENUE</b>                               |                        |
| <b>4100 - State Grants</b>                   | <b>3,715,500</b>       |
| 4101 Per Pupil Aid - General Education       | 3,110,750              |
| 4102 Per Pupil Aid - Special Education       | 484,880                |
| 4103 NYSTL                                   | 14,563                 |
| 4104 NYSSL                                   | 3,745                  |
| 4105 NYSLIBL                                 | 1,563                  |
| 4106 DYCD                                    | -                      |
| State Meals Reimbursement                    | -                      |
| State Stimulus Fund                          | 100,000                |
| <b>Subtotal</b>                              | <b>3,715,500</b>       |
| <b>4200 - Federal Grants</b>                 | <b>396,010</b>         |
| 4204 Title I                                 | 125,000                |
| Title I ARRA                                 | -                      |
| 4205 Title II A                              | 15,000                 |
| 4201 IDEA for Special Education              | 56,010                 |
| E-Rate                                       | -                      |
| 4202 CSP                                     | 200,000                |
| Federal Meals Reimbursement                  | -                      |
| PICCS  | -                      |
| <b>Subtotal</b>                              | <b>396,010</b>         |
| <b>4300 - Contributions</b>                  | <b>-</b>               |
| Individual Contributions                     | -                      |
| 4303 Foundation                              | -                      |
| Corporate                                    | -                      |
| In-Kind Legal Services                       | -                      |
| In-Kind Services General                     | -                      |
| <b>Subtotal</b>                              | <b>-</b>               |
| <b>4400 - Fundraising Revenue</b>            | <b>-</b>               |
| <b>4500 - Misc. Revenues</b>                 | <b>-</b>               |
| 4401 Interest Income                         | -                      |
| 4402 Revenue Suspense Account                | -                      |
| 4403 After School Program                    | -                      |
| Other/Misc Income                            | -                      |
| Other/Misc Income                            | -                      |
| <b>TOTAL REVENUE</b>                         | <b>4,111,510</b>       |
| <b>EXPENSES</b>                              |                        |
| <b>5000 - Personnel Expenses</b>             | <b>2,051,000</b>       |
| <b>5010 - Instructional Leadership</b>       | <b>389,000</b>         |
| 5011 Academic Leader                         | 125,000                |
| 5012 Curriculum/Assessment Coordinator       | 67,000                 |
| 5013 Special Needs Coordinator               | 67,000                 |
| 5014 Dean/Student Life Coordinator           | 72,000                 |
| Guidance                                     | 58,000                 |
| 0  | -                      |
| 0  | -                      |
| 0  | -                      |
| 0  | -                      |
| <b>Subtotal</b>                              | <b>389,000</b>         |
| <b>5020 - Non-Instructional Staff</b>        | <b>430,000</b>         |
| 5021 Chief Operating Officer                 | 75,000                 |
| 5022 Director of Operations                  | 90,000                 |
| 5023 Operations Associate                    | 35,000                 |
| 5024 Office Manager                          | 35,000                 |
| 5025 Business Manager                        | 70,000                 |
| 5027 School Aide                             | 20,000                 |
| 5028 Custodian                               | 70,000                 |
| 5029 Parent Coordinator                      | 35,000                 |
| 0  | -                      |
| 0  | -                      |
| 0  | -                      |
| <b>Subtotal</b>                              | <b>430,000</b>         |
| <b>5030 - Instructional Staff</b>            | <b>1,232,000</b>       |
| 5031 Classroom Teacher                       | 480,000                |
| 5033 Specialty Teacher (Art, Music, Phys Ed) | 180,000                |
| 5035 Instructional Associates                | 320,000                |
| 5036 AIS Teacher                             | 72,000                 |
| 5037 Enrichment Teacher                      | 60,000                 |
| 5038 Latin Teacher                           | 60,000                 |
| 5039 Special Ed Teacher                      | 60,000                 |
| 0  | -                      |
| <b>Subtotal</b>                              | <b>1,232,000</b>       |
| <b>5400 - Fundraising Staff</b>              | <b>-</b>               |
| 5401 0                                       | -                      |
| 5402 0                                       | -                      |
| 5403 0                                       | -                      |

**Bed Stuy New Beginnings Charter School  
2011-2012 Budget  
SUMMARY**

| Header Accounts & GL Codes                          | FY 2011-2012<br>Budget |
|---|------------------------|
| 5404 0  | -                      |
| Subtotal  | -                      |
| <b>5500 - Stipends / 5600 - Performance Bonuses</b> | <b>-</b>               |
| 5500 - Stipends                                     | -                      |
| 5600 - Performance Bonuses                          | -                      |
| <b>6000 - Benefits</b>                              | <b>341,415</b>         |
| 5102 State Unemployment Insurance (SUI)             | 10,540                 |
| 5105 Disability Expense                             | -                      |
| 5103 Social Security - ER                           | 127,162                |
| 5104 Medicare - ER                                  | 29,740                 |
| 5112 401(K) Employer Match                          | -                      |
| 5111 401(K) Fees                                    | -                      |
| 5113 Transit/Check Fees                             | -                      |
| 5117 Metro Commuter Tax                             | 6,973                  |
| Flexible Spending Fees                              | -                      |
| Personnel Insurance                                 | 167,000                |
| 5107 Medical  | 140,000                |
| 5108 Dental   | 15,000                 |
| 5109 Vision   | -                      |
| 5106 Workers Comp                                   | 12,000                 |
| 5115 Life Insurance/AD&D/STD/LTD                    | -                      |
| Subtotal  | 341,415                |
| <b>6100 - General &amp; Administrative</b>          | <b>63,500</b>          |
| 6101 Office Supplies-General                        | 5,000                  |
| 6102 Office Furniture (Non-Asset)                   | 5,000                  |
| 6103 Office Equipment (Non-Asset)                   | 1,500                  |
| 6104 Printers DYCD                                  | 2,000                  |
| 6105 Copy Machine Lease                             | 5,000                  |
| 6106 Copy Paper                                     | 7,500                  |
| 6107 Postage, Mailing Service                       | 2,500                  |
| 6108 Insurance-General                              | 20,000                 |
| 6109 Insurance-ERISA                                | 1,000                  |
| 6110 Dues and Subscriptions                         | 1,000                  |
| 6111 Team Building/Staff Lunch/Dinner               | 5,000                  |
| 6113 Staff Travel                                   | 2,000                  |
| 6114 Signage (Indoor/Outdoor)                       | -                      |
| 6115 Student Apparel/Uniforms                       | -                      |
| 6116 Student Meals                                  | 1,000                  |
| 6117 Janitorial Supplies                            | 5,000                  |
| 6118 (NEW)  | -                      |
| 6119 (NEW)  | -                      |
| 6120 (NEW)  | -                      |
| 6120 (NEW)  | -                      |
| Subtotal  | 63,500                 |
| <b>6200 - Professional Services</b>                 | <b>103,000</b>         |
| 6201 Audit Services                                 | 20,000                 |
| 6202 Payroll Services                               | 3,500                  |
| 6204 Financial Management Services                  | 50,000                 |
| 6205 Administrative Services                        | -                      |
| 6207 Web Site Development                           | 3,000                  |
| 6208 Non-Instructional Contractual Services         | 25,000                 |
| 6209 Temporary Staffing Services                    | 1,500                  |
| 6210 After-School Consultants                       | -                      |
| 6211 (NEW)  | -                      |
| 6212 (NEW)  | -                      |
| 6213 (NEW)  | -                      |
| 6214 (NEW)  | -                      |
| 6215 (NEW)  | -                      |
| 6216 (NEW)  | -                      |
| 6217 (NEW)  | -                      |
| 6218 (NEW)  | -                      |
| 6219 (NEW)  | -                      |
| 6220 (NEW)  | -                      |
| 6221 (NEW)  | -                      |
| Subtotal  | 103,000                |
| <b>6300 - Professional Development</b>              | <b>103,000</b>         |
| 6301 Instructional Staff PD                         | 10,000                 |
| 6302 Non Instructional Staff PD                     | -                      |
| 6305 Board Development                              | 3,000                  |
| 6306 Leadership Coaching                            | 15,000                 |
| 6307 Blended Program (middle school)                | 75,000                 |
| 6308 (NEW)  | -                      |
| 6309 (NEW)  | -                      |
| 6310 (NEW)  | -                      |
| 6311 (NEW)  | -                      |
| 6312 (NEW)  | -                      |
| 6313 (NEW)  | -                      |
| 6314 (NEW)  | -                      |
| 6315 (NEW)  | -                      |
| 6316 (NEW)  | -                      |

**Bed Stuy New Beginnings Charter School  
2011-2012 Budget  
SUMMARY**

| Header Accounts & GL Codes                            | FY 2011-2012<br>Budget |
|---|------------------------|
| 6317 (NEW)  | -                      |
| 6318 (NEW)  | -                      |
| 6319 (NEW)  | -                      |
| 6320 (NEW)  | -                      |
| 6321 (NEW)  | -                      |
| <b>Subtotal</b>                                       | <b>103,000</b>         |
| <b>6400 - Marketing and Staff/Student Recruitment</b> | <b>5,500</b>           |
| 6401 Staff Recruiting                                 | 2,500                  |
| 6402 Student Recruiting                               | 3,000                  |
| 6404 Job Fairs/Conferences                            | -                      |
| 6405 Advertising                                      | -                      |
| 6406 (NEW)  | -                      |
| 6407 (NEW)  | -                      |
| 6408 (NEW)  | -                      |
| 6409 (NEW)  | -                      |
| 6410 (NEW)  | -                      |
| 6411 (NEW)  | -                      |
| 6412 (NEW)  | -                      |
| 6413 (NEW)  | -                      |
| <b>Subtotal</b>                                       | <b>5,500</b>           |
| <b>6500 - Fundraising</b>                             | <b>-</b>               |
| 6502 Mailings and Materials                           | -                      |
| 6503 Events   | -                      |
| 6504 (NEW)  | -                      |
| 6505 (NEW)  | -                      |
| 6506 (NEW)  | -                      |
| 6507 (NEW)  | -                      |
| 6508 (NEW)  | -                      |
| 6509 (NEW)  | -                      |
| 6510 (NEW)  | -                      |
| 6511 (NEW)  | -                      |
| <b>Subtotal</b>                                       | <b>-</b>               |
| <b>7100 - Curriculum &amp; Classroom</b>              | <b>138,870</b>         |
| 7101 Classroom Libraries                              | 35,000                 |
| 7102 Math   | -                      |
| 7103 Science  | 2,500                  |
| 7105 Standardized Test Materials/Assessments          | 2,500                  |
| 7107 Student Field Trips                              | 2,500                  |
| 7108 Instructional Equipment-Non Asset                | -                      |
| 7109 Classroom Supplies                               | 12,500                 |
| 7110 Art Supplies                                     | 3,000                  |
| 7111 Music Supplies                                   | 3,000                  |
| 7112 Sports Supplies                                  | 3,000                  |
| 7113 NYSTL Expense                                    | 14,563                 |
| 7114 NYSSL Expense                                    | 3,745                  |
| 7115 NYSLIBL Expense                                  | 1,563                  |
| 7116 Curriculum, Textbooks and Other                  | 35,000                 |
| 7117 Educational Materials                            | 20,000                 |
| 7118 After School Supplies                            | -                      |
| 7119 (NEW)  | -                      |
| 7120 (NEW)  | -                      |
| 7121 (NEW)  | -                      |
| <b>Subtotal</b>                                       | <b>138,870</b>         |
| <b>8100 - Facilities</b>                              | <b>682,500</b>         |
| 8101 Rent/Lease                                       | 600,000                |
| 8102 Utilities/Maintenance/Repair                     | 25,000                 |
| 8103 Gas  | -                      |
| 8104 Oil  | 25,000                 |
| 8107 Security   | 25,000                 |
| 8108 Security cameras                                 | 7,500                  |
| 8109 (NEW)  | -                      |
| 8110 (NEW)  | -                      |
| 8111 (NEW)  | -                      |
| 8112 (NEW)  | -                      |
| 8113 (NEW)  | -                      |
| <b>Subtotal</b>                                       | <b>682,500</b>         |
| <b>8200 - Technology/Communication</b>                | <b>65,000</b>          |
| 8201 Telephone  | 5,000                  |
| 8202 Mobile Phone                                     | 8,000                  |
| 8203 Internet Connectivity                            | 12,000                 |
| 8204 Network Maintenance/Tech Support                 | 30,000                 |
| 8205 Technology Consultants                           | 10,000                 |
| 8207 Phone/Fax Expenses                               | -                      |
| 8208 Database Development                             | -                      |
| 8209 Technology Supplies                              | -                      |
| 8210 (NEW)  | -                      |
| 8211 (NEW)  | -                      |
| <b>Subtotal</b>                                       | <b>65,000</b>          |
| <b>8800 - Misc Expenses</b>                           | <b>319,500</b>         |

Bed Stuy New Beginnings Charter School  
2011-2012 Budget  
SUMMARY

| Header Accounts & GL Codes    | FY 2011-2012<br>Budget |
|-------------------------------|------------------------|
| 8801 Bank Service Charges     | -                      |
| 8803 Sales Tax                | -                      |
| 8804 Expense Suspense Account | -                      |
| 8805 Debt                     | 319,500                |
| 8900 Depreciation             | -                      |
| (NEW)                         | -                      |
| (NEW)                         | -                      |
| (NEW)                         | -                      |
| Subtotal                      | 319,500                |

|                       |                  |
|-----------------------|------------------|
| <b>TOTAL EXPENSES</b> | <b>3,873,285</b> |
|-----------------------|------------------|

|                                     |                |
|-------------------------------------|----------------|
| <b>NET INCOME (DEFICIT)/SURPLUS</b> | <b>238,225</b> |
|-------------------------------------|----------------|

|                              |                |
|------------------------------|----------------|
| <b>CAPITAL COSTS SUMMARY</b> | <b>343,500</b> |
|------------------------------|----------------|

|                                    |         |
|------------------------------------|---------|
| 1501 Staff Computers               | 3,500   |
|                                    | -       |
|                                    | -       |
|                                    | -       |
|                                    | -       |
| 1502 Student Computers             | 5,000   |
|                                    | -       |
|                                    | -       |
|                                    | -       |
|                                    | -       |
| 1503 Classroom Technologies        | 5,000   |
|                                    | -       |
|                                    | -       |
|                                    | -       |
|                                    | -       |
| 1504 Minor Remodeling or Furniture | 300,000 |
|                                    | -       |
|                                    | -       |
|                                    | -       |
|                                    | -       |
| 1505 Network                       | 10,000  |
|                                    | -       |
|                                    | -       |
|                                    | -       |
|                                    | -       |
| 1507 Pupil Furniture               | 20,000  |
|                                    | -       |
|                                    | -       |
|                                    | -       |
|                                    | -       |
| 1508 Equipment                     | 15,000  |
|                                    | -       |
|                                    | -       |
|                                    | -       |
|                                    | -       |

**Bed Stuy New Beginnings Charter School**  
**Balance Sheet**  
As of June 30, 2011

|   | <b>Total</b>         |
|---|----------------------|
| <b>ASSETS</b>   |                      |
| <b>Current Assets</b>                                 |                      |
| <b>Bank Accounts</b>                                  |                      |
| 1000 Cash   |                      |
| 1001 Capital One Bank Checking - 3929                 | 70,018.21            |
| 1002 Capital One Bank Savings - 7922                  | 25,457.53            |
| 1003 Capital One Bank Savings - 7930                  | 10,027.28            |
| 1004 Capital One Bank After School Checking - 0717    | 6,890.00             |
|   | 6,890.00             |
| <b>Total 1000 Cash</b>                                | <b>\$ 112,393.02</b> |
| <b>Total Bank Accounts</b>                            | <b>\$ 112,393.02</b> |
| <b>Accounts Receivable</b>                            |                      |
| 1100 Accounts Receivable                              | 148,166.69           |
|   | 148,166.69           |
| <b>Total Accounts Receivable</b>                      | <b>\$ 148,166.69</b> |
| <b>Other Current Assets</b>                           |                      |
| 1200 Total Current Assets                             |                      |
| 1201 Prepaid Expenses                                 | 16,919.19            |
| 1202 Prepaid Insurance                                | 0.00                 |
| 1203 Transitchek                                      | 624.00               |
|   | 624.00               |
| <b>Total 1200 Total Current Assets</b>                | <b>\$ 17,543.19</b>  |
| <b>Total Other Current Assets</b>                     | <b>\$ 17,543.19</b>  |
| <b>Total Current Assets</b>                           | <b>\$ 278,102.90</b> |
| <b>Fixed Assets</b>                                   |                      |
| 1500 Furniture, Fixtures & Equipment                  |                      |
| 1501 Staff Computers                                  | 10,634.26            |
| 1501a A/D Staff Computers                             | -2,864.00            |
| 1502 Student Computers                                | 21,061.85            |
| 1502a A/D Student Computers                           | -1,088.00            |
| 1503 Classroom Technology                             | 15,170.29            |
| 1503a A/D Classroom Technology                        | -509.00              |
| 1505 Network  | 11,345.00            |
| 1505a A/D Network                                     | -4,939.00            |
| 1507 Classroom Furniture                              | 83,845.38            |
| 1507a A/D Classroom Furniture                         | -10,202.00           |
| 1508 Office Furniture                                 | 10,749.00            |
| 1508a A/D Office Furniture                            | -1,280.00            |
| 1509 Equipment  | 3,654.83             |
| 1509a A/D Equipment                                   | -563.00              |
| 1510 Minor Remodeling                                 | 481,363.11           |
| 1510a A/D Minor Remodeling                            | -22,583.00           |
|   | -22,583.00           |
| <b>Total 1500 Furniture, Fixtures &amp; Equipment</b> | <b>\$ 593,795.72</b> |
| <b>Total Fixed Assets</b>                             | <b>\$ 593,795.72</b> |

|   |                      |
|---|----------------------|
| <b>TOTAL ASSETS</b>                         | <b>\$ 871,898.62</b> |
| <b>LIABILITIES AND EQUITY</b>               |                      |
| <b>Liabilities</b>                          |                      |
| <b>Current Liabilities</b>                  |                      |
| <b>Accounts Payable</b>                     |                      |
| 2000 Accounts Payable                       | 421,499.91           |
| <b>Total Accounts Payable</b>               | <b>\$ 421,499.91</b> |
| <b>Other Current Liabilities</b>            |                      |
| 2200 Total Current Liabilities              |                      |
| 2203 Accrued Expenses                       | 20,000.00            |
| 2204 Accrued Salaries                       | 159,957.96           |
| 2205 Unearned/Deferred Revenue              | 75,336.76            |
| 2206 Deferred Rent                          | 225,176.50           |
| <b>Total 2200 Total Current Liabilities</b> | <b>\$ 480,471.22</b> |
| <b>Total Other Current Liabilities</b>      | <b>\$ 480,471.22</b> |
| <b>Total Current Liabilities</b>            | <b>\$ 901,971.13</b> |
| <b>Total Liabilities</b>                    | <b>\$ 901,971.13</b> |
| <b>Equity</b>                               |                      |
| 3200 Unrestricted Net Assets                | -182,883.54          |
| Net Income                                  | 152,811.03           |
| <b>Total Equity</b>                         | <b>-\$ 30,072.51</b> |
| <b>TOTAL LIABILITIES AND EQUITY</b>         | <b>\$ 871,898.62</b> |

**Bed Stuy New Beginnings Charter School**  
**Profit & Loss**  
 July 2010 - June 2011

|  | <b>Total</b>           |
|--|------------------------|
| <b>Income</b>                              |                        |
| <b>4100 State Grants</b>                   |                        |
| 4101 Per Pupil Allocation                  | 2,467,040.73           |
| 4102 Per Pupil Allocation - SPED           | 340,443.51             |
| 4103 NY State Textbook Aid (NYSTL)         | 11,647.00              |
| 4104 NY State Software Aid (NYSSL)         | 2,981.00               |
| 4105 NY State Library Aid (NYSLIBL)        | 1,243.00               |
| 4106 DYCD                                  | 121,300.96             |
|  | 121,300.96             |
| <b>Total 4100 State Grants</b>             | <b>\$ 2,944,656.20</b> |
| <b>4200 Federal Grants</b>                 |                        |
| 4201 IDEA for Special Education            | 41,074.00              |
| 4202 CSP Grant                             | 171,477.73             |
| 4203 Title I                               | 78,496.00              |
|  | 78,496.00              |
| <b>Total 4200 Federal Grants</b>           | <b>\$ 291,047.73</b>   |
| <b>4300 Contributions</b>                  |                        |
| 4304 Achelis & Bodman Grant                | 50,000.00              |
| 4306 In Kind Revenue                       | 999.99                 |
|  | 999.99                 |
| <b>Total 4300 Contributions</b>            | <b>\$ 50,999.99</b>    |
| <b>4400 Miscellaneous Income</b>           |                        |
| 4401 Interest Income                       | 1,652.03               |
| 4402 Revenue Suspense Account              | 4,186.27               |
| 4403 After School Program                  | 26,580.00              |
|  | 26,580.00              |
| <b>Total 4400 Miscellaneous Income</b>     | <b>\$ 32,418.30</b>    |
| <b>Total Income</b>                        | <b>\$ 3,319,122.22</b> |
| <b>Gross Profit</b>                        | <b>\$ 3,319,122.22</b> |
| <b>Expenses</b>                            |                        |
| <b>5000 Compensation</b>                   |                        |
| <b>5010 Instructional Leadership</b>       |                        |
| 5011 Academic Leader                       | 130,208.25             |
| 5012 Curriculum / Assessment Coordinator   | 64,166.60              |
| 5013 Dean / Student Life Coordinator       | 65,208.34              |
| 5014 Special Needs Coordinator             | 61,771.19              |
|  | 61,771.19              |
| <b>Total 5010 Instructional Leadership</b> | <b>\$ 321,354.38</b>   |
| <b>5020 Non Instructional Staff</b>        |                        |
| 5022 Director of Operations                | 69,791.70              |
| 5023 Operations Manager                    | 1,541.67               |
| 5024 Office Manager                        | 13,163.49              |
| 5025 Secretaries (FD and PP)               | 37,083.30              |
| 5026 Part Time Office Coverage             | 1,503.00               |
| 5027 School Aide                           | 13,051.50              |

|   |           |                     |
|---|-----------|---------------------|
| 5029 Custodian                            |           | 24,947.97           |
|   |           | <hr/>               |
| <b>Total 5020 Non Instructional Staff</b> | <b>\$</b> | <b>161,082.63</b>   |
| <b>5030 Instructional Staff</b>           |           |                     |
| 5031 Classroom Teachers                   |           | 436,688.17          |
| 5033 Specialty Teachers                   |           | 62,486.42           |
| 5035 Arts/Home & Career Teacher           |           | 54,547.00           |
| 5036 PE/Health Teacher                    |           | 60,097.92           |
| 5037 After School Staff                   |           | 7,355.35            |
| 5038 Guidance Counselor                   |           | 58,999.92           |
| 5039 Instructional Associates             |           | 235,662.57          |
|   |           | <hr/>               |
| <b>Total 5030 Instructional Staff</b>     | <b>\$</b> | <b>915,837.35</b>   |
|   |           |                     |
| <b>Total 5000 Compensation</b>            | <b>\$</b> | <b>1,398,274.36</b> |
| <b>5100 Benefits</b>                      |           |                     |
| 5101 FUTA                                 |           | 3,351.77            |
| 5103 Social Security EmployER             |           | 76,061.01           |
| 5104 Medicare- EmployER                   |           | 17,788.46           |
| 5105 NYS Disability                       |           | 318.82              |
| 5106 Worker's Compensation                |           | 11,091.15           |
| 5107 Medical Insurance                    |           | 86,991.82           |
| 5108 Dental Insurance                     |           | 9,360.62            |
| 5109 Vision Insurance                     |           | 936.33              |
| 5110 Retirement 401K (Clearing)           |           | 0.00                |
| 5111 Retirement 401K Fees                 |           | 750.00              |
| 5113 TransitChek Fees                     |           | 223.20              |
| 5114 Life & AD&D Insurance                |           | 7,136.53            |
| 5117 Metro NYC Tax                        |           | 3,426.96            |
| 5118 Social Securiry EmployEE             |           | 0.00                |
| 5119 Medicare EmployEE                    |           | 0.00                |
| 5120 NYS Unemployment Insurance           |           | 20,366.13           |
| 5121 Federal Income Tax                   |           | 0.00                |
| 5122 State Income Tax                     |           | 0.00                |
| 5123 Local Tax                            |           | 0.00                |
|   |           | <hr/>               |
| <b>Total 5100 Benefits</b>                | <b>\$</b> | <b>237,802.80</b>   |
| <b>6100 General &amp; Administrative</b>  |           |                     |
| 6101 Office Supplles- General             |           | 11,883.87           |
| 6102 Office Furniture (Non Asset)         |           | 4,490.80            |
| 6103 Office Equipment (Non- Asset)        |           | 696.34              |
| 6105 Copy Machine Expense                 |           | 5,000.00            |
| 6106 Copy Paper                           |           | 1,012.20            |
| 6107 Postage, Mailing Service             |           | 3,734.92            |
| 6108 Insurance- General                   |           | 18,462.00           |
| 6109 Insurance- ERISA                     |           | 547.50              |
| 6110 Dues and Subscriptions               |           | 27.22               |
| 6111 Team Building/Staff Lunch/Dinne      |           | 5,445.71            |
| 6113 Staff Travel                         |           | 864.77              |
| 6114 Signage (Indoor/Outdoor)             |           | 4,833.02            |

|   |                      |
|---|----------------------|
| 6115 Student Apparel/Uniforms                     | 1,667.40             |
| 6116 Student Meals                                | 7,359.35             |
| 6117 Janitorial Supplies                          | 9,152.66             |
| <b>Total 6100 General &amp; Administrative</b>    | <b>\$ 75,177.76</b>  |
| <b>6200 Professional Services</b>                 |                      |
| 6201 Audit Services                               | 20,000.00            |
| 6202 Payroll Services                             | 3,314.35             |
| 6204 Financial Management Services                | 89,403.31            |
| 6205 Administrativ Services                       | 34,935.74            |
| 6207 Web Site Development/Translatio              | 619.13               |
| 6209 Temporary Staffing Services                  | 18,657.10            |
| 6210 After School Consultants                     | 22,050.00            |
| 6211 Statagic Planning Consultant                 | 110,000.00           |
| 6212 Start-up Consultant                          | 10,000.00            |
| <b>Total 6200 Professional Services</b>           | <b>\$ 308,979.63</b> |
| <b>6300 Professional Development</b>              |                      |
| 6301 Instructional Staff PD                       | 44,791.03            |
| 6304 Conferences                                  | 4,879.24             |
| 6305 Board Development                            | 860.17               |
| <b>Total 6300 Professional Development</b>        | <b>\$ 50,530.44</b>  |
| <b>6400 Marketing and Staff/Student Rec</b>       |                      |
| 6401 Staff Recruiting                             | 2,100.75             |
| 6402 Student Recruitment                          | 4,887.83             |
| <b>Total 6400 Marketing and Staff/Student Rec</b> | <b>\$ 6,988.58</b>   |
| <b>7100 Curriculum and Classroom</b>              |                      |
| 7101 Classroom Libraries                          | 20,302.00            |
| 7102 Math   | 37,688.43            |
| 7103 Science                                      | 26,250.55            |
| 7105 Standarized Test Materials/Asse              | -3,263.08            |
| 7106 Student Transportation                       | 2,807.88             |
| 7107 Student Field Trips                          | 6,086.06             |
| 7108 Instructional Equip. Non-Asset               | 199.99               |
| 7109 Classroom Supplies                           | 17,915.52            |
| 7110 Art Supplies                                 | 2,895.40             |
| 7111 Music Supplies                               | 1,466.22             |
| 7112 Sports Supplies                              | 3,251.50             |
| 7113 NYSTL Expense                                | 11,647.00            |
| 7114 NYSSL Expense                                | 2,981.00             |
| 7115 NYSLIBL Expense                              | 1,243.00             |
| 7117 Educational Materials                        | 1,910.80             |
| <b>Total 7100 Curriculum and Classroom</b>        | <b>\$ 133,382.27</b> |
| <b>8100 Facility Expenses</b>                     |                      |
| 8101 Rent/Lease                                   | 732,101.50           |
| 8102 Utilities/Maintenance/Repair/CI              | 4,554.79             |
| 8103 Gas  | 649.96               |
| 8104 Oil  | 55,925.18            |
| 8105 Security                                     | 35,828.12            |
| 8106 Elevator Maintenance                         | 7,897.20             |

|  |           |                     |
|--|-----------|---------------------|
| 8108 Electricity                           |           | 30,862.93           |
| <b>Total 8100 Facility Expenses</b>        | <b>\$</b> | <b>867,819.68</b>   |
| <b>8200 Technology/Communication</b>       |           |                     |
| 8201 Telephone                             |           | 5,329.11            |
| 8202 Mobile Phone                          |           | 11,992.43           |
| 8203 Internet Connectivity                 |           | 5,997.67            |
| 8204 Network Maintenance/Tech Support      |           | 10,530.00           |
| 8205 Technology Consultants                |           | 2,260.00            |
| 8207 Phone / Fax Expenses                  |           | 1,342.50            |
| 8209 Technology Supplies                   |           | 4,808.51            |
| <b>Total 8200 Technology/Communication</b> | <b>\$</b> | <b>42,260.22</b>    |
| <b>8800 Miscellaneous Expenses</b>         |           |                     |
| 8801 Bank Service Charges                  |           | 180.74              |
| 8803 Sales Tax                             |           | 20.28               |
| 8804 Expense Suspense Account              |           | 866.43              |
| <b>Total 8800 Miscellaneous Expenses</b>   | <b>\$</b> | <b>1,067.45</b>     |
| <b>8900 Depreciation Expense</b>           |           | <b>44,028.00</b>    |
| <b>Total Expenses</b>                      | <b>\$</b> | <b>3,166,311.19</b> |
| <b>Net Operating Income</b>                | <b>\$</b> | <b>152,811.03</b>   |
| <b>Net Income</b>                          | <b>\$</b> | <b>152,811.03</b>   |