



Renewal Recommendation Report Success Academy Charter School-Bronx 2

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INTRODUCTION

This report is the primary means by which the SUNY Charter Schools Institute (the “Institute”) transmits to the State University of New York Board of Trustees (the “SUNY Trustees”) its findings and recommendations regarding a school’s Application for Charter Renewal, and more broadly, details the merits of a school’s case for renewal. The Institute has created and issued this report pursuant to the *Policies for the Renewal of Not-For-Profit Charter School Education Corporations and Charter Schools Authorized by the Board of Trustees of the State University of New York* (the “SUNY Renewal Policies”) (revised September 4, 2013 and available at: <http://www.newyorkcharters.org/wp-content/uploads/SUNY-Renewal-Policies.pdf>).

Additional information about the SUNY renewal process and an overview of the requirements for renewal under the New York Charter Schools Act of 1998 (as amended, the “Act”) are available on the Institute’s website at: <http://www.newyorkcharters.org/operate/existing-schools/renewal/>.

SCHOOL BACKGROUND AND EXECUTIVE SUMMARY

SUCCESS ACADEMY CHARTER SCHOOL—BRONX 2

BACKGROUND

Opened in September 2010, Success Academy Charter School-Bronx 2 (“Success Bronx 2”) is now in its fifth year of its initial charter term. Success Bronx 2 is an academic success. Its fiscal, operational and governance structures combine to create a school that consistently delivers a high quality education to its students. Success Bronx 2’s attainment of its academic goals, combined with the qualitative data gathered by the Institute over the course of this charter term indicate Success Bronx 2 provides a high quality educational option to the families of the Bronx. The school opened as an independent not-for-profit education corporation replicating the high performing program first implemented at Success Academy Charter School-Harlem 1 (“Success Harlem 1”). Success Harlem 1 opened as a school authorized by the New York State Board of Regents (the “Board of Regents”), and later merged into the SUNY authorized charter school education corporation that became Success Academy Charter Schools-NYC (“SACS-NYC” or the “education corporation”).

Effective July 1, 2014, Success Bronx 2 merged into SACS-NYC. The merged education corporation now has authority to oversee the operations and finances of 24 currently operating schools and plans to open an additional 14 schools in the next several years. All schools operated by the education corporation including Success Bronx 1 contract with Success Academy Charter Schools, Inc., (“Success” or the “network”), a Delaware not-for-profit charter management organization based in New York City, for comprehensive management services.

The mission of Success Academy Charter School-Bronx 2 is to provide students in New York City with an exceptionally high-quality education that gives them the knowledge, skills, character and disposition to meet and exceed NY State Common Core Learning Standards, and the resources to lead and succeed in school, college and a competitive global economy.

Success Bronx 2 seeks to provide this exceptionally high-quality education to all of their students, including English language learners and students with special education needs, irrespective of socioeconomic, racial, ethnic and/or other status.

The school currently serves 541 students in grades K-4 in a co-located facility at 450 St. Paul’s Place, 5th Floor, and grade 5 in a co-located facility at 270 East 167th St., in Bronx, NY in New York City Community School District (“CSD”) 9. Although the school is physically located in CSD 9, the Institute uses CSD 8 for comparative analysis because the majority of students tested in the 2012-13 and 2013-14 school years reside in CSD 8. The New York City Department of Education’s (“NYCDOE’s”) Bronx Writing Academy (6th – 8th grade) and J.H.S. 022 Jordan L. Mott (6th -8th grade) share the 167th Street building, and P.S. 055 Benjamin Franklin (pre-K – 5th grade) shares the St. Paul’s Place building.

SCHOOL BACKGROUND AND EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Success Bronx 2 posted robust academic results in this, its initial charter term. The school met its academic Accountability Plan goals and has in place strong governance, fiscal and operational systems that result in a high performing academic program. The Institute recommends Success Bronx 2 receive a Full-Term five-year renewal as it finds Success Bronx 2 to be an effective, viable and fiscally sound organization.

The school's high academic achievement as measured by state assessments as well as the quality of student discourse and work product analyzed by the Institute as a component of the school's renewal review indicate it is likely to continue to improve student learning and achievement in the future. Success Bronx 2 benefits from engaged and effective instructional leadership, an instructional staff focused on delivering the highest quality instruction and the consistent leadership of its education corporation board of trustees (the "board"). The board, in addition to the Success network, provides effective guidance in helping the school meet its academic goals. Success Bronx 2 has generally and substantially complied with required reporting over the charter term. Fiscally the school is sound posting operating surpluses without fundraising contributions after its first three years of operation.

NOTEWORTHY

As with all schools in the Success network, Success Bronx 2 has in place a creative performance and visual arts program that supports students in attaining core content area goals. The school's focus on the arts resulted in Success Bronx 2 placing first in the annual Strut Ya Stuff competition, an annual talent competition in the areas of music, dance, and acting performance for students ages 7 – 18. In addition, Success Bronx 2 won the 2014 Blackboard award, which is an honor presented annually to the city's outstanding grade schools. This was the first time a Bronx school has earned this honor in its 12 year history.

RENEWAL RECOMMENDATION

RECOMMENDATION:

FULL-TERM RENEWAL

The Institute recommends that the SUNY Trustees approve the Application for Charter Renewal of the Success Academy Charter School–Bronx 2 and renew Success Academy Charter Schools–NYC's authority to operate the school for a period of five years with authority to provide instruction to students in Kindergarten through 10th grade in such configuration as set forth in its Application for Charter Renewal, with a projected total enrollment of 962 students.

To earn an Initial Full-Term Renewal, a school must either:

- (a) have compiled a strong and compelling record of meeting or coming close to meeting its academic Accountability Plan goals, and have in place at the time of the renewal review an educational program that, as assessed using the Qualitative Education Benchmarks,¹ is generally effective; or
- (b) have made progress toward meeting its academic Accountability Plan goals and have in place at the time of the renewal review an educational program that, as assessed using the Qualitative Education Benchmarks, is particularly strong and effective.²

¹ The Qualitative Education Benchmarks are a subset of the *State University of New York Charter Renewal Benchmarks* (version 5.0, the “SUNY Renewal Benchmarks”), available at:

<http://www.newyorkcharters.org/wp-content/uploads/SUNY-Renewal-Benchmarks.pdf>.

² SUNY Renewal Policies at p. 12.

RENEWAL RECOMMENDATION

REQUIRED FINDINGS

In addition to making a recommendation based on a determination of whether the school has met the SUNY Trustees' specific renewal criteria, the Institute makes the following findings required by the Act:

- The school, as described in the Application for Charter Renewal meets the requirements of the Act and all other applicable laws, rules and regulations;
- The education corporation can demonstrate the ability to operate the school in an educationally and fiscally sound manner in the school's next term of authority to operate; and,
- Given the programs it will offer, its structure and its purpose, granting the education corporation the authority to operate the school for another five years is likely to improve student learning and achievement and materially further the purposes of the Act.³

As required by Education Law § 2851(4)(e), a school must include in its renewal application information regarding the efforts it has, and will, put in place to meet or exceed SUNY's enrollment and retention targets for students with disabilities, English language learners ("ELLs"), and students who are eligible applicants for the federal Free and Reduced Price Lunch ("FRPL") program. SUNY⁴ and the Board of Regents finalized the methodology for setting targets in October 2012, and the Institute communicated specific targets or proposed targets for each school in July 2013.

Given the date the school was originally chartered, it does not have statutory targets. However, in accordance with the Act, the Institute, acting on behalf of the SUNY Trustees, considered the school's plans for meeting its future enrollment and retention targets during the next charter term prior to recommending the renewal application for approval. The Institute found the plans to meet or exceed the targets, and the plans to educate students with disabilities, ELLs and FRPL students, satisfactory. The Institute also found the school to be making good faith efforts to attract and retain such students in accordance with the Act.

CONSIDERATION OF SCHOOL DISTRICT COMMENTS

In accordance with the Act, the Institute notified the district in which the charter school is located regarding the school's Application for Charter Renewal. As of the date of this report, the Institute has received no district comments in response.

³ See New York Education Law § 2852(2).

⁴ SUNY Trustees' Charter Schools Committee resolution dated October 2, 2012.

RENEWAL RECOMMENDATION

REPORT FORMAT

The Institute makes the foregoing renewal recommendation based on the school's Application for Charter Renewal, evaluation visits conducted and information gathered during the charter term and a renewal evaluation visit conducted near the end of the current charter term. Additionally, the Institute has reviewed the strength and fiscal health of the not for profit education corporation with the authority to operate the school. Most importantly, the Institute analyzes the school's record of academic performance and the extent to which it has met its academic Accountability Plan goals. This renewal recommendation report compiles the evidence below using the SUNY Renewal Benchmarks, which specify in detail what a successful school should be able to demonstrate at the time of the renewal review. The Institute uses the four interconnected renewal questions below for framing benchmark statements to determine if an education corporation has made an adequate case for renewal of a school.

1. Is the school an academic success?
2. Is the school an effective, viable organization?
3. Is the education corporation operating the school fiscally sound?
4. If the SUNY Trustees renew the education corporation's authority to operate the school, what are the education corporation's plans for the school for the next term of authority to operate the school, and are they reasonable, feasible and achievable?

The report's Appendix provides a School Overview, copies of any school district comments on the Application for Charter Renewal, the SUNY Fiscal Dashboard information for the school, and, if applicable, its education corporation and additional evidence on student achievement contained in the School Performance Summaries.

RENEWAL BENCHMARK CONCLUSIONS

IS THE SCHOOL AN ACADEMIC SUCCESS?

Success Bronx 2 is an academic success. Over the charter term or Accountability Period,⁵ Success Bronx 2 has met and exceeded its key Accountability Plan goals. Based on evidence the Institute compiled throughout the charter term and at the time of renewal, the school's academic program is strong, effective and supported by quality instructional and organizational leadership.

At the beginning of the Accountability Period, the school developed and adopted an Accountability Plan that set academic goals in the key subjects of English Language Arts ("ELA") and mathematics. The Institute examines results for five required Accountability Plan measures to determine ELA and math goal attainment. Because the Act requires charters be held "accountable for meeting measurable student achievement results"⁶ and states the educational programs at a charter school must "meet or exceed the student performance standards adopted by the board of regents"⁷ for other public schools, SUNY's required accountability measures rest on performance as measured by state wide assessments. Historically, SUNY's required measures include measures that present schools':

- absolute performance, i.e., what percentage of students score at a certain proficiency on state exams?;
- comparative performance, i.e., how did the school do as compared to schools in the district and schools that serve similar populations of economically disadvantaged students?; and,
- growth performance, i.e., how well did the school do in catching students up – and then keeping them up to grade level proficiency?

Every SUNY authorized charter school has the opportunity to propose additional measures of success when crafting its Accountability Plan. Success Bronx 2 did not propose or include any additional measures of success in the Accountability Plan it adopted.

Because of testing changes made by the state, the Institute has since 2009 consistently de-emphasized the two absolute measures under each goal in schools' Accountability Plans. The Institute continues to focus primarily on the two comparative measures and the growth measure while also considering any additional evidence the school presents using additional measures identified in its Accountability Plan. Institute identifies the required measures (absolute proficiency, absolute Annual Measurable Objective attainment,⁸ comparison to local district, comparison to demographically similar schools, and student growth) in the Performance

⁵ Because the SUNY Trustees make a renewal decision before student achievement results for the final year of a charter term become available, the Accountability Period ends with the school year prior to the final year of the charter term. For a school in an initial charter term, the Accountability Period covers the first four years the school provides instruction to students.

⁶ Education Law § 2850(2)(f).

⁷ Education Law § 2854(1)(d).

⁸ While the state has recalibrated the absolute Annual Measurable Objective, the Institute reports only on the 2013-14 results, not on those for 2012-13.

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Summaries appearing in the Appendix at the end of the report.

The Accountability Plan also includes science and No Child Left Behind Act (“NCLB”) goals. For each goal in the Accountability Plan, specific outcome measures define the level of performance necessary to meet that goal. Please note that for schools located in New York City, the Institute uses the CSD as the local school district.

Academic Attainment. Success Bronx 2 met its key academic Accountability Plan goals in ELA and mathematics during this, its initial term of authority to operate. During 2012-13 and 2013-14, the two years for which data are available, the school’s ELA and mathematics performance is among the strongest in New York State. In both years, Success Bronx 2 outperformed 94% of the schools across New York State in ELA. In 2013-14, 99% of the school’s students were proficient on the state’s mathematics examination outperforming 99% of the schools in the state.

The Institute analyzes key comparative and growth measures under the school’s ELA and mathematics goals to determine goal attainment. The Institute calculates a comparative effect size to measure the performance of Success Bronx 2 relative to all public schools statewide that serve the same grade levels and that enroll students who are similarly economically disadvantaged. It is important to note that this measure is a comparison measure and therefore not dependent on any changes in New York’s assessment system. As such, the measure, and the school’s performance on the measure, is not relative to the test, but relative to how strong Success Bronx 2 performs in improving student learning compared to other schools’ performance in improving student learning.

The growth measure provides an opportunity to see how Success Bronx 2 performs in catching students up to performing academically at grade level or at or above “proficiency.” It also provides a look at how well a school does at keeping students proficient, or on grade level, every year. For a student who is proficient, keeping up to grade level means the student should make one year’s progress in one year’s time. For a student below grade level, in order to reach proficiency, the school must help the student grow *more* than one grade level every year in order to catch up.

The Institute uses the state’s mean growth percentiles as a measure of a school’s comparative year-to-year growth in student performance on the state’s ELA and mathematics exams. The measure compares a school’s growth in assessment scores to the growth in assessment scores of the subset of students throughout the state who performed identically on last year’s assessments. According to this measure, median growth statewide is at the 50th percentile. This means that to signal the school’s ability to help students make one year’s worth of growth in one year’s time the expected percentile performance is 50. To signal a school is catching students who were previously below grade level up to grade level proficiency, the school must post a percentile performance that exceeds 50. A percentile performance below 50 indicates that students are losing ground, not catching up or keeping up with grade level proficiencies.

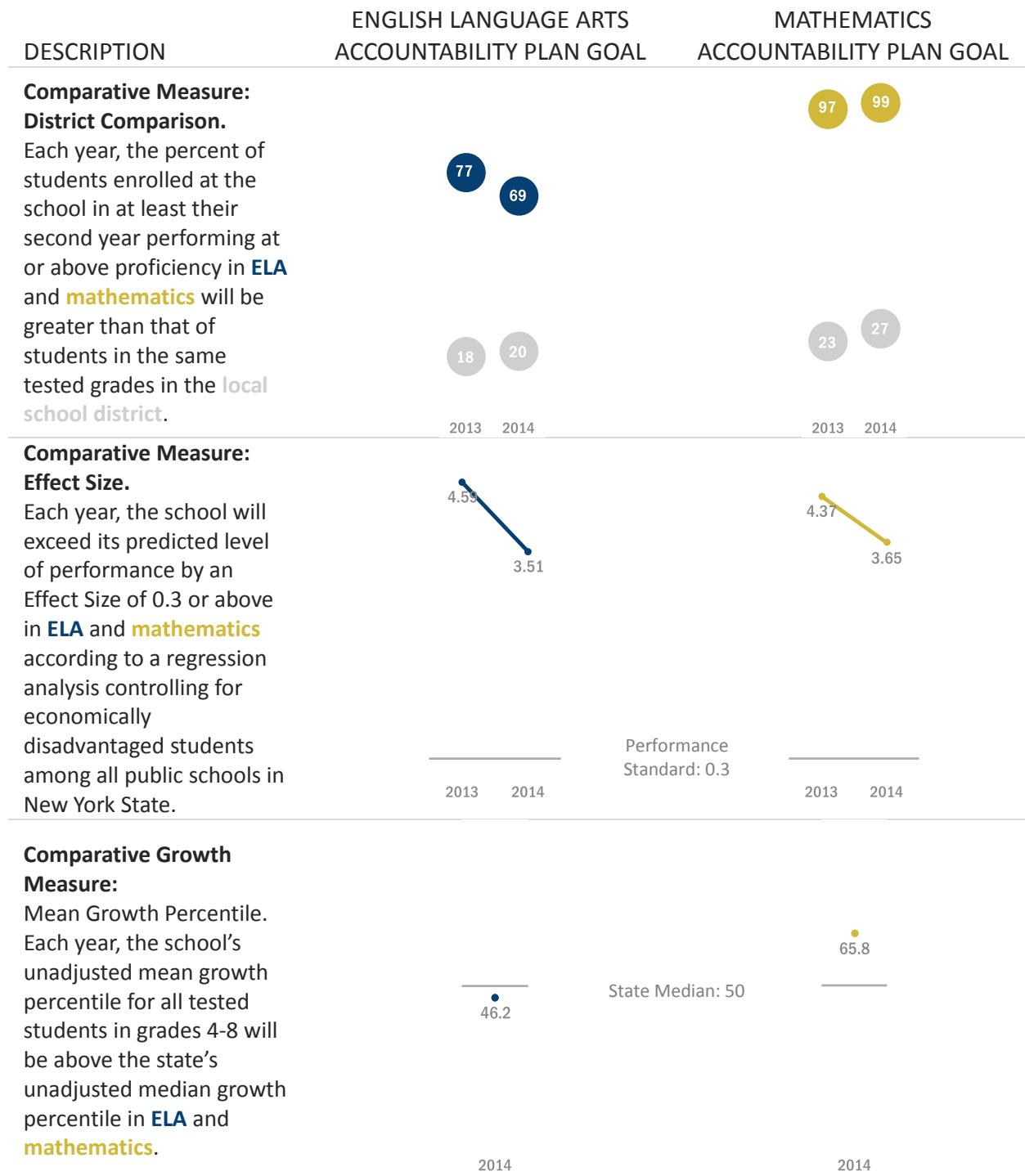
RENEWAL BENCHMARK CONCLUSIONS

The school exceeded the district's ELA performance by at least 49 percentage points during both 2012-13 and 2013-14. Further, the school outperformed 94 percent of schools throughout New York State in ELA during both 2012-13 and 2013-14. Also during 2012-13 and 2013-14, Success Bronx 2 posted comparative effect sizes in ELA that exceed 99 percent of schools throughout New York State. Although the school's ELA growth percentile fell below the state median during 2013-14, the school came close to meeting the measure.

The school's math performance also ranks among the highest in New York State. With 99 percent of its students proficient in mathematics during 2013-14, the school outperformed the local district by 72 percentage points. Throughout New York State, only five schools performed higher than Success Bronx 2 in mathematics, placing the school's mathematics performance in the 99th percentile. The school posted its first growth score in mathematics during 2013-14 when it exceeded the state median by 15 percentile points.

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SUCCESS ACADEMY CHARTER SCHOOL – BRONX 2



RENEWAL BENCHMARK CONCLUSIONS

Instructional Leadership. With assistance from the network, both the elementary and middle academies of Success Bronx 2 have strong instructional leadership, allowing them to be highly effective in increasing the pedagogical skills of teachers. School leaders provide extensive coaching and professional development opportunities to teachers, enabling them to facilitate learning that promotes student achievement and also allows them to meet professional growth goals.

- As has been the case throughout the school's charter term, Success Bronx 2 establishes high expectations through the use of data and planning meetings leaders hold with teachers. During these weekly meetings, teachers receive information regarding school-wide and network goals, and determine if they are on track to meeting goals already in place. Leaders emphasize that, in addition to general network expectations, schools have personal goals that reflect their academic standing. For example, the middle academy leader that a current goal is to have 75% of students test proficient on the next ELA trimester final.
- Success Bronx 2 operates with individual elementary and middle academy leaders. Because of the difference in the number of students and staff at both academies, each leadership team also differs. The elementary academy serving grades K-4 employs two leadership residents, a dean of students, an education manager, an education coordinator and a business manager. As the middle academy is in its first year of operation and only serves grade five, the leadership team consists of an education coordinator and a business manager, in addition to the principal, who is the only instructional leader. The size of each leadership team is thoughtful and appropriate in supporting the development staff. The Institute notes that as the middle academy grows, the network plans to make additions to the leadership team.
- School leaders and leadership residents are in classrooms daily at Success Bronx 2 providing in the moment feedback to teachers during lessons and after lessons at the end of the day or in one-on-one meetings with teachers. The school also includes weekly data and planning meetings in its schedule where leaders give instructional feedback to teachers and grade-teams, discuss specific students, help teachers in lesson planning or to talk about recent data by looking at the Success's Student Management System ("SMS"), which collects and generates reports from student assessment data.
- The network continues to provide pre-service and ongoing professional development activities to leaders and teachers during the summer and throughout the school year. Success Bronx 2 provides additional professional development opportunities for its staff each Wednesday when they are not at network professional development sessions. While the network divides professional development activities by content, school leaders often tailor professional development activities to school specific goals such as increasing the use of higher order questioning during lessons. Teachers and leaders also have the opportunity to conduct intervisitation days throughout the network, particularly at schools and in classrooms the network identifies as high performing.

RENEWAL BENCHMARK CONCLUSIONS

- Daily classroom observations, in addition to the regular, collaborative study of student work by leaders and teachers, helps to ensure professional development interrelates with classroom practice and student outputs.
- Leaders at both the elementary and middle academies conduct mid and end-of-year teacher evaluations using the Qualities of Excellent Teaching (“QET”) rubric the network provides. Leaders also gauge teacher growth using goals teachers set at the beginning of the year that they track during the year through the use of classroom observations and teacher one-on-ones. Formal evaluations take into account student performance and the rate at which teachers met specific academic benchmarks, thereby holding them accountable for student achievement.

Curriculum and Assessment. As has been the case throughout the charter term, the curriculum at Success Bronx 2 supports teachers in their instructional planning. In addition, the school continues to have an assessment system that improves instructional effectiveness and student learning.

- Success Bronx 2 continues to use scope and sequences, assessment calendars, unit plans and lesson plans the network develops to guide the planning and delivery of lessons. Instructional leaders report that network content area teams provide teachers with these guiding documents for ELA, math, science and project based learning (social studies).
- According to school leaders, network content area teams are responsible for selecting, developing and reviewing or revising curriculum documents, resources and assessments that support delivery of the curriculum and monitoring of student learning. School leaders and documents confirmed that the school relies upon some commercial materials in its Kindergarten classrooms to support the development of early literacy skills. The site visit team observed, and a review of scholar work revealed, that the network develops all other curriculum materials, which school leaders and teachers may adjust, sometimes upon consultation with network staff.
- In addition, the school continues to regularly administer valid and reliable assessments that align to the network’s curriculum and state performance standards. For example, a review of Success Bronx 2’s assessment calendar found that in addition to administering the New York State Testing Program’s assessments, the school also administers a range of assessments including weekly and interim assessments the network creates and other commercial assessments to gauge student growth in reading and math.
- In concert with previous years, Success Bronx 2 makes assessment data accessible to teachers, school leaders and other stakeholders. School leaders report that the network uses a SMS that collects and reports on all student data. Leaders also report that the data is available to them and teachers almost immediately after the administration of each assessment, and that it is a school-wide expectation that all staff actively monitor and reflect upon school-level, grade-level and classroom-level results.
- Instructional leaders also report that teachers are responsible for adjusting lesson plans to meet the needs of the individual students within their classrooms, based on student

RENEWAL BENCHMARK CONCLUSIONS

achievement data. According to the school's leaders, teachers might identify students for additional coaching, monitoring or small group instruction.

- School leaders use assessment results to evaluate teacher effectiveness and to develop professional development and coaching strategies. For example, the school's leadership recently designed a 90 minute professional development opportunity for 4th grade teachers focusing on improving questioning techniques that would reduce scholar misunderstanding and increase the precision and specificity of their responses. The experience included a 45 minute planning session where teachers worked with a leadership resident to plan instruction, anticipate scholar misconceptions, and script potential questions that might be asked to assist students in moving forward. The teachers then delivered the lesson to a small group of identified students while school leaders provided live coaching. Furthermore, instructional leaders report that student achievement data informs teacher evaluation and re-contracting/re-hiring decisions. School leaders report that teacher, leader and network goals all include quantitative measures of student performance.
- The school regularly communicates to parents/guardians about their students' progress and growth. Success Bronx 2 creates proactive systems to inform parents and guardians about their students' progress. For example, the school's education manager creates personalized letters for parents after each administration of the network's interim assessments in ELA and mathematics. The letters summarize each student's achievement on the assessment, identify areas for growth, and provide families with suggestions about what might be done in the home to support student learning in these areas. Parents receive progress reports three times a year.

Pedagogy. Strong instruction is evident throughout Success Bronx 2. As shown in the chart below, during the renewal visit, Institute team members conducted 10 classroom observations following a defined protocol used in all school renewal visits.

CLASSROOM OBSERVATION METHODOLOGY: NUMBER OF OBSERVATIONS

CONTENT AREA	GRADE						Total
	K	1	2	3	4	5	
ELA	1	1	1	1	1		5
Math			2	2	1		5
Writing							
Science							
Soc Stu							
Specials							
Total	1	1	1	2	3	2	10

RENEWAL BENCHMARK CONCLUSIONS

- Teachers consistently deliver purposeful lessons with clear objectives that align to the school's curriculum (nine out of 10 classroom observations). Teachers present lessons with accuracy and clear and appropriate terms, charging students to use content specific vocabulary as well. In classes with co-teachers, both teachers had clear roles including whole-group lesson facilitation and monitoring student work and behavior.
- Success Bronx 2 teachers observed at the time of the renewal visit regularly used techniques to check for student understanding (nine out of 10 classroom observations). Teachers used one-on-one conferencing techniques with students during individual work time and used whole-group signals during parts of the lessons that required them. Although teachers were good at checking for understanding, only 60% of classroom teachers observed actually paused or adjusted the lesson to address student misunderstandings.
- Most Success Bronx 2 teachers challenged students to defend and elaborate on their answers (nine out of 10 classroom observations). In addition, the school culture encourages students to be accountable for their own learning, with students across grade levels respectfully calling out and asking their peers to explain the answers they stated. For example, in one classroom a student said that a character has certain "rare" qualities, prompting another student to ask what he meant by "rare," what the qualities were and how they related to the discussion.
- Teachers continued to establish and maintain environments with a consistent focus on academic achievement across Success Bronx 2 classrooms (10 out of 10 classroom observations). Teachers had a sense of urgency and used every minute of classroom time for teaching and learning. Teachers also consistently used timers and call and response signals to assist with lesson pacing and to help minimize transition time.

At-Risk Students. Success Bronx 2 continues to meet the needs of at-risk students within and outside of the regular education classrooms. The school's data-driven approach to monitoring student-learning and delivering instruction ensures that special education students, ELLs, and other at-risk students perform higher than statewide averages.

- The school implements generally accepted procedures for identifying at-risk students including students with disabilities, ELLs and those struggling academically. According to school leaders, teachers are able to refer struggling students to a school-based support team (consisting of the school principal, leadership residents, education coordinator, Special Education Teacher Support Services ("SETSS") teacher, and school counselor; in addition, special education teachers from integrated co-teaching ("ICT") classrooms may also attend). Leaders report that the team would review the student's data and work and identify suggested interventions to improve student learning. At the end of the intervention period, school staff evaluates the student's progress through evaluation of the student's interim assessment data and reading levels. In the event that the student has not made sufficient progress, the school refers the student for evaluation by the special

RENEWAL BENCHMARK CONCLUSIONS

education team. In addition, the school's assessment calendar indicates that Success Bronx 2 administers the New York State Identification Test for English Language Learners (NYSITELL) and the New York State English as a Second Language Test ("NYSESLAT").

- Success Bronx 2 has adequate intervention programs to meet the needs of at-risk students. The school serves special education students in the ICT model, with pull out supports available through the SETSS teacher in accordance to what their Individualized Education Programs ("IEPs") may require. The school meets the needs of ELLs through the use of an immersion model. Leaders at the school described a number of the strategies that are used to support ELLs (particularly those in Kindergarten); these include the use of a research-based phonics program, visual and verbal cues and a heavy emphasis on early literacy skills for all students aimed at increasing learner confidence and teaching students that opting out of participation based on level of language proficiency is not an option. Lastly, school leaders report that the school has a full-time psychologist position to provide social/emotional counseling and support to Success Bronx 2's students (the position is currently vacant). School leaders monitor the effectiveness of interventions for at-risk students by disaggregating subgroup data on a regular basis.
- Success Bronx 2 supports teachers in their efforts to meet the needs of struggling students through network-based, school-level and external professional development opportunities. School leaders report that the network provides ample professional development opportunities for teachers to learn effective strategies for meeting the needs of special education students and ELLs. For example, the network delivers sessions on effective co-teaching in an integrated classroom, among other examples. The SETSS teacher in place at Success Bronx 2 is the special education coordinator for the school's network cohort. Finally, Success Bronx 2 teachers attend professional development opportunities that focus on serving the needs of special education students and ELLs at the New York City Center for Charter School Excellence throughout the year.

		2011-12	2012-13	2013-14
RESULTS	Enrollment (N) Receiving Mandated Academic Services	(0)	(55)	58
	Tested on State Exams (N)	(0)	(6)	(25)
	Percent Proficient on ELA Exam	N/A	s ⁹	40
	Percent Proficient Statewide	15.2	5.0	5.2

⁹ In order to comply with Family Educational Rights and Privacy Act regulations on reporting education outcome data, the Institute does not report assessment results for groups containing five or fewer students.

RENEWAL BENCHMARK CONCLUSIONS

	2011-12	2012-13	2013-14	
RESULTS	ELL Enrollment (N)	(0)	(2)	(5)
	Tested on NYSESLAT ¹⁰ Exam (N)	(0)	(0)	(N/A)
	Percent ‘Proficient’ or Making Progress ¹¹ on NYSESLAT	N/A	N/A	N/A

¹⁰ New York State English as a Second Language Achievement Test, a standardized state exam.

¹¹ Defined as moving up at least one level of proficiency. Student scores fall into four categories/proficiency levels: Beginning; Intermediate; Advanced; and, Proficient.

RENEWAL BENCHMARK CONCLUSIONS

IS THE SCHOOL AN EFFECTIVE, VIABLE ORGANIZATION?

Success Bronx 2 is an effective and viable organization that supports high levels of student achievement. The education corporation board carries out its oversight responsibilities with an unrelenting focus on student achievement. The school organization effectively supports the delivery of the educational program. During the current charter term, the board has generally abided by its by-laws and been in general and substantial compliance with the terms of its charter, code of ethics, applicable state and federal law, rules and regulations.

ORGANIZATIONAL STRUCTURE

Board Oversight. The SACS-NYC board maintains unwavering focus on student achievement and works effectively to support the school in meeting its academic Accountability Plan goals. The trustees of SACS-NYC also oversee the other 23 operating schools within the merged education corporation, each of which maintains an informal advisory committee. The board requires detailed reports from network representatives and school leaders, which it uses to effectively provide rigorous oversight of the school's educational program.

- The composition of the education corporation board includes members with a diverse set of skills relevant to school governance. The board delegates day-to-day management of the schools to the Success network.
- The board carefully reviews regular reports on academic performance and fiscal status of the school. The detailed data equip the board to provide rigorous oversight of the educational program. In addition to reviewing individual school data and trends, the board compares the school's performance to other schools within the network and across the state. The network generally supplies these reports prior to each board meeting, and school leaders present information directly to the board several times a year.
- The board establishes clear priorities and long-range goals. It is well-versed in the school's Accountability Plan and the metrics used to evaluate performance against those goals. The board directs ample resources to school leaders to ensure achievement of those goals.
- The board holds school leaders and the network accountable for high student achievement. The board selects school leaders based largely on network recommendations then delegates ongoing leader evaluation to the network. It does not have a self-evaluation in place.

Organizational Capacity. Success Bronx 2's organization effectively supports the delivery of the educational program. Due to the elementary school leader serving as instructional mentor to several principals across the network, the network provides the school with additional supports such as housing the director of literacy at the elementary site to assist in the effective operation of its program.

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- Through separate Success managing directors at both the elementary and middle academies, and the allocation of additional network supports due to the elementary principal's network mentorship responsibilities, Success Bronx 2 continues to have an administrative structure with sound systems and procedures that allow the school to implement its academic program.
- Success Bronx 2 continues to have an organizational structure including instructional leaders, data specialists and business managers that provide a clear accountability system and reporting protocol that teachers and leaders follow.
- The school continues to have clear discipline systems, in line with network policies and leader expectations, with teachers utilizing classroom management charts and other tools to ensure consistent application amongst students.
- Although the middle academy leader reports letting one teacher go since the beginning of the school year, leaders at both academies emphasize the importance of retaining quality staff. They report doing this by creating positive environments for teachers and making sure they appropriately support teachers in their work through observation, public praise and constructive feedback.
- As has been the case in previous years of the term of authority to operate the school, Success Bronx 2 allocates sufficient resources in meeting the school's goals. The network provides the school with ample materials to support the academic program and leaders report certain levels of autonomy in the use of curriculum and personnel resources.
- Success Bronx 2 maintains adequate student enrollment with 541 students enrolled out of a chartered enrollment of 544, and reports 2,920 students on its waitlist.
- The school has procedures in place to monitor its progress toward meeting enrollment and retention targets for special education students, ELLs and students who qualify for free and reduced price lunch, and recruits students through the use of flyers and other forms of advertising.
- Success Bronx 2 continues to regularly monitor and evaluate the academic program and consults with Success to improve the implementation of its program when necessary. Leaders report the network SMS and weekly school data meetings as essential to monitoring program effectiveness, using these tools to reflect on strengths, areas of improvement and to decide what types of assistance they need to receive from the network in order to implement its program with fidelity.

FAITHFULNESS TO CHARTER & PARENT SATISFACTION

As part of their initial applications and their Applications for Charter Renewal, schools identify the Key Design Elements that reflect their mission and distinguish the schools. The table below reflects the intended Key Design Elements and indicates for each if the school is implementing the element as included in the school's charter.

RENEWAL BENCHMARK CONCLUSIONS

Key Design Elements	Evident?
A focus on student achievement;	+
Research-based, results-driven curriculum;	+
Frequent assessments produced and analyzed in real time;	+
Extended school day;	+
School leaders with the power to lead;	+
Highly-qualified, highly trained staff; and,	+
Strong school culture, including reinforcement of ACTION principles (Agency, Curiosity, Try and Try, Integrity, Others and No Shortcuts).	+

Parent Satisfaction. Parents/guardians and students are satisfied with the school.¹² The Institute compiled data from NYCDOE's 2013-2014 NYC School Survey. NYCDOE distributes the survey to families each year to compile data about school culture, instruction, and systems for improvement. Results from the 2013-2014 survey indicate parents/guardians and students are satisfied with the school. The survey response rate is sufficiently high to be useful in framing the results as representative of the school community.

2013-14
Response Rate: 52%
Instructional Core: 99%
Systems for Improvement: 97%
School Culture: 97%

Persistence in Enrollment. The Institute derived the following statistical information from its database. No comparative data from NYCDOE or NYSED is available to the Institute to provide either district wide or by CSD context. As such, the Institute presents this data for information purposes; the data does not allow for comparative analysis.

	2011-12	2012-13	2013-14
Percent of Eligible Students Returning From Previous Year	89.6	94.7	96.9

¹² Source: NY School Survey 2013-14 Report.

RENEWAL BENCHMARK CONCLUSIONS

COMPLIANCE

Governance. In material respects, the education corporation board has implemented and abided by adequate and appropriate systems, processes, policies and procedures to ensure the effective governance and oversight of the school. Many of these structures are in place at other Success charter schools. The board demonstrates a thorough understanding of its role in holding Success and the school leadership accountable for both academic results and fiscal soundness.

- The board has generally avoided creating conflicts of interest where possible, and where conflicts exist, the board has managed those conflicts in a clear and transparent manner through recusal.
- The board has materially complied with the terms of its by-laws.
- The board has a functioning committee structure.
- The board receives specific and extensive reports on academics, finance, facilities and development of the school as well as its academic and fiscal performance.
- The board appropriately sought to merge the school into the larger education corporation in 2014.
- The board successfully sought an expansion of all schools it has the authority to operate to full K-12 models dependent upon the successful meeting of renewal outcomes.

Legal Requirements. The education corporation generally and substantially complies with applicable state and federal laws, rules and regulations and the provisions of its charter.

- **Complaints.** The school has generated several informal complaints regarding admissions, students discipline and the banning of a disruptive parent/guardian from school property. No formal complaints have been received by the Institute.
- **Violations.** The Institute issued no violation letters to the education corporation on behalf of the school.
- **Charter Amendments.** The education corporation has properly amended its charter to change admissions at-risk designations and to amend its management contract with Success.

RENEWAL BENCHMARK CONCLUSIONS

IS THE EDUCATION CORPORATION FISCALLY SOUND?

Based on evidence collected through the renewal review, Success Bronx 2 is fiscally sound. The Institute also analyzed the financial status of the school's merged education corporation, SACS-NYC and found it too to be sound.

Effective July 1, 2014, Success Bronx 2 merged into SACS-NYC. Although the pre-merger Success Bronx 2 education corporation had relied upon contributions distributed from Success network fundraising activities during its initial start up years, the education corporation had consistently generated net operating revenue surpluses in every year, and the post-merger education corporation has successfully managed cash flow and has adequate financial resources to ensure stable operations. SACS-NYC engages in realistic budgeting practices and conducts routine monitoring of revenues and expenses, making appropriate adjustments when necessary.

The education corporation contracts with the Success network to provide educational management and operational services. Additionally, the network supports Success Bronx 2 in the areas of educational management and operational services. The network provides fiscal operations by securing adequate facilities, fundraising, preparing financial reports and budgets, recording and tracking income and expenses related to grants and contracts, recording accounts payable invoices and cash receipts, preparing vendor checks, providing payroll services, reconciling bank accounts, safeguarding the school's assets, and managing all year-end financial and compliance reporting. The network management fee structure is 15% of general education per pupil funding. While the Success financial model intends that all fully enrolled schools are financially sustainable, operating its program solely on public funding, the pre-merger Success Bronx 2 education corporation received approximately \$550k in contributions during its first three years of operation.

Budgeting and Long-Range Planning. Working in partnership with the network, SACS-NYC, employs clear budgetary objectives and budget preparation procedures for Success Bronx 2. The Network finance team coordinates the development of annual and long-term budgets with input from the school leadership staff including the business operations manager and the board finance committee. The annual budget is presented to the full Board for consideration and approval.

- The education corporation develops realistic budgets and monitors them continually.
- The network works closely with the school's business operations manager in preparing extensive financial reports that are reviewed on a continual basis.
- The network stated that the board finance committee reviews the financial reports.
- The projected five-year renewal budget for the school reflects anticipated increases in revenues and expenses associated with planned enrollment growth as the school expands through grade 10 by the fifth year of the new term of authority to operate the school.

RENEWAL BENCHMARK CONCLUSIONS

- The education corporation prepares a long-term budget for the school, which SACS-NYC updates on an annual basis.
- Success Bronx 2 has been located in shared NYCDOE facility space since opening in 2010. Success Bronx 2 is not responsible for rent, utilities, custodial services, maintenance or school safety services.
- Effective July 1, 2014, Success Bronx 2, and six other education corporations managed by Success, merged into SACS-NYC. The merger allowed for operating efficiencies, increased purchasing power, shared expenses with the SACS-NYC's 23 other schools under common management.

Internal Controls. Success Bronx 2 and the merged education corporation, SACS-NYC, have a history of sound fiscal policies, procedures and practices and maintain appropriate internal controls.

- SACS-NYC Financial Policies and Procedures Manual guides all internal controls and procedures at Success Bronx 2. The manual contains fiscal policies and procedures and undergoes ongoing reviews, with substantive updates requiring Board approval.
- SACS-NYC provides the individual school's business operations manager and other key administrative staff members with professional development activities throughout the school year.
- The Success Bronx 2 audit reports for June 30, 2014 and 2013 had no findings of deficiencies. With the effective merger dated July 1, 2014, future audit reports for Success Bronx 2 will be contained within the merged education corporation financial statements.
- Success Bronx 2 had established a Dissolution Reserve Fund of \$75,000 in accordance with SUNY authorized charter agreements that required the separate fund to be established for the purpose of covering legal and administrative costs associated with a closure. The merged education corporation, SACS-NYC, also has established the required \$350,000 reserve for the merged education corporation pursuant to its charter agreement.

Financial Reporting. Success Bronx 2 and the merged education corporation, SACS-NYC, have complied with financial reporting requirements by providing SUNY, NYSED and the NYCDOE with required financial reports that were on time, complete and followed generally accepted accounting principles ("GAAP").

- The pre-merger education corporation and SACS-NYC both presented their annual financial statements in accordance with GAAP and the independent audits of those statements have received unqualified opinions.
- The pre-merger education corporation and SACS-NYC have generally filed key reports timely and accurately including audit reports, budgets, cash-flow statements, un-audited reports of revenue, expenses and enrollments.

Financial Condition. The pre-merger Success Bronx 2, and the merged education corporation, SACS-NYC, have maintained adequate financial resources to ensure stable operations.

RENEWAL BENCHMARK CONCLUSIONS

- The pre-merger education corporation and the post-merger school have posted fiscally strong composite scores on the SUNY Fiscal Dashboard.¹³
- As of June 30, 2014, Success Bronx 2 had total net assets of approximately \$3.1M.
- Success Bronx 2 had no long term debt.
- In June 2011, Success Bronx 2 signed a loan agreement with the network in the amount of \$800,000 with annual interest of 1% on any unpaid balance. Success Bronx 2 received \$500,000 from the network through June 30, 2011. The loan was repaid during 2013; proceeds were used to finance start-up operations.
- Success Bronx 2 has maintained adequate cash flow over its charter term and on average 4.9 months of cash reserves to cover current bills and those coming due shortly. The Institute recommends a cash reserve minimum of one month, therefore the SUNY Fiscal Dashboard reflects a low risk in this category.
- The merged education corporation, SACS-NYC, has posted a fiscally strong composite score on the Institute's fiscal dashboard.
- The merged education corporation, SACS-NYC, had total net assets of approximately \$18M.

The SUNY Fiscal Dashboard, provided in the Appendix, presents color-coded tables and charts indicating that Success Bronx 2 and the merged education corporation SACS-NYC have consistently demonstrated fiscal soundness over the course of its charter term.¹⁴

¹³ The composite score assists in measuring the financial health of an education corporation using a blended score that measures the school's performance on key financial indicators. The blended score offsets financial strengths against areas where there may be financial weaknesses.

¹⁴ The U.S. Department of Education has established fiscal criteria for certain ratios or information with high – medium – low categories, represented in the table as green – gray – red. The categories generally correspond to levels of fiscal risk, but must be viewed in the context of each education corporation and the general type or category of school.

RENEWAL BENCHMARK CONCLUSIONS

IF THE SUNY TRUSTEES RENEW THE EDUCATION CORPORATION'S AUTHORITY TO OPERATE THE SCHOOL, ARE ITS PLANS FOR THE SCHOOL REASONABLE, FEASIBLE AND ACHIEVABLE?

To the extent that Success Bronx 2 has met its academic Accountability Plan goals, has in place an effective educational program that supports achieving those goals, operates as an effective and viable organization and its education corporation is fiscally sound, the plans to implement the school's educational program as proposed during the next term of authority to operate the school are reasonable, feasible and achievable.

Plans for the School's Structure. The education corporation has provided all of the key structural elements for a renewal of its authority to operate Success Bronx 2, and those elements are reasonable, feasible and achievable.

MISSION FOR THE NEXT CHARTER TERM

The mission of Success Academy Charter School-Bronx 2 is to provide students in New York City with an exceptionally high-quality education that gives them knowledge, skills, character and disposition to meet and exceed NY State Common Core Learning Standards, and the resources to lead and succeed in school, college and a competitive global economy.

Success Bronx 2 seeks to provide all of their students, including English language learners and students with special education needs, irrespective of socioeconomic, racial, ethnic and/or other status.

Plans for the Educational Program. Success Bronx 2 plans to expand the current program through 10th grade using the current Success model, which has been successful in other SUNY authorized schools. The high school program would eventually be a full 9-12 program (assuming further renewal) and would likely be housed in a NYCDOE co-located facility.

	Current Charter Term	End of Next Charter Term
Enrollment	544	962
Grade Span	K-5	K-10
Teaching Staff	35 (Grades K-5)	66 (Grades K-10)
Days of Instruction	181	181

RENEWAL BENCHMARK CONCLUSIONS

Plans for Board Oversight and Governance. Board members express an interest in continuing to serve SACS-NYC in the next charter term and may add additional members in the future.

Fiscal & Facility Plans. Success Bronx 2 plans to continue providing instruction for Kindergarten through 8th grade in the school's current NYCDOE facilities. The school plans to seek co-located space to serve future high school grades.

The education corporation's Application for Charter Renewal for the school contains all necessary elements as required by the Act for the education corporation to renew its authority to operate the school. The proposed school calendar allots an appropriate amount of instructional time to meet or exceed instructional time requirements, and taken together with other academic and key design elements, should be sufficient to allow the school to meet its proposed Accountability Plan goals. The education corporation has amended or will amend other key aspects of the renewal application -- including bylaws and code of ethics -- to comply with various provisions of the New York Education Law, Not-for-Profit Corporation Law, Public Officers Law and the General Municipal Law, as appropriate.

APPENDIX: SCHOOL OVERVIEW

Mission Statement

The mission of Success Academy Charter School-Bronx 2 is to provide students in New York City with an exceptionally high-quality education that gives them the knowledge, skills, character and disposition to meet and exceed NY State Common Core Learning Standards, and the resources to lead and succeed in school, college and a competitive global economy.

Success Bronx 2 seeks to provide this exceptionally high-quality education to all of their students, including English language learners and students with special education needs, irrespective of socioeconomic, racial, ethnic and/or other status.

Board of Trustees

Board Member Name ¹⁵	Position
Samuel Cole	Chair
Bryan Binder	Vice Chair
Scott Friedman	Treasurer
Greg Sawers	Secretary
Rich Barrera	Trustee
Derrell Bradford	Trustee
Sam Chainani	Trustee
Suleman Lunat	Trustee
David Nanus	Trustee
Graham Officer	Trustee
Jarrett Posner	Trustee
Lance Rosen	Trustee
Cate Shainker	Trustee
Khadijah Pickel	Ex-officio Parent Representative

¹⁵ Source: The Institute's Board records at the time of the Renewal Review

APPENDIX: SCHOOL OVERVIEW

School Characteristics

School Year	Proposed Enrollment	Actual Enrollment ¹⁶	Proposed Grades	Actual Grades
2010-11	180	191	K-1	K-1
2011-12	249	247	K-2	K-2
2012-13	398	342	K-3	K-3
2013-14	457	456	K-4	K-4
2014-15	544	551	K-5	K-5

Student Demographics

	2011-12	2012-13		2013-14 ¹⁷	
	% of School Enrollment	% of NYC CSD 8 Enrollment	% of School Enrollment	% of NYC CSD 8 Enrollment	% of School Enrollment
Race/Ethnicity					
American Indian or Alaska Native	0	1	0	1	0
Black or African American	61	25	61	25	59
Hispanic	37	64	37	64	38
Asian, Native Hawaiian, or Pacific Islander	1	5	1	5	2
White	1	6	1	6	1
Multiracial	0	0	0	0	0
Special Populations					
Students with Disabilities	8	21	14	20	12
English Language Learners	11	12	9	12	9
Free/Reduced Lunch					
Eligible for Free Lunch	-- ¹⁸	73	66	71	-- ¹⁹
Eligible for Reduced-Price Lunch	--	7	19	6	--
Economically Disadvantaged	87	88	88	90	84

¹⁶ Source: The Institute's Official Enrollment Binder. (Figures may differ slightly from New York State Report Cards, depending on date of data collection.)

¹⁷ The Institute derived the 2013-14 Students with Disabilities, ELL and Economically Disadvantaged statistics from the school's October 2013 student enrollment report to NYSED (2013-14 BEDS Report). District data are not yet available. Because NYSED releases data up to a full year after the conclusion of any one school year, the data presented in this table may differ from current information reported by the school and included in this report.

¹⁸ No school free and reduced priced lunch data was reported by the state in the 2011-12 school year., and is not yet available for the 2013-14 school year.

¹⁹ Free and reduced priced lunch data is not yet available for the 2013-14 school year.

APPENDIX: SCHOOL OVERVIEW

School Leaders

School Year(s)	Name(s) and Title(s)
2010-11 to Present	Vanessa Bangser, Principal (Grades K-4)
2014-15 to Present	Laura Drechsel, Principal (Grade 5)

School Visit History

School Year	Visit Type	Evaluator (Institute/External)	Date
2010-11	First Year Visit	Institute	May 7, 2011
2014-15	Initial Renewal Visit	Institute	December 4, 2014

Conduct of the Renewal Visit

Date(s) of Visit	Evaluation Team Members	Title
December 4, 2014	Aaron Campbell	Senior Analyst
	Kim Wechtenhiser	External Consultant

APPENDIX: FISCAL DASHBOARD



Charter Schools Institute
The State University of New York

Success Academy Charter School - Bronx 2

SCHOOL INFORMATION

FINANCIAL POSITION

Assets

Current Assets

	Opened 2010-11				
	2009-10	2010-11	2011-12	2012-13	2013-14
Cash and Cash Equivalents - GRAPH 1	-	1,601,046	1,948,414	824,163	2,101,042
Grants and Contracts Receivable	-	137,343	160,122	208,724	191,379
Accounts Receivable	-	-	-	-	-
Prepaid Expenses	-	262	-	134,694	82,732
Contributions and Other Receivables	-	-	-	-	-
Total Current Assets - GRAPH 1	-	1,738,651	2,108,536	1,167,581	2,375,153
Property, Building and Equipment, net	-	215,244	265,506	878,968	983,092
Other Assets	-	25,049	50,192	75,000	75,000
Total Assets - GRAPH 1	-	1,978,944	2,424,234	2,121,549	3,433,246

Liabilities and Net Assets

Current Liabilities

Accounts Payable and Accrued Expenses	70,024	17,426	42,586	35,868	
Accrued Payroll and Benefits	-	99,490	58,433	-	46,778
Deferred Revenue	-	-	-	-	-
Current Maturities of Long-Term Debt	-	-	-	-	-
Short Term Debt - Bonds, Notes Payable	-	-	500,000	-	-
Other	-	94,084	99,614	83,363	189,334
Total Current Liabilities - GRAPH 1	-	263,598	675,473	125,949	271,979
L-T Debt and Notes Payable, net current maturities	-	500,000	-	-	-
Total Liabilities - GRAPH 1	-	763,598	675,473	125,949	271,979

Net Assets

Unrestricted	-	1,215,346	1,748,761	1,995,600	3,161,266
Temporarily restricted	-	-	-	-	-
Total Net Assets	-	1,215,346	1,748,761	1,995,600	3,161,266

Total Liabilities and Net Assets

	1,978,944	2,424,234	2,121,549	3,433,246
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ACTIVITIES

Operating Revenue

Resident Student Enrollment	-	2,587,053	3,326,966	5,252,808	6,245,416
Students with Disabilities	-	54,755	168,280	-	880,927
Grants and Contracts	-				
State and local	-	126,682	-	-	-
Federal - Title and IDEA	-	155,754	201,983	271,545	231,298
Federal - Other	-	676,165	49,992	-	-
Other	-	-	-	-	-
Food Service/Child Nutrition Program	-	-	-	-	-
Total Operating Revenue	-	3,600,409	3,747,220	5,524,353	7,357,640

Expenses

Regular Education	-	2,078,955	2,231,922	3,334,494	4,289,519
SPED	-	294,180	452,121	899,908	584,934
Regular Education & SPED (combined)	-	-	-	-	-
Other	-	-	-	-	-
Total Program Services	-	2,373,135	2,684,043	4,234,402	4,874,453
Management and General	-	620,295	532,106	1,064,296	1,317,632
Fundraising	-	-	-	-	-
Total Expenses - GRAPHS 2, 3 & 4	-	2,993,430	3,216,149	5,298,698	6,192,085

Surplus / (Deficit) From School Operations

Support and Other Revenue	-	606,979	531,071	225,655	1,165,555
Contributions	-	530,741	2,000	20,652	-
Fundraising	-	-	-	-	-
Miscellaneous Income	-	77,626	344	532	113
Net assets released from restriction	-	-	-	-	-
Total Support and Other Revenue	-	608,367	2,344	21,184	113
Total Unrestricted Revenue	-	4,178,776	3,749,564	5,545,537	7,357,753
Total Temporally Restricted Revenue	-	30,000	-	-	-
Total Revenue - GRAPHS 2 & 3	-	4,208,776	3,749,564	5,545,537	7,357,753
Change in Net Assets	-	1,215,346	533,415	246,839	1,165,668
Net Assets - Beginning of Year - GRAPH 2	-	-	1,215,396	1,748,761	1,995,598
Prior Year Adjustment(s)	-	-	-	-	-
Net Assets - End of Year - GRAPH 2	-	1,215,346	1,748,811	1,995,600	3,161,266

APPENDIX: FISCAL DASHBOARD

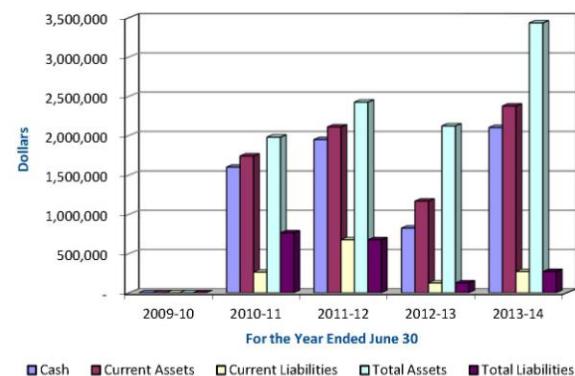


Charter Schools Institute
The State University of New York

Success Academy Charter School - Bronx 2

GRAPH 1

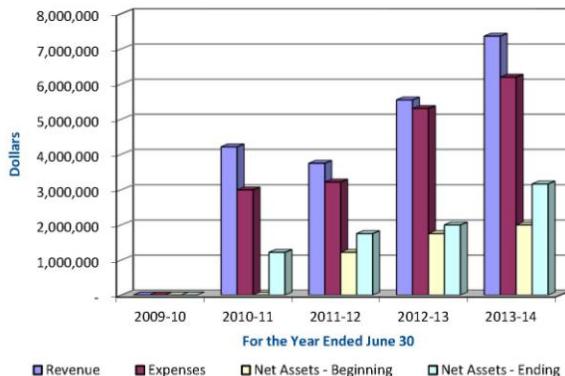
Cash, Assets and Liabilities



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

GRAPH 2

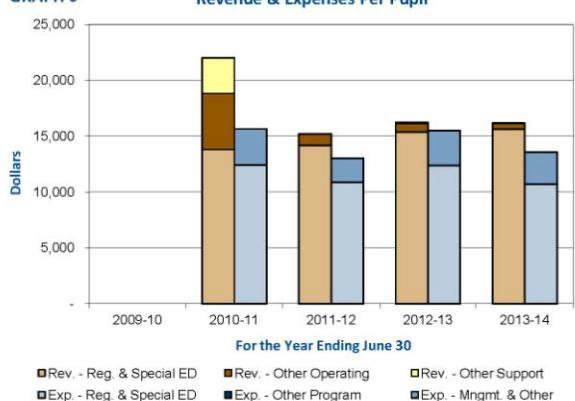
Revenue, Expenses and Net Assets



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

GRAPH 3

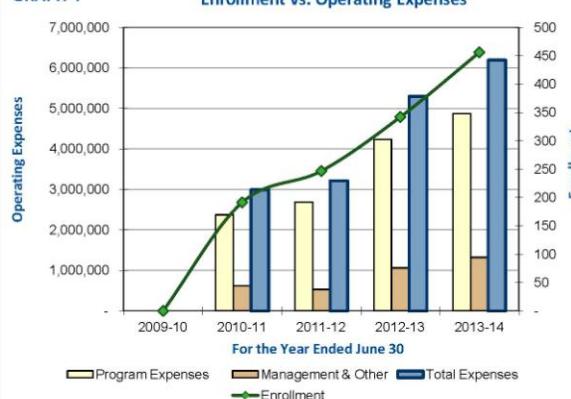
Revenue & Expenses Per Pupil



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

GRAPH 4

Enrollment vs. Operating Expenses



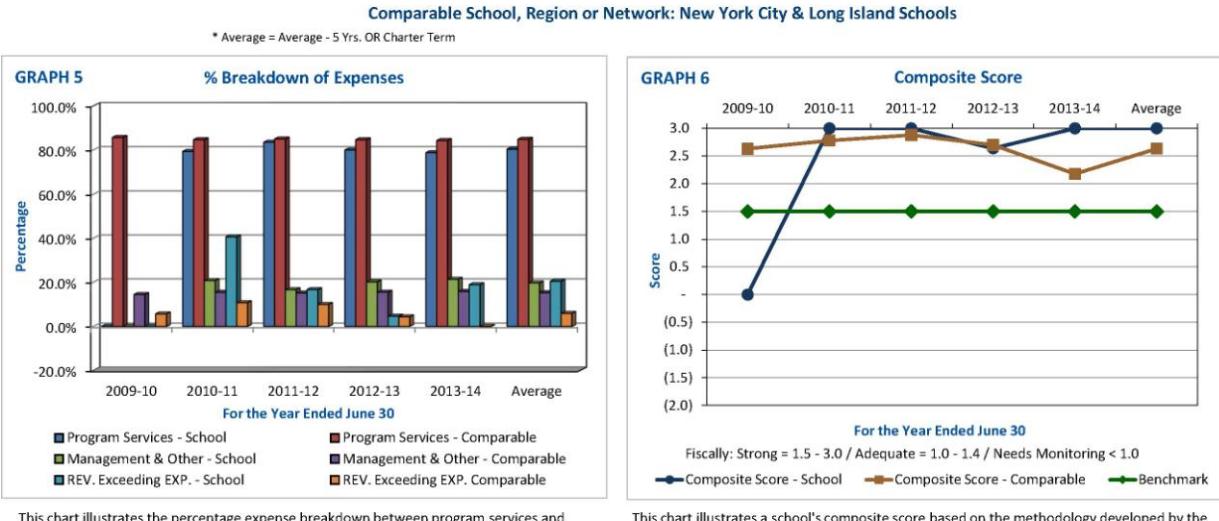
This chart illustrates to what extent the school's operating expenses have followed its student enrollment pattern. A baseline assumption that this data tests is that operating expenses increase with each additional student served. This chart also compares and contrasts growth trends of both, giving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

APPENDIX: FISCAL DASHBOARD



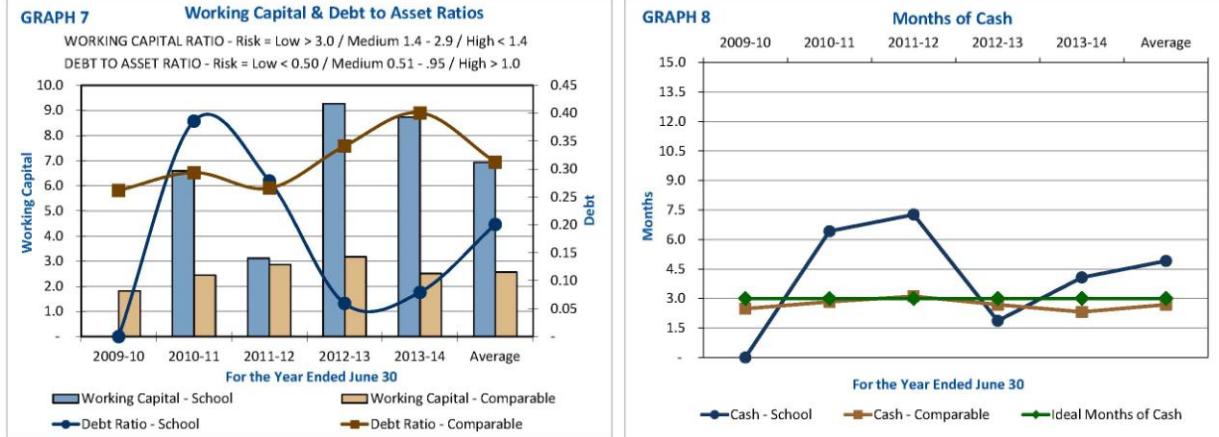
Charter Schools Institute
The State University of New York

Success Academy Charter School - Bronx 2



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

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



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

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

APPENDIX: FISCAL DASHBOARD



Charter Schools Institute
The State University of New York

Success Academy Charter Schools - NYC (Merged)

SCHOOL INFORMATION					
Opened 2012-13					
	2009-10	2010-11	2011-12	2012-13	2013-14
FINANCIAL POSITION					
Assets					
Current Assets					
Cash and Cash Equivalents - GRAPH 1	-	-	-	4,983,066	5,630,445
Grants and Contracts Receivable	-	-	-	1,860,018	2,921,408
Accounts Receivable	-	-	-	-	-
Prepaid Expenses	-	-	-	1,710,515	2,823,903
Contributions and Other Receivables	-	-	-	-	-
Total Current Assets - GRAPH 1	-	-	-	8,553,599	11,375,756
Property, Building and Equipment, net	-	-	-	3,985,758	10,153,572
Other Assets	-	-	-	11,522,347	3,234,700
Total Assets - GRAPH 1	-	-	-	24,061,704	24,764,028
Liabilities and Net Assets					
Current Liabilities					
Accounts Payable and Accrued Expenses	-	-	-	308,817	480,918
Accrued Payroll and Benefits	-	-	-	-	601,603
Deferred Revenue	-	-	-	-	-
Current Maturities of Long-Term Debt	-	-	-	-	-
Short Term Debt - Bonds, Notes Payable	-	-	-	-	-
Other	-	-	-	2,153,385	2,915,862
Total Current Liabilities - GRAPH 1	-	-	-	2,462,202	3,998,383
L-T Debt and Notes Payable, net current maturities	-	-	-	1,450,000	2,700,000
Total Liabilities - GRAPH 1	-	-	-	3,912,202	6,698,383
Net Assets					
Unrestricted	-	-	-	20,149,502	17,405,645
Temporarily restricted	-	-	-	-	660,000
Total Net Assets	-	-	-	20,149,502	18,065,645
Total Liabilities and Net Assets	-	-	-	24,061,704	24,764,028
ACTIVITIES					
Operating Revenue					
Resident Student Enrollment	-	-	-	41,017,028	55,929,750
Students with Disabilities	-	-	-	-	4,375,139
Grants and Contracts					
State and local	-	-	-	314,515	-
Federal - Title and IDEA	-	-	-	3,308,294	1,889,190
Federal - Other	-	-	-	-	2,431,531
Other	-	-	-	-	-
Food Service/Child Nutrition Program	-	-	-	-	-
Total Operating Revenue	-	-	-	44,639,837	64,625,611
Expenses					
Regular Education	-	-	-	30,095,202	47,634,229
SPED	-	-	-	7,447,352	6,495,579
Regular Education & SPED (combined)	-	-	-	-	-
Other	-	-	-	-	-
Total Program Services	-	-	-	37,542,554	54,129,808
Management and General	-	-	-	8,442,962	13,754,498
Fundraising	-	-	-	-	-
Total Expenses - GRAPHS 2, 3 & 4	-	-	-	45,985,516	67,884,306
Surplus / (Deficit) From School Operations	-	-	-	(1,345,679)	(3,258,695)
Support and Other Revenue					
Contributions	-	-	-	270,652	1,137,910
Fundraising	-	-	-	-	-
Miscellaneous Income	-	-	-	51,690	36,927
Net assets released from restriction	-	-	-	-	-
Total Support and Other Revenue	-	-	-	322,342	1,174,837
Total Unrestricted Revenue	-	-	-	44,962,179	65,140,448
Total Temporally Restricted Revenue	-	-	-	-	660,000
Total Revenue - GRAPHS 2 & 3	-	-	-	44,962,179	65,800,448
Change in Net Assets					
Net Assets - Beginning of Year - GRAPH 2	-	-	-	(1,023,337)	(2,083,858)
Prior Year Adjustment(s)	-	-	-	21,172,839	20,149,500
Net Assets - End of Year - GRAPH 2	-	-	-	20,149,502	18,065,642

APPENDIX: FISCAL DASHBOARD



Success Academy Charter Schools - NYC (Merged)

SCHOOL INFORMATION - (Continued)

Functional Expense Breakdown

Personnel Service	
Administrative Staff Personnel	
Instructional Personnel	
Non-Instructional Personnel	
Personnel Services (Combined)	
Total Salaries and Staff	
Fringe Benefit & Payroll Taxes	
Retirement	
Management Company Fees	
Building and Land Rent / Lease	
Staff Development	
Professional Fees, Consultant & Purchased Services	
Marketing / Recruitment	
Student Supplies, Materials & Services	
Depreciation	
Other	
Total Expenses	

2009-10	2010-11	2011-12	2012-13	2013-14
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	23,085,127	32,608,159
-	-	-	23,085,127	32,608,159
-	-	-	5,314,524	6,789,542
-	-	-	-	-
-	-	-	5,632,591	8,389,463
-	-	-	-	-
-	-	-	612,312	1,277,601
-	-	-	161,247	536,383
-	-	-	2,060,051	1,858,928
-	-	-	3,180,756	5,816,891
-	-	-	1,753,768	3,247,644
-	-	-	4,185,140	7,359,695
-	-	-	45,985,516	67,884,306

SCHOOL ANALYSIS

ENROLLMENT

Chartered Enroll	
Revised Enroll	
Actual Enroll - GRAPH 4	
Chartered Grades	
Revised Grades	

2009-10	2010-11	2011-12	2012-13	2013-14
-	-	-	2,217	4,575
-	-	-	-	476
-	-	-	1,830	3,157
-	-	-	-	-
-	-	-	-	-

Primary School District: New York City

Per Pupil Funding (Weighted Avg of All Districts)
Increase over prior year

-	-	-	13,527	13,527
0.0%	0.0%	0.0%	0.0%	0.0%

Average -
5 Yrs.
OR Charter
Term

22,432
274
22,706

PER STUDENT BREAKDOWN

Revenue

Operating	
Other Revenue and Support	
TOTAL - GRAPH 3	

-	-	-	24,393	20,471
-	-	-	176	372
-	-	-	24,569	20,843

22,432
274
22,706

Expenses

Program Services	
Management and General, Fundraising	
TOTAL - GRAPH 3	
% of Program Services	
% of Management and Other	

-	-	-	20,515	17,146
-	-	-	4,614	4,357
-	-	-	25,129	21,503
0.0%	0.0%	0.0%	81.6%	79.7%
0.0%	0.0%	0.0%	18.4%	20.3%
0.0%	0.0%	0.0%	-2.2%	-3.1%

18,831
4,485
23,316
80.7%
19.3%
-2.6%

Student to Faculty Ratio

-	-	-	-	-
-	-	-	-	-

Faculty to Admin Ratio

-	-	-	-	-
-	-	-	-	-

Financial Responsibility Composite Scores - GRAPH 6

Score	
Fiscally Strong 1.5 - 3.0 / Fiscally Adequate 1.0 - 1.4 / Fiscally Needs Monitoring < 1.0	

0.0	0.0	0.0	2.5	2.3
N/A	N/A	N/A	Fiscally Strong	Fiscally Strong

2.4
Fiscally Strong

Working Capital - GRAPH 7

Net Working Capital	
As % of Unrestricted Revenue	
Working Capital (Current) Ratio Score	
Risk (Low > 3.0 / Medium 1.4 - 2.9 / High < 1.4)	
Rating (Excellent > 3.0 / Good 1.4 - 2.9 / Poor < 1.4)	

0	0	0	6,091,397	7,377,373
0.0%	0.0%	0.0%	13.5%	11.3%
0.0	0.0	0.0	3.5	2.8
N/A	N/A	N/A	LOW	MEDIUM
N/A	N/A	N/A	Excellent	Good

6,734,385
12.4%
3.2
LOW
Excellent

Quick (Acid Test) Ratio

Score	
Risk (Low > 2.5 / Medium 1.0 - 2.4 / High < 1.0)	

0.0	0.0	0.0	2.8	2.1
N/A	N/A	N/A	LOW	MEDIUM
N/A	N/A	N/A	Excellent	Good

2.5
LOW

Debt to Asset Ratio - GRAPH 7

Score	
Risk (Low < 0.50 / Medium 0.51 - .95 / High > 1.0)	

0.0	0.0	0.0	0.2	0.3
N/A	N/A	N/A	LOW	LOW
N/A	N/A	N/A	Excellent	Excellent

0.2
LOW

Months of Cash - GRAPH 8

Score	
Risk (Low > 3 mo. / Medium 1 - 3 mo. / High < 1 mo.)	

0.0	0.0	0.0	1.3	1.0
N/A	N/A	N/A	MEDIUM	MEDIUM
N/A	N/A	N/A	Good	Good

1.1
MEDIUM

APPENDIX: FISCAL DASHBOARD

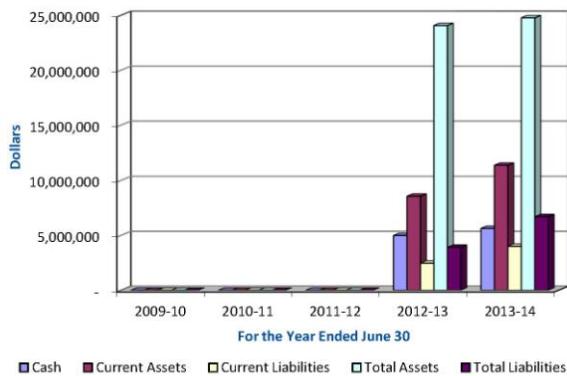


Charter Schools Institute
The State University of New York

Success Academy Charter Schools - NYC (Merged)

GRAPH 1

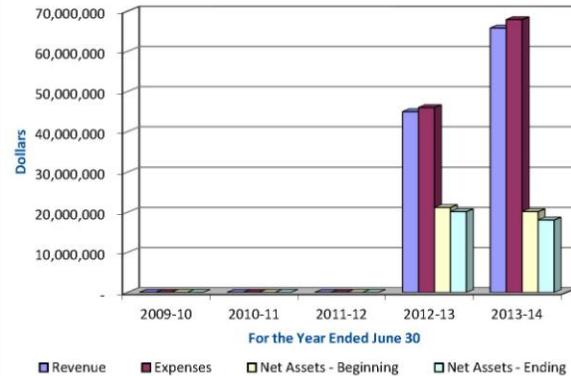
Cash, Assets and Liabilities



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

GRAPH 2

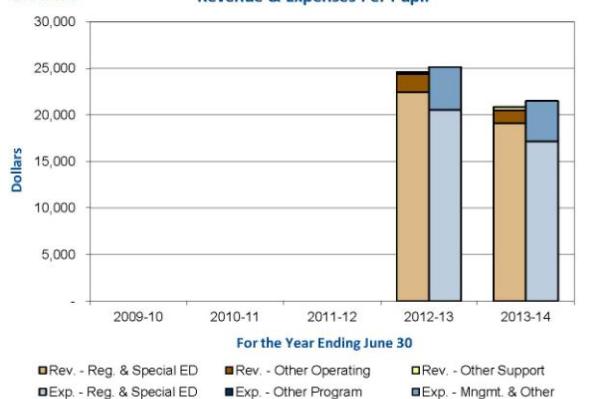
Revenue, Expenses and Net Assets



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

GRAPH 3

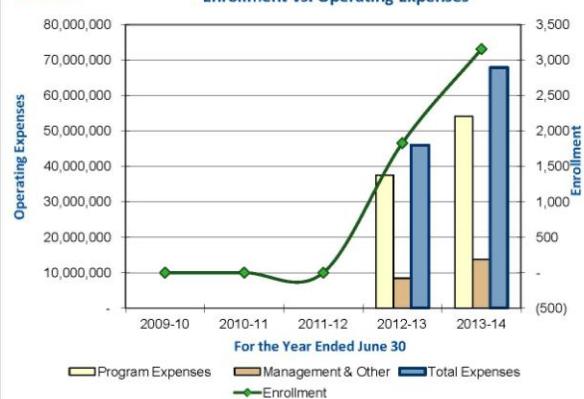
Revenue & Expenses Per Pupil



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

GRAPH 4

Enrollment vs. Operating Expenses



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

APPENDIX: FISCAL DASHBOARD



Charter Schools Institute
The State University of New York

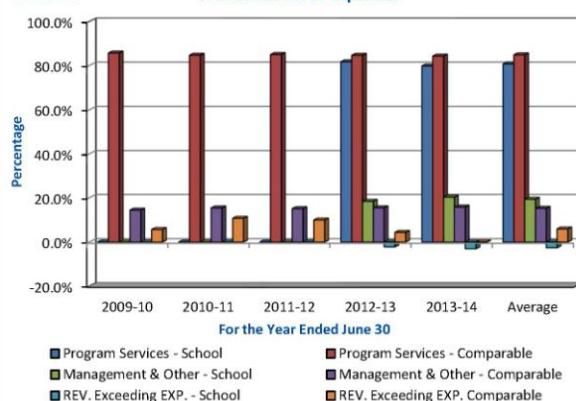
Success Academy Charter Schools - NYC (Merged)

Comparable School, Region or Network: New York City & Long Island Schools

* Average = Average - 5 Yrs. OR Charter Term

GRAPH 5

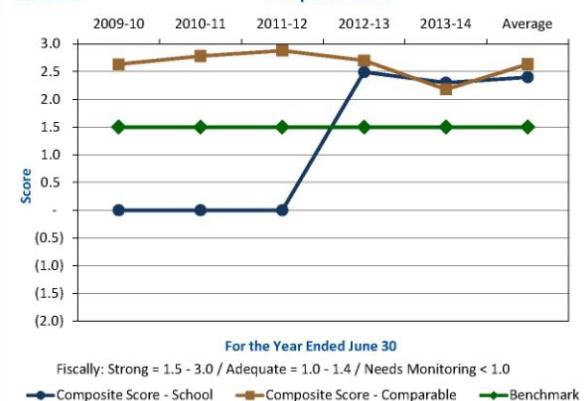
% Breakdown of Expenses



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

GRAPH 6

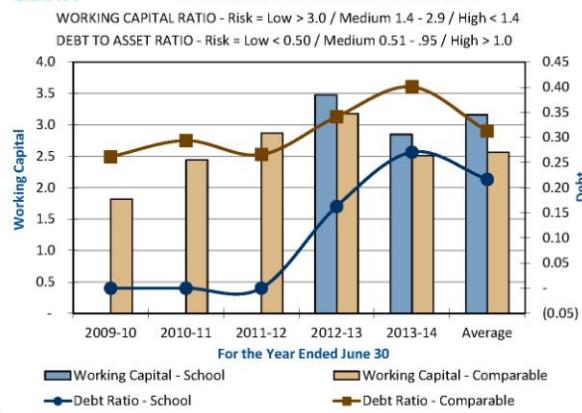
Composite Score



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

GRAPH 7

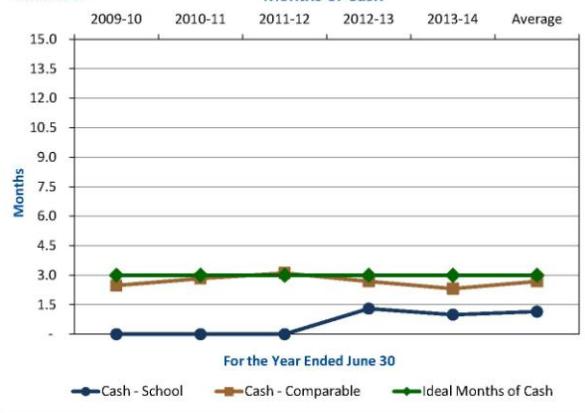
Working Capital & Debt to Asset Ratios



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

GRAPH 8

Months of Cash



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

APPENDIX: PERFORMANCE SUMMARIES

SCHOOL PERFORMANCE SUMMARY: English Language Arts Success Academy Charter School - Bronx 2



	2011-12			MET	2012-13			MET	2013-14			MET			
	Grades Served: K-2		Grades		Grades Served: K-3		Grades		Grades Served: K-4		Grades				
	All Students % (N)	2+ Years Students % (N)			All Students % (N)	2+ Years Students % (N)			All Students % (N)	2+ Years Students % (N)					
ABSOLUTE MEASURES	3	0 (0)	3	77.3 (97)	76.8 (95)	3	65.6 (80)	65.6 (80)	4	73.8 (80)	73.8 (80)				
1. Each year 75 percent of students who are enrolled in at least their second year will perform at proficiency on the New York State exam.	4	0 (0)	4	(0)	(0)	5	(0)	(0)	5	(0)	(0)				
	5	0 (0)	5	(0)	(0)	6	(0)	(0)	6	(0)	(0)				
	6	0 (0)	6	(0)	(0)	7	(0)	(0)	7	(0)	(0)				
	7	0 (0)	7	(0)	(0)	8	(0)	(0)	8	(0)	(0)				
	8	0 (0)	All	77.3 (97)	76.8 (95)	All	69.4 (170)	69.4 (170)	All	69.4 (170)	69.4 (170)	NA			
2. Each year the school's aggregate Performance Level Index on the State exam will meet the Annual Measurable Objective set forth in the State's NCLB accountability system.	Grades	PI	AMO		Grades	PLI	AMO		Grades	PI	AMO				
					3	174			3-4	165	89	NA			
COMPARATIVE MEASURES	Comparison:				Comparison: Bronx District 8				Comparison: Bronx District 8						
3. Each year the percent of students enrolled in at least their second year and performing at proficiency will be greater than that of students in the same grades in the local district.	Grades	School	District		Grades	School	District		Grades	School	District				
				NA	3	76.8	18.3	YES	3-4	69.4	20.0	YES			
4. Each year the school will exceed its predicted percent of students at proficiency on the state exam by at least a small Effect Size (at least 0.3) based on its percentage of Economically Disadvantaged students.	% ED	Actual	Predicted	Effect Size	% ED	Actual	Predicted	Effect Size	% ED	Actual	Predicted	Effect Size			
					84.5	77.3	20.2	4.59	YES	84.6	69.4	22.0	3.51		
GROWTH MEASURE	Grades	School	State		Grades	School	State		Grades	School	State				
5. Each year, the school's unadjusted mean growth percentile will meet or exceed the state's unadjusted median growth percentile.	4	4			5	5			6	6					
	5				6				7	7					
	6				7				8	8					
	7				8				All	46.2	50.0	NO			
	8				All										
	All	50.0													

APPENDIX: PERFORMANCE SUMMARIES

SCHOOL PERFORMANCE SUMMARY: Mathematics

Success Academy Charter School - Bronx 2



	2011-12 Grades Served:			MET	2012-13 Grades Served: K-3			MET	2013-14 Grades Served: K-4			MET	
	All Students % (N)		2+ Years Students % (N)		All Students % (N)		2+ Years Students % (N)		All Students % (N)		2+ Years Students % (N)		
	Grades	PI	AMO		Grades	PLI	AMO		All	98.9 (90)	98.9 (90)		
ABSOLUTE MEASURES	3	0	(0)		3	96.9 (97)	96.8 (95)		3	98.9 (90)	98.9 (90)		
	4	0	(0)		4	(0)	(0)		4	98.8 (80)	98.8 (80)		
	5	0	(0)		5	(0)	(0)		5	(0)	(0)		
	6	0	(0)		6	(0)	(0)		6	(0)	(0)		
	7	0	(0)		7	(0)	(0)		7	(0)	(0)		
	8	0	(0)		8	(0)	(0)		8	(0)	(0)		
	All	0	(0)		All	96.9 (97)	96.8 (95)	NA	All	98.8 (170)	98.8 (170)	NA	
2. Each year the school's aggregate Performance Level Index on the State exam will meet the Annual Measurable Objective set forth in the State's NCLB accountability system.	Grades	PI	AMO		Grades	PLI	AMO		Grades	PI	AMO		
					3	196			3-4	199	86	NA	
COMPARATIVE MEASURES	Comparison: Grades School District			NA	Comparison: Bronx District 8 Grades School District			YES	Comparison: Bronx District 8 Grades School District			YES	
3. Each year the percent of students enrolled in at least their second year and performing at proficiency will be greater than that of students in the same grades in the local district.					3	96.8	22.9		3-4	98.8	27.0		
4. Each year the school will exceed its predicted percent of students at proficiency on the State exam by at least a small Effect Size (at least 0.3) based on its percentage of Economically Disadvantaged students.	% ED	Actual	Predicted		% ED	Actual	Predicted		% ED	Actual	Predicted		
			Effect Size				Effect Size				Effect Size		
					84.5	96.9	23.7	4.37	YES	84.6	98.8	30.4	3.65
GROWTH MEASURE	Grades	School	State		Grades	School	State		Grades	School	State		
5. Each year, the school's unadjusted mean growth percentile will meet or exceed the state's unadjusted median growth percentile.	4				4				4	65.8			
	5				5				5	0.0			
	6				6				6	0.0			
	7				7				7	0.0			
	8				8				8	0.0			
	All				All				All	65.8	50.0	YES	

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