

# I. SCHOOL INFORMATION AND COVER PAGE

Created Monday, July 29, 2013

## Page 1

### 1. SCHOOL NAME

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

331800860988 CULTURAL ARTS ACADEMY-SPRING CREEK

### 2. CHARTER AUTHORIZER

NYCDOE-Authorized Charter School

### 3. DISTRICT / CSD OF LOCATION

NYC CSD 18

### 4. SCHOOL INFORMATION

PRIMARY ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS
1400 Linden Boulevard Brooklyn, New York 11212	718-683-3302	718-272-1330	lmidgette@caa-ny.org

### 4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES

4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES   Contact Name	Laurie B. Midgette
4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES   Title	Principal/Head of School
4a. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES   Emergency Phone Number (###-###-####)	646-895-0770

### 5. SCHOOL WEB ADDRESS (URL)

culturalartsacademy.org

### 6. DATE OF INITIAL CHARTER

2010-02-01 00:00:00

### 7. DATE FIRST OPENED FOR INSTRUCTION

2010-08-01 00:00:00

### 8. TOTAL NUMBER OF STUDENTS ENROLLED IN 2012-13 (as reported on BEDS Day)

(as reported on BEDS Day)

**9. GRADES SERVED IN SCHOOL YEAR 2012-13**

Check all that apply

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

Yes/No	Name of CMO/EMO
No	

## 11. FACILITIES

Will the School maintain or operate multiple sites?

No, just one site.

## 12. SCHOOL SITES

Please list the sites where the school will operate in 2013-14.

	Physical Address	Phone Number	District/C SD	Grades Served at Site	School at Full Capacity at Site	Facilities Agreement
Site 1 (same as primary site)	1400 Linden Boulevard Brooklyn, NY 11212	718-683-3302	CSD 18	K-4	No	Rent/Lease
Site 2						
Site 3						

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

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Laurie B. Midgette	718-683-3302	646-895-0770	lmidgette@caa-ny.org
Operational Leader	Monique Burrowes	718-683-3306	718-683-3305	mburrowes@caa-ny.org
Compliance Contact	Gray N. Stewart	718-683-3305	718-683-3300	gstewart@caa-ny.org
Complaint Contact	Shirley A. Glasgow	718-257-2911	917-613-7405	sglasgow@caa-ny.org

13. Are the School sites co-located?

No

14. Were there any revisions to the school's charter during the 2012-2013 school year? (Please include both those that required authorizer approval and those that did not require authorizer approval).

No

16. Our signatures below attest that all of the information contained herein is truthful and accurate and that this charter school is in compliance with all aspects of its charter, and with all pertinent Federal, State, and local laws, regulations, and rules. We understand that if any information in any part of this report is found to have been deliberately misrepresented, that will constitute grounds for the revocation of our charter. Check **YES** if you agree and use the mouse on your PC or the stylus on your mobile device to sign your name).

• Yes

Signature, Head of Charter School

A handwritten signature in black ink that reads "Lawrence B. Priddy". The signature is written in a cursive style with a large initial "L" and a stylized "P".

Signature, President of the Board of Trustees

Thank you.

# Signature Page for President of Board of Trustees

Created Monday, July 29, 2013

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## Page 1

16. My signature below attest that all of the information contained herein is truthful and accurate and that this charter school is in compliance with all aspects of its charter, and with all pertinent Federal, State, and local laws, regulations, and rules. We understand that if any information in any part of this report is found to have been deliberately misrepresented, that will constitute grounds for the revocation of our charter. Check **YES** if you agree and use the mouse on your PC or the stylus on your mobile device to sign your name).

(No response)

Signature, Board President

Thank you.

# Appendix A: Progress Toward Goals

Created Monday, July 29, 2013

Updated Friday, November 01, 2013

## Page 1

Charter School Name: 331800860988 CULTURAL ARTS ACADEMY-SPRING CREEK

### 1. NEW YORK STATE REPORT CARD

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

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

Not yet provided by NYSED.

### 2. APPENDIX A: PROGRESS TOWARD CHARTER GOALS

#### 2a. ACADEMIC STUDENT PERFORMANCE GOALS

If the Progress Toward Charter Goals are based on student performance data that the school will not have access to by August 1, 2013 (e.g., the NYS Assessment results), please list goals and explain this in the "Progress Towards Attainment" column. This information can be updated for Appendix A when available but no later than November 1, 2013. Board of Regents-authorized charter schools that opened for instruction in the fall of 2012 or that were renewed in 2012-13 will be held to the same charter-specific academic goals. Board of Regents-authorized charter schools will also be held accountable to Student Performance Benchmark 1 of the Performance Framework.

#### 2012-13 Progress Toward Attainment of Academic Goals

Academic Student Performance Goal	Measure Used to Evaluate Progress	2012-2013 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Academic Goal 1 Each year, 75% of K-2nd at the Cultural Arts Academy Charter School at Spring Creek Charter School will perform at or above Level 3 on the Scantron Performance Series Language Arts exam.	Scantron Achievement Series	NOT MET - 39% - 58/149	CAACS has key strategies that we have developed to move toward full achievement of our charter goals. At the beginning of the school year (September), scholars are given a baseline/diagnostic from each subject area/curriculum and the results are analyzed and used to drive our instruction for the year. At the end of our first semester (mid January), our scholars are given a cumulative assessment to demonstrate their progress from the baseline. From the assessment results, all of the

teachers go through an extensive data inquiry process in which they begin with a question, collect and examine the data, analyze the data that will raise more questions about the curriculum and results, organize data-driven dialogue, draw conclusions and take actions, set new goals for classroom interventions or curriculum changes, and monitor our results. This same process is done at the end of the school year (June) when scholars take their cumulative assessments for the year in each subject area.

Academic Goal 2	Each year, 75% of K-2nd graders at Cultural Arts Academy Charter School at Spring Creek will perform at or above Level 3 on the Scantron Performance Series Math exam.	Scantron Achievement Series	NOT MET - 38% - 53/141	<p>The CAACS lesson plan template includes a reflection portion entitled, “Daily Qualitative Data.” The teachers daily reflect on the percent of students that have mastered the objective, if there was 90% mastery and why or why not, what misunderstandings occurred, what could have been done differently, and how they will change their lesson plan for the next day or beyond. In terms of quantitative data, all of the teachers create a cover sheet for their assessments that breaks the assessment down into a line item analysis. These results are given to the scholars so they understand what part/standards of the assessment were mastered and where further mastered is needed. The cover sheets are also given to the families of their scholars. The teachers track the students’ growth through excel tracking tools which will give them the overall class mastery and mastery of each standard. The teachers use this data to inform their instructional practices and small group intervention or acceleration. Lastly, the teacher will track the scholars’ progress through the classroom environment and the students have their own trackers to track their progress in each subject area. After the summative assessments have been graded, the teachers will have a reflection day with the scholars in which they review</p>
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the assessments, reflect on what they mastered and next steps going forward into the next unit.

Academic Goal 3 Each year, 75% of K-2nd graders at Cultural Arts Academy Charter School at Spring Creek will perform at or above Level 3 on the Scantron Performance Series Life Science and Inquiry exam. Scantron Achievement Series NOT APPLICABLE. ATTAINMENT OF THIS GOAL WILL NOT BE ASSESSED UNTIL THE 2013-2014 SCHOOL YEAR.

Academic Goal 4 Each year, 75% of K-2nd graders at Cultural Arts Academy Charter School at Spring Creek will perform at or above Level 3 on the Scantron Performance Series Reading exam. Scantron Achievement Series NOT APPLICABLE. ATTAINMENT OF THIS GOAL WILL NOT BE ASSESSED UNTIL THE 2013-2014 SCHOOL YEAR.

Academic Goal 5 Each year, 75% of 3rd -5th graders at Cultural Arts Academy Charter School at Spring Creek will perform at or above Level 3 on the NYS ELA exam. NYS ELA Exam NOT MET 23.1% - Passed Cultural Arts Academy Charter School considers the progress its students made toward attaining the academic goals in the school’s charter during the 2012-13 school year as a baseline for the school’s inaugural year in state testing. The school has implemented activities to ensure that students who experience difficulty mastering standards are provided with effective and timely assistance. Additionally, the school has developed measures to ensure that students' difficulties are identified on a timely basis in order to provide teachers and school leadership with sufficient information on which to base effective assistance. For 2013-2014, CAACS will implement several initiatives to increase academic growth and proficiency, and address the needs of students who continue to struggle to meet grade level standards.

Increase Academic Growth and Proficiency

- Target student intervention and support.
- Provide afterschool intervention and enrichment program (November 2013–May 2014) to support structured learning for struggling, moderate, and advanced learners.
- Provide parent workshops with



empowering lessons and test prep resources to support home learning and enhance home-school connections.

Support Strong Instruction

- Differentiate instruction to meet the needs of all scholars.
- Develop instructional practices appropriate for age and learning styles.
- Identify and facilitate learning with the multiple intelligences
- Review the spring survey feedback to discuss and determine areas in which teachers express a need for improvement and address accordingly.
- Provide additional professional learning opportunities as requested by our faculty.
- Increase teacher incentives to further motivate and energize faculty (bonuses, leadership development, visitations, etc.).

Engage Parents

- Provide parents with a dedicated space and resources
- Provide a time for parents and teachers to discuss school related topics

Academic Goal 6 Each year, 75% of 3rd-5th graders at Cultural Arts Academy Charter School at Spring Creek will perform at or above Level 3 on the NYS Math exam.

NYS Math Exam NOT MET 20.0% - Passed

Cultural Arts Academy Charter School considers the progress its students made toward attaining the academic goals in the school’s charter during the 2012-13 school year as a baseline for the school’s inaugural year in state testing. The school has implemented activities to ensure that students who experience difficulty mastering standards are provided with effective and timely assistance. Additionally, the school has developed measures to ensure that students' difficulties are identified on a timely basis in order to provide teachers and school leadership with sufficient information on which to base effective assistance. For 2013-2014, CAACS will implement several initiatives to increase academic growth and proficiency, and address the needs of students who continue to struggle to meet

grade level standards.

Increase Academic Growth and Proficiency

- Target student intervention and support.
- Provide afterschool intervention and enrichment program (November 2013–May 2014) to support structured learning for struggling, moderate, and advanced learners.
- Provide parent workshops with empowering lessons and test prep resources to support home learning and enhance home-school connections.

Support Strong Instruction

- Differentiate instruction to meet the needs of all scholars.
- Develop instructional practices appropriate for age and learning styles.
- Identify and facilitate learning with the multiple intelligences
- Review the spring survey feedback to discuss and determine areas in which teachers express a need for improvement and address accordingly.
- Provide additional professional learning opportunities as requested by our faculty.
- Increase teacher incentives to further motivate and energize faculty (bonuses, leadership development, visitations, etc.).

Engage Parents

- Provide parents with a dedicated space and resources
- Provide a time for parents and teachers to discuss school related topics

Academic Goal 7	Each year, 75% of 4th graders at Cultural Arts Academy Charter School at Spring Creek will perform at or above Level 3 on the NYS Science exam.	NYS Science Exam	NOT APPLICABLE. ATTAINMENT OF THIS GOAL WILL NOT BE ASSESSED UNTIL THE 2012-2013 SCHOOL YEAR. NOT APPLICABLE. ATTAINMENT OF THIS GOAL WILL NOT BE ASSESSED UNTIL THE 2013-2014 SCHOOL YEAR.
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Academic Goal 8	Each year, 75% of 5th graders at Cultural Arts Academy Charter	NYS Social	NOT APPLICABLE. ATTAINMENT OF THIS
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School at Spring Creek will perform at or above Level 3 on the NYS Social Studies exam.

Studies Exam

GOAL WILL NOT BE ASSESSED UNTIL THE 2014-2015 SCHOOL YEAR.

## 2a1. Do have more academic goals to add?

Yes

### 2012-13 Progress Toward Attainment of Academic Goals

Academic Student Performance Goal	Measure Used to Evaluate Progress	2012-2013 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Academic Goal 9 Each year, 75% of students in K-2, will increase 75% on the Scantron Performance Series exams between the fall and the spring.	NYS Scantron Achievement Series	NOT MET: Fall 2012 - ELA - 39.1% MATH - 55.75%  Spring 2013 - ELA - 55.15% MATH - 43.85%	Through the uses of our academic intervention program, co-teaching model, and differentiation programs we will meet the needs of diverse learners including special needs. The academic intervention program (AIS) will address the needs of scholars from the baselines given in the beginning of the year and results from the midyear assessments. Our AIS program looks to boost scholars with needs in literacy such as phonics, phonemic awareness, fluency, comprehension, etc. Our AIS teachers use the supplementary curriculum Sidewalks from the Reading Street 2011 curriculum. Our AIS scholars include special needs, scholars who are mandated with SETTS, and scholars in our bottom third. In terms of math, scholars are pulled out for AIS who struggle with number sense and are given the strategic intervention from Envision Math 2012. As far as our co-teaching model, each of the ELA and Math classes has a co-teacher to meet the needs of students for acceleration and intervention. Teaching artists also co-teach in our content areas to bring about kinesthetic learning as well as other multiple intelligences in the classroom. Evidence of this can be seen with our Kindergarten scholars taking the "Dance in Math" class in which movement is incorporated to learn number sense and

counting. Lastly, not only do our teachers engage our scholars through guided reading with the Fountas and Pinell reading materials, we use Achieve 3000, a web-based literacy differentiated program that has nonfiction passages and activities that are precisely matched to our students' individual reading level. The program assesses each scholar through the Lexile assessment tool, instructs scholars daily with a nonfiction article, and reports the diagnostic and daily student performance results.

Academic Goal 10	For years 2 through 5, the Cultural Arts Academy Charter School at Spring Creek, 3-5 grade-level students of the same cohort (i.e. students who are in the Cultural Arts Academy Charter School at Spring Creek for two years in a row) will reduce the gap between the percent at or above Level 3 on the previous year's ELA exam and 90 percent at or above Level 3 on the current year's ELA exam. If the number of students scoring above proficiency in a grade level cohort exceeds 90 percent on the previous year's ELA exam, the Cultural Arts Academy Charter School at Spring Creek will demonstrate growth (from proficient to advanced) in the current year.	NYS ELA Exam	NOT APPLICABLE. ATTAINMENT OF THIS GOAL WILL NOT BE ASSESSED UNTIL THE 2013-2014 SCHOOL YEAR.
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Academic Goal 11	For year's 2through 5 of the proposed charter, 3-5th grade-level cohorts of the same students will reduce the gap between the percent at or above Level 3 on the previous year's Math exam and 90 percent at or above Level 3 on the current year's Math exam. If the number of students scoring above proficiency in a grade level cohort exceeds 90 percent on the previous Math exam, the Cultural Arts Academy Charter School at Spring Creek will demonstrate growth (from proficient to advanced) in the current yea	NYS Math Exam	NOT APPLICABLE. ATTAINMENT OF THIS GOAL WILL NOT BE ASSESSED UNTIL THE 2013-2014 SCHOOL YEAR.
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Academic Goal 12	Each year, 75% of 3rd-5th graders performing at or above Level 3 on the State ELA exam in each tested grade will place Cultural Arts Academy Charter School at Spring Creek in the top quartile of all similar schools on the citywide Progress Report.	NYS ELA Exam	NOT MET.	Additional supplemental interventions are offered for at risk students. Some of these supplemental interventions include: <ul style="list-style-type: none"> <li>• Extended Learning opportunities, including after-school and summer learning programming for at-risk students.</li> </ul>
Academic Goal 13	Each year, 75% of 3rd-5th graders performing at or above Level 3 on the State Math exam in 3rd-5th grades will place the school in the top quartile of all similar schools on the citywide Progress Report.	NYS Math Exam	NOT MET.	Additional supplemental interventions are offered for at risk students. Some of these supplemental interventions include: <ul style="list-style-type: none"> <li>• Extended Learning opportunities, including after-school and summer learning programming for at-risk students.</li> </ul>
Academic Goal 14	Each year, Cultural Arts Academy Charter School at Spring Creek will earn a score sufficient to place it in the 75th percentile of all schools on the citywide Progress Report.	NYS Progress Report	Progress Report: C	Intensive test prep strategies will be implemented to include: <ul style="list-style-type: none"> <li>• Adapting time allotted for learning task or completion of assessment.</li> <li>• Adapting the number of items that the learner is expected to complete or learn.</li> <li>• Adapting the goals or outcome expectations while using the same materials.</li> <li>• Adapting the way instruction is given to the learner. For example: visual aids, hands on activities or cooperative groups. Teachers data-rich interventions used with the individual students.</li> </ul>
Academic Goal 15	Each year, the school will be deemed —In Good Standing on the NYS Report Card.	NYS Report Card	MET  RECEIVED --In Good Standing from NYSED on Accountability Report 2012-2013.	
Academic Goal 16	Each year, K-2 students who attend the Cultural Arts Academy Charter School at Spring Creek for three full years, the percent at or beyond the national median in reading and math as measured by the Scantron Performance series assessments will increase by 10% of the cohort.	Scantron Achievement Series	NOT MET <p>ELA 2011 - 19.7 % of students at Level 3 (on State assessment) or performing between the 61st and 95th percentiles (on NRT)  MATH - 29.5%</p> <p>ELA 2012 - 26.2% of students at Level 3 (on State assessment) or performing between the 61st and 95th percentiles (on NRT)  MATH - 22.6%</p> <p>ELA 2013 - 19.4% of students at Level 3 (on State assessment)</p>	Through the uses of our academic intervention program, co-teaching model, and differentiation programs we will meet the needs of diverse learners including special needs. The academic intervention program (AIS) will address the needs of scholars from the baselines given in the beginning of the year and results from the midyear assessments. Our AIS program looks to boost scholars with needs in literacy such as phonics, phonemic awareness,

or performing between the 61st and 95th percentiles (on NRT)  
MATH - 16.9%

ELA 2013 - 37.1% of students at Level 4 (on State assessment) or performing above the 95th percentile (on NRT)  
MATH - 30.8%

ELA 2012 - 4.9% of students at Level 4 (on State assessment) or performing above the 95th percentile (on NRT)  
MATH - 51.6%

ELA 2011 - 70.5% of students at Level 4 (on State assessment) or performing above the 95th percentile (on NRT)  
MATH - 52.5%

fluency, comprehension, etc. Our AIS teachers use the supplementary curriculum Sidewalks from the Reading Street 2011 curriculum. Our AIS scholars include special needs, scholars who are mandated with SETTS, and scholars in our bottom third. In terms of math, scholars are pulled out for AIS who struggle with number sense and are given the strategic intervention from Envision Math 2012. As far as our co-teaching model, each of the ELA and Math classes has a co-teacher to meet the needs of students for acceleration and intervention. Teaching artists also co-teach in our content areas to bring about kinesthetic learning as well as other multiple intelligences in the classroom. Evidence of this can be seen with our Kindergarten scholars taking the “Dance in Math” class in which movement is incorporated to learn number sense and counting. Lastly, not only do our teachers engage our scholars through guided reading with the Fountas and Pinell reading materials, we use Achieve 3000, a web-based literacy differentiated program that has nonfiction passages and activities that are precisely matched to our students’ individual reading level. The program assesses each scholar through the Lexile assessment tool, instructs scholars daily with a nonfiction article, and reports the diagnostic and daily student performance results.

2a2. Do have more academic goals to add?

Yes

### 2012-13 Progress Toward Attainment of Academic Goals

Academic Student Performance Goal	Measure Used to Evaluate Progress	2012-2013 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
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Academic  
Goal 17

Each year, utilizing the NYCDOE's basis of measurement, Cultural Arts Academy Charter School at Spring Creek will have an average daily student attendance rate of at least 95% of the 120 students enrolled in Cultural Arts Academy Charter School at Spring Creek.

ATS - Automate the Schools System and Powerschool (Student Information System)

MET - 97.2%

2b. ORGANIZATIONAL GOALS

2012-13 Progress Toward Attainment of Organizational Goals

	Organizational Goal	Measure Used to Evaluate Progress	2012-2013 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Org Goal 1	Each year, the school will comply with all applicable laws, rules, regulations and contract terms including, but not limited to, the New York Charter Schools Act, the New York freedom of Information Law, the New York Open Meetings Law, the federal Individuals with Disabilities Education Act, and the federal Family Educational Rights and Privacy Act.	NYSED Progress Report	MET	Issued by NYSED
Org Goal 2	Each year, the average rate of attendance at parent conferences will be 80% or more as measured by signatures on attendance sheets.	Site-based record-keeping	MET	Site-based record-keeping
Org Goal 3	Each year, the Cultural Arts Academy Charter School at Spring Creek will be rated 80% meets or exceeds based on an annual NYCDOE Quality Review school evaluation and Report Card in the following categories: School Leadership and Instructional Leadership.	NYCDOE Quality Review and NYS Report Card	NOT APPLICABLE. ATTAINMENT OF THIS GOAL HAS NOT BEEN ASSESSED YET.	
Org Goal 4	In year one, student enrollment will be within 15% of full enrollment as defined in the school's contract. This will be maintained on an on-going basis and monitored bi-monthly.	AUTOMATE THE SCHOOL (ATS) SYSTEM	MET	219
Org Goal 5	Each year, parents will express satisfaction with the school's program, based on the NYCDOE Learning Environment Survey in which the school will receive scores of 7.5 or higher in each of the four survey domains: Academic Expectations, Communication, Engagement, and Safety and Respect. The school will only have met this goal if 50% or more parents participate in the survey.	NYCDOE SURVEY	NOT YET RECEIVED.	

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

(No response)

2012-13 Progress Toward Attainment of Organizational Goals

	Organizational Goal	Measure Used to Evaluate Progress	2012-2013 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
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Org Goal 6	Each year, teachers will express satisfaction with school leadership and professional development opportunities as determined by the teachers section of the NYCDOE Learning Environment Survey in which the school will receive scores of 7.5 or higher in each of the four survey domains: Academic Expectations, Communication, Engagement, and Safety and Respect. The school will only have met this goal if 50% or more teachers participate in the survey.	NYCDOE SURVEY	NOT YET RECEIVED.
Org Goal 7	Each year, 90% of the spring instructional staff that is invited to return and that remains in teaching will return the next fall.	NYCDOE Retention and Attrition Report	MET - 91%
Org Goal 8	Each year, students in grades 5 will express satisfaction with the school as determined by the student section of the NYCDOE Learning Environment Survey in which the school will receive scores of 7.5 or higher in each of the four survey domains: Academic Expectations, Communication, Engagement, and Safety and Respect. The school will only have met this goal if 50% or more of students enrolled participate in the survey.	NYCDOE SURVEY	NOT APPLICABLE. ATTAINMENT OF THIS GOAL WILL NOT BE ASSESSED UNTIL THE 2014-2015 SCHOOL YEAR.

## 2c. FINANCIAL GOALS

### 2012-13 Progress Toward Attainment of Financial Goals

	Financial Goals	Measure Used to Evaluate Progress	2012-2013 Progress Toward Attainment	If Not Met, Describe Efforts to be Taken
Financial Goal 1	For each year of the charter, the Cultural Arts Academy Charter School at Spring Creek will undergo an independent financial audit that will result in an unqualified opinion and no major findings.	MBAF CPAs, LLC Certified Public Accountants and Advisors Audit	MET	
Financial Goal 2	Each year, the school will operate on a balanced budget and maintain a stable cash flow.	MBAF CPAs, LLC Certified Public Accountants and Advisors Audit	MET	

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

Appendix E: FY 2013 Budget

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**Revenues**

Per pupil operating revenue	3,157,866
Grants and other income	150,000
<b>Total Revenues</b>	<u>\$ 3,307,866</u>

**Expenses**

**PERSONNEL SERVICES**

Administration	\$ 702,420	
Instruction	854,240	
Security	45,980	
Maintenance/Food Service	94,260	
Total personnel services		1,696,900

Fringe benefits

Payroll taxes	135,752	
Health/Dental insurance	305,442	
Total fringe benefits		441,194

**OTHER THAN PERSONNEL SERVICES**

Rent	300,000	
Insurance	60,000	
Maintenance/Repair	15,000	
Office Equipment	5,000	
Office Expenses	65,750	
Professional Costs	135,800	
Pupil Supplies/Furniture	190,000	
Pupil Transportation	-	
PTA	5,000	
Utilities	8,000	
Total other than personnel service		784,550

<b>Total Expenses</b>	<u>2,922,644</u>
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<b>Revenues in excess of expenses</b>	<u><u>\$ 385,222</u></u>
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# Audited Financial Statement Checklist

Created Friday, November 01, 2013

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## Page 1

Charter School Name:

1. Please check each item that is included in the 2012-13 Audited Financial Statement submitted for your charter school.

	Yes	No	NA
Audited Financial Statements (including report on compliance and report on internal control over financial reporting)	True	False	False
Single Audit (if applicable)	True	False	False
CSP Agreed Upon Procedures (if applicable)	False	False	True
Management Letter	True	False	False
Report on Extracurricular Student Activity Accounts (if applicable)	False	False	True
Corrective Action Plans for any Findings	True	False	False

2. Please indicated if there is a finding(s) noted in any of the following sections of your charter school's 2012-13 Audited Financial Statement.

	Yes	No
Report on Compliance	True	False
Report on Internal Control over Financial Reporting	False	True
Single Audit	False	True
CSP Agreed Upon Procedures Report	False	True
Management Letter	False	True

Thank you Laurie .

**CULTURAL ARTS ACADEMY CHARTER SCHOOL  
AT SPRING CREEK**

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FINANCIAL STATEMENTS

JUNE 30, 2013

# CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees  
Cultural Arts Academy Charter School

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of Cultural Arts Academy Charter School (the "School"), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cultural Arts Academy Charter School as of June 30, 2013, and its changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of a Matter***

As discussed in Note 3 to the financial statements, the School is financially dependent on another not for profit organization.

### ***Report on Summarized Comparative Information***

We have previously audited Cultural Arts Academy Charter School's 2012 financial statements and we expressed an unmodified opinion on those audited financial statements in our report dated November 12, 2012. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 01, 2013, on our consideration of Cultural Arts Academy Charter School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cultural Arts Academy Charter School's internal control over financial reporting and compliance.

**MBAF CPAs, LLC**

New York, NY

November 01, 2013

**CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK**

STATEMENT OF FINANCIAL POSITION

June 30, 2013

(With Summarized Comparative Information for the Year Ended June 30, 2012)

<b>ASSETS</b>	<b>2013</b>	<b>2012</b>
Cash	\$ 26,232	\$ 52,803
Cash - restricted	75,039	25,009
Grants and other receivables	49,938	321,497
Property and equipment, net	156,329	119,147
Prepaid expenses, and other assets	37,552	60,958
	<u>\$ 345,090</u>	<u>\$ 579,414</u>
<b>LIABILITIES AND NET (DEFICIT) ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 67,578	\$ 72,269
Accrued salaries and other payroll related expenses	208,318	178,612
Deferred rent	163,333	225,000
Due to NYC Department of Education	35,305	-
Other payables	5,182	2,363
	<u>479,716</u>	<u>478,244</u>
<b>NET (DEFICIT) ASSETS</b>		
Unrestricted	<u>(134,626)</u>	<u>101,170</u>
	<u>\$ 345,090</u>	<u>\$ 579,414</u>

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



**CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK**

Statement of Activities

Year Ended 6/30/2013

(With Summarized Comparative Information for the Year Ended June 30, 2012)

	<b>2013</b>	<b>2012</b>
<b>OPERATING REVENUE</b>		
State and local per pupil operating revenue	\$ 3,082,749	\$ 2,422,529
Government grants and contracts	<u>55,679</u>	<u>416,392</u>
	3,138,428	2,838,921
<b>EXPENSES</b>		
Program	2,847,686	2,151,040
Management and general	835,914	646,100
Fundraising	<u>16,965</u>	<u>31,252</u>
	<u>3,700,565</u>	<u>2,828,392</u>
(DEFICIENCY) SURPLUS FROM SCHOOL OPERATIONS	(562,137)	10,529
<b>SUPPORT AND OTHER INCOME</b>		
Contributions, grants and other income	84,640	240,128
In-kind contributions	225,176	168,000
Interest income	497	22
Miscellaneous income	<u>16,028</u>	<u>10,813</u>
	<u>326,341</u>	<u>418,963</u>
CHANGE IN NET (DEFICIT) ASSETS - UNRESTRICTED	(235,796)	429,492
NET ASSET (DEFICIT) - UNRESTRICTED BEGINNING OF YEAR	<u>101,170</u>	<u>(328,322)</u>
NET (DEFICIT) ASSETS - UNRESTRICTED END OF YEAR	<b><u>\$ (134,626)</u></b>	<b><u>\$ 101,170</u></b>

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

**CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK**

STATEMENT OF FUNCTIONAL EXPENSE

Year Ended June 30, 2013

(With Summarized Comparative Information for the Year Ended June 30, 2012)

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>2013</u>	<u>2012</u>
FUNCTIONAL EXPENSE					
Salaries and wages	\$ 1,364,186	\$ 556,445	\$ 16,000	\$ 1,936,631	\$ 1,624,695
Payroll taxes and employee benefits	320,240	132,151	965	453,356	377,973
Accounting fees	64,464	26,708	-	91,172	75,833
Legal fees	5,206	2,157	-	7,363	16,634
Classroom supplies and instructional materials	212,734	-	-	212,734	76,487
Contracted services	44,024	-	-	44,024	13,333
Insurance	30,535	12,651	-	43,186	31,258
Bank charges	103	42	-	145	1,031
Office expenses	75,586	31,316	-	106,902	39,426
Parent activities	-	-	-	-	362
Postage and delivery	517	214	-	731	1,081
Professional fees	3,742	1,550	-	5,292	5,473
Dues and subscriptions	4,697	1,946	-	6,643	-
Rent	304,518	33,835	-	338,353	285,000
Repairs and maintenance	53,672	22,236	-	75,908	9,350
Student field trips	102,720	-	-	102,720	52,746
Other expenses	14,170	5,870	-	20,040	26,635
In-kind services	225,351	-	-	225,351	168,092
Depreciation	21,221	8,793	-	30,014	22,983
	<u>\$ 2,847,686</u>	<u>\$ 835,914</u>	<u>\$ 16,965</u>	<u>\$ 3,700,565</u>	<u>\$ 2,828,392</u>

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

**CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK**

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2013

(With Summarized Comparative Information for the Year Ended June 30, 2012)

	<b>2013</b>	<b>2012</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net (deficit) assets	\$ (235,796)	\$ 429,492
Adjustments to reconcile change in net assets (deficit) to net cash provided by operating activities:		
Depreciation	30,014	22,983
Changes in operating assets and liabilities:		
Cash - restricted	(50,030)	(25,009)
Grants and other receivables	271,559	(223,577)
Prepaid expenses, and other assets	23,406	(60,958)
Accounts payable and accrued expenses	(4,691)	(2,344)
Accrued salaries and other payroll related expenses	29,706	(91,769)
Deferred rent	(61,667)	45,000
Due to NYC Department of Education	35,305	(20,407)
Other payables	2,819	2,363
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>40,625</u>	<u>75,774</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	<u>(67,196)</u>	<u>(40,755)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(67,196)</u>	<u>(40,755)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of loan	<u>-</u>	<u>(30,000)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>-</u>	<u>(30,000)</u>
NET (DECREASE) INCREASE IN CASH	(26,571)	5,019
CASH - BEGINNING OF YEAR	<u>52,803</u>	<u>47,784</u>
CASH - END OF YEAR	<u><b>\$ 26,232</b></u>	<u><b>\$ 52,803</b></u>

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

# CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

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## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013

### 1. NATURE OF THE ORGANIZATION

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Cultural Arts Academy Charter School At Spring Creek (the "School") is a public charter school, as defined by Article 56 of The New York State Education Law, which provides education based on an academically rigorous arts education program that promotes superior scholarship and strong cultural arts proficiency. On February 9, 2010, the Board of Regents of the University of the State of New York (the "State") granted the School a provisional charter valid for a term of five years and renewable upon expiration. The School operates under this charter and the State is responsible for oversight of the School's operations.

On November 10, 2010, the School, as determined by the Internal Revenue Service, was approved for Federal income tax exemption under section 501(a) of the Internal Revenue Code ("IRC") as an organization described in Section 501(c)(3) of the IRC. It is also currently exempt under 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) of the IRC and qualifies for deductible contributions as provided in section 170(b)(1)(A)(ii) of the IRC. The School's primary sources of income are per pupil and other government funding.

In fiscal year 2013, the School operated classes for students in kindergarten through third grade. Over the next two years, the School will add two grade levels so that it will operate classes for students in kindergarten through fifth grade.

Enrollment of available classroom slots is open to all potential student candidates with preference given to children residing in the district of southeast Brooklyn. A lottery is held to award these available spots. If one child in a family is selected in the lottery then all eligible children in the family are accepted for enrollment.

### 2. SIGNIFICANT ACCOUNTING POLICIES

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#### Financial Statement Presentation

The School's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The classification of the School's net assets and its support, revenues and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the three classes of net assets – permanently restricted, temporarily restricted, and unrestricted – be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

Permanently Restricted – Net assets resulting from contributions and other inflows of assets whose use by the School is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the School.

Temporarily Restricted – Net assets resulting from contributions and other inflows of assets whose use by the School are limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the School pursuant to those stipulations. 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. However, if a restriction is fulfilled in the same period in which the contribution is received, the School reports the support as unrestricted.

Unrestricted – The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

# CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

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## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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#### **Cash**

Included in cash is an escrow account of \$75,039, which is held aside for contingency purposes as required by the Education Department of the State University of New York ("SUNY").

#### **Grants and Other Receivables**

Grants and other receivables represent unconditional promises to give by donors. Grants and other receivables are expected to be collected within one year, are recorded at net realizable value, and amounts to \$49,938 and \$321,497 at June 30, 2013 and 2012, respectively. The School has determined that no allowance for uncollectible accounts for contributions receivable is necessary as of June 30, 2013 and 2012. Such estimate is based on management's assessments of the creditworthiness of its donors, the aged basis of its receivables, as well as current economic conditions and historical information.

#### **Revenue Recognition**

Revenue from the state and local government resulting from the School's charter status is based on the number of students enrolled and is recorded when services are performed in accordance with the charter agreement.

Revenue from federal, state and local government grants and contracts are recorded by the School when qualifying expenditures are incurred and billable. Funds received in advance for which qualifying expenditures have not been incurred would be reflected as refundable advances from state and local government grants in the accompanying statement of financial position.

#### **Donated Goods and Services**

The School receives contributed goods and services that are an integral part of its operations. Such goods and services are only recorded as contributions in-kind at their fair value, provided they meet the criteria for recognition. Donated services received are estimated at \$225,176 and \$168,000 for the years ending June 30, 2013 and 2012, respectively, and are reflected as both as income and expense in the accompanying financial statements.

#### **Property and Equipment**

Property and equipment are stated at cost and are being depreciated on the straight-line method over the estimated useful lives of the assets. The School has established a \$10,000 threshold above which assets are capitalized. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized.

#### **Impairment**

The School reviews long-lived assets to determine whether there has been any permanent impairment whenever events or circumstances indicate the carrying amount of an asset may not be recoverable. If the sum of the expected future undiscounted cash flows is less than the carrying amount of the assets, the School recognizes an impairment loss. No impairment losses were recognized for the year ended June 30, 2013.

#### **Advertising**

The School expenses advertising costs as incurred. The School had advertising costs of \$0 and \$158 for the years ending June 30, 2013 and 2012, respectively.

# CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

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## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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#### **Deferred Rent**

In accordance with U.S. GAAP, rent expense is recognized on a straight-line basis over the life of the lease, including future escalations of rent, rather than in accordance with lease payments. Deferred rent represents the adjustment to future rents as a result of using the straight-line method.

#### **Functional Allocation of Expenses**

Expenses that can be directly identified with the program or supporting service to which they relate are charged accordingly. Other expenses by function have been allocated among program and supporting service classifications based upon benefits received.

#### **Estimates**

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

#### **Subsequent Events**

The School has evaluated events through November 01, 2013, which is the date the financial statements were available to be issued.

#### **Comparative Financial Information**

The June 30, 2013 financial statements include certain prior year summarized comparative information in total but not by net asset class. In addition, only certain of the notes to the financial statements for June 30, 2012 are presented. As a result, the June 30, 2012 comparative information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such June 30, 2012 information should be read in conjunction with the School's financial statements for the year ended June 30, 2012, from which the summarized information was derived.

#### **Income Taxes**

The School follows the accounting standard for uncertainty in income taxes. The standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in the financial statements. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

The School files an informational return in the United States federal jurisdiction. The School is subject to federal income tax examination by tax authorities for all fiscal years in which informational returns were filed.

The School believes that it has appropriate support for the positions taken on its tax returns. Nonetheless, the amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts filed. Management believes that its nonprofit status would be sustained upon examination.

Should there be interest on underpayments of income tax, the School would classify it as "Interest Expense." The School would classify penalties in connection with underpayments of tax as "Other Expense."

## CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

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### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013

#### 3. LIQUIDITY CONCERN

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The School's net assets decreased from \$101,170 at June 30, 2012 to a net deficit of \$134,626 at June 30, 2013, incurring a decrease in net assets of approximately \$236,000 for the year ended June 30, 2013. The School is working on securing more government funding and has the support of Christian Cultural Center Inc. ("CCC") to fund cash needs necessary to maintain operations.

#### 4. PROPERTY AND EQUIPMENT

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Property and equipment consist of the following at June 30:

	<u>2013</u>	<u>2012</u>	Estimated Useful Lives
Furniture and fixtures	\$ 135,491	\$ 102,488	7 years
Computer hardware and software	<u>82,184</u>	<u>47,991</u>	5 years
	217,675	150,479	
Less: accumulated depreciation	<u>(61,346)</u>	<u>(31,332)</u>	
	<u><b>\$ 156,329</b></u>	<u><b>\$ 119,147</b></u>	

Depreciation expense for the years ended June 30, 2013 and 2012 was \$30,014 and \$22,983, respectively.

#### 5. RELATED PARTY TRANSACTIONS

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The School has a five year operating lease agreement with CCC, a not-for-profit organization, which commenced on July 1, 2010 and expires on June 30, 2015. The lease has escalating amounts of occupancy square footage from 15,000 square feet in 2011 to 28,000 square feet in 2015, as defined in the lease agreement. The chief executive officer of CCC is a founding member and board member of the School. No rent was paid during the first fiscal year. The first installment of rent was paid on July 1, 2011, the commencement date of the second fiscal year.

On September 1, 2012, the School amended its lease with CCC. The School is to pay rent in the amount of \$35,000 a month from September 1, 2012 through June 30, 2015. The School will occupy the entire 28,000 square feet of the premises.

Future minimum lease payments (including the amended lease) are as follow:

<u>Year</u>	<u>Amount</u>	<u>Square Footage</u>
2014	\$ 420,000	28,000
2015	<u>420,000</u>	28,000
Total	<u><b>\$ 840,000</b></u>	

#### 6. PENSION PLAN

---

Effective September 1, 2011, the School adopted a 403(B) profit sharing plan (the "Plan") which covers most of the employees. The Plan is a defined contribution plan. Employees are eligible to enroll in the Plan on the first day of employment or the first day of the first, fourth, seventh, or tenth month of the Plan year, if they are at least 21 years in age. The Plan provides for the School to make discretionary contributions. The School contribution does not become vested until the participant's sixth year when it becomes fully vested. For the years ended June 30, 2013 and 2012, pension expense for the School was \$0.

**CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK**

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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013

**7. RISK MANAGEMENT**

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The School is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; injuries to employees; and natural disasters. The School maintains commercial insurance to help protect itself from such risks.

The School entered into contractual relationships with certain governmental funding sources. The governmental agencies may request return of funds as a result of noncompliance by the School. The accompanying financial statements make no provision for the possible disallowance or refund.

**8. CONCENTRATIONS**

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Financial instruments that potentially subject the school to concentrations of credit risk consist principally of cash deposits at a major financial institution that, at times, exceeded the Federal Deposit Insurance Corporation insured limits of \$250,000.

The School received approximately 89% and 85% of its total revenue from per pupil funding from New York City Department of Education during the years ended June 30, 2013 and 2012, respectively.

One grantor accounted for 100% of grants and other receivables at June 30, 2013.

Two grantors accounted for 100% of grants and other receivables at June 30, 2012.

Three vendors accounted for approximately 82% of accounts payable at June 30, 2013 and 2012.



**Independent Auditor’s 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  
Cultural Arts Academy Charter School

We have audited the financial statements of Cultural Arts Academy Charter School (the “School”) as of and for the year ended June 30, 2013, and have issued our report thereon dated November 01, 2013. 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 of the financial statements, we considered the School’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a material weakness.

*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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, but important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and responses to be a material weakness; 2013-01.

## **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*.

We noted certain other matters that we reported to management of the School in a separate letter dated November 01, 2013.

The School's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the School's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, Board of Trustees, management, the New York State Education Department and the Board of Regents of the University of the State of New York and is not intended to be and should not be used by anyone other than these specified parties.

**MBAF CPAs, LLC**

New York, NY  
November 01, 2013

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

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SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2013

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

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Financial Statements

Type of auditor’s report issued:

Unqualified

Internal control over financial reporting:

Material weakness (es) identified?

yes √

no       

Significant deficiency (ies) identified that are not  
considered to be material weaknesses?

yes       

no √

Noncompliance material to financial statements noted?

yes       

no √

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

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SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2013

**Section II - Financial Statement Findings**

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**Findings: 2013-01**

Criteria and condition: The School must be in compliance with the New York State Education Department ("NYSED") requirements. NYSED requires the School to maintain proof of residency for all enrolled students.

Context: The School did not meet the requirement of proof of residency for 2 of the 25 students files tested.

Cause: Ineffective management monitoring of NYSED requirements.

Effect: The School could be in a position where they could lose funding from NYSED for not being in compliance with the Charter School Audit Guide issued July 2, 2013, which requires all student files maintain proof of residency.

Recommendations: We recommend for the School be in compliance with the NYSED student file requirements.

**CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK**

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SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2013

**Views of responsible officials and planned corrective action:**

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**Findings: 2013-01**

We agree to the findings, however, we have since then transitioned to an electronic filing system which provides less room for error.

Planned Corrective Action:

Clear documented requirements will be implemented, monitored, communicated, and reported regarding enrollment documentation. As part of the review, the registration team will be required to verify that NYSED enrollment requirements are fulfilled.

**CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK**

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SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2013

**Section II - Financial Statement Findings**

**Finding No. 2012-01**

**Condition:**

The School must be in compliance with certain provisions of laws, regulations, contracts, and grant agreements. According to the University of the State of New York resolution governing the charter of the School from February 9, 2010 through February 8, 2015, the School is required to ensure that all employees are properly fingerprinted for the fiscal year ending June 30, 2012.

**Current Status:**

The finding has been corrected.

**Findings: 2012-02**

**Condition:**

The School must be in compliance with the Board of Regents of The University of the State University of New York ("SUNY") requirements. SUNY requires the School to maintain an escrow with a balance of \$50,000 as of the third year of operations.

**Current Status:**

The finding has been corrected.

# Appendix E: Disclosure of Financial Interest Form

Created Thursday, August 01, 2013

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Page 1

331800860988 CULTURAL ARTS ACADEMY-SPRING CREEK

An Appendix E: Disclosure of Financial Interest Form must be completed for each active Trustee who served on the charter school's Board of Trustees during the 2012-13 school year. Trustees are at times difficult to track down in the summer months. Trustees may complete and submit at their leisure (but before the deadline) their individual form at: <http://fluidsurveys.com/surveys/vickie-smith/appendix-e-disclosure-of-financial-interest-form/>.

Trustees who are technologically advanced may complete the survey using their smartphones or other mobile devices by downloading the this bar code link to the survey <http://fluidsurveys.com/account/surveys/210748/publish/qrcode/>. (Make sure you have the bar code application reader on your phone).

If a Trustee is unable to complete the form by the deadline (i.e, out of the country), the school is responsible for submitting the information required on the form for that individual trustee.

Just send the links via email today to your Trustees requesting that they each complete their form as soon as possible.

Thank you.

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

Yes

Thank you.

# Appendix F: BOT Membership Table

Created Thursday, August 01, 2013

## Page 1

### 331800860988 CULTURAL ARTS ACADEMY-SPRING CREEK

#### 1. Current Board Member Information

	Full Name of Individual Trustees	Position on Board (Officer or Rep).	Voting Member	Area of Expertise &/or Additional Role	Terms Served & Length (include date of election and expiration)	Committee affiliations
1	Dr. A.R. Bernard	Chair/President	Yes	Finance, Facilities	3 years-08/2010	
2	Cheryl A. Pemberton	Vice Chair/Vice President	Yes	Non-Profit Experience, Community Involvement	3 years-08/2010	
3	Henry J. Clouden, III	Treasurer	Yes	Finance, College and Career Experience	3 years-08/2010	
4	Shirley A. Glasgow	Parent Rep	Yes	Parent Involvement	3 years-08/2010	
5	Chrysetta Patterson	Member	Yes	Arts	3 years-08/2010	
6	Susan V. Fox	Member		Special Education	3 years-08/2010	
7	Laurie B. Midgette	Member Ex-Officio	Yes	Education, Head of School	3 years-08/2010	
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						

#### 2. Total Number of Members Joining Board during the 2012-13 school year

0



3. Total Number of Members Departing the Board during the 2012-13 school year

0

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

7

5. How many times did the Board meet during the 2012-13 school year?

12

6. How many times will the Board meet during the 2013-14 school year?

12

Thank you.



## ENROLLMENT AND RETENTION POLICY

*Cultural Arts Academy Charter School at Spring Creek admits students of any gender, race, color, religion, disability, national and ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students at the school. It does not discriminate on the basis of gender, race, color, religion, disability, national and ethnic origin in administration of its educational policies, admissions policies, arts, athletic, and other school-administered programs.*

### SPECIAL EDUCATION INITIATIVES:

CAACS will contact our local Committee on Special Education for District 18. For 2012-2013 and 2013-2014, we became a member of the NYC Charter Center Special Education Collaborative. This organization, the NYC Special Education Collaborative, focuses on assisting schools with starting and operating successful special education programs. Specific benefit details for all four types of membership are available for download.

- **Program Support:** Dedicated hours of support, technical assistance, and NYCDOE advocacy!
- **Conferences:** Annual conference admission and seats at mini-conference series with national speakers!
- **Staff Training:** Verbal de-escalation and restraint training, monthly instructional training, counseling staff support, discounts to fee-based training!
- **Teacher Recruitment:** Career fair table and job postings
- **Resources:** Common Core IEP goal bank access, access to resource library

### ENGLISH LANGUAGE LEARNERS:

- Translate all materials into the predominantly spoken languages of our district and community
- Use non-English media, approach community- and faith-based organizations serving the language group, recent immigrant support services
- Describe our ELL programs in our marketing materials
- Describe programs at all recruiting/outreach events and on our website

Our initiatives will also include handing out flyers, attending school fairs, going to local churches, meeting local representatives, and attending community board meetings, radio spots, newspaper articles, and interviews. Social media like Facebook and Twitter are also two methods we will use. We will connect all of these on our website, enabling visitors to see any kind of activity happening with the school.