



Charter Schools Institute
The State University of New York

Renewal Recommendation Report

Icahn Charter School 3

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The school should broadly share the final version of the SUNY Charter Schools Institute's renewal recommendation report with the entire school community. The Institute will post the final report on its website at: www.newyorkcharters.org/pubsReportsRenewals.htm.

REPORT INTRODUCTION

This report is the primary means by which the SUNY Charter Schools Institute (the “Institute”) transmits to the Board of Trustees of the State University of New York (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. This report has been created and issued pursuant to the *Practices, Policies and Procedures for the Renewal of Charter Schools Authorized by the Board of Trustees of the State University of New York* (the “SUNY Renewal Policies”).¹

Information about the SUNY renewal process and an overview of the requirements for renewal under the New York State Charter Schools Act of 1998 (as amended) (the “Act”) are available on the Institute’s website at: www.newyorkcharters.org/schoolsRenewOverview.htm.

RECOMMENDATION

Recommendation

Initial Full-Term Renewal

The Institute recommends that the SUNY Trustees approve the Application for Charter Renewal of the Icahn Charter School 3 and renew its charter for a period of five years with authority to provide instruction to students in Kindergarten through 8th grade in such configuration as set forth in its Application for Charter Renewal, with a projected total enrollment of 324 students.

Background and Required Findings

In initial renewal reviews, the SUNY Trustees evaluate the strength and effectiveness of a school’s academic program by the degree to which the school has succeeded in meeting its academic Accountability Plan goals during the Accountability Period² and the quality of the instructional program in place at the school at the time of the renewal review, as assessed using the Qualitative Education Benchmarks (a subset of the SUNY Charter Renewal Benchmarks available on the Institute’s website at: <http://www.newyorkcharters.org/schoolsRenewOverview.htm>). In giving weight to both student achievement and the emergent program, this approach provides a balance between an outcomes-based system of accountability that holds schools accountable for meeting measurable student achievement results and a determination of the likelihood that the educational program will improve student learning and achievement going forward.

Icahn Charter School 3 (“Icahn 3”) has applied for an Initial Full-Term Renewal. The SUNY Renewal Policies provide three possible renewal outcomes for Icahn 3: Full-Term Renewal, Short-Term Renewal or Non-Renewal. To earn a Full-Term Renewal, Icahn 3 must demonstrate that it has

¹ The *Practices, Policies and Procedures for the Renewal of Charter Schools Authorized by the Board of Trustees of the State University of New York* (revised June 25, 2012) are available at: <http://newyorkcharters.org/documents/SUNYRenewalPolicies.pdf>.

² In the case of an initial renewal, the SUNY Trustees consider student achievement data from only the first four years of a school’s operation as evidence of the school’s progress toward achieving its Accountability Plan goals.

either: (a) compiled a strong and compelling record of meeting or coming close to meeting its academic Accountability Plan goals, and has a generally effective educational program in place; or (b) made progress toward meeting its academic Accountability Plan goals and has a particularly strong and effective educational program in place.

The SUNY Trustees voted to grant Icahn 3 a first charter in October 2007. Based on the Institute's review of the evidence that it gathered and that Icahn 3 has provided including, but not limited to, the school's Application for Charter Renewal, evaluation visits conducted during the charter term, a renewal evaluation visit conducted in the last year of the current charter term, and the school's record of academic performance determined by the extent to which it has met its academic Accountability Plan goals, the Institute finds that the school has met the criteria for a Full-Term Renewal by compiling a strong and compelling record of meeting its academic Accountability Plan goals, and having in place at the time of the renewal review an educational program that is generally effective.

As part of the renewal process, the Institute reviewed evidence submitted during the Accountability Period, the Application for Charter Renewal and supplemental information requested or provided. Based on the foregoing, 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 (with one exception noted below);
- the school can demonstrate the ability to operate in an educationally and fiscally sound manner in the next charter term; and,
- given the programs it will offer, its structure and its purpose, approving the school to operate 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 subdivision 2851(4)(e), Icahn 3 included in its application information regarding the means by which it would 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 have finalized the methodology for setting targets, but the Institute has not yet set final targets for individual schools. Therefore, the Institute, for this purpose, used district enrollment averages, and will assign final targets by the end of February 2013. The school will agree to substitute the final targets for the district average targets as part of its renewal charter agreement. In accordance with the statute, the Institute, acting on behalf of the SUNY Trustees, considered the school's plans for meeting its enrollment and retention targets prior to recommending the renewal application for approval.

Therefore, in accordance with the standard for Initial Renewal found in the SUNY Renewal Policies, the Institute recommends that the SUNY Trustees approve Icahn 3's Application for Charter Renewal and renew the school's charter for a full term of five years.

³ New York Education Law § 2850(2).

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

Consideration of School District Comments

In accordance with the Act, the Institute notified the school 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.

SUMMARY DISCUSSION

Academic Success

Academic Accountability Plan Goals

Through the Accountability Period, Icahn 3 has met its key Accountability Plan goals in English language arts ("ELA") and math. Having administered the state exams for the first time in 2009-10, the school has met its goals in each of the three years for which the school has state testing results. Based on limited data, the school has also met its science goal during the Accountability Period. According to the state's No Child Left Behind ("NCLB") accountability system, the school is in good standing.

The Institute presents Icahn 3's attainment of its academic goals under Academic Attainment and Improvement (below). Specific results for the key academic Accountability Plan goals in ELA and math appear on pages 16 and 17.

Based on the results of the five measures in its Accountability Plan, Icahn 3 has met its ELA goal. The school came close to meeting its absolute target of 75 percent of students performing at or above grade level in 2009-10, with performance improving in 2010-11 and again in 2011-12.⁵ Icahn 3 consistently exceeded the Annual Measurable Objective (AMO) set by the state and outperformed its local community school district for each year in which data is available, most recently exceeding the district by nearly 50 percentage points. In comparison to demographically similar schools statewide, the school met its target, scoring better than expected to a large degree each year. Icahn 3 met its growth target with each cohort demonstrating growth during the Accountability Period.

Based on the results of the five measures in its Accountability Plan, Icahn 3 has also met its math goal. The school consistently far exceeded its absolute target with over 96 percent of students scoring proficient on the state's math exam each year.⁶ The school exceeded the state's AMO each year and outperformed its local community school district by at least 30 percentage points each during each year for which data is available. In comparison to demographically similar schools throughout the state, Icahn 3 far exceeded its target during the Accountability Period. The school

⁵ For the purpose of evaluating the goal's absolute measure, the Institute has again adapted the State Education Department's (SED's) "time-adjusted" ELA cut score for 2011-12 as it had in 2010-11. The other four measures utilize the current, revised ELA cut scores. As such, the cut scores for the "Annual Measurable Objective" (AMO) and cohort growth are different from 2009-10 when the "time-adjusted cut score" was used instead.

⁶ For the purpose of evaluating the goal's absolute measure, the Institute has again adapted SED's "time-adjusted" math cut score for 2011-12 as it had in 2010-11. The other four measures utilize the current, revised math cut scores. As such, the cut scores for the AMO and cohort growth are different from 2009-10 when the "time-adjusted cut score" was used instead.

has not met its cohort growth targets in math, because of the high bar set by its consistently strong previous performance.

Qualitative Education Benchmarks⁷

Instructional Leadership. With the Icahn Charter School network's⁸ operational support and the Icahn superintendent's supervision, Icahn 3's single instructional leader provides strong leadership to the school. As the instructional leader, the principal has instilled an environment of high expectations for teacher performance since the school opened and continually supports the development of the teaching staff. She and the school's staff developer, along with a number of part-time consultants, provide sustained, systemic and effective coaching. Teachers report that they grow professionally through a clinical approach wherein the coaching team is fully cognizant of teachers' individual stage of development. The school provides training workshops, especially at the beginning of the year, when both the network and school offer pre-service preparation; teachers also have the opportunity to participate in outside professional development opportunities; nevertheless, the strength and focus of professional development is on the coaching geared to individual teacher development and his/her ongoing relationship to classroom practice. The principal meets weekly with grade-level teams to review assessment results and plan instruction. The school has a comprehensive, annual teacher evaluation protocol, and teachers are fully aware of the evaluation criteria. The principal holds teachers accountable for quality instruction and student achievement: one teacher was not asked to return this year because of inadequate performance.

Use of Assessment Data. Icahn 3 continues to have an assessment system that improves instructional effectiveness and student learning. The school administers weekly assessments aligned to the school's curriculum, six-week network-developed interim assessments that approximate the newly implemented Common Core state standards and annual norm-referenced assessments to group students and to track their progress. Two weeks after the commencement of instruction in the fall of 2012, the school had already administered and reported baseline ELA results and scored student writing samples. The principal and teachers review assessment data weekly in order to identify individual student skill deficiencies and adjust classroom instruction. Using the network assessment results, they also regularly identify students who are not mastering skills and monitor the performance of students in the school's Targeted Assistance Program. The school communicates to parents about their children's achievement, through monthly progress reports, and the school leader provides education corporation board members with detailed reports of assessment results.

Curriculum. Icahn 3's curriculum supports teachers in their instructional planning. Using the Icahn network's scope and sequence, the school has a curriculum framework with student performance expectations that provides a fixed, underlying structure aligned to state standards. With the

⁷ The Qualitative Education Benchmarks are a subset of the SUNY Charter Renewal Benchmarks (the "SUNY Renewal Benchmarks") available at: <http://www.newyorkcharters.org/documents/SUNYRenewalBenchmarksSFINAL5-8-12.pdf> (p. 2).

⁸ The network is not a charter management organization (CMO). Rather the Icahn schools share services across schools and pay on a pro rata basis in addition to receiving support from the partner organization of all of the schools, the Foundation for a Greater Opportunity, a Delaware not-for-profit corporation.

introduction of the Common Core standards,⁹ the school has begun to revise the framework, though it has not yet determined if it has gaps. The school relies on commercial material as the bridge between its curriculum framework and teachers' daily lesson plans. Teachers know what to teach and when to teach it, allowing them to plan purposeful and focused lessons. During weekly assessment reviews, they develop instructional plans drawing on supplementary curriculum resources beyond core textbook material to address their students' skill deficiencies.

Pedagogy. Quality instruction is evident throughout the school. Based on previous school evaluations and the renewal inspection visit, conducted in the second week of the school year, teachers deliver purposeful lessons with clear objectives aligned to the school's curriculum and their daily plans. Teachers communicate instructional expectations to students through explanation and by posting learning objectives on the board. Teachers' expectations for students are consistently high. Though early in the school year, team members observed teachers referencing previous lessons and encouraging students to integrate concepts. Most teachers also make grade-appropriate connections between lesson content and students' daily lives. Students appear cognitively engaged and respond well to challenging questions and activities that develop depth of understanding. Teachers' questioning also encourages student-to-student interactions with many teachers asking pupils to respond directly to one another. Teachers maximize learning time with clear directions to students; transitions are efficient. Teachers have effective classroom management techniques and routines that create a consistent focus on academic achievement.

At-Risk Students. Icahn 3 meets the educational needs of at-risk students with effective intervention programs. Two-thirds of the school's at-risk students scored proficient on the 2011-12 state ELA exam. The school uses clear procedures and multiple mechanisms for identifying students for its Targeted Assistance Program. The school places all students who score below the school's designated cut-off score on the state ELA or math exam into the academic intervention program. The school also provides intervention services through teacher referrals. Participation in the intervention program is often for a short time: students move in and out of the program based on specific skill support needs. The school utilizes teacher referrals in addition to the home language survey to identify ELL students and has implemented a comprehensive structured English immersion program to serve these students' needs. Although the school continually monitors the effectiveness of the program, it has not adopted specific professional development activities related to students' language acquisition for general education teachers.

According to the principal and network superintendent, Icahn 3 serves students with learning challenges at similar percentages to the district's. Icahn 3 leadership indicates the school's Targeted Assistance Program (TAP), combined with instruction from classroom teachers certified in both general and special education ameliorates many student learning challenges before a child falls behind academically. As such, the school finds it makes fewer referrals based on the effectiveness of the TAP program. General education teachers and specialists review student achievement data together periodically, and Targeted Assistance teachers use weekly articulation

⁹ The Common Core State Standards initiative is a state-led effort coordinated by the National Governors Association Center for Best Practices (NGA Center) and the Council of Chief State School Officers (CCSSO). They developed in collaboration with teachers, school administrators, and experts, a clear and consistent framework to prepare students for college training and the workforce. New York State adopted the Common Core State Standards in 2011 and began assessing student achievement toward meeting the standards in 2012.

forms to communicate student progress to classroom teachers, rather than to meet during a regularly scheduled common planning time. Specialists and the school principal adequately monitor the progress of at-risk students.

Organizational Effectiveness and Viability

Mission. Throughout the charter term, Icahn 3 has faithfully followed its mission to provide “students with a rigorous academic program offered in an extended day/year setting.” The principal and education corporation board’s commitment to implementing the Core Knowledge curriculum and the extent to which the school has met its Accountability Plan goals demonstrate Icahn 3’s success in attaining its mission. Additionally, Icahn 3 has effectively implemented the key design elements contained in its charter including offering numerous afterschool academic, recreational and sports programs as well as Saturday academy classes in ELA and math.

Parent Satisfaction. Parents and guardians of Icahn 3 students remain satisfied with the school. The school consistently earns high marks on the school environment portion of the New York City Department of Education’s (“NYCDOE’s”) annual Progress Report, indicating that parents and teachers rate academic expectations, safety and respect, communication and engagement as above average. Moreover, large applicant pools, high attendance rates and low attrition rates reflect community demand and satisfaction. Despite the school’s two moves across three community school districts during the charter term with most students now needing yellow bus transportation, 80 percent of the students have remained in the school since last year.

Organizational Capacity. Icahn 3 has established a well-functioning organizational structure with staff, systems, and procedures that allow the school to carry out its academic program as set forth in its charter agreement. The school partners with the Foundation for a Greater Opportunity that formally employs network-based staff, under a shared service arrangement. This shared service arrangement differs from that of a typical charter management organization in which the partner purchases services through a third party. Day-to-day operations are competently managed by a mixture of school and network staff, and the priorities of the school’s leadership are clearly aligned to the school’s mission. Both network and school-based leaders were keenly aware of their roles and responsibilities, and the overall organizational structure supports distinct lines of accountability.

The school has implemented a clear discipline policy and provided professional development on effective classroom management; while records indicate that the discipline policy was consistently applied, school leaders report that teaching staff are given significant autonomy in establishing classroom culture. The school rarely employs suspension as a discipline tool, although in such cases all appropriate procedures are followed, to include the availability of mandatory alternative instruction.

Throughout the charter period, Icahn 3 has maintained full enrollment with a sizable waitlist of students seeking entry each year, despite having changed locations twice, necessitating the use of supplementary busing for more than 200 students from prior locations. Due to the location of the school, its targeted outreach and monitoring efforts, and its focus on providing a strong system of supports for at-risk students, the school is likely to meet or exceed the enrollment and retention

targets. The school acknowledges that its academic support program, TAP, targeting struggling students are designed specifically to divert students from special education classification; however, the school will continually monitor its at-risk program and attempt to define the subset of students that have been successfully diverted from classification; the school will then adjust its outreach efforts accordingly.

Board Oversight. Icahn 3's education corporation board works effectively to achieve the school's Accountability Plan goals. The board members, who are the same core individuals across all six Icahn schools, possess more than adequate skills, to include education, philanthropy, and finance, and have put in place structures and procedures to govern the school and to oversee management of day-to-day operations. The board also has a parent representative, with full-voting responsibilities, to communicate parental concerns to the members. Through regular reports from the school leader and network superintendant, the education corporation board competently oversees the school's future as an academically successful, financially viable, and legally compliant organization.

The board provides effective oversight of the school in undertaking two moves to new facilities in the past two years. By receiving regular reports from both the school's principal and the superintendent, as well as from the network's directors of operations and assessment, the board provides rigorous oversight of the school's program and finances. It establishes clear priorities and long-range goals and deliberately tracks progress toward meeting the goals. The board continues to hold the Icahn superintendent and Icahn 3's principal accountable for the school's replication of the successful original Icahn Charter School. The board does not have in place a formal self-evaluation.

Board Governance. The Icahn 3 board of trustees 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. In material respects, the board has implemented adequate policies and procedures to ensure the effective governance and oversight of the school. Due to the board member's common oversight of multiple charter schools, school and network staff meet regularly to share best practices and to collectively amend school policies and procedures. The board demonstrates a thorough understanding of its role in holding both the network and school leadership accountable for academic results and fiscal soundness.

The board has implemented a clear and transparent complaint resolution process, which is made readily available to parents and students. During the entire previous charter term, the board reported that it did not receive any formal complaints alleging a violation of law or the school's charter agreement. The Icahn 3 board has materially complied with the terms of its by-laws.

Board Compliance. Based on the evidence available at the time of the renewal visit and throughout the current charter term, in material respect, Icahn 3 has been in general and substantial compliance with the terms of its charter, by-laws, applicable state and federal law, rules and regulations. The board has conducted regular meetings in accordance with the Open Meetings Law including the use of videoconferencing when appropriate. The board maintains relationships with counsel for the partner organization, and has generally maintained a relationship with outside

counsel including the solicitation of pro bono services, for advice on legal, compliance and real estate matters. The school has substantially followed the terms of its monitoring plan.

Fiscal Soundness

Budgeting and Long Range Planning. Throughout the charter term, Icahn 3 has maintained fiscal soundness through conservative budgeting practices, routine monitoring of revenues and expenses, and by making appropriate adjustments when necessary. The school develops annual budgets as a collaborative effort between the Icahn network's director of operations (DOO) and business managers (BMs) with appropriate input from the school's principal, key staff and members of the education corporation board. The Icahn network and other business office staff routinely analyze budget variances and discuss material variances with the principal and board on a regular basis. The Icahn network and the school have implemented a strategic approach when considering spending trends, staffing and instructional needs in the development of its budgets. Operating expenses have been less than operating revenues in three of the last four fiscal years.

Internal Controls. The school has maintained appropriate fiscal policies, procedures and controls related to external and internal compliance for cash disbursements, cash receipts, bank reconciliations, payroll, fixed assets, grants/contributions and the preparation of financial statements. The school has accurately recorded and appropriately documented transactions in accordance with established policies. The Icahn network DOO and BMs work with the school's principal and key staff along with the education corporation board to ensure that school staff follows the established policies and procedures. The school's most recent audit reports of internal controls related to financial reporting and compliance with laws, regulations and grants, disclosed no material weaknesses, or instances of non-compliance. The lack of any other deficiencies in the reports provides some, but not absolute, assurance that Icahn 3 has maintained adequate internal controls and procedures.

Financial Reporting. The school has complied with financial reporting requirements during the charter term. The school filed its budget, quarterly and annual financial statement audit reports in a timely, accurate and complete manner. Each of the school's annual financial audits indicate that school staff followed and conducted reporting in accordance with generally accepted accounting principles and received an unqualified opinion, indicating that in the auditor's opinion, Icahn 3's financial statements and notes fairly represent, in all material respects, the school's financial position, changes in net assets, and cash flows. The education corporation board has reviewed and approved various quarterly reports along with the annual financial audit report.

Financial Condition. The school has successfully managed cash flow during the charter term and has adequate financial resources to ensure stable operations. The school ended fiscal year 2011-12 in stable financial condition with net assets and cash reserves increasing compared to the prior fiscal year.

The SUNY Fiscal Dashboard, a multi-year financial data and analysis for SUNY authorized charter schools, is an appendix to this report. As illustrated in the SUNY Fiscal Dashboard, the school has averaged a "fiscally strong" financial responsibility composite score rating over the current charter term along including fiscal year 2012, indicating a consistent level of fiscal stability. The composite

score assists in measuring the financial health of a school using a blended score that measures the school's performances on key financial indicators. The blended score offsets the school's financial strengths against areas where there are financial weaknesses. Over the years, Icahn 3 has averaged a "medium risk/good" rating in its working capital ratio and quick ratio, indicating that the school has had sufficient short term assets to cover liabilities due in the near to medium term. The school has averaged a "low risk/excellent" rating debt-to-asset ratio, indicating the proportion of debt the school has relative to its assets. The school has no short or long-term debt. Icahn 3's months of cash ratio averaged 4.3 months, meaning, the school has cash that can cover over four months of expenses in the event that revenues were delayed. The school averaged about 85% of all expenses being allocated to program services over the current charter term. The school also showed revenues exceeding expenses per student on an average of 12.5 percent. Based on all of the foregoing, Icahn 3 has demonstrated fiscal soundness over the course of its charter term.

Plans for the Next Charter Period

Renewal Charter Exhibits. Icahn 3 has provided reasonable, feasible and achievable structural elements for a charter renewal. Planned changes to the school's mission are consistent with features that have contributed to the success of the educational program in place during the current charter term.

Icahn 3 proposes a slight change to its mission statement:

The mission of the Icahn Charter School 3 is to use the Core Knowledge curriculum, developed by E.D. Hirsch, to provide students with a rigorous academic program offered in an extended day/year setting. Students will graduate armed with the skills and knowledge to participate successfully in the most rigorous academic environments, and will have a sense of personal and community responsibility.

Plans for the Educational Program. Icahn 3 would continue to provide instruction to students in Kindergarten through 5th grade, while expanding the educational program to serve middle school grades. Icahn 3 would continue to implement the key design elements established for elementary grades into the middle school program including small class sizes, use of the Core Knowledge curriculum and extensive remediation and enrichment provided during and after school.

Projected enrollment would grow to 324 students and Icahn 3 would recruit seven additional teachers to provide 6th through 8th grade instruction. These enrollment plans are likely to meet the needs of the educational program.

Plans for Board Oversight and Governance. Members of the current education corporation board of trustees would continue their service to the school and maintain its existing committee structure to carry out its responsibilities. When the SUNY Trustees initially approved the school, it granted a waiver permitting more than 40 percent of the school's board to have an affiliation with the Foundation for a Greater Opportunity. If approved, the Institute recommends that the school maintain this affiliation waiver.

Fiscal and Facility Plans. Icahn 3 has presented a reasonable and appropriate fiscal plan for the term of the next charter including budgets that are reasonable and achievable. The school has taken a conservative approach to budgeting and planning for the next charter term. The school has developed a working budget that would use the current funding level as a baseline for the FY 2014, a 1.0 percent increase in FY 2015 and 2.0 percent increase in FYs 2016, 2017 and 2018 while expenses were increased at various rates ranging from 2.0 to 3.0 percent. The Institute notes that the assumed annual increase in per pupil funding is reasonable. This school year, Icahn 3 relocated to a new site for which it has signed a 99-year lease at a cost of \$10 each year. The school shares the site with Icahn Charter School 4 and Icahn Charter School 5. The school would continue to share this lease in the next charter term and take over additional space in the building as new grades are added. This plan would have no material effect on the school's operating expenses. The operating plan shows minor projected surpluses with positive cash flows in each year contingent upon the school continuing to meet enrollment goals that it has met in the past. Operating surpluses, if realized, will further improve the school's fiscal soundness and financial stability.

Long-range fiscal projections are more susceptible to error than those for a single year. Such projections are subject to revision due to changes in local conditions, objectives, laws and state funding. Icahn 3 would be required to continually develop and adopt annual budgets based on known per pupil amounts for the districts from which it draws enrollment. Based on the foregoing fiscal information and the school's track record of fiscal soundness, the Institute finds that Icahn 3 has demonstrated the ability to operate in a fiscally sound manner during the next charter term.

The school's Application for Charter Renewal contains all necessary elements as required by the Act. The proposed school calendar allots an appropriate amount of instructional time to comply with all necessary 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. Other key aspects of the renewal application, to include the proposed bylaws and code of ethics, have been amended to comply with various provisions of the Education Law, Not-for-Profit Corporation Law, Public Officers Law and the General Municipal Law, as appropriate.

SCHOOL OVERVIEW

School Name

	Name	Date
Chartered Name	Carl C. Icahn Charter School of Far Rockaway	October 26, 2007
Revised Name	Carl C. Icahn Charter School of the South Bronx	June 9, 2008
Revised Name	Icahn Charter School 3	January 16, 2009

Opening Information

Date Initial Charter Approved by SUNY Trustees	October 27, 2007
Date Initial Charter Approved by Operation of Law	February 8, 2008
School Opening Date	September, 2008

Location

School Year(s)	Location(s)	Grades at Location	District
2008-09 to 2009-10	968 Caldwell Avenue Bronx, NY	K-3	New York City CSD 8
2010-11 to 2011-12	108 W. 174 th St, Bronx, NY	K-5	New York City CSD 9
2012-13	1500 Pelham Parkway S., Bronx, NY	K-6	New York City CSD 11

Partner Organizations

	Partner Name	Partner Type	Dates of Service
Current Partner	Foundation for a Greater Opportunity	Non-profit	2007 - Present

Current Mission Statement

Icahn Charter School 3, using the Core Knowledge curriculum developed by E. D. Hirsch, will provide its students with a rigorous academic program offered in an extended day/year setting. Students will graduate armed with the skills and knowledge to participate successfully in the most rigorous academic environments, and will have a sense of personal and community responsibility.

Current Key Design Elements

• Core Knowledge curriculum;
• Small class size (18 students per class);
• Extended school day and year to have more time for instruction and reduce the loss of mastery over school vacations;
• High standards for instruction through ongoing professional development;
• Encouraging strong parental involvement; and
• Offering numerous after school academic, recreational and sports programs as well as Saturday Academy classes in English language arts and math.

School Characteristics¹⁰

School Year	Original Chartered Enrollment	Actual Enrollment	Original Chartered Grades	Actual Grades
2008-09	108	102	K-2	K-2
2009-10	144	145	K-3	K-3
2010-11	180	179	K-4	K-4
2011-12	216	210	K-5	K-5
2012-13	252	225 ¹¹	K-6	K-6

Student Demographics

	2008-09 ¹²		2009-10		2010-11	
	Percent of School Enrollment	Percent of NYC CSD 8 Enrollment	Percent of School Enrollment	Percent of NYC CSD 8 Enrollment	Percent of School Enrollment ¹³	Percent of NYC CSD 9 Enrollment ¹⁴
Race/Ethnicity						
American Indian or Alaska Native	0	0	0	0	0	0
Black or African American	65	27	61	27	60	60
Hispanic	31	62	36	63	35	35
Asian, Native Hawaiian, or Pacific Islander	3	4	2	4	2	2
White	0	6	0	6	0	0
Multiracial	1	0	1	0	3	3
Special Populations						
Students with Disabilities	N/A	N/A	N/A	N/A	9	N/A
English Language Learners	28	12	12	12	10	10
Free/Reduced Lunch						
Eligible for Free Lunch	35	76	65	77	81	81
Eligible for Reduced-Price Lunch	9	9	7	8	7	7

¹⁰ Source: Institute's Official Enrollment Binder. (Figures may differ slightly from New York State Report Cards, depending on date of data collection.)

¹¹ Source: Renewal Visit Data Collection Form.

¹² Source: 2008-09, 2009-10 and 2010-11 School Report Cards, SED.

¹³ The 2010-11 Students with Disabilities statistic is derived from the school's October 2010 student enrollment report to SED (2010-11 BEDS Report).

¹⁴ District-level Students with Disabilities enrollment data are not available for 2010-11. SED released these district data for the first time in spring 2012. Based on the state's Empirical Analysis of Enrollment Targets, the CSD's 2011-12 Students with Disabilities enrollment is 18 percent compared to 11 percent for the school.

Current Board of Trustees¹⁵

Board Member Name	Term	Position/Committees
Carl C. Icahn	October 2016	Trustee
Gail Icahn	October 2016	Chair
Julie Clark Goodyear	October 2016	Secretary
Tine March	October 2016	Treasurer
Keith Cozza	October 2016	Assistant Treasurer
Robert Sancho	October 2016	Trustee
Seymour Fliegel	October 2016	Trustee
Edward Shanahan	October 2016	Trustee
Karen Mandelbaum	October 2016	Trustee
Ernesto Lopez	October 2016	Parent Representative

School Leader(s)

School Year	School Leader(s) Name and Title
2009-10 to Present	Migda Agosto, Principal

School Visit History

School Year	Visit Type	Evaluator (Institute/External)	Date
2008-09	First Year Visit	Institute	March 5, 2009
2009-10	Routine Visit	External	March 24-25, 2010
2012-13	Initial Renewal Visit	Institute	September 19-20, 2012

¹⁵ Source: Institute Board Records.

ACADEMIC ATTAINMENT AND IMPROVEMENT

Background

At the beginning of the charter term, the school developed and adopted an Accountability Plan that set academic goals in the key subjects of ELA and math. The Accountability Plan also includes science and NCLB goals. For each goal in the Accountability Plan, specific outcome measures define the level of performance necessary to meet that goal. The required subject-area outcome measures include the following three types: 1) the absolute level of student performance on state examinations; 2) the comparative level of student performance on state examinations; and 3) the growth in student learning according to year-to-year comparisons of grade level cohorts. The following table shows the outcome measures currently required by the Institute in each subject area goal, as well as for the NCLB goal. The schools may have also elected to include optional goals and measures in the Accountability Plan.

Summary of Required Goals and Outcome Measures in Elementary/Middle School (K-8) Accountability Plans					
GOAL	Required Outcome Measures				
	Absolute ¹⁶		Comparative		Growth
	75 percent at or above Level 3 on state exam	Performance Index (PI) meets Annual Measurable Objective (AMO)	Percent proficient greater than that of local school district	School exceeds predicted level of performance compared to similar public schools by small Effect Size	Grade-level cohorts reduce by half the gap between prior year's percent at or above Level 3 and 75 percent
English Language Arts	◆	◆	◆	◆	◆
Mathematics	◆	◆	◆	◆	◆
Science	◆		◆		
NCLB	School is deemed in "Good Standing" under state's NCLB accountability system				

The most important criterion for renewal is academic success, which a school demonstrates in large part by meeting the goals in its Accountability Plan. The Institute determines the outcome of a goal by evaluating the multiple measures associated with that goal.

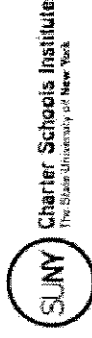
The following presentation indicates the outcome of each of the school's goals. A general analysis of the key academic goals appears above under Academic Accountability Plan Goals in the summary of the school's academic success. The ensuing format divides the data into two sections: 1) the key goals of ELA, math; and 2) the additional goals of science and NCLB. The analysis consists of the three years of the Accountability Period for which data are available.

¹⁶ Note: In 2009-10, SED raised its achievement standard, by increasing the scaled score cutoff for proficiency or Level 3 performance on the ELA and math exams. In order to maintain a consistent standard for determining the absolute measure, the Institute has adapted SED's "time-adjusted" cutoffs. In the presentation below of ELA and math results, the Institute uses the "time-adjusted" Level 3 cutoffs for 2009-10, 2010-11 and 2011-12.

Aside from required Accountability Plan measures, the additional goals section below also presents the results of optional academic measures, included in the school's plan. Based on the Institute's analysis, numbers of students at times differ from those the school reported; these differences do not affect the interpretation of results.

SCHOOL PERFORMANCE SUMMARY: English Language Arts

Icahn Charter School 3



	2009-10 Grades Served: K-3				MET	2010-11 Grades Served: K-4				MET	2011-12 Grades Served: K-5				MET	
	Grades	All Students % (N)	2+ Years Students % (N)			Grades	All Students % (N)	2+ Years Students % (N)			Grades	All Students % (N)	2+ Years Students % (N)			
ABSOLUTE MEASURES 1. Each year 75 percent of students who are enrolled in at least their second year will perform at or above a Level 3 on the New York State exam.	3	68.8 (32)	70.8 (24)		NO	3	74.3 (35)	72.7 (33)		YES	3	96.6 (29)	96.0 (25)			
	4	(0)	(0)			4	86.5 (37)	93.8 (32)			4	94.4 (36)	100.0 (29)			
	5	(0)	(0)			5	(0)	(0)			5	91.2 (34)	89.7 (29)			
	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	68.8 (32)	70.8 (24)			All	80.6 (72)	83.1 (65)			All	93.9 (99)	95.2 (83)			
	Grades	PI	AMO			Grades	PI	AMO			Grades	PI	AMO			
3	184	155	YES	3-4	151	122	YES	3-5	178	135	YES					
COMPARATIVE MEASURES 3. Each year the percent of students enrolled in at least their second year and performing at or above Level 3 will be greater than that of students in the same grades in the local district.	Comparison: Bronx District 8					Comparison: Bronx District 9					Comparison: Bronx District 9					
	Grades	School	District		Grades	School	District		Grades	School	District		Grades	School	District	
	3	58.3	30.0	YES	3-4	58.5	31.9	YES	3-5	79.5	31.6	YES				
	% FL	Actual	Predicted	Effect Size	% FL	Actual	Predicted	Effect Size	% FL	Actual	Predicted	Effect Size				
	65.1	59.0	45.3	1.01	80.7	57.0	40.1	1.04	65.4	79.8	48.2	2.10				
	YES				YES				YES							
	Gr N	Base	Target	Result	Gr N	Base	Target	Result	Gr N	Base	Target	Result				
	3				3				3	1	0.0	100.0	YES			
GROWTH MEASURE 5. The year-to-year school-wide cohort of students will meet the target of reducing by one-sixth the difference between the previous year's baseline and 75 percent performing at or above Level 3 on the New York State exam. An asterisk indicates grade-level cohort met target.	4				4	32	59.4	62.0	62.5 *	4	30	63.3	65.3	93.3 *		
	5				5					5	29	58.6	61.4	62.1 *		
	6				6					6						
	7				7					7						
	8				8					8						
	All				All	32	59.4	62.0	62.5	All	60	60.0	62.5	78.3		
	Gr N	Base	Target	Result	Gr N	Base	Target	Result	Gr N	Base	Target	Result				

TACS The Institute uses SED's "time adjusted cut scores", or "TACS", for evaluating the designated measures in the respective years. Although a lower standard than that used before 2009-10, TACS provide continuity with the standard used in previous years. Data Sources: SED data, school data workbook, the Institute's student test database.

SCHOOL PERFORMANCE SUMMARY: Mathematics

Icahn Charter School 3



	2009-10 Grades Served: K-3				2010-11 Grades Served: K-4				2011-12 Grades Served: K-5			
	MET				MET				MET			
	Grades	All Students % (N)	2+ Years Students % (N)		Grades	All Students % (N)	2+ Years Students % (N)		Grades	All Students % (N)	2+ Years Students % (N)	
ABSOLUTE MEASURES 1. Each year 75 percent of students who are enrolled in at least their second year will perform at or above a Level 3 on the New York State exam.	3	100.0 (32)	100.0 (24)		3	97.1 (35)	97.0 (33)		3	100.0 (29)	100.0 (25)	
	4	(0)	(0)		4	94.6 (37)	96.9 (32)		4	97.2 (36)	100.0 (29)	
	5	(0)	(0)		5	(0)	(0)		5	94.1 (34)	96.6 (29)	
	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	100.0 (32)	100.0 (24)	YES	All	95.8 (72)	96.9 (65)	YES	All	97.0 (99)	98.8 (93)	YES
	Grades	PI	AMO		Grades	PI	AMO		Grades	PI	AMO	
	3	200	135	YES	3-4	171	137	YES	3-5	174	148	YES
	Comparison: Bronx District 8				Comparison: Bronx District 9				Comparison: Bronx District 9			
COMPARATIVE MEASURES 3. Each year the percent of students enrolled in at least their second year and performing at or above Level 3 will be greater than that of students in the same grades in the local district.	Grades	School	District		Grades	School	District		Grades	School	District	
	3	91.7	29.6	YES	3-4	76.4	40.6	YES	3-5	76.9	42.9	YES
	Comparison: Bronx District 8				Comparison: Bronx District 9				Comparison: Bronx District 9			
	Effect Size				Effect Size				Effect Size			
	% FL	Actual	Predicted		% FL	Actual	Predicted		% FL	Actual	Predicted	
	65.1	90.7	50.3	2.36	80.7	73.6	48.5	1.34	65.4	74.7	58.2	0.94
	YES				YES				YES			
	Effect Size				Effect Size				Effect Size			
	Gr N	Base	Target	Result	Gr N	Base	Target	Result	Gr N	Base	Target	Result
	3	3	3	3	3	3	3	3	3	3	3	3
GROWTH MEASURE 5. The year-to-year school-wide cohort of students will meet the target of reducing by one-sixth the difference between the previous year's baseline and 75 percent performing at or above Level 3 on the New York State exam. An asterisk indicates grade-level cohort met target.	Gr N	Base	Target	Result	Gr N	Base	Target	Result	Gr N	Base	Target	Result
	3	3	3	3	3	3	3	3	3	3	3	3
	4	4	4	4	4	4	4	4	4	4	4	4
	5	5	5	5	5	5	5	5	5	5	5	5
	6	6	6	6	6	6	6	6	6	6	6	6
	7	7	7	7	7	7	7	7	7	7	7	7
	8	8	8	8	8	8	8	8	8	8	8	8
	All	All	All	All	All	All	All	All	All	All	All	All
	3	3	3	3	3	3	3	3	3	3	3	3
	4	4	4	4	4	4	4	4	4	4	4	4
	5	5	5	5	5	5	5	5	5	5	5	5
	6	6	6	6	6	6	6	6	6	6	6	6
	7	7	7	7	7	7	7	7	7	7	7	7
	8	8	8	8	8	8	8	8	8	8	8	8
	All	All	All	All	All	All	All	All	All	All	All	All

TACS The Institute uses SED's "time adjusted cut scores", or "TACS", for evaluating the designated measures in the respective years. Although a lower standard than that used before 2009-10, TACS provide continuity with the standard used in previous years. Data Sources: SED data; school data workbooks; the Institute's student test database.

ADDITIONAL ACCOUNTABILITY PLAN GOALS

Science

Accountability Plan Goal: *Students will demonstrate competency in the understanding and application of scientific reasoning.*

Outcome: Icahn 3 has met its science goal.

Analysis of Accountability Plan Measures:

Absolute Measure: <i>Each year, 75 percent of all tested students who are enrolled in at least their second year will perform at or above Level 3 on the New York State science exam.</i>				
Results (in percents)				
Grade	School Year			
	2008-09 (Tested:)	2009-10 (Tested:)	2010-11 (Tested: 37)	2011-12 (Tested: 36)
4	-	-	92.0	97.2
8	-	-	-	-

Icahn 3 has posted strong performance on the state's 4th grade science exam and has exceeded its absolute target during the two years for which data is available.

Comparative Measure: <i>Each year, the percent of all tested students who are enrolled in at least their second year and performing at or above Level 3 on the State science exam will be greater than that of all students in the same tested grades in the local school district.</i>				
Results (in percents)				
Comparison	School Year			
	2008-09 (Grade 4)	2009-10 (Grade 4)	2010-11 (Grade 4)	2011-12 (Grade 4)
School	-	-	92.0	97.2
District	82.0	82.0	80.0	73.0

Icahn 3 has outperformed its local district by at least 12 percentage points during the two years for which data is available.

NCLB

In addition to meeting its specific subject area goals, the Accountability Plan requires schools under NCLB to make adequate yearly progress towards enabling all students to score at the proficient level on the state ELA and math exams. In holding charter schools to the same standards as other public schools, the state issues an annual school accountability report that indicates the school's status each year.

Accountability Plan Goal: *The school will make adequate yearly progress.*

Outcome: The school met the goal. The state deemed that Icahn 3 was in good standing each year during the Accountability Period.

Absolute Measure: <i>Under the state's NCLB accountability system, the school's Accountability Status will be "Good Standing" each year.</i>				
Results				
Status	School Year			
	2008-09	2009-10	2010-11	2011-12
Good Standing	Yes	Yes	Yes	Yes

Analysis of Additional Evidence

Icahn 3 received a letter grade of “A” on its 2011-12 NYCDOE Progress Report. The NYCDOE bases the overall grade on school performance in three categories: School Environment, Student Performance and Student Progress, with the greatest emphasis placed on Student Progress. To raise the bar for schools and increase stability in the letter grades, the NYCDOE reports that it set overall cut scores for 2010-11 based on a pre-determined scoring distribution. For elementary and middle schools, the distribution is: 25 percent A, 35 percent B, 30 percent C, seven percent D, and three percent F. For high schools, the distribution is: 33 percent A, 32 percent B, 24 percent C, eight percent D, and four percent F.

Icahn 3 received the “A” based on the composite score of the three categories. The school received an “A” in School Environment, which measures factors other than student achievement. This category is largely based on parent and teacher satisfaction surveys, which measure the conditions necessary for learning. The school’s grades in the two remaining categories are based on the first year in which NYCDOE could fully analyze its test results. In the category that measures Student Performance, the school received an “A”, indicating that the school’s absolute performance was better on the whole than its peer schools in New York City. As a result of Icahn 3’s moderate year-to-year growth in ELA and slight decline in math in comparison to its peer schools, it received a “B” in Student Growth. This result was derived from the school’s one grade-level student cohort that had scores on state tests for two years.

APPENDIX: FISCAL DASHBOARD



Charter Schools Institute
The State University of New York

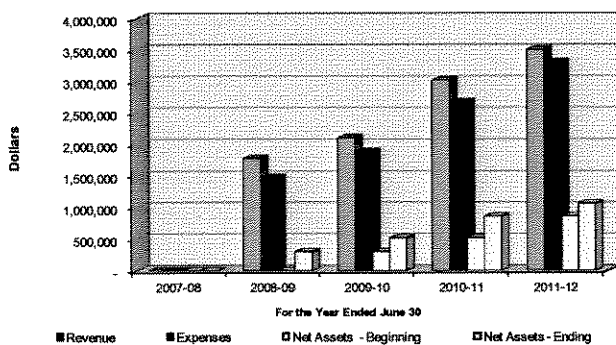
Icahn Charter School 3

AS OF
QUARTER 1

FINANCIAL POSITION	2007-08	2008-09	2009-10	2010-11	2011-12
Assets					
Current Assets					
Cash and Cash Equivalents - GRAPH 2	-	444,923	621,305	1,036,780	1,391,531
Grants and Contracts Receivable	-	90,958	119,855	157,032	57,946
Accounts Receivable	-	-	1,200	6,562	2,907
Prepaid Expenses	-	30,797	56,968	48,854	151,648
Contributions and Other Receivables	-	-	1,207	2,669	4,062
Total Current Assets - GRAPH 2	-	566,678	800,535	1,251,897	1,608,094
Property, Building and Equipment, net	-	91,256	81,534	141,997	84,778
Other Assets	-	-	-	-	-
Total Assets - GRAPH 2	-	657,934	882,069	1,393,894	1,692,872
Liabilities and Net Assets					
Current Liabilities					
Accounts Payable and Accrued Expenses	-	291,777	52,816	111,019	146,168
Accrued Payroll and Benefits	-	-	203,439	206,373	355,365
Deferred Revenue	-	51,038	94,534	117,002	125,307
Current Maturities of Long-Term Debt	-	-	-	-	-
Short Term Debt - Bonds, Notes Payable	-	15,033	-	-	-
Other	-	-	11,734	8,291	4,686
Total Current Liabilities - GRAPH 2	-	357,848	362,523	533,685	631,536
L-T Debt and Notes Payable, net current maturities	-	-	-	-	-
Total Liabilities - GRAPH 2	-	357,848	362,523	533,685	631,536
Net Assets					
Unrestricted	-	300,086	519,546	860,309	1,061,334
Temporarily restricted	-	-	-	-	-
Total Net Assets	-	300,086	519,546	860,309	1,061,334
Total Liabilities and Net Assets	-	657,934	882,069	1,393,894	1,692,872
ACTIVITIES					
Operating Revenue					
Resident Student Enrollment	-	1,275,958	1,767,770	2,420,387	2,837,021
Students with Disabilities	-	-	19,049	19,049	35,394
Grants and Contracts	-	-	-	-	-
State and local	-	-	100,642	138,454	191,528
Federal - Title and IDEA	-	-	116,382	146,562	129,314
Federal - Other	-	-	88,931	250,219	168,630
Other	-	-	10,765	28,813	19,074
Food Service/Child Nutrition Program	-	-	-	-	-
Total Operating Revenue	-	1,275,958	2,104,478	3,004,594	3,382,279
Expenses					
Regular Education	-	1,228,997	1,576,627	2,212,843	2,701,220
SPED	-	8,880	35,677	56,240	96,737
Regular Education & SPED (combined)	-	-	-	-	-
Other	-	-	-	-	-
Total Program Services	-	1,237,877	1,612,304	2,269,083	2,797,957
Management and General	-	241,855	274,690	405,401	503,952
Fundraising	-	-	-	-	-
Total Expenses - GRAPH 1 / GRAPH 4	-	1,479,732	1,886,994	2,674,284	3,301,909
Surplus / (Deficit) From School Operations	-	(203,774)	217,484	327,303	85,381
Support and Other Revenue					
Contributions	-	500,157	-	2,940	119,775
Fundraising	-	-	529	4,909	-
Miscellaneous Income	-	3,703	1,447	5,614	889
Net assets released from restriction	-	-	-	-	-
Total Support and Other Revenue	-	503,860	1,976	13,463	120,664
Total Unrestricted Revenue	-	1,779,818	2,106,454	3,018,047	3,502,934
Total Temporarily Restricted Revenue	-	-	-	-	-
Total Revenue - GRAPH 1	-	1,779,818	2,106,454	3,018,047	3,502,934
Change in Net Assets					
Net Assets - Beginning of Year - GRAPH 1	-	300,086	219,460	340,763	201,026
Net Assets - End of Year - GRAPH 1	-	300,086	519,546	860,309	1,061,334
Functional Expense Breakdown					
Personnel Service					
Administrative Staff Personnel	-	-	286,221	375,164	361,744
Instructional Personnel	-	-	631,289	1,141,850	1,388,340
Non-Instructional Personnel	-	-	63,441	91,243	148,422
Personnel Services (Combined)	-	900,524	-	-	-
Total Salaries and Staff	-	900,524	1,180,651	1,606,257	1,898,506
Fringe Benefits & Payroll Taxes	-	176,677	238,017	328,814	362,696
Retirement	-	-	25,965	51,334	63,965
Management Company Fees	-	-	-	-	2,236
Building and Land Rent / Lease	-	94,937	86,290	128,056	182,090
Staff Development	-	43,337	56,193	155,556	178,276
Professional Fees, Consultant & Purchased Services	-	11,529	33,938	47,508	53,932
Marketing / Recruitment	-	-	-	-	356
Student Supplies, Materials & Services	-	115,987	99,049	139,027	342,622
Depreciation	-	32,017	46,328	86,242	71,925
Other	-	104,724	114,263	129,490	145,303
Total Expenses	-	1,479,732	1,886,994	2,674,284	3,301,909
ENROLLMENT					
Chartered Enroll	-	108	144	180	216
Revised Enroll	-	-	-	-	-
Actual Enroll - GRAPH 4	-	108	144	180	216
Chartered Grades	-	P-Year	K-2	K-3	K-4
Revised Grades	-	-	-	-	-
Actual Grades	-	-	K-3	-	-

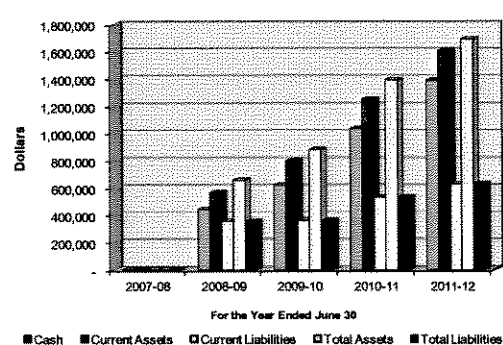
	2007-08	2008-09	2009-10	2010-11	2011-12	
Primary School District	NYC					
Per Pupil Funding	10,196	11,023	12,443	12,443	13,527	
Increase over prior year	12.2%	8.1%	12.9%	0.0%	8.7%	Average - 8 Yrs. OR Charter Term
PER STUDENT BREAKDOWN						
Revenue						
Operating	-	11,814	14,814	16,675	15,859	14,891
Other Revenue and Support	-	4,685	14	75	556	1,328
TOTAL - GRAPH 3	-	16,499	14,828	16,750	16,217	16,019
Expenses						
Program Services	-	11,462	11,197	12,805	12,954	12,054
Management and General, Fundraising	-	2,239	1,908	2,232	2,333	2,183
TOTAL - GRAPH 3	-	13,701	13,105	14,837	15,287	14,237
% of Program Services	0.0%	83.7%	85.4%	84.8%	84.7%	84.7%
% of Management and Other	0.0%	16.3%	14.6%	15.2%	15.3%	15.3%
% of Revenue Exceeding Expenses - GRAPH 5	0.0%	20.3%	11.6%	12.7%	6.1%	12.5%
Student to Faculty Ratio	10.6					9.6
Faculty to Admin Ratio	7.1					3.9
Financial Responsibility Composite Scores - GRAPH 6						
Score	-	-	2.3	2.7	2.9	2.7
Fiscally Strong 1.5 - 3.0 / Fiscally Adequate 1.0 - 1.4 / Fiscally Needs Monitoring 1.0 - 0.9	NA	NA	Fiscally Strong	Fiscally Strong	Fiscally Strong	Fiscally Strong
Working Capital - GRAPH 7						
Net Working Capital	-	208,830	438,012	718,312	978,556	585,427
As % of Unrestricted Revenue	0.0%	11.7%	20.8%	23.8%	27.9%	21.1%
Working Capital (Current) Ratio Score	-	1.6	2.2	2.3	2.5	2.2
Risk (Low > 3.0 / Medium 1.4 - 2.9 / High < 1.4)	NA	NA	NA	NA	NA	NA
Rating (Excellent > 3.0 / Good 1.4 - 2.9 / Poor < 1.4)	NA	NA	NA	NA	NA	NA
Quick (Acid Test) Ratio						
Score	-	1.5	2.1	2.3	2.3	2.0
Risk (Low > 2.5 / Medium 1.0 - 2.4 / High < 1.0)	NA	NA	NA	NA	NA	NA
Rating (Excellent > 2.5 / Good 1.0 - 2.4 / Poor < 1.0)	NA	NA	NA	NA	NA	NA
Debt to Asset Ratio - GRAPH 7						
Score	-	0.5	0.4	0.4	0.4	0.4
Risk (Low < 0.50 / Medium 0.51 - .95 / High > 1.0)	NA	NA	LOW	LOW	LOW	LOW
Rating (Excellent < 0.50 / Good 0.51 - .95 / Poor > 1.0)	NA	NA	Excellent	Excellent	Excellent	Excellent
Months of Cash - GRAPH 8						
Score	-	3.6	4.0	4.7	5.1	4.3
Risk (Low > 6 mo. / Medium 3 - 6 mo. / High < 3 mo.)	NA	NA	NA	NA	NA	NA
Rating (Excellent > 6 mo. / Good 3 - 6 mo. / Poor < 3 mo.)	NA	NA	NA	NA	NA	NA

GRAPH 1 Revenue, Expenses and Net Assets

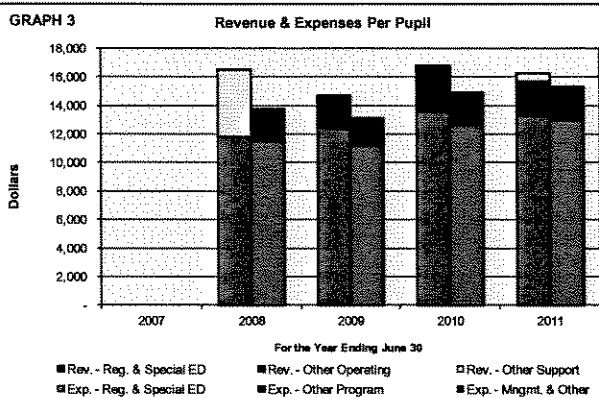


This chart illustrates total revenue and expenses each year and the relationship those subsets have on the increase/decrease of net assets on a year to year basis. Ideally subset 1, revenue, will be taller than subset 2, expenses, and as a result subset 3, net assets - beginning, will increase each year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

GRAPH 2 Cash, Assets and Liabilities



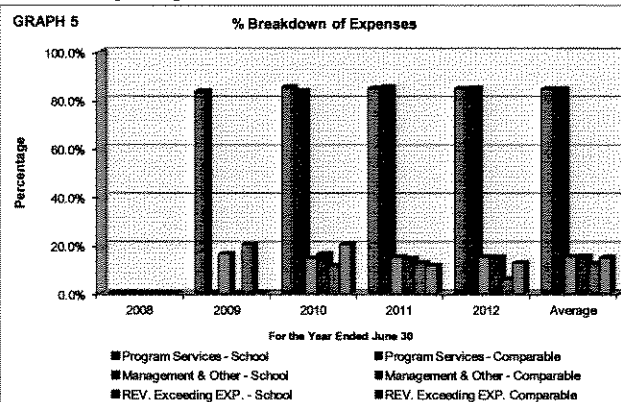
This chart illustrates the relationship between assets and liabilities and to what extent cash reserves makes up current assets. Ideally for each subset, subsets 2 thru 4, (i.e. current assets vs. current liabilities), the column on the left is taller than the immediate column on the right; and, generally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



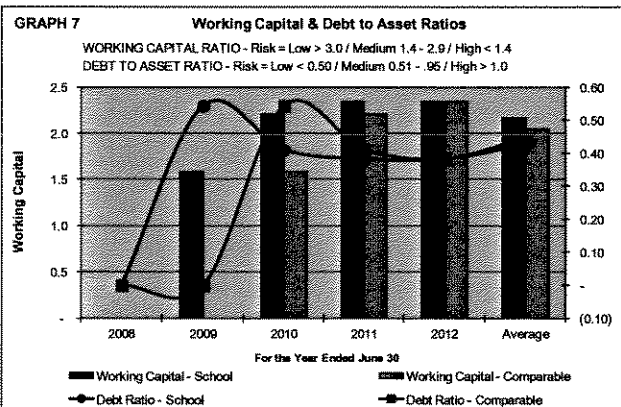
This chart illustrates the breakdown of revenue and expenses on a per pupil basis. Caution should be exercised in making school-by-school comparisons since schools serving different missions or student populations are likely to have substantially different educational cost bases. Comparisons with similar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

Comparable School, Region or Network:

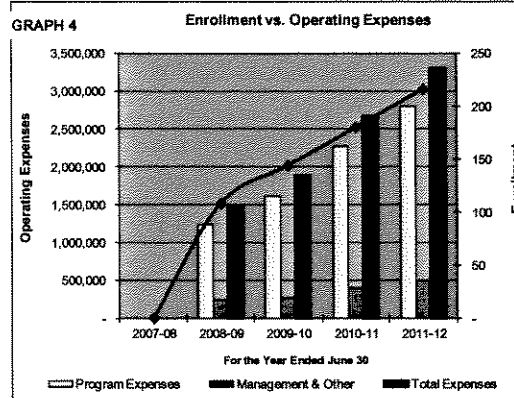
* Average = Average - 5 Yrs. OR Charter Term



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

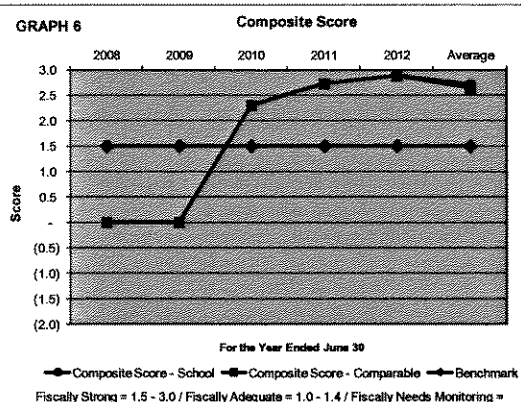


This chart illustrates Working Capital and Debt to Asset Ratios. W/C indicates if a school has enough short-term assets to cover its immediate liabilities/short term debt. Debt to Asset indicates what proportion of debt a school has relative to its assets. The measure gives an idea to the leverage of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

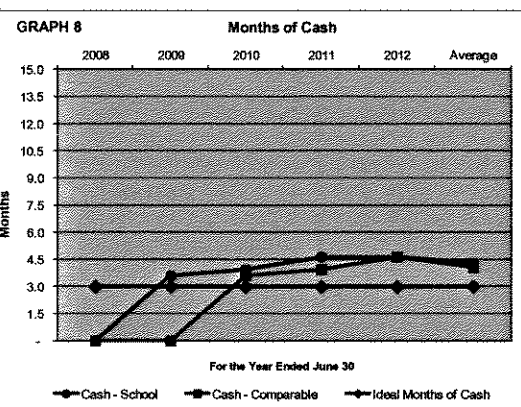


This chart illustrates to what extent the school's operating expenses have followed its student enrollment pattern. A baseline assumption that this data tests is that operating expenses increase with each additional student served. This chart also compares and contrasts growth trends of both, giving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

lcahn 3



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 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.