



MEMORANDUM

March 3, 2026

TO: Members of the Charter Schools Committee

FROM: Joseph W. Belluck, Chair

**SUBJECT: Approval of the Placement of Little Water
Preparatory Charter School on Probationary Status**

Action Requested

The proposed resolution places Little Water Preparatory Charter School on probation for charter violations related to repeated failure to submit its annual independent audit in a timely manner and implements a remedial action plan the education corporation must follow or be subject to charter revocation pursuant to New York Education Law § 2855.

Resolution

I recommend that the Charter Schools Committee adopt the following resolution:

Whereas on February 14, 2025, the State University of New York Charter Schools Institute (the "Institute"), acting on behalf of the Board of Trustees, offered Little Water Preparatory Charter School (the "Education Corporation") the terms of a corrective plan (the "Corrective Plan") pursuant to the Original Charter Agreement by and between the Board and the Education Corporation dated as of June 29, 2021 (the "Charter Agreement") for violations of a provision of the New York Education Law Subdivision 2857(2)(c) and the Charter Agreement related to timely submission of an annual independent financial audit for the 2023-24 school year; and

Whereas the Education Corporation did not meet one of the terms and conditions of the Corrective Plan as the Education Corporation did not submit the 2024-25 annual independent financial audit by the deadline of November 1, 2025 set forth in the Education Law and the Charter Agreement; and

Whereas the Institute has determined: 1) the Education Corporation has violated the terms of its Charter Agreement; 2) the foregoing violation constitutes a material and substantial violation of the Education Corporation's charter as set forth in Subdivision 2855(1)(c) including fiscal mismanagement, thereby providing grounds for the Board of Trustees to terminate the Education Corporation's charter, or, pursuant to Subdivision 2855(3), place the Education Corporation on probationary status; and 3) the Board of Trustees should place the Education Corporation on probationary status and provide it the terms of a remedial action plan; now, therefore, be it

Resolved that the Board of Trustees finds that the Education Corporation has materially and substantially violated its charter and engaged in fiscal mismanagement within the meaning of Subdivision 2855(1)(c); and be it further

Resolved that the Board of Trustees places the Education Corporation on probationary status pursuant to Subdivision 2855(3), and will allow the implementation of a remedial action plan for the Education Corporation consisting of at least the following:

- The Education Corporation must provide the Institute all the quarterly unaudited financial reports, annual budgets, annual audits, and annual accountability reports by the dates specified in the Charter Agreement for the remainder of the charter term;
- The board of trustees of the Education Corporation will complete board training with the Institute by June 30, 2026; and
- Failure of the Education Corporation to comply with the terms of the remedial action plan may result in the Board's termination of the Education Corporation's charter;

And, be it further

Resolved that the Institute, be, and hereby is, directed to notify the Education Corporation of its probationary status, implement the remedial action plan, which may include such other and further terms as the Institute deems appropriate,

and report to the Charter Schools Committee on the Education Corporation's compliance with such plan.

Background

Pursuant to Resolution No. 2012-038 dated June 12, 2012, the Board of Trustees delegated authority to place charter schools on probation to the Charter Schools Committee.

Based on data reported to, and confirmed by, the Institute, the Education Corporation failed to submit its annual independent financial audit for the 2023/24 school year by November 1, 2023 in violation or violations of a provision of the New York Education Law Subdivision 2857(2)(c) and the Charter Agreement. As of the Education Corporation still had not submitted the audit by February, the Institute, on behalf of the Board of Trustees, placed the Education Corporation on a corrective action plan by letter dated February 14, 2025, requiring the Education Corporation to submit the audit by March 15, 2025 and required the 2024/25 to be submitted by November 1, 2025 as required by the Education Law and Charter Agreement. While the Education Corporation submitted the 2023/24 audit on by March 15, 2025, the Education Corporation did not submit the 2024/25 audit until November 14, 2025.

Based on the continued inability of the Education Corporation to complete timely auditing requirements, a clear indicator of fiscal mismanagement, and the charter violation, the Institute recommends the Charter Schools Committee place the Education Corporation on probation and implement a remedial action plan.

Pursuant to Education Law § 2855(3), should the remedial action plan be implemented, the Education Corporation's failure to abide by it strictly could result in the Board of Trustees summarily revoking the Education Corporation's charter. Charter schools on probation are ineligible for state and federal grants awarded by the Board of Trustees.