

The State Education Department
The University of the State of New York

Office of Innovative School Models

Charter Schools Office
462 EBA
Albany, New York 12234
518-474-1762

Charter School Annual Report
2009 - 2010

Charter School Information and Cover Page

Name of Charter School: Manhattan Charter School

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BEDS # 310100860873

District/CSD of Location NYC District #1

Charter Entity: Chancellor/DOE

Head of School (Contact Person): Stephanie Mauterstock

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General Instructions

1. Read and follow all instructions. Please be sure to provide all requested information. Do not provide data that are not requested.
2. Questions regarding the completion of these forms should be directed to the appropriate program office:

For assistance with student/teacher attrition rates, call the Charter Schools Office at 518-474-1762.

For assistance with the audit forms, call the Office of Audit Services at 518-473-4516.

All audits for the 2009-10 school year are due to the Department by **5:00 p.m. on November 1, 2010**. Please ensure that they are sent in **electronic form** to both the Charter Schools Office at charterschools@mail.nysed.gov and James Conway in the Office of Audit Services at fsandals33@mail.nysed.gov. Please put "Audit Report" in the subject line of the e-mail.

3. Each person who was a member of a charter school's Board of Trustees during the 2009-10 school year must complete and submit the Disclosure of Financial Interest questionnaire.

4. Submit the annual report as a PDF file (except where otherwise noted) to the Charter Schools Office by **5:00 p.m. November 1, 2010** at charterschools@mail.nysed.gov. Please put "Annual Report" in the subject line of the e-mail. ***Faxed versions will not be accepted.*** The original signed Statement of Assurances must be sent to the Charter Schools Office at the address provided on the cover page above.

Section I

Student Assessment Data

This section refers to the academic achievement of your students on all standardized tests, per your charter, including all State exams. For the State Assessment results in grades 3 - 8, please provide the percent of students scoring at Levels 1 – 4 on each State Assessment in English Language Arts and Mathematics. Longitudinal data are being requested back through the 2006-07 school year. If the school was not in operation during any of the previous years, or if it did not serve students in grades for which there was a State exam, please leave those rows blank or enter “NA.”

You must also provide data for grades 9-12 as well (as applicable).

For all other standardized assessment results, provide the following information for each assessment, by grade, using the chart provided:

1. the full name of each assessment (not an acronym). Include portfolios and any performance-based assessment as well;
2. the name of each sub-test that was given (if applicable);
3. the grade of the students being tested;
4. the date the assessment was given;
5. the number of students enrolled in the grade on the date the assessment was given;
6. the number of students who were absent on the date that the assessment was administered;
7. the number of students who were exempted from such assessment per their IEP;
8. the number of students who were exempted from such assessment as a result of their ELL status;
9. the number of students who were actually assessed (this figure must equal the number of students in the grade on the date the test was given minus those who were absent or exempted);
10. the score obtained for each grade level (be sure to indicate the type of score being reported, e.g., percentile, normal curve equivalent, percent passing);
11. if applicable, include the qualitative levels of the scores (e.g. percent passing with distinction, percent achieving mastery); and,
12. any other evaluative data that describe the performance of your students on the assessments given.

Complete a separate chart for each subtest.

Student Assessment Data
New York State Assessment Results
Grades 3 – 8 ELA and Math
2009-10 Annual Report

Grades 3 – 8 State ELA Assessments Results

<i>Year of Test</i>	Grade 3		Grade 4		Grade 5		Grade 6		Grade 7		Grade 8	
	L1	L2	L3	L4	L1	L2	L3	L4	L1	L2	L3	L4
2009-10 – All Students	2	33	48	17	6	36	58					
General Education Students	3	33	48	18	4	24	72					
Special Education Students	33	50	17	13	75	13						
2008-09 – All Students	10	82	8		6	94						
General Education Students	8	84	8		8	92						
Special Education Students	25	75			100							
2007-08 – All Students												
General Education Students												
Special Education Students												
2006-07 – All Students												
General Education Students												
Special Education Students												

New York State Assessment Results

Grades 3 – 8 State Math Assessments Results

<i>Year of Test</i>	Grade 3		Grade 4		Grade 5		Grade 6		Grade 7		Grade 8	
	L1	L2	L3	L4	L1	L2	L3	L4	L1	L2	L3	L4
2009-10 – All Students	2	30	45	23	3	24	42	30	36	36	29	
General Education Students	3	30	48	20	16	64	20	42	50	8		
Special Education Students	17	50	33	13	13	50	38	50	50	50		
2008-09 – All Students	3	82	15		59	41						
General Education Students		84	16		66	33						
Special Education Students	13	87			12	88						
2007-08 – All Students		37	63									
General Education Students		33	66									
Special Education Students		50	50									
2006-07 – All Students												
General Education Students												
Special Education Students												

Other Student Assessment Data
2009-10

Name of Charter School: Manhattan Charter School

Name of Test: Terra Nova Complete Battery Subtest: Reading

Grade	Date of Test (DOT)	# Enrolled in Grade on DOT	# Absent on Grade on DOT	# Exempted in Grade by IEP	# Exempted in Grade by ELL Status	# Students Assessed in Grade*	NCE Score	Qualitative Level and Percent Attaining*	Other ***
K	5/18/2010	48	0	0	0	48	51.3		
1	5/18/2010	47	0	0	0	47	58.3		
2	5/18/2010	47	0	0	0	47	54.9		
3	5/18/2010	44	0	0	0	44	52.2		
4	5/18/2010	33	0	0	0	33	51.3		
5	5/18/2010	14	0	0	0	14	49.7		

Other Student Assessment Data
2008-9

Name of Charter School: Manhattan Charter School

Name of Test: Terra Nova Complete Battery Subtest: Reading

Grade	Date of Test (DOT)	# Enrolled in Grade on DOT	# Absent on Grade on DOT	# Exempted in Grade by IEP	# Exempted in Grade by ELL Status	# Students Assessed in Grade*	NCE Score	Qualitative Level and Percent Attaining*	Other ***
K	4/27/09	46	0	0	0	46	47.3		
1	4/27/09	47	0	0	0	47	51.2		
2	4/27/09	49	0	0	0	49	49.9		
3	4/27/09	38	0	0	0	38	52.2		
4	4/27/09	17	0	0	0	17	50.4		

Other Student Assessment Data
2007-8

Name of Charter School: Manhattan Charter School

Name of Test: Terra Nova Complete Battery Subtest: Reading

Grade	Date of Test (DOT)	# Enrolled in Grade on DOT	# Absent on Grade on DOT	# Exempted in Grade by IEP	# Exempted in Grade by ELL Status	# Students Assessed in Grade*	NCE Score	Qualitative Level and Percent Attaining*	Other ***
K	May 2008	41	0	0	0	41	65.1		
1	May 2008	44	0	0	0	44	50.8		
2	May 2008	45	0	0	0	45	57.4		
3	May 2008	19	0	0	0	19	46.2		

Other Student Assessment Data
2006-07

Name of Charter School: **Manhattan Charter School**

Name of Test: **Terra Nova Complete Battery** Subtest: **Reading**

Grade	Date of Test (DOT)	# Enrolled in Grade on DOT	# Absent on Grade on DOT	# Exempted in Grade by IEP	# Exempted in Grade by ELL Status	# Students Assessed in Grade	NCE Score	Qualitative Level and Percent Attaining*	Other **
K	6/18/07	40	0	0	0	40	70.0		
1	5/14/07	49	0	0	0	48	57.0		
1	6/18/07	49	0	0	0	1	51.0		
2	5/14/07	26	0	0	0	26	47.0		

Other Student Assessment Data
2009-10

Name of Charter School: Manhattan Charter School

Name of Test: Terra Nova Complete Battery Subtest: Math

Grade	Date of Test (DOT)	# Enrolled in Grade on DOT	# Absent on Grade on DOT	# Exempted in Grade by IEP	# Exempted in Grade by ELL Status	# Students Assessed in Grade*	NCE Score	Qualitative Level and Percent Attaining*	Other ***
K	5/18/2010	48	0	0	0	48	61.4		
1	5/18/2010	47	0	0	0	47	58.4		
2	5/18/2010	47	0	0	0	49	53.5		
3	5/18/2010	44	0	0	0	38	57.5		
4	5/18/2010	33	0	0	0	33	45.8		
5	5/18/2010	14	0	0	0	14	54.9		

Other Student Assessment Data
2008-09

Name of Charter School: Manhattan Charter School

Name of Test: Terra Nova Complete Battery Subtest: Math

Grade	Date of Test (DOT)	# Enrolled in Grade on DOT	# Absent on Grade on DOT	# Exempted in Grade by IEP	# Exempted in Grade by ELL Status	# Students Assessed in Grade*	NCE Score	Qualitative Level and Percent Attaining*	Other ***
K	4/27/09	46	0	0	0	46	57.0		
1	4/27/09	47	0	0	0	47	45.0		
2	4/27/09	49	0	0	0	49	40.0		
3	4/27/09	38	0	0	0	38	53.0		
4	4/27/09	17	0	0	0	17	53.0		

Other Student Assessment Data
2007-8

Name of Charter School: Manhattan Charter School

Name of Test: Terra Nova Complete Battery Subtest: Math

Grade	Date of Test (DOT)	# Enrolled in Grade on DOT	# Absent on Grade on DOT	# Exempted in Grade by IEP	# Exempted in Grade by ELL Status	# Students Assessed in Grade*	NCE Score	Qualitative Level and Percent Attaining*	Other ***
K	May 2008	41	0	0	0	41	52.8		
1	May 2008	44	0	0	0	44	36.9		
2	May 2008	45	0	0	0	45	44.3		
3	May 2008	19	0	0	0	19	51.1		

**Other Student Assessment Data
2006-07**

Name of Charter School: Manhattan Charter School

Name of Test: Terra Nova Complete Battery Subtest: Math

Grade	Date of Test (DOT)	# Enrolled in Grade on DOT	# Absent on Grade on DOT	# Exempted in Grade by IEP	# Exempted in Grade by ELL Status	# Students Assessed in Grade	NCE Score	Qualitative Level and Percent Attaining*	Other **
K	6/18/2007	40	0	0	0	40	59.0		
1	5/14/2007	49	1	0	0	48	54.0		
1	6/18/2007	49	0	0	0	1	18.0		
2	5/14/07	26	0	0	0	26	55.0		

Progress Toward Goal Attainment

Using the table provided below, state each goal as listed in your approved charter, and provide a narrative that describes the type and amount of progress made toward attaining that goal. Provide specific examples, and indicate the measures that were used to determine such progress. These measures must also be the same as those listed in your approved charter. If the goal has not been met, describe why you think it was not met, and the efforts that you will undertake in the following year to attain it.

Charter schools authorized by the Trustees of the State University of New York may attach a copy of their Accountability Plan and a report of the progress made towards meeting the goals and objectives described in the Plan.

**Progress Toward Goal Attainment
2009-10**

Goal/Objective: Desired Level of Attainment	Actual Result: Observed Level of Attainment	Measure Used To Indicate Attainment of the Goal/ Objective	Was the Goal/ Objective Met? (Y/N)	Explanation if Not Met
GOAL 1: (Measure 1) STUDENTS TAKING THE NYS ELA ASSESSMENT WILL EXCEED THE LEVEL OF PERFORMANCE SET BY THE BOARD OF REGENTS (ANNUAL MEASURABLE OBJECTIVE). - The school needed its Performance Indicator (PI) to exceed the AMO set by the state which was 145.	MCS students in the tested grades- 3 rd , 4 th and 5 th grade- exceeded the NYS AMO. See Goal 1, 2, 3 Narrative below.	Results of the NYS ELA Assessment were used to calculate the school's PI of 181, which exceeded the NYS AMO of 145.	YES	
GOAL 1: (Measure 2) STUDENTS TAKING THE NYS MATH ASSESSMENT WILL EXCEED THE LEVEL OF PERFORMANCE SET BY THE BOARD OF REGENTS (ANNUAL MEASURABLE OBJECTIVE). - The school needed its Performance Indicator (PI) to exceed the AMO set by the state which was 125.	MCS student in the tested grades- 3 rd , 4 th and 5 th Grade- exceeded the NYS AMO. See Goal 1, 2, 3 Narrative below.	Results of the NYS MATH Assessment were used to calculate the school's PI of 19, which exceeded the NYS AMO of 125.	YES	
GOAL 2: (Measure 3) STUDENTS TAKING THE NYS ELA ASSESSMENT WILL EXCEED THE LEVEL OF PERFORMANCE OF OTHER NYC STUDENTS	MCS 3 rd Graders scored 68.2%, 4 th Graders scored 57.6%, and 5 th graders scored 35.7% proficient on the ELA	NYS ELA Assessment	PART- IALLY	Fifth graders did not outperform their peers in District 1. See Goal 1, 2, 3 Narrative

FROM THE SAME GRADES. – The school needed to outperform the local district’s 3 rd grade ELA proficiency of 51.3%, 4 th grade 46.6%, and 5 th grade 45.5%.	exam.			below.
GOAL 2: (Measure 4) STUDENTS TAKING THE NYS MATH ASSESSMENT WILL EXCEED THE LEVEL OF PERFORMANCE OF OTHER NYC STUDENTS FROM THE SAME GRADES. – The school needed to outperform the local district’s 3 rd grade Math proficiency of 60%, 4 th grade proficiency of 61.6%, and 5 th grade proficiency of 58.7%.	MCS 3 rd Graders scored 68.2%, 4 th Graders scored 72.8%, and 5 th graders scored 64.3 % proficient on the Math exam. See Goal 1, 2, 3 Narrative below.	NYS MATH Assessment	YES	
GOAL 3: (Measure 5) STUDENTS IN AT LEAST THEIR SECOND YEAR AND TAKING THE NYS ELA ASSESSMENT WILL EXCEED A GROUP PERFORMANCE RATE OF 75%.	The school wide ELA assessment proficiency rate was 58.1%.	NYS ELA ASSESSMENT	NO	See Goal 1, 2, 3 Narrative below.
GOAL 3: (Measure 6) STUDENTS IN AT LEAST THEIR SECOND YEAR AND TAKING THE NYS MATH ASSESSMENT WILL EXCEED A GROUP PERFORMANCE RATE OF 75%.	The school wide Math assessment proficiency rate was 69.9%.	NYS MATH ASSESSMENT	NO	See Goal 1, 2, 3 Narrative below.
GOAL 4: (Measure 7) STUDENTS TESTED IN	Generally, cohorts of	2009 and 2010 Terra Nova	PART-IALLY	See Goal 4 Narrative

<p>TWO CONSECUTIVE VALUE-ADDED ASSESSMENTS (TERRA NOVA) WILL IMPROVE THEIR NCE PERFORMANCE FROM THE PREVIOUS ADMINISTRATION.</p>	<p>students did increase their average NCE score from spring 2009 to spring 2010. Current fourth and fifth graders showed a negligible decrease in reading (less than one NCE point). Current fourth graders showed a 6.2 point decrease in math.</p>	<p>Spring Administration Reading and Math NCE comparisons.</p>		<p>below.</p>
<p>GOAL 5: (Measure 8) STUDENTS WILL MEET OR EXCEED ACADEMIC STANDARDS SET FORTH IN ITS CURRICULUM</p>	<p>The school wide ELA assessment proficiency rate was 58.1%. The school wide Math assessment proficiency rate was 69.9%.</p>	<p>MCS's curriculum is aligned to state standards. Therefore, MCS's passing rate both NYS Assessments administered serves as evidence of meeting NYS Standards.</p>	<p>PARTIAL LY</p>	<p>See Goal 5 Narrative below.</p>
<p>GOAL 6: (Measure 9) STUDENTS WILL MEET OR EXCEED MUSIC STANDARDS SET FORTH IN ITS CURRICULUM</p>	<p>Students at MCS were proficient in mastering national music learning standards, which are more rigorous than, yet encompass, the state music standards.</p>	<p>Students at MCS spend nearly three times as much time in music class as students at other schools, based on research. This time allows for the rigorous national standards to effectively be met. See Goal 6 Narrative below.</p>	<p>YES</p>	

GOAL 1, 2, 3 NARRATIVES

STUDENTS TAKING THE NYS ELA AND MATH ASSESSMENT WILL EXCEED THE LEVEL OF PERFORMANCE SET BY THE BOARD OF REGENTS (ANNUAL MEASURABLE OBJECTIVE)

STUDENTS TAKING THE NYS ELA AND MATH ASSESSMENT WILL EXCEED THE LEVEL OF PERFORMANCE OF OTHER NYC STUDENTS FROM THE SAME GRADES.

STUDENTS IN AT LEAST THEIR SECOND YEAR AND TAKING THE NYS ELA AND MATH ASSESSMENT WILL EXCEED A GROUP PERFORMANCE RATE OF 75%.

The No Child Left Behind Act (NCLB), currently the federal elementary and secondary education law, requires that public schools enable all students to meet state performance standards. In New York State, the standard is met by showing that an absolute proportion of students who have taken the state's exams have scored at the meets basic standard, meets proficiency standard, and exceeds proficiency standard levels (Levels 2, 3, and 4). The specified proportion is called the Performance Index (PI). The Annual Measurable Objective (AMO)¹ is the PI value that signifies tested students in the aggregate are making satisfactory progress towards the goal that all students will be proficient in the State's ELA and Math performance standard by 2013–14. If the school's PI equals or exceeds the NYS AMO in that area, then the school will have made adequate yearly progress (AYP).

The Performance Index is based on the following calculation:

$$PI = (\text{percent of students at Levels 2+3+4}) + (\text{percent of students at Levels 3+4})$$

It is based on all continuously enrolled students tested in 2010.

Goal 1 in MCS's charter states that students taking the NYS ELA and Math assessments will exceed the level of performance set by the Board of Regents (Annual Measurable Objective). As shown in the table below, MCS's 3rd, 4th and 5th graders significantly exceeded NYS AMO goals for ELA and Math and, therefore, have exceeded the level of performance set by the Board of Regents.

¹ Under the state's NCLB accountability system, schools are evaluated to determine if they have made Annual Yearly Progress (AYP) based on factors in addition to having exceeded the AMO. To facilitate school reporting, the NYSED considers the aggregate AMO alone as an absolute measure of performance in ELA and math, aside from the state's system which incorporates the other factors. The state's analysis is presented in its annual accountability report in which it indicates if the school is in *good-standing* by virtue of having made AYP.

MCS 2010 NYS Test Results	Measure Used to Indicate Attainment	Desired Level of Attainment	Objective Met?
Subject	PI	Effective AMO	AYP Met
ELA	181	145	YES
MATH	195	125	YES

Goal 2 in MCS's charters states that students taking the NYS ELA and Math assessments will exceed the level of performance of other NYC students from the same grades. Below is the data on MCS's performance on the 2009-10 assessments compared to the performance of other NYC students from the same grades. Since MCS is located in District 1, the comparative data presented is for MCS and District 1.

Grade	0910 ELA % Proficient			0910 Math % Proficient		
	MCS	District 1	Difference	MCS	District 1	Difference
3	68.2	51.3	16.9	68.2	60	8.2
4	57.6	46.6	11	72.8	61.6	11.2
5	35.7	45.5	-9.8	64.3	58.7	5.6

In all areas but fifth grade ELA, MCS students outperformed their peers in District 1.

Goal 3 in MCS's charter states that students in at least their second year at MCS and taking the New York State assessments will exceed a group performance rate of 75%. The chart below shows MCS's performance rates in ELA and Math on the 2009-10 assessments for continuously enrolled students.

ELA		Math	
Level	Total # of Students	Level	Total # of Students
1	3	1	2
2	36	2	26
3	46	3	48
4	8	4	17
Total # Proficient	54	Total # Proficient	65
Percent Proficient	58.1%	Percent Proficient	69.9%

The school did not meet its target of 75% proficient overall. The reason why the school did not meet its targets is because New York State increased the cut scores for proficiency. These new cut points drastically effected the performance of MCS students. The chart below shows actual performance (0910 cut points), as well as how MCS *would have* performed had cut points remained the same (0809 cut points).

ELA Percent Proficient		
Grade 3	0809 Cut Points	93%
	0910 Cut Points	68%
Grade 4	0809 Cut Points	85%
	0910 Cut Points	58%
Grade 5	0809 Cut Points	93%
	0910 Cut Points	36%

Math Percent Proficient		
Grade 3	0809 Cut Points	98%
	0910 Cut Points	68%
Grade 4	0809 Cut Points	97%
	0910 Cut Points	73%
Grade 5	0809 Cut Points	100%
	0910 Cut Points	64%

As New York State has raised the bar for proficiency, MCS is committed to meeting this higher standard. MCS has bolstered its 2010-11 program in the following ways to help students meet the new proficiency standards.

- MCS has created a central data warehouse where all student data, curriculum and core maps are stored and, in prior years, administrators would disaggregate and extract data to inform conversations with teachers about grouping students and differentiating instruction. In 2010-11, teachers are learning how to use this system themselves. The school is also providing advanced, intensive professional development to all teachers on how to use assessment data to inform instruction and lesson planning.
- MCS hired an additional Academic Intervention Services teacher for the 2010-11 school year. During, 2009-10, MCS had one teacher who serviced K-5. In 2010-11, MCS has one Academic Intervention Services teacher who focuses on grades K-2 and one that focuses on 3-5 grades. Academic Intervention Service teachers provide intensive, small group and one-on-one instruction to students falling short of the proficiency threshold.
- MCS has redesigned its instructional leadership roles under the Principal to include two Instructional Coaches in 2010-11. Coaches provide intensive, hands-on professional development and coaching to teachers with one coach focusing on grades K-2 and the other focusing on grades 3-5.
- This year MCS is implementing a formalized, tiered Response to Intervention (RTI) program to provide early, effective assistance to students who are having difficulty meeting states standards. Teachers and Instructional Assistants are all receiving training in RTI from MCS’s lead Academic Intervention Services provider.
- Student Support Committees have been created to identify and monitor the progress of struggling learners. The Student Support Committees include the teacher, Instructional Coach, Academic Intervention Services teacher and related services providers and Family Relations and Attendance Coordinator, as appropriate.

- MCS will increase the amount of time dedicated to its afterschool differentiated instructional program for students most at risk of failing to meet state standards and increase the number of students served through this program. During the program, teachers continuously review formal and informal assessment data to determine which students are in need of additional instruction and group students by subject area and standard.

GOAL 4 NARRATIVE

STUDENTS TESTED IN TWO CONSECUTIVE VALUE-ADDED ASSESSMENTS (TERRA NOVA) WILL IMPROVE THEIR NCE PERFORMANCE FROM THE PREVIOUS ADMINISTRATION.

During the development of the School's charter, MCS selected the Terra Nova as its nationally-normed standardized test. The Terra Nova has been administered in the spring to all students at all grade levels since MCS opened. Every student who took the test in two consecutive years is considered to be part of a 'cohort' student for the purposes of this goal. The tables included as part of the "Other Student Assessment" present Terra Nova Reading results for the National Curve Equivalent score (NCE) for all students tested.

Longitudinal TerraNova Scores

09-10 Grade	Average 08-09 NCE Score Math	Average 09-10 NCE Score Math	Difference between 08-09 and 09-10 Math	Average 08-09 NCE Score Reading	Average 09-10 NCE Score Reading	Difference between 08-09 and 09-10 Reading
1	57.0	58.4	1.4	47.3	58.3	11.1
2	45.0	53.5	8.5	51.2	54.9	3.7
3	40.0	57.5	17.5	49.9	52.2	2.3
4	53.0	45.8	-7.2	52.2	51.3	-.9
5	53.0	54.9	1.9	50.4	49.7	-.7

McGraw Hill, publisher of Terra Nova, maintains that if a student scores the same score in two consecutive years that student has made a year of growth. If a student increases his/her score from year to year, the student has made more than a year of growth. (It is also important to note that the Terra Nova test has a standard error of measure of approximately 3-5 NCE points while a +/- 10 NCE point shift is considered significant.) The longitudinal Terra Nova data above for MCS shows good results. Generally, cohorts of students did increase their average NCE score from spring 2009 to spring 2010, suggesting on average students are making more than one year of growth during a school year at MCS. 2009-10 fourth and fifth graders showed a negligible decrease in reading (less than one NCE point). 2009-10 fourth graders showed a 7.2 point decrease in math, falling from 53.0 to 45.8.

MCS understands that administering a value-added assessment is part of its charter accountability plan developed in 2005 and that it is important to collect objective data about student achievement, particularly in kindergarten, first and second grade (grade levels where the NYS standardized assessment is not administered). However, during the past five years, MCS

has developed concerns about the value of using the Terra Nova as a value-added assessment, the most notable concern being that there does not seem to be a correlation between performance on the Terra Nova and the NYS standardized assessment.

For example, the fourth grade that experienced a 7.2 NCE decline from 2008-9 to 2009-10 scored 72.8% proficient on the New York State Math assessment in 2009-10, outperforming their peers in District 1 who scored 61.6% proficient and New York City peers who scored 58.4% proficient. Although this 2009-10 fourth grade cohort scored 97.4% proficient on the New York State Math assessment in third grade in 2008-9, the cohort would have been 57.9% proficient in third grade if you apply the 2009-10 cut scores to the 2008-9 Math results. Therefore, according to the New York State assessment, this cohort of students made substantial growth in math from third to the end of fourth grade (57.9% proficient to 72.8% proficient).

MCS spent 2009-10 researching other norm referenced assessments that may be better aligned to New York State standards and is piloting another assessment in 2010-11, in addition to administering the Terra Nova.

GOAL 5 NARRATIVE

STUDENTS WILL MEET OR EXCEED ACADEMIC STANDARDS SET FORTH IN ITS CURRICULUM

Manhattan Charter School has been working since opening in Fall 2005 to ensure all students are served by its curriculum, and during 2009-10, the school's renewal year, the school expended significant time, effort, and financial resources to ensure that subjects taught are clearly aligned with NYS standards where applicable. This effort was undertaken by leadership, board members, teaching staff, and outside experts in the fields of instruction, assessment, and curriculum selection. This comprehensive alignment was an important exercise for MCS and served to remind, redirect, and reorganize MCS's curricula with respect to the standards students will need to master at each grade level and in order to perform well on NYS standardized assessments. As part of the alignment process, and a result of participating in a federal Teacher Incentive Fund grant with a consortium of ten other NYC charter schools called Partnership for Innovation in Compensation for Charter Schools (PICCS), MCS teachers have been trained to use an electronic curriculum management system, called TechPaths, to write and store curriculum, create standards driven assessments, and track individual student mastery of all NYS standards. MCS has developed a database in Microsoft Access where teachers store data based on a clearly-defined rubric. Assessment data is input six times a year by each teacher as a formalized way to track standards and student mastery of each standard. This database was used to create student report cards four times a year.

Since MCS's accountability plan's fifth goal is to exceed the school standards set forth in its curriculum, and its curriculum is aligned to the NYS standards, MCS believes that an accurate pass/fail on this goal can be determined by analyzing NYS test performance. MCS's charter set the goal that at least 75% of students will meet or exceed state standards in a given year on the New York State assessments. On the 2009-10 assessments, 58.1% of students were proficient in ELA and 69.9% of students were proficient in Math. The school did not meet its target of 75% proficient overall. The reason why the school did not meet its targets is because New York State increased the cut scores for proficiency. These new cut points drastically effected the performance of MCS students. Please see Goal 1, 2, 3 Narrative for what MCS is doing in 2010-11 to increase performance on the New York State assessments.

GOAL 6 NARRATIVE

STUDENTS WILL MEET OR EXCEED MUSIC STANDARDS SET FORTH IN ITS CURRICULUM

In the current climate created by NCLB that has many schools singularly focused on ELA and Math and test preparation, MCS remains committed to its charter and providing a music education program to its students every school day. Considering the school's performance on both NYS tests, this proves that schools can still achieve excellent results in the core subjects without abandoning the Arts. In fact, research suggests that music study can enhance and reinforce mathematical skills and critical thinking.

Although New York State has four learning standards that pertain to the Arts in general (including music, art, dance, and theatre), MCS chooses to follow the much more rigorous national set of standards, which easily encompasses the NYS standards. In addition to teaching to a much more rigorous set of standards using the national standards, the school also recognizes that the young students of MCS receive more than twice as much music education as similar age students in traditional public schools. This added time in class is critical for many reasons. First, it allows the music teachers time to deliver the robust music program so it meets the high expectations set forth in the charter. Next, it enables the students to be exposed to musical concepts and specifically the playing of instruments at far earlier ages than are traditionally found. For example, MCS kindergarteners and first graders play Orff instruments and second, third and fourth graders play the recorder, while most other schools rarely introduce students to playing instruments until middle elementary school. Over the last three months, the MCS music team designed a new program of specialized instruction such as a New Orleans Brass Band, and a Chorus for third, fourth and fifth grade based on student interest, ability and academic good standing.

MCS believes that daily music instruction is a tremendous outlet and communication tool for students whose day is otherwise oriented around the usual core subjects. Students attending daily music are able to develop and use different skills that do not necessarily shine through in Math or Language Arts classes.

Section II

Charter School Student and Teacher Attrition Rates

Instructions

Separate tables are included for students and teachers. For students, please provide the total **number** who left for the reasons identified in the table. Then provide the highest number of students enrolled during the course of the year. Using that enrollment figure and the total number of students who left during the year (July 1 – June 30), calculate the percent of students who left the school each year (2006-07 through 2009-10). Do not provide averages or FTEs.

For teachers, provide the total number of classroom teachers (e.g., grades K-6, or secondary subject matter classroom teachers). Do not include guidance counselors, social workers, etc. Do not provide FTEs. A part-time teacher is counted as one teacher. If one person teaches more than one subject area, count them once. Also provide the number of special area teachers (e.g., music, technology, special education). Again, count each such teacher only once. Then, provide the total number of teachers who were retained at the end of each school year. For example, if you had seven classroom teachers (e.g., one each K-6) and three special area teachers (for a total of ten teachers), and three were let go (or otherwise decided not to return in 2010-11) at the end of the 2009-10 school year, your teacher attrition rate would be 30 percent. A teacher on leave is not counted toward the attrition rate.

If you have any questions, please call the Charter School Office at 518-474-1762.

**Charter School Student Attrition Rates
2009-10**

	2009-10	2008-09	2007-08	2006-07
Number of students leaving for lack of transportation	0	0	0	1
Number of students leaving for geographic reasons (e.g., out of state/district relocation)	5	13	1	10
Number of students leaving for more restrictive special education setting	0	0	0	0
Number of students leaving due to parental choice (e.g., school transfer closer to residence, local elementary school, parent convenience)	0	0	14	12
Number leaving for other reasons (undetermined)	0	0	0	0
Total number of students leaving.	5	13	15	23
Highest Number Enrolled (July 1 – June 30)	239	204	177	125
Total Percent Attrition	2%	6.4%	8.4%	18.4%

**Charter School Teacher Attrition Rates
2009-10**

	2009-10	2008-09	2007-08	2006-07
Number of Classroom Teachers	11	9	8	7
Number of Special Area Teachers	7	3	1	2
Total Number of Teachers	18	12	9	9
Total Number of Teachers Leaving	3	1	1	7
Total Percent Attrition	16%	8%	11%	78%

**Charter School Teacher Attrition Rates
2009-10**

	2009-10	2008-09	2007-08	2006-07
Number of teachers leaving for geographic reasons (out of state/relocation)				1
Number of teachers leaving to take a position in a school district	1			2
Number of teachers leaving to take a position in another charter school				1
Number of teachers not retained		1		2
Number of teachers leaving for other reasons (or undetermined)	2		1	1

Section III

Guidelines for Audits of the Financial Statements of Charter Schools

The New York charter schools act of nineteen hundred ninety-eight requires that a charter school “shall be subject to the financial audits, the audit procedures, and the audit requirements set forth in the charter. Such procedures and standards shall be applied consistent with generally accepted accounting and audit standards. Independent fiscal audits shall be required at least once annually.”

These guidelines are provided to assist charter schools in New York State and their auditors through the annual audit process. The guidelines are also intended to provide some uniformity in the reporting by charter schools and to assist the Board of Regents in meeting its responsibilities for ensuring accountability over public funds and for reporting annually to the Governor and Legislature on the status of charter schools.

Each audit should meet the following minimum standards:

Audit Requirements:

- ❑ An independent and licensed Certified Public Accountant or Public Accountant should perform the audit.
- ❑ The audits should be conducted in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States.
- ❑ If the charter school spends **\$500,000** or more in federal awards during the fiscal year, an independent audit as prescribed in the federal Office of Management and Budget Circular A-133 must also be completed and filed with the federal government and the State Education Department.

Reporting Requirements:

- ❑ The sample format for the financial statements is provided in accordance with Section 2851 of the Education Law.
- ❑ The financial statements should be prepared on the accrual basis of accounting in accordance with generally accepted accounting principles for not-for-profit organizations.
- ❑ All statements required by Financial Accounting Standards Board (FASB) Statement No. 117, *Financial Statements of Not-for-Profit Organizations*, should be presented including a Statement of Financial Position, Statement of Activities and Statement of Cash Flows. Required note disclosures and others that are deemed appropriate should be included.
- ❑ A supplemental schedule of functional expenses, in a format consistent with the attached, should be included and subject to the auditing procedures applied in the audit of the general purpose financial statements. Such supplemental schedule is not a required part of the general purpose financial statements and should be included for the purposes of additional analysis.
- ❑ When applicable, the auditor should prepare and submit a management letter. A copy of the management letter should be submitted with the financial statements along with the school’s corrective action plan to address any weaknesses identified in the report or the management letter.

- Reports (the independent auditor's report on the financial statements, report on compliance, report on internal control over financial reporting, management letter, and federal Single Audit, if applicable) must be submitted in electronic form within 120 days of the end of the charter school fiscal year to the following addresses:

State Education Department
Office of Audit Services
89 Washington Avenue Room 524 EB
Albany, New York 12234
fsandals33@mail.nysed.gov

State Education Department
Charter School Office
89 Washington Avenue Room 462 EBA
Albany, New York 12234
charterschools@mail.nysed.gov

MANHATTAN CHARTER SCHOOL

FINANCIAL STATEMENTS

JUNE 30, 2010 AND 2009

MANHATTAN CHARTER SCHOOL
FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

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

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

INDEPENDENT AUDITORS' REPORT

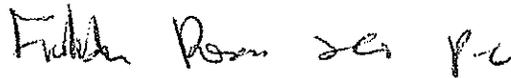
TO THE BOARD OF TRUSTEES
MANHATTAN CHARTER SCHOOL

We have audited the accompanying statements of financial position of Manhattan Charter School (the "School") (a not-for-profit corporation) as of June 30, 2010 and 2009, and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized comparative information has been derived from the School's 2009 financial statements and, in our report dated October 9, 2009 we expressed an unqualified opinion on those financial statements.

We conducted our audits 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the School as of June 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2010 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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 on compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.



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

New York, New York
October 21, 2010

MANHATTAN CHARTER SCHOOL
STATEMENTS OF FINANCIAL POSITION
JUNE 30,

	2010	2009
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,872,971	\$ 1,222,659
Grants and contracts receivable	148,527	155,701
Prepaid expenses	20,408	9,895
Total current assets	2,041,906	1,388,255
Property and equipment, net of accumulated depreciation of \$144,353 and \$95,746, respectively	145,099	123,152
Restricted cash	70,087	70,235
TOTAL ASSETS	\$ 2,257,092	\$ 1,581,642
 LIABILITIES AND UNRESTRICTED NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	70,325	\$ 152,924
Accrued payroll and payroll taxes	444,804	324,734
Refundable advances	-	43,493
Current portion of capital lease obligations	1,453	8,720
Total current liabilities	516,582	529,871
Other liabilities:		
Long term portion of capital lease obligations	-	1,453
Total liabilities	516,582	531,324
Total Unrestricted Net Assets	1,740,510	1,050,318
TOTAL LIABILITIES AND UNRESTRICTED NET ASSETS	\$ 2,257,092	\$ 1,581,642

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

MANHATTAN CHARTER SCHOOL
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30,

	<u>2010</u>	<u>2009</u>
Revenue and support:		
State and local per pupil operating revenue	\$ 3,142,773	\$ 2,437,895
Federal grants	253,336	189,215
State and city grants	48,111	46,033
Contributions and grants	73,221	24,040
Donated goods	79,132	-
Interest income	5,765	9,624
Miscellaneous income	-	6,656
Total revenue and support	<u>3,602,338</u>	<u>2,713,463</u>
Expenses:		
Program services:		
Regular education	2,184,003	1,773,755
Special education	243,533	138,617
Total program services	<u>2,427,536</u>	<u>1,912,372</u>
Supporting services:		
Management and general	473,230	406,046
Fundraising	11,380	11,800
Total expenses	<u>2,912,146</u>	<u>2,330,218</u>
Changes in unrestricted net assets	690,192	383,245
Unrestricted net assets - beginning of year	<u>1,050,318</u>	<u>667,073</u>
Unrestricted net assets - end of year	<u>\$ 1,740,510</u>	<u>\$ 1,050,318</u>

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

MANHATTAN CHARTER SCHOOL
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30,

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in unrestricted net assets	\$ 690,192	\$ 383,245
Adjustments to reconcile increase in unrestricted net assets to net cash provided by operating activities:		
Depreciation	50,759	34,671
Loss on disposal of fixed assets	1,865	-
Changes in certain assets and liabilities:		
(Increase) decrease in grants and contracts receivable	7,174	(109,772)
(Increase) in prepaid expenses	(10,513)	(6,927)
Increase (decrease) in accounts payable and accrued expenses	(82,599)	102,965
Increase in accrued payroll and payroll taxes	120,070	97,637
Increase (decrease) in refundable advances	(43,493)	10,245
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>733,455</u>	<u>512,064</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
(Increase) decrease in restricted cash	148	(235)
Purchase of property and equipment	(74,571)	(59,036)
NET CASH (USED IN) INVESTING ACTIVITIES	<u>(74,423)</u>	<u>(59,271)</u>
CASH FLOWS FROM FINANCING ACTIVITY:		
Payments on capital lease obligations	(8,720)	(8,686)
NET INCREASE IN CASH AND CASH EQUIVALENTS	650,312	444,107
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>1,222,659</u>	<u>778,552</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,872,971</u>	<u>\$ 1,222,659</u>

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

MANHATTAN CHARTER SCHOOL
FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

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

Nature of Organization

Manhattan Charter School (the "School") is a New York State, not-for-profit educational corporation that operated as a charter school in the borough of Manhattan, New York City. On July 21, 2004, the Board of Regents of the University of the State of New York for and on behalf of the State Education Department granted the School a provisional charter valid for a term of five years from the effective date of July 21, 2005. On May 17, 2010 the Board of Regents approved and issued the renewal to the initial charter for a period of five years, effective July 1, 2010 to June 30, 2015. The School's mission is to prepare its students to achieve high academic levels in the four core subject areas, communicate effectively in verbal, mathematical and musical languages, and to apply critical thinking processes and ethical standards to learning, living and problem solving.

In fiscal year 2010, the School operated classes for approximately 234 students in kindergarten through grade five.

Food and Transportation Services

The New York City Department of Education provides free lunches and reduced-price lunches and transportation to a majority of the School's students. Such costs are not included in these financial statements. The School covers the cost of lunches for children entitled to reduced – priced and free lunches. The School also receives reimbursement from parents who are charged full price for these lunches.

Tax Status

The School is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) and a similar provision under New York State income tax laws. The School has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in section 170(b) (1) (A) (ii).

Basis of Presentation

Financial statement presentation follows the requirements of the Financial Accounting Standards Board ("FASB") in its Accounting Standards Codification ("ASC") 958-205. Under ASC 958-205, the School is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The net assets classifications are described as follows:

MANHATTAN CHARTER SCHOOL
FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

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

Basis of Presentation (continued)

Unrestricted

Unrestricted net assets of the School consists of cash and otherwise unrestricted amounts that are available for use in carrying out the objectives of the School and include those expendable resources, which have been designated for special use by the School or the Board of Trustees.

Temporarily Restricted

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

Permanently Restricted

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

The School had no temporarily or permanently restricted net assets at June 30, 2010 and 2009.

Revenue and support

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

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

MANHATTAN CHARTER SCHOOL
FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

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

Use of Estimates

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

Cash and Cash Equivalents

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

Concentration of Credit Risk

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

Restricted Cash

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

Property and Equipment

Purchased property and equipment are recorded at cost. Maintenance and repairs are expensed as incurred. Depreciation is provided on the straight line method over the estimated useful lives as follows:

Furniture and Fixtures	7 years
Computers and Equipment	5 years
Software	5 years
Equipment under Capital leases	5 years

MANHATTAN CHARTER SCHOOL
FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

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

Refundable Advances

The School records certain government operating revenue as refundable advances until related services are performed, at which time they are recognized as revenue.

Comparative Financial Information

The accompanying statements of activities and functional expenses are presented with summarized comparative information. Such prior year information is not presented by net asset class in the statement of activities or by functional category in the statement of functional expenses. Accordingly, such information should be read in conjunction with the School's 2009 financial statements from which the summarized information was derived.

Recent Accounting Pronouncements

In June 2009, the FASB issued FASB Accounting Standards Codification ("ASC") 105, *Generally Accepted Accounting Principles ("GAAP")*, which establishes the FASB Accounting Standards Codification as the sole source of authoritative generally accepted accounting principles. Pursuant to the provisions of FASB ASC 105, the organization has updated references to GAAP in its financial statements issued for the year ended June 30, 2010. The adoption of FASB ASC 105 did not impact the School's financial position or results of operations.

The School adopted the provisions of ASC 740-10, *Income Taxes*, as of July 1, 2009. This standard clarifies the accounting for uncertainty in income taxes recognized in an organization's financial statements and prescribes a recognition threshold and measurement standard for the financial statement recognition and measurement of income tax positions taken or expected to be taken in a tax return. The School has reviewed its tax position for open tax years and has concluded that the adoption of this standard did not have an impact on the financial statements of the School.

NOTE 2 - GRANTS AND CONTRACTS RECEIVABLE

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

MANHATTAN CHARTER SCHOOL
FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of June 30,

	<u>2010</u>	<u>2009</u>
Furniture and Fixtures	\$ 66,693	\$ 62,734
Computers and Equipment	121,203	107,215
Software	2,690	-
Equipment under Capital Leases	<u>99,166</u>	<u>48,949</u>
Sub-total	289,452	218,898
Less: Accumulated depreciation	<u>144,353</u>	<u>95,746</u>
Total	<u>\$ 145,099</u>	<u>\$ 123,152</u>

The School disposed of assets resulting in a loss on disposal of \$1,865.

Depreciation expense was \$50,759 and \$34,671 for the years ended June 30, 2010 and 2009, respectively.

NOTE 4 - SCHOOL FACILITY

The School has entered into a "Facility Shared Use Agreement" with the New York City Department of Education for dedicated and shared space at a New York City public school located at 100 Attorney Street, New York, New York, 10022. Pursuant to the terms of the agreement, the School shall pay \$1 per annum for the use of the shared facility during the regular opening hours. The School shall be responsible for any overtime related costs for services provided beyond the regular opening hours.

NOTE 5 - REVENUE CONCENTRATION

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

MANHATTAN CHARTER SCHOOL
FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

NOTE 6 - DONATED GOODS

Donated goods are recognized as contributions and measured at fair value when originally received in accordance with ASC 958-605, *Gifts in Kind*. The School received musical instruments, electronics and school supplies from the Lower Manhattan Development Corporation's Community Enhancement Program whereby they awarded grants to support a variety of community improvements programs and services in the neighborhoods throughout lower Manhattan. For the years ended June 30, 2010, and 2009 the value of the goods donated were \$79,132 and \$0, respectively.

NOTE 7 - CONTINGENCY

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

NOTE 8 - CAPITAL LEASE OBLIGATIONS

During the year ended June 30, 2006, the School acquired musical instruments and office equipment under two capital leases. The assets and liabilities under capital leases are recorded the fair value of the assets. The assets are amortized over the lower of their related lease terms or their estimated productive lives. Amortization of assets under capital leases is included in depreciation and amortization expense for 2010 and 2009.

Minimum future lease payments under capital leases as of June 30, 2010 are as follows:

For the year ended June 30, 2011	\$ 1,453
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MANHATTAN CHARTER SCHOOL
FINANCIAL STATEMENTS
JUNE 30, 2010 AND 2009

NOTE 9 - FUNCTIONAL ALLOCATION OF EXPENSE

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

NOTE 10 - PENSION PLAN

The School maintains a pension plan qualified under the Internal Revenue Code 401(k) for the benefit its eligible employees. Under the plan the School provided matching contributions of 4% to the plan. In September 2008, the School converted from a 401(k) plan to a 403(b) providing matching contributions of 4% to the plan. The amount charged to operations for fees and matching contributions to these plans were \$14,109 and \$28,162 for the years ended June 30, 2010 and 2009, respectively.

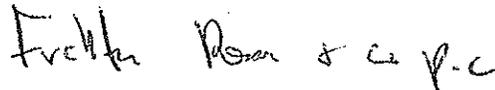
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INDEPENDENT AUDITORS' REPORT
ON ADDITIONAL INFORMATION

TO THE BOARD OF TRUSTEES
MANHATTAN CHARTER SCHOOL

Our report on our audits of the basic financial statements of Manhattan Charter School (a not-for-profit corporation) for June 30, 2010 and 2009 appears on page 1. We conducted our audits in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements as a whole.



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

New York, New York
October 21, 2010

MANHATTAN CHARTER SCHOOL
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30,

2010

	Program Services			Supporting Services			Total	2009
	Regular Education	Special Education	Total Program Service	Management and General	Fundraising	Total		
Salaries and wages	\$ 1,475,910	\$ 166,729	\$ 1,642,639	\$ 292,496	\$ 9,476	\$ 1,944,611	\$ 1,461,045	
Employee benefits and payroll taxes	250,003	28,242	278,245	49,544	1,605	329,394	253,614	
Professional and accounting services	23,928	2,444	26,372	94,001	-	120,373	184,767	
Professional development	72,541	7,175	79,716	5,042	-	84,758	63,241	
Consultants	32,084	3,609	35,693	4,412	-	40,105	40,417	
Leased equipment	2,873	323	3,196	395	-	3,591	1,561	
Supplies and materials	31,091	3,163	34,254	812	81	35,147	38,000	
Curriculum and classroom	67,721	6,698	74,419	-	-	74,419	138,125	
Donated goods	63,305	7,122	70,427	8,705	-	79,132	-	
Travel and conferences	11,144	1,109	12,253	73	-	12,326	8,379	
Insurance	22,910	2,578	25,488	3,150	-	28,638	26,996	
Postage and printing	1,152	130	1,282	144	14	1,440	3,041	
Technology and communications	12,563	1,413	13,976	1,727	-	15,703	19,207	
Dues and subscriptions	1,859	209	2,068	255	-	2,323	40	
Meals	2,038	202	2,240	-	-	2,240	19,784	
Student and staff recruiting	52,687	5,615	58,302	3,885	204	62,391	25,061	
Depreciation	40,607	4,568	45,175	5,584	-	50,759	34,671	
Facility	17,615	1,982	19,597	2,422	-	22,019	10,932	
Donations	1,972	222	2,194	271	-	2,465	-	
Miscellaneous	-	-	-	312	-	312	1,337	
Total	\$ 2,184,003	\$ 243,533	\$ 2,427,536	\$ 473,230	\$ 11,380	\$ 2,912,146	\$ 2,330,218	

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

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

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

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO THE BOARD OF TRUSTEES OF
MANHATTAN CHARTER SCHOOL

We have audited the financial statements of Manhattan Charter School ("the School") as of and for the years ended June 30, 2010 and 2009 and have issued our report thereon dated October 21, 2010. We conducted our audits 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 audits, we considered the School's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over financial reporting.

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

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

TO THE BOARD OF TRUSTEES
MANHATTAN CHARTER SCHOOL

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that were reported to the management of the School in a separate letter dated October 21, 2010.

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

Fruchter Rosen & Co P.C.

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

New York, New York
October 21, 2010

MANHATTAN CHARTER SCHOOL

MANAGEMENT LETTER

JUNE 30, 2010

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

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

October 21, 2010

Board of Trustees
Manhattan Charter School
100 Attorney Street
New York, N.Y. 10002

In planning and performing our audit of the financial statements of Manhattan Charter School ("The School") as of and for the year ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered the School's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

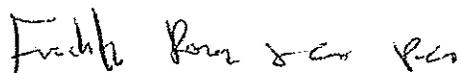
A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination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

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

Exhibits I and II that accompany this letter discusses the current year status of the prior year's observations and the corrective action taken on the prior year's observations. We determined that these observations do not constitute a significant deficiency or a material weakness. Management's responses to the observations have not been subjected to the auditing procedure applied in the audit of the financial statements and accordingly, we express no opinion on it.

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

Sincerely,



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

MANHATTAN CHARTER SCHOOL
MANAGEMENT LETTER
JUNE 30, 2010

EXHIBIT I - CORRECTIVE ACTION TAKEN DURING 2010 FOR
PRIOR YEAR OBSERVATIONS

A.	Capital Assets	1
B.	Insurance Coverage	2

MANHATTAN CHARTER SCHOOL
MANAGEMENT LETTER

EXHIBIT I - CORRECTIVE ACTIONS TAKEN FOR PRIOR YEAR OBSERVATIONS

A. CAPITAL ASSETS

Observation

The School maintains an inventory listing of property and equipment by room location. The inventory is identified, tagged and entered into a detailed fixed asset ledger. This fixed asset ledger appears incomplete and is missing the following information:

- Initial fixed asset purchase date and amount.
- Lack of a trail from the fixed asset ledger to the financial fixed assets register which is used as back up for the books and records of the School.

Recommendation

There should be a clear trail of tracing the capital asset from the ledger to the books and records of the School. On an annual basis, the School should take a physical inventory of all capital assets to ensure the completeness and accuracy of the School's records.

Management's Response

Management will confirm with the auditors the detailed steps to execute that ensure proper implementation of this recommendation.

Corrective Action Taken

The School has implemented the recommendation and has a complete inventory list of all of their capital assets. The inventory list details the items that are listed in the fixed asset ledger and depreciation schedule.

B. INSURANCE COVERAGE

Observation

We noted insurance coverage under employee dishonesty is limited to \$300,000. This coverage appears low based on current cash values; therefore we believe the School is under insured in regards to the above coverage.

Recommendation

We recommend an increase of coverage for employee dishonesty to an amount that covers maximum cash held by the school at any one time during the year. In addition, the School should periodically review insurance coverage to ensure proper and adequate means by which to preserve School assets.

Management's response

The School is in process of working with its insurance carrier to raise the limits of coverage for employee dishonesty from \$300,000 (an amount sufficient to cover the School's cash balance when it originally attained its insurance policies) to \$1 million, which should be sufficient to cover possible maximum cash balances in the foreseeable future. The insurance carrier has indicated that the cost to increase the coverage amount will not be unreasonable.

Corrective Actions Taken

The School has increased its employee dishonesty insurance coverage to \$1,250,000.

Section IV

**Disclosure of Financial Interest by a Charter School Trustee
Annual Report 2009-10**

Name (print): Paul O'Neill

Name of Charter School: Manhattan Charter School

Charter Entity: Chancellor/DOE

Home Address:

Business Address: Edison Schools 521 5th Avenue 11th Floor New York, NY 10175

Daytime Phone (914) 772-5528

E-Mail Address: poneill@manhattancharterschool.org

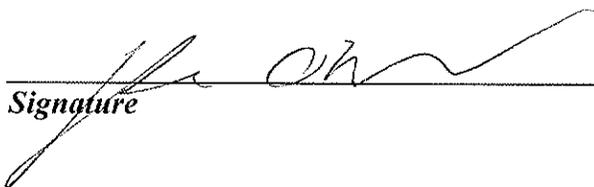
1. List all positions held on board (e.g., chair, treasurer, parent representative):
Board Chair, Member of the Nominating Committee, Strategy Committee
2. Is the trustee an employee of the School? ___Yes ___x___No
3. If you checked **Yes**, please provide a description of the position you hold and your responsibilities, your salary and your start date.
4. Is the trustee an employee or agent of the management company? ___Yes ___x___No
5. Is the trustee an employee or agent of any institutional partner of the School? ___Yes ___x___No

Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six month period prior to such service. If there has been no such financial interest or transaction, write **none**. Please note that if you answered **yes** to Question 2, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
NONE			

Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the School **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the School that is doing business with the School through a management or services agreement, you need not list every transaction between such organization and the School that is pursuant to such agreement. Instead, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **none**.

Organization Conducting Business with the School	Nature of Business Conducted	Approximate Value of the Business Conducted	Name of Trustee/ Immediate Family/Member of Household Holding an Interest in the Organization Conducting Business with the School and the Nature of the Interest
NONE			



Signature

11/1/10

Date

Section IV

**Disclosure of Financial Interest by a Charter School Trustee
Annual Report 2009-10**

Name (print): Jessica Aronin

Name of Charter School: Manhattan Charter School

Charter Entity: Chancellor/DOE

Home Address: 245 East 63rd Street, 21C New York, NY 10065

Business Address:

Daytime Phone 646-315-2552

E-Mail Address: jaronin@manhattancharterschool.org

1. List all positions held on board (e.g., chair, treasurer, parent representative):
Member of the Strategy Committee
2. Is the trustee an employee of the School? ___ Yes No
3. If you checked Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.
4. Is the trustee an employee or agent of the management company? ___ Yes No
5. Is the trustee an employee or agent of any institutional partner of the School? ___ Yes No

Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six month period prior to such service. If there has been no such financial interest or transaction, write **none**. Please note that if you answered **yes** to Question 2, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
NONE			

Section IV

**Disclosure of Financial Interest by a Charter School Trustee
Annual Report 2009-10**

Name (print): Susan Miller Barker

Name of Charter School: Manhattan Charter School

Charter Entity: Chancellor/DOE

Home Address:

Business Address: Vice President for Research & Evaluation National Association of Charter School Authorizers 278 State Street Albany, NY 12210

Daytime Phone (518) 488-7595

E-Mail Address: sbarker@manhattancharterschool.org

1. List all positions held on board (e.g., chair, treasurer, parent representative):
Member of the Education Committee
2. Is the trustee an employee of the School? ___ **Yes** **No**
3. If you checked **Yes**, please provide a description of the position you hold and your responsibilities, your salary and your start date.
4. Is the trustee an employee or agent of the management company? ___ **Yes** **No**
5. Is the trustee an employee or agent of any institutional partner of the School? ___ **Yes** **No**

Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six month period prior to such service. If there has been no such financial interest or transaction, write **none**. Please note that if you answered **yes** to Question 2, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
NONE			

Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the School **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the School that is doing business with the School through a management or services agreement, you need not list every transaction between such organization and the School that is pursuant to such agreement. Instead, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **none**.

Organization Conducting Business with the School	Nature of Business Conducted	Approximate Value of the Business Conducted	Name of Trustee/ Immediate Family/Member of Household Holding an Interest in the Organization Conducting Business with the School and the Nature of the Interest
NONE			



10.22.10

Section IV

**Disclosure of Financial Interest by a Charter School Trustee
Annual Report 2009-10**

Name (print): Benjamin Breen

Name of Charter School: Manhattan Charter School

Charter Entity: Chancellor/DOE

Home Address: The Osborne 205 West 57th St Apt. 3C New York, NY 10019

Business Address:

Daytime Phone 917-613-5611

E-Mail Address: bbreen@manhattancharterschool.org

1. List all positions held on board (e.g., chair, treasurer, parent representative):
2. Is the trustee an employee of the School? ____ **Yes** **No**
3. If you checked **Yes**, please provide a description of the position you hold and your responsibilities, your salary and your start date.
4. Is the trustee an employee or agent of the management company? ____ **Yes** **No**
5. Is the trustee an employee or agent of any institutional partner of the School? ___ **Yes**
 No

Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six month period prior to such service. If there has been no such financial interest or transaction, write **none**. Please note that if you answered **yes** to Question 2, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
NONE			

Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the School **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the School that is doing business with the School through a management or services agreement, you need not list every transaction between such organization and the School that is pursuant to such agreement. Instead, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **none**.

Organization Conducting Business with the School	Nature of Business Conducted	Approximate Value of the Business Conducted	Name of Trustee/ Immediate Family/Member of Household Holding an Interest in the Organization Conducting Business with the School and the Nature of the Interest
<p>NONE</p>			

Signature _____

Date 10/22/10

Section IV

**Disclosure of Financial Interest by a Charter School Trustee
Annual Report 2009-10**

Name (print): William Colavito

Name of Charter School: Manhattan Charter School

Charter Entity: Chancellor/DOE

Home Address:

Business Address: CEI-PEA 28 W. 44th Street, Suite 300, New York, NY 10036

Daytime Phone (914) 548-2440

E-Mail Address: wcolavito@manhattancharterschool.org

1. List all positions held on board (e.g., chair, treasurer, parent representative):
Head of the Education Committee
2. Is the trustee an employee of the School? ____Yes No
3. If you checked **Yes**, please provide a description of the position you hold and your responsibilities, your salary and your start date.
4. Is the trustee an employee or agent of the management company? ____Yes No
5. Is the trustee an employee or agent of any institutional partner of the School? __Yes
No

Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six month period prior to such service. If there has been no such financial interest or transaction, write **none**. Please note that if you answered **yes** to Question 2, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
NONE			

Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the School **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the School that is doing business with the School through a management or services agreement, you need not list every transaction between such organization and the School that is pursuant to such agreement. Instead, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **none**.

Organization Conducting Business with the School	Nature of Business Conducted	Approximate Value of the Business Conducted	Name of Trustee/ Immediate Family/Member of Household Holding an Interest in the Organization Conducting Business with the School and the Nature of the Interest
NONE			



Signature

10/22/10

Date

Section IV

**Disclosure of Financial Interest by a Charter School Trustee
Annual Report 2009-10**

Name (print): Joy Elaine Daley

Name of Charter School: Manhattan Charter School

Charter Entity: Chancellor/DOE

Home Address: Highland Estates 37 Ramona Road Newburgh, NY 12550

Business Address: same as above

Daytime Phone (845) 566-6677

E-Mail Address: jdaley@manhattancharterschool.org

1. List all positions held on board (e.g., chair, treasurer, parent representative):
Member of Education Committee
2. Is the trustee an employee of the School? ___Yes No
3. If you checked **Yes**, please provide a description of the position you hold and your responsibilities, your salary and your start date.
4. Is the trustee an employee or agent of the management company? ___Yes No
5. Is the trustee an employee or agent of any institutional partner of the School? ___Yes No

Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six month period prior to such service. If there has been no such financial interest or transaction, write **none**. Please note that if you answered **yes** to Question 2, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
NONE			

Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the School **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the School that is doing business with the School through a management or services agreement, you need not list every transaction between such organization and the School that is pursuant to such agreement. Instead, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **none**.

Organization Conducting Business with the School	Nature of Business Conducted	Approximate Value of the Business Conducted	Name of Trustee/ Immediate Family/Member of Household Holding an Interest in the Organization Conducting Business with the School and the Nature of the Interest
NONE			



Signature

October 14, 2010

Date

Section IV

**Disclosure of Financial Interest by a Charter School Trustee
Annual Report 2009-10**

Name (print): Derri Gantt

Name of Charter School: Manhattan Charter School

Charter Entity: Chancellor/DOE

Home Address: 35-35 100th St Corona, NY 11368

Business Address: Linklaters 1345 Avenue of the Americas 22nd Floor New York, NY

Daytime Phone (646) 321-5818

E-Mail Address: dgantt@manhattancharterschool.org

1. List all positions held on board (e.g., chair, treasurer, parent representative):
Parent Representative

2. Is the trustee an employee of the School? Yes No

3. If you checked Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.

4. Is the trustee an employee or agent of the management company? Yes No

5. Is the trustee an employee or agent of any institutional partner of the School? Yes No

Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six month period prior to such service. If there has been no such financial interest or transaction, write **none**. Please note that if you answered **yes** to Question 2, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
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Organization Conducting Business with the School	Nature of Business Conducted	Approximate Value of the Business Conducted	Name of Trustee/ Immediate Family/Member of Household Holding an Interest in the Organization Conducting Business with the School and the Nature of the Interest
NONE			

Dess' Lenth

Signature

10/19/10

Date

Section IV

**Disclosure of Financial Interest by a Charter School Trustee
Annual Report 2009-10**

Name (print): Ira Greenberg

Name of Charter School: Manhattan Charter School

Charter Entity: Chancellor/DOE

Home Address: 25 Waterside Plaza Apt AA New York, NY 10010

Business Address: NorthWinds Advisors 950 Third Avenue, Suite 2300 New York, NY 10022

Daytime Phone (212) 329-2664

E-Mail Address: igreenberg@manhattancharterschool.org

1. List all positions held on board (e.g., chair, treasurer, parent representative):
Head of the Finance Committee
2. Is the trustee an employee of the School? ___Yes ___x___No
3. If you checked **Yes**, please provide a description of the position you hold and your responsibilities, your salary and your start date.
4. Is the trustee an employee or agent of the management company? ___Yes ___x___No
5. Is the trustee an employee or agent of any institutional partner of the School? ___Yes
x___No

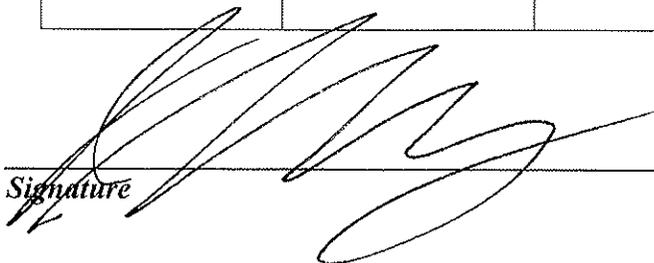
Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six month period prior to such service. If there has been no such financial interest or transaction, write **none**. Please note that if you answered **yes** to Question 2, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
NONE			

Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the School **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the School that is doing business with the School through a management or services agreement, you need not list every transaction between such organization and the School that is pursuant to such agreement. Instead, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **none**.

Organization Conducting Business with the School	Nature of Business Conducted	Approximate Value of the Business Conducted	Name of Trustee/ Immediate Family/Member of Household Holding an Interest in the Organization Conducting Business with the School and the Nature of the Interest
NONE			

Signature _____



Date 10/18/10

Section IV

**Disclosure of Financial Interest by a Charter School Trustee
Annual Report 2009-10**

Name (print): Rick Larios

Name of Charter School: Manhattan Charter School

Charter Entity: Chancellor/DOE

Home Address: 1369 East 19th Street, Brooklyn, New York 11230

Business Address: EdisonLearning, 485 Lexington Avenue, New York, NY 10017

Daytime Phone (718) 336-5441

E-Mail Address: rlarios@manhattancharterschool.org

1. List all positions held on board (e.g., chair, treasurer, parent representative):
Member of the Education Committee, Finance Committee
2. Is the trustee an employee of the School? ___ Yes No
3. If you checked Yes, please provide a description of the position you hold and your responsibilities, your salary and your start date.
4. Is the trustee an employee or agent of the management company? ___ Yes No
5. Is the trustee an employee or agent of any institutional partner of the School? ___ Yes No

Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six month period prior to such service. If there has been no such financial interest or transaction, write **none**. Please note that if you answered **yes** to Question 2, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
NONE			

Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the School **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the School that is doing business with the School through a management or services agreement, you need not list every transaction between such organization and the School that is pursuant to such agreement. Instead, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **none**.

Organization Conducting Business with the School	Nature of Business Conducted	Approximate Value of the Business Conducted	Name of Trustee/ Immediate Family/Member of Household Holding an Interest in the Organization Conducting Business with the School and the Nature of the Interest
NONE			

Richard Lewis
Signature

10/22/10
Date

Section IV

**Disclosure of Financial Interest by a Charter School Trustee
Annual Report 2009-10**

Name (print): Michelle Lewis

Name of Charter School: Manhattan Charter School

Charter Entity: Chancellor/DOE

Home Address: 1332 Indiana Ave., South Pasadena, CA 91030

Business Address: Advent Software 1114 Avenue of the Americas, 33rd Floor, New York, NY 10110

Daytime Phone (917) 656-2982

E-Mail Address: mlewis@manhattancharterschool.org

1. List all positions held on board (e.g., chair, treasurer, parent representative):
Member of the Finance Committee, Strategy Committee
2. Is the trustee an employee of the School? ___ **Yes** **No**
3. If you checked **Yes**, please provide a description of the position you hold and your responsibilities, your salary and your start date.
4. Is the trustee an employee or agent of the management company? ___ **Yes** **No**
5. Is the trustee an employee or agent of any institutional partner of the School? ___ **Yes** **No**

Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six month period prior to such service. If there has been no such financial interest or transaction, write **none**. Please note that if you answered **yes** to Question 2, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
NONE			

Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the School **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the School that is doing business with the School through a management or services agreement, you need not list every transaction between such organization and the School that is pursuant to such agreement. Instead, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **none**.

Organization Conducting Business with the School	Nature of Business Conducted	Approximate Value of the Business Conducted	Name of Trustee/ Immediate Family/Member of Household Holding an Interest in the Organization Conducting Business with the School and the Nature of the Interest
NONE			



 Signature MICHELLE LEWIS

10/22/2010

 Date

Section IV

**Disclosure of Financial Interest by a Charter School Trustee
Annual Report 2009-10**

Name (print): Sonia Park

Name of Charter School: Manhattan Charter School

Charter Entity: Chancellor/DOE

Home Address: PO Box 24134 Brooklyn, NY 11202-4134

Business Address: PO Box 24134 Brooklyn, NY 11202-4134

Daytime Phone (917) 554 3102

E-Mail Address: spark@manhattancharterschool.org

1. List all positions held on board (e.g., chair, treasurer, parent representative):
Member of the Nominating Committee, Strategy Committee, Parent Representative
2. Is the trustee an employee of the School? ____ **Yes** **No**
3. If you checked **Yes**, please provide a description of the position you hold and your responsibilities, your salary and your start date.
4. Is the trustee an employee or agent of the management company? ____ **Yes** **No**
5. Is the trustee an employee or agent of any institutional partner of the School? __ **Yes**
 No

Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school during the time you have served on the board, and in the six month period prior to such service. If there has been no such financial interest or transaction, write **none**. Please note that if you answered **yes** to Question 2, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
NONE			

Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the School **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member or person living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the School that is doing business with the School through a management or services agreement, you need not list every transaction between such organization and the School that is pursuant to such agreement. Instead, please identify only the name of the organization, your position in the organization as well as the relationship between such organization and the school. If there was no financial interest, write **none**.

Organization Conducting Business with the School	Nature of Business Conducted	Approximate Value of the Business Conducted	Name of Trustee/ Immediate Family/Member of Household Holding an Interest in the Organization Conducting Business with the School and the Nature of the Interest
NONE			

Signature

October 14, 2010

Date