

# **East Side Charter School**

2401 Thatcher Street  
Wilmington, Delaware 19802

OCT 15 2004

## **Second Five Year Renewal Application October 15, 2004**



**Will Robinson  
Executive Director**

**Don DeWees, Jr.  
Board Chair**



**DELAWARE DEPARTMENT OF EDUCATION**  
**APPLICATION FORM FOR RENEWAL OF A CHARTER**  
**OF A STATE APPROVED CHARTER SCHOOL**

**For Renewal Reviews to be Conducted in Fall 2004**

East Side Charter School  
Name of School

Donald C. Dewees, Jr.  
Name of the Chairperson of the Board

2401 Thatcher Street  
Wilmington, Delaware 19802  
Mailing Address of the Chair  
of the Board of Directors

Initial Opening Date  
September 1997

302-421-8270  
Telephone Number of the Chair  
of the Board of Directors

302-421-8276  
Fax Number of the Chair of the Board

K-6  
Current Approved Grades for School

List the proposed enrollments and grade configurations for each year of the proposed renewal term.

First Renewal Year Enrollment	<u>K-7</u> Grades	<u>216</u> Total Number to be Enrolled
Second Renewal Year Enrollment	<u>K-8</u> Grades	<u>270</u> Total Number to be Enrolled
Third Renewal Year Enrollment	<u>K-8</u> Grades	<u>306</u> Total Number to be Enrolled
Fourth Renewal Year Enrollment	<u>K-8</u> Grades	<u>342</u> Total Number to be Enrolled
Fifth Renewal Year Enrollment	<u>K-8</u> Grades	<u>378</u> Total Number to be Enrolled

Note: If this application is approved by the Department of Education and State Board of Education, with or without amendments, the final approved application and any amendments and conditions will serve as the approved charter for the school. A charter cannot be modified without the approval of the Secretary of Education with the consent of the State Board of Education (see 14 DE Admin Code, Section 275 in the Regulations of the Department of Education, Section 3.2).

## Enrollment Breakdown by Grades

List the enrollment per grade for each of the five years of the proposed renewal term.

**First Renewal Year Enrollment**

Grade	Number
K	54
1	36
2	36
3	18
4	18
5	18
6	18
7	18
8	0
<b>Total 1<sup>st</sup> Renewal Year Enrollment</b>	216

**Second Renewal Year Enrollment**

Grade	Number
K	54
1	54
2	36
3	36
4	18
5	18
6	18
7	18
8	18
<b>Total 2<sup>nd</sup> Renewal Year Enrollment</b>	270

**Third Year Enrollment**

Grade	Number
K	54
1	54
2	54
3	36
4	36
5	18
6	18
7	18
8	18
<b>Total 3<sup>rd</sup> Renewal Year Enrollment</b>	306

**Fourth Renewal Year Enrollment**

Grade	Number
K	54
1	54
2	54
3	54
4	36
5	36
6	18
7	18
8	18
<b>Total 4<sup>th</sup> Renewal Year Enrollment</b>	342

**Fifth Renewal Year Enrollment**

Grade	Number
K	54
1	54
2	54
3	54
4	54
5	36
6	36
7	18
8	18
<b>Total 5<sup>th</sup> Renewal Year Enrollment</b>	378

## Introduction

This document contains the charter renewal application form, which is one component of a package that will be reviewed by the Department of Education Charter School Accountability Committee. The complete package will include the most recent Annual School Report, the signed Performance Agreement, records of audits and site monitoring visits, surveys from parents and others, relevant correspondence and reports, and other relevant documents. In responding to the topics and questions in the renewal application, the applicant must address specific sections of **14 DE Admin Code, Section 275 in the Regulations of the Department of Education (Regulation 275)**, which was initially adopted in August 2002.

The *Application for Renewal* form consists of two parts. In order for a State approved charter school to have its charter renewed, it must:

- 1) Demonstrate that it has met, in a satisfactory manner, the approval criteria listed in **14 Delaware Code, Section 512 (1-14)**, other requirements specified in **14 Delaware Code, Chapter 5**, and the terms of its approved charter. Part I of this application form is to be used to report the charter school's accomplishments in meeting these criteria and the terms of its charter.
  
- 2) Have a satisfactory plan to meet the criteria in **14 Delaware Code, Section 512 (1-14)**, other requirements specified in **14 Delaware Code, Chapter 5**, and the **Regulation 275**. Part II of the application form is to be used to describe the charter school's plan for meeting these criteria, and **Regulation 275** during the proposed renewal term.

## APPLICATION NARRATIVE

### Part I: Demonstration of Success

#### Report on the Performance of the School During the Current Charter Term

##### Overview

*As an introduction, describe the school in one page including the grades served over the current charter term, target population, school enrollment, student/teacher ratio, location, founding group, the need the charter school was intended to address and how the school has addressed this need, the school's mission, the school's focus or unique educational approach, and any other information that will provide a context for the remaining narrative. Briefly describe the major accomplishments of the school over the current term of the charter.*

East Side Charter School is located at 2401 North Thatcher Street, in the heart of East Wilmington's East Lake community. The area is also called "the bucket", named for the shape of the housing project known for its crack cocaine activity. The school started in a former community center building and now occupies three buildings on the property leased from the Wilmington Housing Authority who was the initial founding organization. Bulldozers and construction vehicles currently surround the school, evidence of urban renewal that is transforming 250 low-income homes into 160 new houses. The school has nine classrooms plus a large multi-purpose room that has been converted into a kindergarten readiness classroom using a divider, providing a total of 10 classroom spaces in 6,000 square feet. We serve 144 students in Kindergarten through grade 6 with an average teacher to student ratio of 1:16, one of the keys to our success.

East Side Charter is a tax-exempt 501(c)(3) public charter school whose chosen location is an economically deprived neighborhood. The school was started by a founding board lead by WHA, as a mechanism to provide superior education for children of need and who are "culturally, economically and socially at risk." Our mission is to educate children in a safe, caring and nurturing environment so they will excel academically and socially. A Board of Directors elected from the local community and surrounding area now governs the school.

We know that on average our chosen population is a little tougher than most but we have put together a system that will assure that we meet our goals. The school also agreed to include a variety of supports to help it meet its goals. These included a research-based academic program that also meets State Standards, intense and continuous teacher training, computers for instruction and management, a reading specialist, a tutoring program (including Saturdays), an after school program, mentoring program, field trips, parent involvement pledges, parent programs, child care with educational component, counseling, conflict resolution training, uniforms, a parent handbook and student code of conduct, and an extended year that goes until July 31.

In 2000, the Delaware Department of Education renewed the charter for five years. The school expanded to grade 4 in 2001, grade 5 in 2002 and grade 6 in 2003. East Side Charter School agreed to demonstrate that the students consistently increase in academic achievement, however, with the adoption of the Delaware State Testing Program (DSTP), that assessment became the benchmark to judge the students' progress. The school also agreed to annually administer the Comprehensive Test of Basic Skills (CTBS). Our major

achievement during our first two chartering periods include having our students testing above average in reading, math, and writing several times during those seven years. Our school has been rated commendable during the first accountability ratings and superior during the second. We have received two national awards, the Distinguished Title I Award in 2000 and SRA Pride Award in 2004. One of our teachers has won ING's Unsung hero award and we have won a greenhouse as national garden grand prize.

**Specific Areas to Address**

Address each of the following areas:

**a) Qualifications of the Applicant (Regulation 275, Section 4.1)**

*List the current members of the board of directors and identify which are certified teacher(s) employed at the school and which are parent(s) of a student(s) currently enrolled at the school. Describe the management structure of the school and the division of responsibility between the staff and the board of directors.*

**The Board of Directors**

John Austin	Delaware State University
Sister Jeanne Cashman	Sojourner's Place
A Kimberly Brosseit	Attorney
Sharon Baptiste Brown	East Side Parent
Christine Chaney-SECRETARY	East Side Teacher
Thomas DeSanto	Aloyisus, Butler , and Clark Advertising Agency
Donald DeWees, Jr.	DeWees Investment Consulting Group
Richard DiSabatino	Vice President EdiS Construction Company
Audrey Helfman-TREASURER	University of Delaware
Jeffrey W. Mitchell, Jr.	The Siegfried Group of Wilmington
Saundra Peterson	HSBC Bank USA
Edward A. Reznick	CEO-Deutsche Bank Trust Company
Pricilla Rakestraw	Delaware GOP National Chairwoman
Laurissa Schutt	
Jocelyn Stewart	Juniper Bank
Cark Schnee, Esquire	Partner Bifferatto, Zbifferato & Gentilotti
Craig Washington	Bancroft Construction, Company
Peter Wenigmann- ACTING CHAIR	Head of Friends Lower School

The structure of the school is centered around open communication between the staff administration and board. The executive director is responsible for the day-to-day operation of the school. The board's overall duties include approving policies and budgets of the school, reviewing the performance of the director, soliciting additional funding for the school, advising on student/staff/school related matters as needed, managing directly the property and business of the Corporation, execute all contracts, agreements, deeds, bonds, mortgages and other obligations and instruments, in the name of the Corporation and affix the corporate seal thereto when needed.

*Describe any partnership arrangements with existing schools, educational programs, businesses, non-profit organizations, or any other entities or groups. If there are management agreement(s) or contract(s) with a company or other entity to operate the school or provide specific educational services, attach a copy of the agreement(s) or contract(s).*

Although no formal agreement s has been made except with Creative Mentoring. We have several informal relationships with several schools. These include the Wilmington Friends

School and Wilmington Charter School whereas students tutor our students. East Side maintains its independence form management companies.

*Describe how the Board of Directors and administrators employed at the school meet each of the requirements specified in Regulation 275, Section 4.1.*

The collective board has experience in all areas suggested in Section 4.1. Our board has a teacher and a parent, several educators, several lawyers, several accountants, several bankers, two construction managers, and two college educators. Each is committed to assure that our curriculum and instructional strategies are implemented to reach all children. The board is committee to diversity both on the board and in the classroom and seeks to assure equality to all students and staff.

*List each employee at the school, including job title, and brief descriptions of duties. Describe the certification status of each teacher at the school.*

Employee	Job Title	Status	Duties
Will Robinson	Executive Director	Certified	Chief Administrator
Dion Harris	Administrative Assistant		Business Mgr
Pamela Thomas	Administrative Assistant		Secretarial / Lunch
Howard Payton	Fund Development		Fund Development
Ralph Degrasa	Kindergarten	Certified	All Subjects
Christopher Romano	Kindergarten	Certified	All Subjects
Bernard Sewell	First Grade	Certified	All Subjects
Mike Fobes	First Grade	Certified	All Subjects
Renita Maldonado	Second Grade		All Subjects
Christine Chaney	Third Grade	Certified	All Subjects
Stephanie Farris	Fourth Grade		All Subjects
Mickey Collins	Fifth Grade		All Subjects
Sheila Green	Sixth Grade		All Subjects
Louis Duker	Custodian		Custodial Repairs
Geraldine Anderson	Nurse	Certified	Nursing
Sonia Hernandez	Aide		Lunch classroom

**b) Educational Program (Regulation 275, Section 4.3)**

*Describe in the application and attach a complete copy of the current scope and sequence of the school's curriculum including the major units of instruction covered in each content area in each grade in which the school provides instruction. If the school offers courses at grades 9-12, list each of the courses the school currently offers at those grades and identify the requirements for promotion and graduation.*

**General Curriculum Design**

We adopted the Direct Instruction Curriculum that gave us the needed structure that we needed for our students. Direct Instruction has a lengthy and rich base of empirical research. Not only is there a great deal of strong research on this approach, but there are many studies



with similar findings, which raises confidence in the results. Further, of the 14 studies that used rigorous methodologies, independent researchers conducted five.

Overall, there is strong evidence that Direct Instruction has a positive effect on student achievement. Adams and Engelmann's analysis (1996) showed that 32 of the 34 studies qualifying for inclusion in their meta-analysis demonstrate that Direct Instruction has a positive effect on student achievement. Their review found that Direct Instruction is effective in improving overall achievement, as well as achievement in language, reading, mathematics, spelling, health, and science. Several other studies, moreover, confirm and reinforce these findings. Of those studies reviewed for this profile, seven support Direct Instruction's positive effect on reading, 11 on mathematics, nine on language, and four on affective behavior and social skills. Direct Instruction also appears to improve chances for later success (e.g., graduation rates, application and acceptance to college rates). Research also suggests that students who begin Direct Instruction with low IQs seem to progress at the same rate as students who begin Direct Instruction with higher IQs (i.e., the approach is effective for both high- and low-achieving students).

Two studies investigated the relationship between the level of implementation of Direct Instruction and student performance on standardized tests. Using the Direct Instruction Supervision Code (DISC), these studies found a positive relationship between teacher ratings (i.e., level of implementation in a classroom) and student performance on standardized achievement measures (e.g., the Comprehensive Test of Basic Skills reading assessment). However, the relationship varied depending on the component of the Direct Instruction approach being measured (e.g., pacing, format, correcting students).

Direct Instruction also appears to improve students' affective behavior and social skills: self-esteem/concept, attitudes toward self and school, attribution of success or failure to self or outside, and sense of responsibility.

Our own research shows that student achievement is beginning to go up at the school as we began to implement Direct Instruction on a small scale. The present Director has had four years experience using the programs and provides on-site coaching and training. Teacher confidence and school atmosphere also showed a marked improvement.

The results of Direct Instruction are in line with our vision to have our students be able to achieve in a global society. The programs not only have shown to produce good students academically but also socially. This supports our overall school improvement plans.

In addition we began to implement the Core Knowledge Curriculum, which is predicated on learning being built on learning. Children gain new knowledge only by building on what they already know. There is growing research showing that schools integrating Core Knowledge with Reading Mastery are making fantastic strides in academic achievement. We believe that we can duplicate that success. As we approach the 7<sup>th</sup> and 8<sup>th</sup> grades core knowledge will drive the curriculum with students having amassed prior knowledge to move on to higher level achievement.

The scope and sequence of the programs used are shown below. Our basic curricula include Language for Learning for kindergarten, Reasoning and Writing for grades 1-5, and Writing for Language for grade 6. The reading program for kindergarten through 6 is Direct Instruction, the Math program is Connecting Math, the spelling program is Spelling Mastery, and the basic

science program in SRA Science. We use the state suggested HealthTeacher curriculum to supplement the science curriculum. The Core Knowledge Curriculum supplements all of our programs and is intended to supplant them by the 7<sup>th</sup> grade. All are in line with the state standards

### **Language for Learning**

*Language for Learning* is a comprehensive oral language program that teaches essential concepts and skills that children need to succeed in school. The program provides carefully sequenced lessons to help students:

- Learn vocabulary commonly used by teachers, as well as by textbooks and other instructional material
- Develop precise knowledge of "little," but important, words such as first, next, between, who, what, and where.
- Use different sentence forms, ask and answer questions, and follow instructions
- Acquire important background information and world-knowledge, such as days of the week, months, and seasons
- Figure out the logical aspects of language, such as classification and "if-then" reasoning

### **Features:**

- Thinking and Understanding are part of every lesson
- Carefully orchestrated lessons teach the language of classroom instruction
- Provides the building blocks for verbal and reading comprehension
- Opportunity for both group and individual practice of the content of the exercise
- A continuous integration and review of all the concepts and skills
- Original stories and poems to be read to the students
- Placement Test and 15 Program Assessments ensure that children are working on concepts appropriate for their ability

### ***Reading Mastery gives every student the opportunity for reading success.***

During its 30 years in the classroom, *Reading Mastery* has helped thousands of students develop into fluent, independent readers. *Reading Mastery* approaches reading instruction in a clear, straightforward fashion.

***Reading Mastery I*** teaches basic decoding and comprehension skills. Intensive, explicit phonics instruction helps beginning readers master letter sounds, begin to sound out words, and use these words immediately as they read stories. In *Level I*:

- Segmentation and blending establish a strong base for teaching decoding.
- A special alphabet and careful sequencing minimize confusion between letters.
- Decodable stories develop fluency and confidence.

- Literal comprehension skills build a foundation for understanding.

**Reading Mastery II** expands basic reading skills developed in *Level I*. Strategies for decoding difficult words and answering interpretive comprehension questions are introduced. In *Level II*:

- The special alphabet is replaced with traditional orthography.
- Accuracy and fluency are stressed.
- Basic reasoning skills such as drawing conclusions, applying rules, and completing deductions are emphasized.
- The accelerated pace is appropriate for above-average beginners in Grades K or 1
- It is also appropriate for children in Grades 2-3 who have poorly developed decoding skills.

**Reading Mastery III** focuses on the development of reasoning skills, building background knowledge, and higher order comprehension skills. Facts and concepts about history, geography, science, and social studies are taught as students read expository articles. These facts are then integrated into fictional stories and reviewed and applied in written work and special projects. Students learn to:

- Read to acquire new information
- Remember, retrieve, and use this information
- Infer, predict, conclude, and how to use these skills in reading comprehension and writing

**Reading Mastery IV** continues to stress reasoning and reference skills and the development of higher-level comprehension skills. Diverse cross-curricular content adds to the students' growing body of knowledge. Materials are organized so that students have the opportunity to use this knowledge in varied contexts over time. Students learn to:

- Read to glean new information and new ideas from realistic fiction, fantasy, and nonfiction selections
- Make inferences easily and connect what they read to the knowledge they already possess
- Evaluate problems and solutions
- Use their growing skills to complete special projects independently

**Reading Mastery V** focuses on building students' appreciation and understanding of literature. Literary language and analysis, reasoning strategies, and extended writing are incorporated with story selections. Students:

- Learn to think critically and analyze characters, plots, themes and settings
- Develop outlines and interpret reference materials
- Write, revise, and share their work through daily writing activities that focus on topics related to the reading selections

**Reading Mastery VI** helps students gain insight into literary language and a variety of literary legies. Students learn to:

- Interpret complex sentence forms and figurative language
- Recognize literary irony and identify contradictions
- Write rebuttals of faulty arguments
- Edit and share their original stories and poems

**Features:**

- Skills are broken down into easy-to-conquer subskills that are taught to 100% mastery
- Every lesson is prepared, ensuring that no building block is missed
- No skill is taught as an isolated unit
- Every activity is fully integrated
- Brisk pacing and instant feedback keep students actively engaged in the learning process

### Connecting Math Concepts

**Grade Levels K - 8**

This highly successful program makes it easier than ever to teach students to become capable problem solvers, able to think and communicate mathematically. Through a unique pedagogical approach, *Connecting Math Concepts* provides a thorough understanding of basic skills, shows how mathematical concepts are linked together, and builds sophisticated problem-solving strategies.

With *Connecting Math Concepts*, all concepts are learned and assimilated through use. New concepts are presented incrementally and extended into subsequent lessons. Students move forward in small steps, learning and applying many topics in each lesson. Students learn in less time, remember more, and develop a depth of understanding needed for advanced mathematics.

**Features:**

- Teaches every student to discover and use math patterns
- Ideas are introduced at a carefully controlled rate with systematic, continuous review.
- Takes the mystery out of story problems

**Spelling Mastery**

**Grade Levels 1 - 6**

The straightforward lessons in *Spelling Mastery* will enable our students to build reliable spelling strategies and give all of them the skills needed to spell thousands of words in just 15 to 20 minutes each day. *Spelling Mastery* focuses squarely on spelling, interweaving three spelling strategies to maximize students' skill development:

The **phonemic strategy** helps young learners to:

- Use sound-symbol correspondence as a foundation for spelling

- Generalize the spelling of many words and word parts that follow in regular patterns

The **morphemic strategy** teaches more advanced students to:

- Spell meaningful prefixes, suffixes, and word bases
- Combine words and word parts to spell multisyllabic words using a small number of reliable rules

The **whole-word** approach helps students at all levels to:

- Spell common, high-frequency words which are irregular in their letter sounds
- Commit these potentially troublesome words to memory

**Features:**

- Concentrated strategy instruction enables students to learn to spell far more words than traditional programs even attempt
- Careful teaching of reliable rules and their applications reduces the number of words students must memorize
- On-going, cumulative review of every skill, pattern, and rule ensures long-term retention
- Writing and proofreading activities connect spelling with composition
- Fully-scripted lessons with built-in correction procedures reduce the need for planning and checking papers

**Writing and Language Arts (Grades 6)**

**Grade Levels 1 - 6**

This program offers a teacher-directed and systematic style with explicit teaching philosophy while addressing skills that students need to improve writing and language arts proficiency test and standardized assessment scores.

*SRA Writing and Language Arts* teaches students to write effectively in each of the fundamental forms of writing through step-by-step instruction and models. This distinctive new program thoroughly covers the writing process from prewriting to publishing, the six traits of writing (ideas, organizations, word choice, sentence fluency, voice, and conventions), and language arts skills such as vocabulary, spelling, grammar, usage, and mechanics. *SRA Writing and Language Arts* teaches these specific skills simultaneously rather than in isolation to help students connect ideas and apply the skills in a writing context. Additionally, writing rubrics provide clear and specific vital feedback that targets areas for improvement.

**Features:**

- Systematic and explicit instruction, models, and practice in many forms of authentic writing prepare students to write in any situation, including proficiency tests.
- The incorporation of educational research and explicit teaching strategies shown to

develop writing proficiency ensures that students get effective, efficient instruction

- Assessment rubrics focus on important writing elements and make assessment easy, effective, and instructional
- Lessons develop language arts skills, the writing process, and traits of writing in unison rather than in isolation, and both teaches and provides practice for both composition and language arts skills
- Easily adapted to fit many types of language arts curriculum models, these comprehensive writing activities offer the flexibility teachers need to meet various language arts curriculum standards.

### **High-Performance Writing (Grades 3, 5 and 8)**

#### **Grade Levels 1 - 6**

*High-Performance Writing* is a comprehensive resource that gives our teachers ways to get students writing right away. The lesson plans that make up each unit are based on key traits of effective writing and provide

- Instructional practices substantiated by research
- Explicit strategies for writing
- Clear procedures for implementing those strategies
- Detailed scoring rubrics to help you assess writing objectively
- Skill instruction at points when students will use the skill in their writing
- Instruction in basic grammar and language usage
- Practice in demand-writing to develop fluency and expression
- Processes that help children produce pieces that are polished, expansive, expressive

Using the direct-instruction method, *High-Performance Writing* addresses the writing instruction needs of all students including special education and ESL students. Each unit follows a sequence of instruction and contains a complete sequence of activities to achieve a particular piece of writing.

#### **Features:**

- **Units built around specific topics** address the writing genres frequently identified in state frameworks, allowing us to target grade-appropriate writing skills.
- **Straightforward lessons** provide the scaffolding students need to internalize the writing process and emerge as independent writers.
- **Writing and revising strategies** help students incorporate the six traits of effective writing.

#### **Grade Levels K - 6**

*SRA Real Science* meets national science standards with exciting multimedia lessons and uses a mixture of sight, sound, and activity to bring science to life for your students, regardless of their reading performance. Students get a media-enhanced presentation of essential science knowledge, vocabulary, and hands-on experiences in life, Earth, physical, and health sciences. It is a robust yet straightforward program that does not expect you to be a science expert. It's specifically designed for teachers with varying degrees of science background. It's a scientific success for everyone!

The program gives elementary students a solid foundation of knowledge about life, Earth, physical, and health science. At the same time, students master the scientific thinking processes necessary to solve problems. And this program was designed for today's classrooms. It is a practical choice that works well in classrooms where time constraints are a reality.

**Features:**

- An exclusive and proven **See-First Strategy** uses a combination of video and activities – created specifically for the program – to introduce each lesson.
- **Clear Path Lesson Plans** designed to eliminate multiple, confusing options for today's time-pressured teachers. **Student Editions** designed to present no-nonsense science content through text, charts, graphs, and rich illustrations and photographs.
- A variety of **Hands-On Activities** encourage inquiry and challenge students to observe, record, measure, and experiment.
- Modeled after the *SRA Reading Laboratory* the **Science Connection Center** is a collection of activity cards, reading passages, and answer cards designed to encourage self-directed exploration and learning.
- The **Deluxe Equipment Kits** include the **Equipment Kit** for the selected grade level, plus the corresponding **Science Connection Center**. Available for each grade level.

**Core Knowledge at a Glance: Major Topic Headings, K-2**

	<b>Kindergarten</b>	<b>First Grade</b>	<b>Second Grade</b>
<b>Language Art/English</b>	I. Reading and Writing II. Poetry III. Fiction IV. Sayings and Phrases	I. Reading and Writing II. Poetry III. Fiction IV. Sayings and Phrases	I. Reading and Writing II. Poetry III. Fiction (Stories; Greek Myths; Greek and Roman Myths) IV. Sayings and Phrases
<b>History and Geography</b>	<b>World</b> I. Spatial Sense II. Overview of the Seven Continents	<b>World</b> I. Geography II. Early Civilizations (Mesopotamia, Ancient Egypt,	<b>World</b> I. Geography II. Early Civilizations: Asia (India, China)

	<b>American</b> I. Geography II. Native Americans III. Early Exploration and Settlement (Columbus, Pilgrims, Independence Day) IV. Presidents, Past and Present V. Symbols and Figures	History of World Religions) III. Mexico <b>American</b> I. Early People and Civilizations (Maya, Inca, Aztec) II. Early Exploration and Settlement III. American Revolution IV. Early Exploration of the American West V. Symbols and Figures	III. Modern Civilization and Culture: Japan IV. Ancient Greece <b>American</b> I. American Government: The Constitution II. War of 1812 III. Westward Expansion IV. Civil War V. Immigration and Citizenship VI. Civil Rights VII. Geography of the Americas VIII. Symbols and Figures
<b>Visual Arts</b>	I. Elements of Art II. Sculpture III. Looking at and Talking About Art	I. Art from Long Ago II. Elements of Art III. Kinds of Pictures: Portrait and Still Life	I. Elements of Art II. Sculpture III. Kinds of Pictures: Landscapes IV. Abstract Art V. Architecture
<b>Music</b>	I. Elements of Music II. Listening and Understanding III. Songs	I. Elements of Music II. Listening and Understanding (Composers; Orchestra; Opera; Ballet; Jazz) III. Songs	I. Elements of Music II. Listening and Understanding (Orchestra; Keyboards; Composers) III. Songs
<b>Mathematics</b>	I. Patterns and Classification II. Numbers and Number Sense III. Money	I. Patterns and Classification II. Numbers and Number Sense III. Money	I. Numbers and Number Sense II. Fractions III. Money IV. Computation



IV. Computation	IV. Computation	V. Measurement
V. Measurement	V. Measurement	VI. Geometry
VI. Geometry	VI. Geometry	

<b>Science</b>	I. Plants and Plant Growth	I. Living Things and Their Environments	I. Cycles in Nature (Seasonal Cycles; Life Cycles; Water Cycles)
	II. Animals and Their Needs	II. Human Body (Body Systems)	II. Insects
	III. Human Body (Five Senses)	III. Matter	III. Human Body (Cells; Digestive and Excretory Systems)
	IV. Introduction to Magnetism	IV. Properties of Matter: Measurement	IV. Magnetism
	V. Seasons and Weather	V. Introduction to Electricity	V. Seasons and Weather
	VI. Taking Care of the Earth	VI. Astronomy	VI. Simple Machines
	VII. Science Biographies	VII. The Earth VIII. Science Biographies	VII. Science Biographies

### Core Knowledge at a Glance: Major Topic Headings, 3–5

	Third Grade	Fourth Grade	Fifth Grade
<b>Language Art/English</b>	I. Reading and Writing II. Poetry III. Fiction (Stories; Norse Myths; Greek and Roman Myths) IV. Sayings and Phrases	I. Writing, Grammar, and Usage II. Poetry III. Fiction (Stories; Legends of King Arthur) IV. Sayings and Phrases	I. Reading and Writing II. Writing, Grammar and Usage III. Poetry IV. Fiction (Stories; Shakespeare; Myths and Legends) V. Sayings and Phrases
<b>History and Geography</b>	<b>World</b> I. World Geography (Spatial Sense; Canada; Important	<b>World</b> I. World Geography (Spatial Sense; Mountains) II. Europe in the	<b>World</b> I. World Geography (Spatial Sense; Lakes) II. Meso-American Civilizations III. European Exploration,

	<p>Rivers)</p> <p>II. Ancient Rome (Geography of Mediterranean Region; Roman Empire, "Decline and Fall")</p> <p><b>American</b></p> <p>I. The Earliest Americans</p> <p>II. Early Exploration of North America</p> <p>III. The Thirteen Colonies: Life and Times Before the Revolution</p>	<p>Middle Ages</p> <p>III. Spread of Islam and "Holy Wars"</p> <p>IV. Early and Medieval African Kingdoms</p> <p>V. China: Dynasties and Conquerors</p> <p><b>American</b></p> <p>I. American Revolution</p> <p>II. Making a Constitutional Government</p> <p>III. Early Presidents and Politics</p> <p>IV. Reformers</p> <p>V. Symbols and Figures</p>	<p>Trade, and Clash of Cultures</p> <p>IV. Renaissance and Reformation</p> <p>V. England from the Golden Age to the Glorious Revolution</p> <p>VI. Russia: Early Growth and Expansion</p> <p>VII. Feudal Japan</p> <p><b>American</b></p> <p>I. Westward Expansion</p> <p>II. Civil War</p> <p>III. Native Americans: Cultures and Conflicts</p> <p>IV. U.S. Geography</p>
<b>Visual Arts</b>	<p>I. Elements of Art</p> <p>II. American Indian Art</p> <p>III. Art of Ancient Rome and Byzantine Civilization</p>	<p>I. Art of the Middle Ages</p> <p>II. Islamic Art and Architecture</p> <p>III. Art of Africa</p> <p>IV. Art of China</p> <p>V. Art of a New Nation: The United States</p>	<p>I. Art of the Renaissance</p> <p>II. American Art: Nineteenth-Century United States</p> <p>III. Art of Japan</p>
<b>Music</b>	<p>I. Elements of Music</p> <p>II. Listening and Understanding (Orchestra; Composers)</p>	<p>I. Elements of Music</p> <p>II. Listening and Understanding (Orchestra; Vocal Ranges;</p>	<p>I. Elements of Music</p> <p>II. Listening and Understanding (Composers; Connections)</p> <p>III. American Musical</p>

<b>Mathematics</b>	III. Songs	Composers)	Traditions (Spirituals)
		III. Songs	IV. Songs
	I. Numbers and Number Sense	I. Numbers and Number Sense	I. Numbers and Number Sense
	II. Fractions and Decimals	II. Fractions and Decimals	II. Ratio and Percent
	III. Money	III. Money	III. Fractions and Decimals
	IV. Computation	IV. Computation	IV. Computation
	V. Measurement	V. Measurement	V. Measurement
VI. Geometry	VI. Geometry	VI. Geometry	
		VII. Probability and Statistics	
		VIII. Pre-Algebra	
<b>Science</b>	I. Introduction to Classification of Animals	I. Human Body (Circulatory and Respiratory Systems)	I. Classifying Living Things
	II. Human Body (Muscular, Skeletal, and Nervous Systems; Vision and Hearing)	II. Chemistry (Atoms; Matter; Elements; Solutions)	II. Cells: Structures and Processes
	III. Light and Optics	III. Electricity	III. Plant Structures and Processes
	IV. Sound	IV. Geology: Earth and Its Changes	IV. Life Cycles and Reproduction
	V. Ecology	V. Meteorology	V. Human Body (Endocrine and Reproductive Systems)
	VI. Astronomy	VI. Science Biographies	VI. Chemistry: Matter and Change
	VII. Science Biographies		VII. Science Biographies

	<b>Sixth Grade</b>	<b>Seventh Grade</b>	<b>Eighth Grade</b>
<b>Language Arts/English</b>	I. Writing, Grammar, and Usage	I. Writing, Grammar, and Usage	I. Writing, Grammar, and Usage
	II. Poetry		II. Poetry

	<ul style="list-style-type: none"> <li>III. Fiction and Drama (Stories; Shakespeare; Classical Myths)</li> <li>IV. Sayings and Phrases</li> </ul>	<ul style="list-style-type: none"> <li>II. Poetry</li> <li>III. Fiction, Nonfiction, and Drama</li> <li>IV. Foreign Phrases Commonly Used in English</li> </ul>	<ul style="list-style-type: none"> <li>III. Fiction, Nonfiction, and Drama</li> <li>IV. Foreign Phrases Commonly Used in English</li> </ul>
<b>History and Geography</b>	<p><b>World</b></p> <ul style="list-style-type: none"> <li>I. World Geography (Spatial Sense; Deserts)</li> <li>II. Lasting Ideas from Ancient Civilizations (Judaism, Christianity; Greece and Rome)</li> <li>III. Enlightenment</li> <li>IV. French Revolution</li> <li>V. Romanticism</li> <li>VI. Industrialism, Capitalism, and Socialism</li> <li>VII. Latin American Independence Movements</li> </ul> <p><b>American</b></p> <ul style="list-style-type: none"> <li>I. Immigration, Industrialization, and Urbanization</li> <li>II. Reform</li> </ul>	<p><b>World</b></p> <ul style="list-style-type: none"> <li>I. America Becomes a World Power</li> <li>II. World War I, "The Great War"</li> <li>III. Russian Revolution</li> <li>IV. America from the Twenties to the New Deal</li> <li>V. World War II</li> <li>VI. Geography of the United States</li> </ul>	<p><b>World</b></p> <ul style="list-style-type: none"> <li>I. Decline of European Colonialism</li> <li>II. Cold War</li> <li>III. Civil Rights Movement</li> <li>IV. Vietnam War and the Rise of Social Activism</li> <li>V. Middle East and Oil Politics</li> <li>VI. End of the Cold War: Expansion of Democracy and Continuing Challenges</li> <li>VII. Civics: The Constitution — Principles and Structure of American Democracy</li> <li>III. Geography of Canada and Mexico</li> </ul>
<b>Visual Arts</b>	<ul style="list-style-type: none"> <li>I. Art History: Periods and Schools (Classical; Gothic; Renaissance; Baroque; Rococo; Neoclassical; Romantic; Realism)</li> </ul>	<ul style="list-style-type: none"> <li>I. Art History: Periods and Schools (Impressionism; Post-Impressionism; Expressionism)</li> </ul>	<ul style="list-style-type: none"> <li>I. Art History: Periods and Schools (Painting Since World War II; Photography; 20th-Century Sculpture)</li> <li>II. Architecture Since the Industrial Revolution</li> </ul>

<p><b>Music</b></p>	<p>I. Elements of Music  II. Classical Music: From Baroque to Romantic (Bach, Handel, Haydn, Mozart, Beethoven, Schubert, Chopin, Schumann)</p>	<p>m and Abstraction; Modern American Painting)</p> <p>I. Elements of Music  II. Classical Music (Romantics and Nationalists (Brahms, Berlioz, Liszt, Wagner, Dvorak, Grieg, Tchaikovsky)  III. American Musical Traditions (Blues and Jazz)</p>	<p>I. Elements of Music  II. Non-Western Music  III. Classical Music: Nationalists and Moderns (Sibelius, Bartok, Rodrigo, Copland, Debussy, Stravinsky)  IV. Vocal Music (Opera; American Musical Theater)</p>
<p><b>Mathematics</b></p>	<p>I. Numbers and Number Sense  II. Ratio and Percent  III. Computation  IV. Measurement  V. Geometry  VI. Probability and Statistics  VII. Pre-Algebra</p>	<p>I. Pre-Algebra (Properties of the Real Numbers; Polynomial Arithmetic; Equivalent Equations and Inequalities; Integer Exponents)  II. Geometry (Three-Dimensional Objects; Angle Pairs; Triangles; Measurement)  III. Probability and</p>	<p>I. Algebra (Properties of the Real Numbers; Relations, Functions, and Graphs; Linear Equations and Functions; Arithmetic of Rational Expression; Quadratic Equations and Functions)  II. Geometry (Analytic Geometry; Introduction to Trigonometry; Triangles and Proofs)</p>

<b>Science</b>	I. Plate Tectonics	Statistics	
	II. Oceans	I. Atomic Structure	
	III. Astronomy: Gravity, Stars, and Galaxies	II. Chemical Bonds and Reactions	I. Physics
	IV. Energy, Heat, and Energy Transfer	III. Cell Division and Genetics	II. Electricity and Magnetism
	V. Human Body (Lymphatic and Immune Systems)	IV. History of the Earth and Life Forms	III. Electromagnetic Radiation and Light
	VI. Science Biographies	V. Evolution	IV. Sound Waves
	VI. Science Biographies	V. Chemistry of Food and Respiration	VI. Science Biographies

*Describe the specific educational strategies and practices that have directly contributed to improved student performance. Describe any exemplary programs or school features.*

There are several educational strategies and practices that have directly contributed to improved student performance at East Side. Having a teacher to student ratio of 1:16 has allowed us to provide a more accessible environment for learning. Teachers learn students' habits and learning styles and can work more closely with those who need additional help. One practice that has led to improvement is the adoption of the Direct Instruction or Teacher centered instruction to insure the success of our students. Direct Instruction offered a solid, developmentally appropriate, structured curriculum with a major emphasis on reading, writing, and math, combined with computer technology, science, social studies and the arts. Combining Direct Instruction with the Core Knowledge Curriculum allowed teachers to integrate subjects around themes that resembled real life learning experiences, whenever possible. Students are actively encouraged to participate in their learning. Another practice is the eleven-month academic year beginning in September and ending in July, which provides for maximum learning experiences. A third practice is our full day kindergarten which has allowed our youngest students increased opportunities to learn. Another approach that has benefited our students is daily writing. Research has shown that reading and writing are reciprocal, each skill strengthening the other; therefore we have implemented a rigorous writing program where students are expected to write everyday. Teachers teach writing as a process where students acquire the necessary skills to know and consistently produce good writing for a variety of audiences. Journals and portfolios assist students and teachers in using and monitoring the writing process.

Our before and after care programs also offered educational support for our students. The academic based program used qualified teacher and student counselors. The before and after-care programs, as well as the summer program, was designed to offer a safe, enriching

environment in which our students received tutoring, mentoring, culture, and drug and violence prevention training. Technology training is also available for children.

Several programs mentioned could be considered exemplary programs from the small class size, full day kindergarten, longer school day and longer school year, exceptional teacher and staff training, research-based curricula, and high expectations for each child.

*Describe how the educational program complies with the requirements of applicable state and federal laws regarding students with disabilities, unlawful discriminations and at risk populations, including those listed in Regulation 275, Section 4.3.3.*

The educational programs used at the school has a history of providing at risk and student with disabilities a good educational foundation. The direct instruction programs has more than 30 years of educational research proving the viability of the approaches to reaching at-risk students. Project Follow Through conducted in the 70's showed that Direct Instructions programs provided low income and at risk students with the biggest gains in Students receiving Direct Instruction did better than those in all other programs when tested in reading, arithmetic, spelling, and language as well as "higher-order thinking" and improving students self-esteem. We believe that self-esteem improves with earning.

"The inescapable conclusion of Project Follow Through is that kids enrolled in educational programs, which have well-defined academic objectives, will enjoy greater achievement in basic skills, thinking skills, and self-esteem. Self-esteem in fact appears to derive from pride in becoming competent in the important academic skills." (*Educational Philosophies: A Primer for Parents*, Milwaukee: PRESS (Parents Raising Educational Standards in Schools), 1995.

*Provide specific examples, if any, of when/how a particular part of the school's program has been adopted or replicated by other public schools.*

Several charter schools have at least adopted part of the programs that we use. Both Marion T Academy and Kuumba Academy have adopted Direct Instruction. Several schools have adopted a year around schedule, Stanton –Middle in Red Clay and Maple Lane in Brandywine, Christina has kicked around the idea of a charter school using Direct Instruction Newark Charter uses Core Knowledge as their main curriculum. Several school have adopted a full-day kindergarten program and the whole state is considering the same.

**c) Student Performance (Regulation 275, Section 4.2)**

*Describe the student performance goals in the current approved charter. Describe how the school has met these goals over the current charter term.*

### PROPOSED PROFORMANCE AGREEMENT

1. For each grade at the school, school average performance on the CTBS tests will demonstrate at least one grade level increase in each subject area each year.
2. For each grade, the following percentage of students, in the school, will demonstrate an increase of at least one grade level in both reading and mathematics on the CTBS tests during the next five years of school operation.
  - a. First Comparison Interval (1999-00 compared to 00-01) 60%
  - b. Second Comparison Interval (2000-01 compared to 01-02) 70%
  - c. Third Comparison Interval (2001-02 compared to 02-03) 75%
  - d. Forth Comparison Interval (2002-03 compared to 03-04) 80%

- e. Fifth Comparison Interval (2003-04 compared to 04-05) 85%
3. By the end of the charter period the school average will be equal to or greater than 95% of the State's mean score on the DSTP. School average performance targets on the state assessment will be the following for each subject area assessed:
    - a. Fourth Year 90% of state grade average for each subject assessed
    - b. Fifth Year 90% of state grade average for each subject assessed
    - c. Sixth Year 95% of state grade average for each subject assessed
    - d. Seventh Year 95% of state grade average for each subject assessed
    - e. Eighth Year 95% of state grade average for each subject assessed
  4. For each year of school operation, average daily attendance will exceed 90% of the daily enrollment.
  5. For each year of the school's operation, the school will have fewer total reportable incidents than the average for all schools with the same grade configuration.
  6. Each year, at least 80% of the non-graduating student body will return to the school the following September.
  7. Of all students entering the school at any given grade, 60% will continue at the school through the end of the educational program.
  8. Each year the school will have at least enough students seek admission to the school to have the maximum number of students, allowed by the charter, enrolled at the beginning of the school year.
  9. Each year of school operation, the school will have a waiting list of students seeking admission.
  10. Each year of the school's operation, at least 85% of the parents of students attending the school will indicate satisfaction with the school's administration and educational program.

*List each of the school's objectives in the current signed Performance Agreement and describe the performance of the school on each target over the current charter term.*

**A. Primary Objectives:** By the end of the first five-year period, this school will demonstrate that its students are achieving academically at or near state average performance as measured by the state assessment and other standardized assessments.

**Achievement Target One** One grade level increase on CTBS (average)

Grade	00-01	01-02	02-03	03-04	04-05
K	.1	.6	.4		
1	2.7	2.3	1.9		
2	2.7	2.6	2.1		
3	3.7	3.2	3.4		
4		3.6	4.1		
5			5.2		
6					

Using the CTBS as an in house measure allowed us to accumulate data on a national standardized test. We were able to see that our classes of student were indeed making year progress. We tested students every year and on average they were making a months growth in a months time.

**Achievement Target Two** % of students showing one grade level increase

Years	Target %	Actual %
99-00 compared to 00-01	80%	84%



00-01 compared to 01-02	80%	87
01-02 compared to 02-03	80%	87
02-03 compared to 03-04	80%	89

Subject	'01	Goal/Ac %	'02	Goal/Ac%	Grade 3-04	Goal/Ac%
Reading/LA	423.77/436.21	80/97	424.77/440.73	90/96%	432/446	95/97
Math	414.84/431.93	80/96	438.38/434.07	90/101%	407/439	95/93
Writing	6.42/5.89	80/108	6.36/6.36	90/100%	6.47/6.22	95/1.04
Subject	Grade 3 '03	Goal/Ac %	Grade 5 '03	Goal/Ac%	Grade 5- 04	Goal/Ac%
Reading/LA	465/442	95/105	450/468/479	95/98/93	464/483	95/96
Math	444/435	95/102	444/468	95/94	455/472	95/97
Writing	6.19/5.74	95/107	6/7.28	95/82	7.53/7.42	95/1.02

Each year we met or exceeded our goals for individual students making at least 1 grade level increase on the CTBS. The longer students were with us the better they did. We did notice that not all students tested well. Some high performing students did average on the testing while some performing lower in class did better on the testing.

On the DSTP the students met or exceeded most goals each year. The third grades met the goals each of the years and the 5<sup>th</sup> grade falling short of the goals in the 2003 year only. They improved on the 2004 DSTP. Writing has become a strength for both the 3rd and 5<sup>th</sup> grades as they have shown to test above the state average for writing.

B. By the end of the initial three-year period, the school will demonstrate that its students have exhibited positive behavior related to academic success.

Average Attendance (Goal 90%)				
00-01	01-02	02-03	03-04	04-05
94	96	95	96	

Reportable Incidences (Goal 0)				
00-01	01-02	02-03	03-04	04-05
1	0	0	1	

Returning %- Last Year Students(85% target)				
Returning Students (Goal 85%)				
00-01	01-02	02-03	03-04	04-05
70	96	92	88	70

With the overall goal of 90% attendance we were easily able to reach this goal even with the extended year. Parents are seeing the importance of the extra month of school and the effect that it has on their child's achievement. Our reportable incidences remains low with less than 1 a year average. Our goal of students returning was reached in 3 of the five years. This year we lost several children to private schools and families of six grade students who left. The

overwhelming reason for students who left this year was to keep families together or parents felt that the uniforms inhibited their child's creativity. We also had a number of student move out of our bus area.

C. By the end of the first five-year period, the school will demonstrate that it has strong market accountability.

We have maintained a strong market accountability even with the added competition of new charters in our neighborhood. We are also facing competition from private schools that are interested in our students. We have mainly depended on word of mouth for advertising and have managed to maintain a waiting list of near 100 students mainly at the k-3 levels. This year we will advertise and market the school since we are anticipating growth.

D. By the end of the initial three-year period, the school will demonstrate that the parents of the students at the school are satisfied with the school's administration and educational program.

% showing satisfaction-Goal 85%

00-01	01-02	02-03	03-04
89%	96%	93%	No Survey

**Parent**

*Describe the changes in student achievement over the current charter term. If student achievement did not meet the objectives in the Performance Agreement, describe the reasons and the actions taken to improve student performance.*

As the students have stayed in our system we have seen an improvement in achievement. From the charts above we have noted the achievement of our students on the CTBS and DSTP. Our students have made great strides since our initial charter twice having had 100% of student meeting or exceeding the standards in at least one subject. Students are scoring higher and getting closer to closing the testing gap. Each year is a challenge because our students generally have more to deal with than just testing. Our mission is not only to teach but equip the students with the skills to have confidence to move ahead with testing even though their personal lives may be in disarray. We look forward to continuing to see our students improve.

*Describe how the school has complied with the requirements of the State Public Education Assessment and Accountability System pursuant to 14 Delaware Code, Sections 151, 152, 153, 154, and 157.*

East Side has fully complied with the above section of 14 Delaware Code. In all instances 100% of students eligible have tested and the school; has received a commendable rating during the first accountability ratings and superior during the last accountability ratings.

**d) Economic Viability (Regulation 275, Section 4.4).**

*Describe how the school has been economically viable during the current charter term.*

East Side has shown that it can operate with in the traditional funding sources. We have also been diligent about seeking other funding sources. We monitor our programs well and foresee

these funding sources continuing as our program grows. Our plan continues to be to stretch state and federal monies and then local funds.

We have received grants from various sources including MBNA, Social Venture Partnership, WSFS, Citizens Bank, Wachovia, Citibank, JP Morgan-Chase, Delaware Community Foundation, Speer Trust, the City of Wilmington, the Cross Country Bank, and The Family Workplace Connection. We intend to continue to solicit grants from these foundations and establish other fund raising avenues to help us accomplish our mission.

The executive director monitors spending and reports each month to the finance committee and the school board of directors. Having access to DFMS is a luxury as all transaction goes through there.

The Board, Executive Director, and staff will continue their established roles. The Board sets policy and oversees the operation of the school but the hands on decisions and day-to-day operations are the responsibility of the executive director. Board business is handled in monthly meetings. We have sought out members of the community that we thought would enhance our board by bringing additional talents to the table. We feel that the additions will help the school grow and achieve its mission more quickly.

*In the attached budget pages, report the source and expenditures of all funds during the current charter term. Identify the terms and source(s) of any loans the school has received during the current charter term.*

See Attached

*Describe any problems that the school has faced in achieving and maintaining financial viability during the current charter term and how these problems have been resolved. List any problems the school has encountered in the areas of accounting, payroll, purchasing, compensation, and benefits and how they were addressed.*

The basic problems we have faced is a product of our successful format. The fact that we have only 16 students per class leaves us needing additional funds to run our basic program. We are also managing full-day kindergarten classes with a half day-funding. The fact that we are able to be competitive and maintain staff is a credit to the dedication of the staff to see that our students have access to the best academic environment possible.

*Attach copies of the most recent audit reports and copies of any relevant correspondence between the school and state, federal or local agencies which attest to the success or problems the school has had in the area of finance. If there have been audit findings during the current charter term, state them and describe what the school has done to address those findings.*

See attached audits. All former findings were remedied and the following findings are remedied as follows:

**Cash Receipts Function**

***Finding:***

*Our audit procedures revealed that several members of school staff receive cash and checks. Procedures also revealed that on occasion, the functions of cashier and accounting were performed by the same individual.*

*The State of Delaware Budget and Accounting Policy Manual states that "The handling of cash receipts requires close control in each agency." The Manual further states that the "separation of the functions of cashier and accounting will be observed".*

***Recommendation:***

*We recommend that the School limit the number of personnel authorized to collect cash. We further recommend that the functions of cashier and accounting be separated.*

**Management Response and Correction Action:** We agree that the number of people who are authorized to collect cash should be limited but because of the size of East Side Charter School is small we have a limited personnel pool in which to separate many job functions.

**Fixed Assets**

***Finding:***

*The School maintains an annual inventory; however, the inventory records do not provide proper identification of assets. Management must ensure that adequate internal controls are in place to protect inventories of items for which there is an inherent risk of loss, theft, or misuse. Inventory counts should be taken and reconciled to the perpetual inventory records. Periodic inventories help identify assets that may have been misplaced or misappropriated. Policies and procedures for maintaining an inventory system and addressing the disposal of assets are necessary to decrease the risk of theft or misappropriation. When complete and accurate inventory records are not maintained, the School cannot ensure proper safeguarding, reporting, and accountability of property and equipment.*

***Recommendation:***

*We recommend that the School establish formal policies and procedures requiring the preparation and maintenance of capital asset inventory records to identify and ensure the accountability of assets. Inventory records should include at a minimum the description of the property, serial number (or other identifying number), acquisition date, cost, source, location, condition of property, date of disposal, and sale price. Policies and procedures should include discussion of publicly appealing and other non-capital asset items for the purpose of safeguarding these items against loss or misuse. We further recommend that inventories be taken at a minimum biannually.*

**Management Response and Correction Action:** A policy and procedure for capital asset inventory records will be submitted to the Board of Directors for approval during the fiscal year.

**Fixed Assets**

***Finding:***

*The School has not developed formalized policies and procedures for fixed assets. Written policies and procedures are essential for the efficient control over fixed assets and easily misappropriated/publicly appealing assets.*

***Recommendation:***

*We recommend that the School draft fixed asset policies which are in compliance with State minimum requirements. We further recommend that the school establish policies for items that are "publicly appealing" but below the capitalization threshold.*

Management Response and Correction Action: A Fixed Asset Policy will be submitted to the Board of Directors for approval during this fiscal year.

### **Cash Disbursements Function**

#### ***Finding:***

*Our procedures revealed that out of a sample of 25 documents tested, 3 were not paid within a 30-day time period. The State of Delaware Budget and Accounting Policy Manual states that "The state shall make every effort to issue payment to vendors within 30 days of the presentation of a valid invoice on which a state agency is liable to make payment; or receipt of goods or services; if received after the invoice or bill." Failure to make payment to vendors within 30 days could result in the School incurring interest fees or penalties.*

#### ***Recommendation:***

*We recommend that the School make payment to all vendors within 30 days and, whenever possible, take advantage of all discounts associated with timely payment.*

Management Response and Correction Action: Payments were received from the local school districts due to a delay in the final count calculation being released from the Department of Education. A promise has been received that this calculation will be done in a timely manner in the current year which would make funds available for payments to be within 30 days.

### **Reporting Function**

#### ***Finding:***

*The School did not meet the required reporting deadlines for FY04 bi-annual food reports. Per the Department of Education (DOE), the July through December and January through June reports are due January 31 and July 31, respectively. The School submitted their reports on February 25 and August 24.*

#### ***Recommendation:***

*We recommend that the School submit all reports to the DOE within the established deadlines.*

Management Response and Correction Action The staff person responsible for this reporting has been instructed that late reporting is unacceptable.

### **Payroll Function**

#### ***Finding:***

*Our procedures revealed that monthly payroll reconciliation between the School's payroll records and the State of Delaware Payroll Register was not accurate or performed in a timely manner. Procedures further revealed that errors in the reconciliation were not identified during management review. Timely and accurate reconciliation and management review are necessary to ensure the accuracy of payroll reporting and accounting.*

#### ***Recommendation:***

*We recommend that payroll reconciliation be performed in a timely manner. We further recommend increased attention to the accuracy of the reconciliation as well as to the management review function.*

**Management Response and Correction Action:** Payroll reconciliation will be performed in a timely manner with more attention to detail and accuracy by management.

*Describe how the school has addressed transportation for the school's students. If the school is providing its own transportation, provide a general description of the routes and schedules. Indicate the number of students that have ridden the transportation system each year. If the school is contracting its transportation, provide a description of the service provider(s), the procurement procedures, and costs. Provide a copy of the current student transportation contract. Describe any problems associated with transportation of students and how they have been addressed.*

East Side intends to continue to tenure bids for our transportation needs. For the last 5 years we have used Advanced Student, RAM, Murrays, and LeHanes Bus Companies to transport our students. It has worked out relatively well. At this time we have not resigned with any company but will, in the near future, decide on a company.

00-01	01-02	02-03	03-04	04-05
76	94	110	142	142

*Describe how the school has addressed food services for the school's students. Indicate the number of students that have participated in the food service program each year. If the school is contracting its food service, provide a description of the service provider(s), the procurement procedures, and costs. Provide a copy of the current food service contract. Describe any problems associated with food services and how they have been addressed.*

Our food service was provided through a contract with Take-a-Break located in New Castle County, Delaware. Take-A-Break complied with all of the regulations mandated by the Department of Education. Generally 95% of our students participate in the food service program daily.

*Describe the facilities the school has used during the current charter term. Indicate whether the school owns or leases the facilities and the terms of the payments for the use of the facilities.*

The East Side Charter School is housed in a newly renovated building that was once the Eastlake Community Building. The building was completely rehabilitated to include five classrooms, a large multi-purpose room, and a computer lab/library and office areas. There are also two adjacent two classroom-room bungalows that are used for other school-related activities. Wilmington Housing Authority owns the buildings and the school rents them for \$30,000 per year.

*Attach a copy of the current insurance certificate for the school.*

**e) Attendance, Discipline, and Student Rights and Safety (Regulation 275, Section 4.5)**

*Attach a copy of the current **Student Rights and Responsibilities Manual** used at the school. Describe how the manual is distributed.*

*Describe the school's attendance policy and how that policy is distributed to students and parents.*

Attendance-Regular daily attendance is one of the keys to success in school. Students should attend all scheduled classes unless officially excused. Absences, unless waived by the principal, require a written and signed excuse from the parent or guardian when the student

returns. Medical, dental, and legal appointments should be cleared with the principal or his or her designee before the student leaves the building.

Excused absences include 1) illness or a health condition; 2) Medical diagnosis or treatment 3) death in the immediate family 4) contagious disease 5) legal business requiring the student's presence 6) suspension or expulsion from school 7) a religious observance, when requested by the student's parents approved college visits 8) a family emergency; or 5) a school-sponsored event.

Students absent for more than 3 days without a valid excuse are truant. Parent/guardians may be subject to legal penalties under the Delaware Code. Senate Bill 304 has mandated certain action be taken following the 10th (home visit), 15th conference with director, and 30th (case will be referred for prosecution) day of unexcused absence.

Students with unexcused absences totaling 10% of total school days will be retained for excessive absences.

### Early Release/Dismissal for Students

Students will be dismissed early from class only when parents appear at the school to pick up the child. Please do not call the school asking for the child to be waiting. It inconveniences the whole staff. Students will remain in class until school secretary or other school official is notified in person by the parent. Students will not be sent outside unaccompanied or with a minor. A note should accompany early release from the parent.

East Side Charter is required to file a petition with Juvenile Court for students who accumulate 7 unexcused absences in a month or 10 in one year. The school, of any unexcused absences, will notify parents.

Students are responsible for being on time to all classes. When tardiness becomes chronic or disruptive, school authorities will try to correct the situation fairly and reasonably. Students share the responsibility of maintaining a proper learning atmosphere.

We expect all students to be in the classroom at 8:30 am. Any student who arrives after 8:30 am must have a written excuse for their lateness. An excused lateness is one that involves an emergency or medical situation. Students will not be permitted to enter class without a late pass.

The attendance policy appears in the parent manual and Student Code of Conduct and Parent Manual that goes out at the beginning of the year and is discussed in PTA meetings as well as parent conferences.

*Describe how the school complies with 14 Delaware Code, Section 4112 and applicable DOE regulations regarding the reporting of school crimes.*

In order to comply with the law we have adopted a student code of conduct which is shared with parents and staff. The consequences for different offences are listed and meted out when a crime occurs. The rights of all are taken into consideration to provide a safe and fear free environment.

*Describe how the school provides for the health and safety of students, employees, and guests, including health services.*

We are committed to fostering a safe and healthful environment for students, employees and visitors to at Side Charter. We have developed fire and emergency plans for the staff, students and visitors. We have tested for asbestos and other possible toxic substances to make sure that all are safe. We have made every effort to make sure that playground equipment is kid safe and that the buildings are safe and friendly to all. There is a nurse on staff and emergency help is close by. To assure that children are safe all guests must sign in at the office and all employees go through background checks for possible offenses.

**f) Market Accountability (Regulation 275, Section 4.5)**

*Describe the current enrollment and how it compares to the number projected in the charter application. List each preference the school utilizes in the admission of students.*

The current enrollment at East Side Charter is 144 which is the stated number in our charter. We have met our charter numbers all but one year of our existence.

*For each year the current charter term:*

*How many students applied to the school and did not attend?*

During our charter period we have maintained a waiting list of well over 100 students, Unfortunately because of our low attrition rate very few of those students have gotten to actually attend the school unless through kindergarten. (16) 1999 (16) 2000 (16) 2001 (16) 2002 (32) 2003 (39) 2004

*How many students applied and were not admitted and for what reasons?*

Of the application we received over 80% were not admitted because of lack of space or because they had found another school in some cases.

*How many students left the school during the school year and what were the reasons for their leaving?*

Over our five-year charter we have had two children leave the school. One was admitted to a private school and the other one had a death in the family and had to move to Virginia.

*Describe the results from parent satisfaction surveys conducted over the charter term. List the most critical results regarding satisfaction and issues of concern and how the school has responded to those concerns.*

Parent Satisfaction Survey		
00-01	01-02	02-03
89%	96%	93%

During each year of our charter period our parent satisfaction rate has met or exceeded our goals. Parents have voiced concerns about students' behavior mostly because in a small school, physically, any behavior is echoed throughout the school. The remedy has been to teach teachers to handle little problems by careful classroom management. As the teachers understood that they had control over the classroom the few outbursts we had were virtually eliminated. Another concern was that we didn't understand children with special problems.



This came from a lack of communication between parents and teachers. Parents expected a magic bullet and we expect cooperation. As parents realized that we are truly an open door school improvements were seen. We have made parent conferences mandatory and open discussions about students' performance and progress has made parents more participatory.

# Charter School Budget Worksheets

## REVENUE\*

	Current Charter Term Year 1	Current Charter Term Year 2	Current Charter Term Year 3	Current Charter Term Year 4	Current Charter Term Year 5
State Appropriations	\$ 359,981	\$ 439,406	\$ 517,765	\$ 574,455	\$ 691,138
Local Fund Transfers	\$ 145,214	\$ 176,419	\$ 216,585	\$ 258,503	\$ 309,909
Charter School Federal Funds	\$ 63,589	\$ 105,357	\$ 212,618	\$ 167,185	\$ 200,529
Other Federal Funds	\$	\$	\$	\$	\$
Construction Loans**	\$	\$	\$	\$	\$
Equipment Loans**	\$	\$	\$	\$	\$
Other Loans:**	\$	\$	\$	\$	\$
Other -Contributions	\$ 25616	69,115	-	6,100	13,206
-Program Fees	40114	83,374	52,646	108,146	148,236
-Interest	14938	16,627	18,104	9,092	3,419
-Grants	48486	-	37,615	23,807	122,900
-Miscellaneous	96	-	3,197	1,947	18,276
<b>TOTAL REVENUE</b>	<b>\$698034</b>	<b>890,298</b>	<b>1,058,530</b>	<b>1,149,235</b>	<b>1,507,613</b>

Use actual figures wherever possible.

\* Please indicate sources.

\*\* Additional lines may be added if necessary or other revenue sources can be outlined on an attached sheet. Indicate total revenue from all sources here.

## EXPENSES

Personnel Salaries (Please indicate FTEs - Full Time Equivalents)	Current Charter Term Year 1	FTEs	Current Charter Term Year 2	FTEs	Current Charter Term Year 3	FTEs	Current Charter Term Year 4	FTEs	Current Charter Term Year 5	FTEs
Teachers	216,924		251,855	5.180	291,577		389,164	6.790	465,301	4.040
Principal/Administrative	72,959		104,668	1.040	157,111		160,120	1.060	167,705	6.020
Nurse	-		-		-		28,693		24,544	
Paraprofessional	49,974		53,293		31,446		32,731		36,640	
Custodial	11,544		11,288	1.000	15,479		12,514	1.000	-	1
Substitutes	-		-		-		-		-	
Other (Playground aide)	6,493		10,482		28,127		32,362		20,470	
<b>Other Employee Costs (a)</b>										
Health Insurance	15,511		31,215		47,993		60,604		91,012	
Pension	27,831		27,005		41,625		55,973		74,465	
ICA	21,746		26,435		34,935		47,476		50,668	
Medicare	5,086		6,182		8,295		4,749		10,255	
Worker's Compensation	3,460		5,034		7,943		8,859		12,090	

Unemployment Insurance	388	310	831	181	800
Other Benefits (Please specify on back of this page)	\$	\$	\$	\$	\$
<b>UBTOTAL Personnel</b>	431,916	527,973	665,362	834,032	954,005
		7.220		8.850	11.060

a) The percentage rates for certain employment costs should be obtained from the Business Office at the Delaware Department of Education (302) 739-4664.

### EXPENSES (continued)

Student Support	Current Charter Term Year 1	Current Charter Term Year 2	Current Charter Term Year 3	Current Charter Term Year 4	Current Charter Term Year 5
Transportation	33,448	58,744	73,420	65,735	75,577
Cafeteria/Food Service	29,545	35,320	59,403	70,210	83,167
Extra Curricular	-	-	-	-	-
Supplies and Materials	13,345	58,467	46,597	54,936	60,760
Textbooks	1,507	-	-	-	-
Computers	-	10,765	20,605	70,500	11,684
Contracted Services	90,367	69,210	140,564	110,554	117,101
Other (Please Specify)	397	4,069	3,946	4,689	13,716
Contingency Funds**					
<b>UBTOTAL Student Support</b>	168,609	236,575	344,535	376,624	362,005
<b>Operations and Maintenance of Facilities</b>					
Insurance (Property/Liability)	6,596	6,909	9,433	13,378	15,466
Rent	25,000		20,000	30,000	37,834
Mortgage					
Utilities			6,232	6,876	7,449
Maintenance	14,976	15,998	26,460	5,297	14,817
Telephone/Communications	11,226	10,567	7,451	5,826	6,934
Renovation	\$	\$	\$	\$	\$
Other (Please Specify)	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
<b>UBTOTAL Operations and Maintenance of Facilities</b>	57,798	33,474	69,576	61,377	82,500
<b>Administrative/Operations Support</b>					

Equipment Lease/Maintenance	1,562	-	-	1,562	607
Equipment Purchase	4,517	18,110	2,232	811	1,761
Supplies & Materials	15,180	9,227	8,979	11,908	5,454
Printing & Copying	856		102	150	-
Postage & Shipping	1,465	307	500	781	896
Other (Please Specify)	\$	\$	\$	\$	\$
<b>UBTOTAL Administrative/Operations Support</b>	<b>23,580</b>	<b>27,644</b>	<b>11,813</b>	<b>21,032</b>	<b>8,978</b>
<b>Management Company</b>					
Salaries	\$	\$	\$	\$	\$
Salaries/Other Employee Costs	\$	\$	\$	\$	\$
Curriculum	\$	\$	\$	\$	\$
Accounting & Payroll	\$	\$	\$	\$	\$
Other (Please Specify)	\$	\$	\$	\$	\$
<b>UBTOTAL Management Company</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Contingency Reserve</b>					
Contingency Funds****	13,961	17,806	21,171	22,985	30,152
<b>UBTOTAL Contingency Reserve</b>	<b>13,961</b>	<b>17,806</b>	<b>21,171</b>	<b>22,985</b>	<b>30,152</b>

\*\*\* Regulation 275 requires a minimum 2% contingency reserve in the budget each year.

<b>EXPENSES SUBTOTAL</b>	<b>Current Charter Term Year 1</b>	<b>Current Charter Term Year 2</b>	<b>Current Charter Term Year 3</b>	<b>Current Charter Term Year 4</b>	<b>Current Charter Term Year 5</b>
Personnel	431,916	527,973	665,362	834,032	954,005
Student Support	168,609	236,575	344,535	376,624	362,005
Operations and Maintenance of Facilities	57,798	33,474	69,576	61,377	82,500
Administrative/Operations	23,580	27,644	11,813	21,032	8,978
Management Company	-	-	-	-	-
Contingency Reserve	13,961	17,806	21,171	22,985	30,152
<b>GRAND TOTAL ALL EXPENSES</b>	<b>695,863</b>	<b>843,472</b>	<b>1,112,456</b>	<b>1,316,050</b>	<b>1,437,640</b>

\*Regulation 275 requires a minimum of 2% contingency reserve in the budget each year.

## Part II: Plan for the Proposed Charter Renewal Term

This part of the application is in the form of a five-year plan that describes how the school will continue to meet the approval criteria in **14 Delaware Code, Section 512** and the requirements of **14 DE Admin Code, Section 275 in the Regulations of the Department of Education**.

### Specific Areas to Address

Address each of the following areas:

**a) Qualifications of the Applicant (Regulation 275, Section 4.1)**

*Describe any changes planned for the renewal term related to:*

*1) The management structure of the school and the division of responsibility between the staff and the board of directors.*

The management structure of the school will remain the same.

*2) Any partnership arrangements with other schools, educational programs, businesses, non-profit organizations, or any other entities or groups. If there is a management agreement or contract with a company or other entity to operate the school or provide specific educational services, describe any planned changes in that agreement or contract and submit a copy of the agreement with the completed application for charter renewal.*

There are no new arrangements foreseen.

*3) Describe how the Board of Directors and administrators employed at the school will continue to meet each of the requirements specified in **Regulation 275, Section 4.1**.*

The collective board has experience in all areas suggested in Section 4.1 and will continue that way. Our board has a teacher and a parent, several educators, several lawyers, several accountants, several bankers, two construction managers, and two college educators. Each is committed to assure that our curriculum and instructional strategies are implemented to reach all children. The board is committed to diversity both on the board and in the classroom and seeks to assure equality to all students and staff. In the future we intend to expand the board for the needs of the school still with diversity in mind.

*4) List any planned change in the number, duties, and qualifications of employees at the school.*

As the needs change there will be a change in staff needed to man the classrooms. The number of teachers will climb to 21 by the end of the chartering period. The most definite need will be for an increase in teaching staff as follows:

05-06	06-07	07-08	08-09	09-10
12	15	17	19	21

**b) Educational Program (Regulation 275, Section 4.3)**

*1) Describe any changes planned during the proposed renewal term for the scope and sequence of the school's curriculum including the major units of instruction covered in each content area in each grade in which the school provides instruction.*

Our curriculum will remain the same with a greater emphasis on the Core Knowledge curriculum.

*2) Describe how the educational program will continue to comply with the requirements of applicable state and federal laws regarding students with disabilities, unlawful discriminations and at risk populations, including those listed in Regulation 275, Section 4.3.3.*

East Side Charter School is an independent, tax exempt, non-profit 501(C)(3), urban public charter school. Opening in 1997 East Side Charter School stands as the centerpiece of the HOPE VI comprehensive overhaul of the East Lake Community. At present we serve a total of 144 students in kindergarten through grade 6. Approximately 50% of the students reside in public housing while nearly all of our students qualify for free or reduced lunch. Our intention is to provide an atmosphere where our children see success as an option. We also want our students to be more than competent in science and math.

In order for us to accomplish our mission we have begun a 4-year old program that will provide our students a leg up on academic success and would like to extend our population to the 8<sup>th</sup> grade. A recent study done by the University of Delaware College of Human Study, Education, and Public Policy and released in April 2002, confirmed the positive effects of early intervention of poor and handicapped students. The study confirmed that early intervention helps to lessen the gap between poor and minority students and students from better means. Our program will prepare our students for kindergarten by increasing their language and comprehension skills and prepare our students for high school by setting the bar high enough for them to have success.

East Side Charter serves a population that is most needy. Our student population comes from several places in and around Wilmington. Many come from some of the poorest neighborhoods in the city. They are faced with the dilemmas poor students all over the country face such as single parent homes and drug infested environments. Some of the single parents work or are in "back to work programs" designed to wean them away from public assistance. In either case, there was a determined need for a

safe and nurturing environment for the students to go. We offer not only a full day program but before and after school care and extend our program until July 31. The need for quality early intervention, tutoring, mentoring, homework help, and academic enrichment is evident, as the students enter our school performing, on average, below grade level in reading, language arts, and math. A survey conducted by the State Department of Education shows that the total average of high school students living in Wilmington is 1.34 on a 4-point scale, a dismal outlook. Our efforts are to have our students meet or exceed state standards by the time they leave our third grade. Our first two third grade classes (1998, 1999) tested last in the state on the Delaware State Testing Program. Since that time, with the help of foundations like yours, our students are meeting the standards in reading and math on the Delaware State Testing Program (DSTP). Overall, with the help of similar programs, we have shown steady improvement on the state testing with the help of our extended eleven-month regular school year.

The school was started as a means to provide a superior education for children in need and "culturally and economically at risk", and in an effort to salvage a generation of children from the plight of dependency and disillusionment. We feel, as research defends, that with an early beginning our students will do much better in school and have a better chance of a prosperous futures.

Mainly our school is set up to accomplish five goals. The major goal of our program is to decrease the education gap between minority children and those from more prosperous surroundings. We have worked hard to achieve this goal and have been recognized for this undertaking by the News Journal as well as other schools taking note. Having other schools take note and emulate our program is the most important desire of all. As a charter school we should serve as an example of what can be done given the right circumstances. We all should serve as a model for others to see or our existence if futile.

Our second goal is to increase the number of students who are prepared for high school. The current disparity in educational achievement between City of Wilmington children and their peers across the state is clear. This disparity leads to a large population of Wilmington's students being unprepared for the ever increasing technologically based job market. We are seeking to decrease that disparity in a city that has a significant number of working poor and children living in poverty. Students unprepared for high school are unprepared for the workforce.

Our third goal is to decrease the number of students who are labeled Special Education students. In December of 2000 Wilmington's special education population was 20.65% of the New Castle special education population while only comprising 14.9% of New Castle's total school population. Through our small class-size, specially prepared teachers and longer day and year we have been able to keep our special education population below 10% including speech and language and transfer students. If we exclude those populations our special education population falls below 5%. It takes the early academic intervention and an extended year to give our students a leg up on

learning. From our inception, we intended to leave no child behind and have thus far, met all our intended goals.

The fourth goal is to increase the number of minority students who accept the challenge of the math and science disciplines. Increasingly applicants for the best employment opportunities will need a good grasp of science, mathematics, and computer technology. However minorities, women, and other disadvantaged groups have not excelled to the same degree as others in these areas. We intend to use all strategies necessary to change these circumstances. Thus far 80% or more of our students who take the DSTP continue to meet the standards for math due to our additional attention to math and our students' learning styles. Our extended day and year allows us to do some additional tutoring and add experiences that the students would not otherwise have the privilege to experience. Our full day kindergarten program helps our students get a chance to start out with more fortunate children.

Our final goal is to truly create an atmosphere from where no child will be left behind. Although this has become a recent call to arms for President Bush it has been our wish from the beginning. We recognized that there is a population of students that are being grossly underserved through the lack of resources or misperceptions.

Many of our students come from environments where failure is misconceived as an accepted norm. We want to alter that perception and make our students see success as a viable option. Upon entering our school, you will see a sign that says, "Students in this school will learn". It is not just a saying. It is practiced here everyday by a wonderful corps of dedicated staff and teachers.

In order to create this atmosphere our staff receives training in all subject areas and in the state standards. They are also trained in classroom management and TESA (Teacher Expectations and Student Achievement). This training focuses on creating higher expectations for all students. We work hard to destroy teachers innate prejudices against poor students and students with disabilities and problems. Our focus on the teacher as the frontline deliverer of services and change agent, has helped some of our "lower performing" students excel. No Child Left Behind is more than a saying at East Side Charter School it's why we began.

*c) Student Performance (Regulation 275, Section 4.2)*

*1) List the student performance goals planned for the proposed renewal term.*

I. For each grade at the school, school average performance on the CTBS tests will demonstrate at least one grade level increase in each subject area each year.

II. For each grade, the following percentage of students, in the school, will demonstrate an increase of at least one grade level in both reading and mathematics on the CTBS tests during the next five years of school operation.

III. By the end of the charter period the school average will be equal to or greater than 95% of the State's mean score on the DSTP.



- IV. For each year of school operation, average daily attendance will exceed 90% of the daily enrollment.
- V. For each year of the school's operation, the school will have fewer total reportable incidents than the average for all schools with the same grade configuration.
- VI. Each year, at least 80% of the non-graduating student body will return to the school the following September.
- VII. Of all students entering the school at any given grade, 60% will continue at the school through the end of the educational program.
- VIII. Each year the school will have at least enough students seek admission to the school to have the maximum number of students, allowed by the charter, enrolled at the beginning of the school year.
- IX. Each year of school operation, the school will have a waiting list of students seeking admission.
- X. Each year of the school's operation, at least 85% of the parents of students attending the school will indicate satisfaction with the school's administration and educational program.

*2) Submit a proposed Performance Agreement for the proposed renewal period, including measurable objectives with annual performance targets for each year.*

- I. For each grade at the school, school average performance on the CTBS tests will demonstrate at least one grade level increase in each subject area each year.
- II. For each grade, the following percentage of students, in the school, will demonstrate an increase of at least one grade level in both reading and mathematics on the CTBS tests during the next five years of school operation.
  - a. First Comparison Interval (2004-05 compared to 2003-04) 60%
  - b. Second Comparison Interval (2005-06 compared to 2004-05) 70%
  - c. Third Comparison Interval (2006-07 compared to 2005-06) 75%
  - d. Fourth Comparison Interval (2007-08 compared to 2006-07) 80%
  - e. Fifth Comparison Interval (2008-09 compared to 2007-08) 85%
- III. By the end of the charter period the school average will be equal to or greater than 95% of the State's mean score on the DSTP. School average performance targets on the state assessment will be the following for each subject area assessed:
  - I. Ninth Year 90% of state grade average for each subject assessed
  - II. Tenth Year 90% of state grade average for each subject assessed
  - III. Eleventh Year 95% of state grade average for each subject assessed
  - IV. Twelfth Year 95% of state grade average for each subject assessed
  - V. Thirteenth Year 95% of state grade average for each subject assessed
- IV. For each year of school operation, average daily attendance will exceed 90% of the daily enrollment.
- V. For each year of the school's operation, the school will have fewer total reportable incidents than the average for all schools with the same grade configuration.
- VI. Each year, at least 80% of the non-graduating student body will return to the school the following September.

- VII. Of all students entering the school at any given grade, 60% will continue at the school through the end of the educational program.
- VIII. Each year the school will have at least enough students seek admission to the school to have the maximum number of students, allowed by the charter, enrolled at the beginning of the school year.
- IX. Each year of school operation, the school will have a waiting list of students seeking admission.
- X. Each year of the school's operation, at least 85% of the parents of students attending the school will indicate satisfaction with the school's administration and educational program.

*3) Describe how the school will continue to comply with the requirements of the State Public Education Assessment and Accountability System pursuant to 14 Delaware Code, Sections 151, 152, 153, 154, and 157 over the proposed renewal term.*

East Side has fully complied with the above section of 14 Delaware Code. In all instances 100% of students eligible have tested and the school; has received a commendable rating during the first accountability ratings and superior during the last accountability ratings. We will continue to assure that state standards are used to prepare our students for the future and to excel on state mandated tests. We will also continue to use data to improve our teaching and the students learning. We are dedicated to reaching students using different techniques that are inline with their learning styles.

**d) Economic Viability (Regulation 275, Section 4.4)**

*1) Describe how the school will remain economically viable over the proposed renewal term.*

East Side has shown that it can operate with in the traditional funding sources. We have also been diligent about seeking other funding sources. We monitor our programs well and foresee these funding sources continuing as our program grows. Our plan continues to be to stretch state and federal monies and then local funds.

We will continue to solicit grants from various sources including MBNA, Social Venture Partnership, WSFS, Citizens Bank, Wachovia, Citibank, JP Morgan-Chase, Delaware Community Foundation, Speer Trust, the City of Wilmington, the Cross Country Bank, and The Family Workplace Connection.

The executive director monitors spending and reports each month to the finance committee and the school board of directors. Having access to DFMS is a luxury as all transaction goes through there.

The Board, Executive Director, and staff will continue their established roles. The Board sets policy and oversees the operation of the school but the hands on decisions and day-to-day operations are the responsibility of the executive director. Board business is handled in monthly meetings. We have sought out members of the community that we

thought would enhance our board by bringing additional talents to the table. We feel that the additions will help the school grow and achieve its mission more quickly.

*2) In the attached budget pages, report the source and expenditures of all funds for the proposed renewal term. Identify the terms and source of any loans the school plans to receive during the proposed renewal term.*

*3) Describe how the school plans to address transportation for the school's students during the proposed renewal term.*

East Side intends to continue to tenure bids for our transportation needs.

*4) Describe the facilities the school plans to use during the proposed renewal term. Indicate whether the school plans to own or lease the facilities.*

The school plans to use a facility that is more than adequate for our school and students. We are currently in negotiations for a building that has served as an elementary school and will be vacant next school year. The building is located approximately a half mile away and was originally built to house approximately 550 students.

***e) Attendance, Discipline, and Student Rights and Safety (Regulation 275, Section 4.5)***

*1) Describe any changes planned in the **Student Rights and Responsibilities Manual** used at the school. Describe how the manual will be distributed.*

There will be no changes to our Students Rights and Responsibilities Manual and will continue to be distributed at the beginning of the year to all parents.

*2) Describe any planned changes in the school's attendance policy and how that policy will be distributed to students and parents.*

There will be no changes in the attendance policy.

*3) Describe how the school will comply with 14 Delaware Code, Section 4112 and applicable DOE regulations regarding the reporting of school crimes.*

In order to comply with the law we have adopted a student code of conduct which is shared with parents and staff. The consequences for different offences are listed and meted out when a crime occurs. The rights of all are taken into consideration to provide a safe and fear free environment. School crimes will be reported as the need arises.

*4) Describe how the school will provide for the health and safety of students, employees, and guests, including health services.*

We are committed to fostering a safe and healthful environment for students, employees and visitors to at East Side Charter. We have developed fire and emergency

plans for the staff, students and visitors. We have tested for asbestos and other possible toxic substances to make sure that all are safe. We have made every effort to make sure that playground equipment is kid safe and that the buildings are safe and friendly to all. There is a nurse on staff and emergency help is close by. To assure that children are safe all guests must sign in at the office and all employees go through background checks for possible offenses.

***f) Market Accountability (Regulation 275, Section 4.5)***

*Describe any planned changes in the recruitment, enrollment procedures for students during the proposed renewal term. List the admissions preferences the school will use during the proposed renewal term.*

The school plans to increase the recruitment of students in Wilmington. As our grade level increases we will recruit the 7 through 8<sup>th</sup> grades. The preferences are students who are economically and socially at risk those within 5 miles of the school and siblings.

## ASSURANCES

**The Board of Directors of this charter school assures that the school will:**

- 1) **Be in full compliance with 14 Delaware Code, Chapter 5 and 14 DE Admin Code, Section 275 in the Regulations of the Department of Education.**
- 2) Not discriminate against any student in the admissions process because of race, creed, color, sex, handicap, or national origin or because a student's school district of residence has a per student local expenditure lower than another student seeking admission.
- 3) Not operate in a sectarian manner or include religious practices in its educational program.
- 4) Participate in the Delaware Student Testing Program and meet the requirements for school accountability as described in state law.
- 5) Manage the school within all State administrative and financial systems including: payroll, purchasing, pensions, and benefits.
- 6) Initiate and maintain direct communication with other public and nonpublic schools to assure efficient notification and transfers and exchange of records.
- 7) Not implement any additional modifications to the charter school program or operation without the express written consent of the Department of Education.
- 8) Notify the Department of Education in writing within 30 days when the school administrative head or any member of the board of directors change.
- 9) Provide the Department of Education with copies of all policies and by-laws of the school and the school's board of directors and inform the Department in a timely manner when by-laws change.
- 10) By September 1 of each school year, provide the Department of Education with evidence of the certification status of teachers employed at the school.
- 11) Employ only staff who have complied with the requirement of having a successful criminal background check and report to the Department of Education by September 1 of each school year that the school is in full compliance with state law related to this requirement.
- 12) Cooperate fully with Department of Education requests for reporting information and activities related to monitoring the school's compliance with the charter and applicable state and federal laws and regulations.

- 13) Comply with the provisions of a Performance Agreement, as required by the Secretary of Education.
- 14) Distribute copies of the Department's **Frequently Asked Questions About Delaware Charter Schools** to all parents seeking to enroll their child(ren) as well as to parents of enrolled children.
- 15) Conduct all meetings of the board of directors in a manner consistent with the Freedom of Information Act, especially the legal requirements of **29 Delaware Code, Sections 10002, 10003 and 10004**.
- 16) The Board of Directors will include a member who is a Delaware certified teacher employed at the school and a member who is a parent of a student enrolled at the school, consistent with **14 Delaware Code, Section 512 (1)**.
- 17) Comply with the requirements for reporting school crimes as described in **14 Delaware Code, Section 4112**.
- 18) Advise any person or entity offering a loan to the school that debts of the school are not debts of the State of Delaware and that neither the State nor any other agency nor instrumentality of the State is responsible for the repayment of any indebtedness.

As members of the school's Board of Directors, we agree to these assurances as a condition of the approval of the renewal of the charter of this school.

We have reviewed the Delaware Charter Law (14 Delaware Code, Chapter 5) and 14 DE Admin Code, Sections 275 in the Regulations of the Department of Education, and have based the responses in this application on the review of these documents.

We understand that when submitted to the Department of Education, this application will be deemed to be a "public document" subject to disclosure pursuant to the provisions of the Delaware Freedom of Information Act.

10/15/04

Date of Signatures

EAST Side

Name of the Charter School

Signature of the Chairperson of the Board of Directors

Christine Chabey

Signature of Member of the Board of Directors

Prescilla B. Rabestraw

Signature of Member of the Board of Directors

Signature of Member of the Board of Directors

Signature of Member of the Board of Directors

Signature of Member of the Board of Directors

Signature of Member of the Board of Directors

# Charter School Budget Worksheets

## REVENUE\*

	Renewal Charter Term Year 1	Renewal Charter Term Year 2	Renewal Charter Term Year 3	Renewal Charter Term Year 4	Renewal Charter Term Year 5
State Appropriations	986,484	1,204,800	1,427,021	1,571,496	1,752,879
Local Fund Transfers	490,673	627,821	721,475	809,668	895,672
Charter School Federal Funds	382,000	477,950	545,460	607,645	671,608
Other Federal Funds					
Construction Loans**	\$	\$	\$	\$	\$
Equipment Loans**	\$	\$	\$	\$	\$
Other Loans:**	\$	\$	\$	\$	\$
Other (Contributions)***	40,000	60,000	80,000	90,000	100,000
- Program Fees	221,325	276,915	316,030	352,060	389,120
- Interest	10,000	10,000	10,000	10,000	10,000
- Grants	75,000	125,000	175,000	200,000	200,000
- Miscellaneous	2,000	2,000	2,000	2,000	2,000
<b>TOTAL REVENUE</b>	<b>2,207,482</b>	<b>2,784,486</b>	<b>3,276,986</b>	<b>3,642,869</b>	<b>4,021,279</b>

\* Use actual figures wherever possible.

\*\* Please indicate sources.

\*\*\* Additional lines may be added if necessary or other revenue sources can be outlined on an attached sheet. Indicate total revenue from all sources here.

## EXPENSES

Personnel Salaries (Please indicate FTEs - Full Time Equivalents)	Renewal Charter Term Year 1	FTE s	Renewal Charter Term Year 2	FTE s	Renewal Charter Term Year 3	FTEs	Renewal Charter Term Year 4	FTEs	Renewal Charter Term Year 5	FTE:
Teachers	691,735	12	959,753	14	1,192,193	16	1,388,814	18	1,587,064	20
Principal/Administrative	205,237	3.39	254,494	3.99	275,213	4.29	285,487	4.56	296,890	4.98
Nurse	26,250		27,563		28,941		30,388		31,907	
Clerical	111,706	1	138,515	1	150,678	1	157,252	1	164,550	2
Custodial	25,280	1	31,347	1	36,363	1	40,363	1	44,803	1
Substitutes	15,800		19,592		22,727		25,227		28,002	
Other - Playground Aides	47,400		58,776		68,180		75,680		84,005	
Academic Excellence						1.23		1.37		1.51
<b>Total FTE</b>		<b>16.46</b>		<b>20.09</b>		<b>23.52</b>		<b>25.93</b>		<b>29.33</b>
<b>Other Employee Costs (a)</b>										
Health Insurance	\$		\$		\$		\$		\$	
Pension	\$		\$		\$		\$		\$	
FICA	\$		\$		\$		\$		\$	



Worker's Compensation	\$	\$	\$	\$	\$	\$	\$
Unemployment Insurance	\$	\$	\$	\$	\$	\$	\$
Other Benefits (Please specify on back of this page)	\$	\$	\$	\$	\$	\$	\$
Total based on DOE supplied percentage of 20.69%	232,433	308,289	367,102	414,464	462,881		
<b>SUBTOTAL Personnel</b>	<b>1,355,841</b>	<b>1,798,329</b>	<b>2,141,396</b>	<b>2,417,675</b>	<b>2,700,101</b>		

(a) The percentage rates for certain employment costs should be obtained from the Business Office at the Delaware Department of Education (302) 739-4664.

### EXPENSES (continued)

Student Support	Renewal Charter Term Year 1	Renewal Charter Term Year 2	Renewal Charter Term Year 3	Renewal Charter Term Year 4	Renewal Charter Term Year 5
Transportation	140,431	175,702	200,522	223,383	246,897
Cafeteria/Food Service	131,404	162,941	192,047	218,138	235,491
Extra Curricular					
Supplies and Materials	96,001	109,041	125,211	130,261	136,524
Textbooks	10,000	12,000	14,000	16,000	18,000
Computers	18,461	20,891	25,405	26,502	29,863
Contracted Services	185,020	218,925	261,467	279,219	301,231
Other - Travel	21,671	24,872	30,342	32,624	37,953
Contingency Funds**	\$	\$	\$	\$	\$
<b>SUBTOTAL Student Support</b>	<b>602,988</b>	<b>724,372</b>	<b>848,993</b>	<b>926,127</b>	<b>1,005,960</b>
<b>Operations and Maintenance of Facilities</b>					
Insurance (Property/Liability)	24,436	27,801	31,973	34,647	40,462
Rent	150,000	150,000	150,000	150,000	150,000
Mortgage					
Utilities					
Maintenance					
Telephone/Communications	10,956	12,085	14,486	15,962	19,793
Insurance (Property/Liability)	24,436	27,801	31,973	34,647	40,462
Rent	150,000	150,000	150,000	150,000	150,000
	\$	\$	\$	\$	\$
<b>SUBTOTAL Operations and Maintenance of Facilities</b>	<b>185,392</b>	<b>189,886</b>	<b>196,459</b>	<b>200,609</b>	<b>210,255</b>

<b>Administrative/Operations Support</b>					
Equipment Lease/Maintenance	1,370	1,199	1,486	1,493	1,851
Equipment Purchase	2,782	2,950	3,158	3,415	4,235
Supplies & Materials	8,617	9,685	12,010	13,392	15,107
Printing & Copying	237	294	364	452	560
Postage & Shipping	1,416	1,755	1,977	2,201	2,729
Other (Please Specify)	\$	\$	\$	\$	\$
<b>SUBTOTAL Administrative/Operations Support</b>	<b>14,422</b>	<b>15,883</b>	<b>18,995</b>	<b>20,954</b>	<b>24,483</b>
<b>Management Company</b>					
Fees	\$	\$	\$	\$	\$
Salaries/Other Employee Costs	\$	\$	\$	\$	\$
Curriculum	\$	\$	\$	\$	\$
Accounting & Payroll	\$	\$	\$	\$	\$
Other (Please Specify)	\$	\$	\$	\$	\$
<b>SUBTOTAL Management Company</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Contingency Reserve</b>					
Contingency Funds****	44,150	55,690	65,540	72,857	80,426
<b>SUBTOTAL Contingency Reserve</b>	<b>44,150</b>	<b>55,690</b>	<b>65,540</b>	<b>72,857</b>	<b>80,426</b>

\*\*\*\* Regulation 275 requires a minimum 2% contingency reserve in the budget each year.

<b>EXPENSES SUBTOTAL</b>	<b>Renewal Charter Term Year 1</b>	<b>Renewal Charter Term Year 2</b>	<b>Renewal Charter Term Year 3</b>	<b>Renewal Charter Term Year 4</b>	<b>Renewal Charter Term Year 5</b>
Personnel	1,355,841	1,798,329	2,141,396	2,417,675	2,700,101
Student Support	602,988	724,372	848,993	926,127	1,005,960
Operations and Maintenance of Facilities	185,392	189,886	196,459	200,609	210,255
Administrative/Operations	14,422	15,883	18,995	20,954	24,483
Management Company	-	-	-	-	-
Contingency Reserve	44,150	55,690	65,540	72,857	80,426

<b>ALL EXPENSES</b>	2,202,793	2,784,160	3,271,793	3,638,222	4,021,224
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\*\*Regulation 275 requires a minimum of 2% contingency reserve in the budget each year.



# Appendix

## A

# Food Service Contract



**PROTOTYPE**

**Agreement to Purchase Meals for the  
National School Lunch/School Breakfast/After School Snack Programs**

THIS AGREEMENT is made and dated September 7, 2004, between East Side Charter, herein called the School Food Authority and Take-A-Break, herein called the Vendor.

1. The Vendor agrees to supply meals  inclusive /  exclusive (select one) of milk to the School Food Authority for  breakfast /  lunch /  After School Snack (select all that apply). The Vendor agrees to supply a copy of the planned menus to the School Food Authority at least two weeks prior to the date they are to be served. Menus will be planned in accordance with the following menu planning requirements of the U.S. Department of Agriculture under the National School Lunch Program and/or School Breakfast Program and full and accurate menu and production records will be maintained by the Vendor (select one):
- Traditional Food-based
  - Enhanced Food-based
  - Nutrient Standard Menu Planning
  - Assisted Nutrient Standard Menu Planning
  - Other \_\_\_\_\_

2. The School Food Authority agrees to purchase meals ordered according to the following schedule:

	<u>Breakfast</u>	<u>Lunch</u>	<u>Snack</u>
Student Meals	\$ <u>1.75</u>	\$ <u>1.25</u>	\$ <u>0 N/A</u>
Adult Meals	\$ <u>1.75</u>	\$ <u>2.25</u>	\$ <u>0 N/A</u>

3. Meals shall be delivered with the appropriate non-food items necessary for the meal to be consumed, unless otherwise specified in Section 9 of this contract. Non-food items include, but are not limited to condiments, napkins, plates, utensils, and straws.

4. Food will be transported in accordance with Delaware Division of Public Health safety standards for transporting foods by the:

School Food Authority                       Vendor

5. The School Food Authority shall determine the eligibility of students participating in the Child Nutrition Programs using eligibility documents as required according to federal regulations. The School Food Authority shall maintain daily meal counts (by category) of reimbursable meals served to eligible students.

6. The School Food Authority shall maintain full and accurate records for complying with all reporting and recordkeeping requirements under the Child Nutrition Programs. The School Food Authority shall claim student meals for federal reimbursement under the Child Nutrition Programs at the following rates:

	<u>Lunch Rate</u>	<u>Breakfast Rate</u>	<u>Snack Rate</u>
Free Student Meals	\$ <u>2.03</u>	\$ <u>1.47</u>	\$ <u>.61</u>
Reduced Price Student Meals	\$ <u>1.63</u>	\$ <u>1.17</u>	\$ <u>.61</u>
Paid Student Meals	\$ <u>.23</u>	\$ <u>.23</u>	\$ <u>.61</u>

request. It is also agreed that records will be retained for the required period of three (3) years after the end of the fiscal year to which they pertain (or longer, if an audit is in progress); and upon request, all accounts and records pertaining to the program will be made available to representatives of the U.S. Department of Agriculture, the General Accounting Office, and the Delaware Department of Education Child Nutrition Programs for audit or administrative review at a reasonable time and place.

8. The School Food Authority shall collect payments for meals from eligible program participants according to the following daily prices:

	<u>Breakfast</u>	<u>Lunch</u>	<u>Snack</u>
Free Students	No Charge	No Charge	No Charge
Reduced Price Students	\$ <u>.30</u>	\$ <u>.40</u>	\$ <u>0</u>
Paid Students	\$ <u>.75</u>	\$ <u>1.25</u>	\$ <u>0</u>
Adults	\$ <u>1.75</u>	\$ <u>2.25</u>	\$ <u>0</u>

9. Other Services Required:

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This agreement shall be effective from \_\_\_\_\_ to \_\_\_\_\_. It may be terminated by notice in writing given by any party hereto to the other parties at least thirty (30) days prior to the date of termination.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the dates indicated below:

W. Scott Ral  
 School Food Authority Official's Signature

Ann K. [Signature]  
 Vendor Authorized Signature

Executive Director 7/1/04  
 Title Date

VICE PRESIDENT 09/02/04  
 Title Date

2401 Thatchers St Wilm 19802  
 Address

413 EIGHTH AVENUE  
 Address WILMINGTON, DE 19803

421-8270  
 Phone

(302) 658-8571  
 Phone



**EAST SIDE CHARTER SCHOOL**  
**UP FRONT 100% VERIFICATION**  
**NATIONAL SCHOOL LUNCH PROGRAM/SCHOOL BREAKFAST PROGRAM/**  
**AFTER SCHOOL SNACK PROGRAM**

Dear Parent/Guardian:

The East Side Charter School offers a choice of healthy meals each school day. Children may buy lunch for \$1.25 and breakfast for \$.75. Children who qualify under U.S. Department of Agriculture guidelines may get meals for free or at a reduced price of \$.40 for lunch, \$.30 for breakfast and \$ 0 for After School Snack Program, where available. All meals served must meet nutrition standards established by the U.S. Department of Agriculture. If a child has a disability, as determined by a doctor, and the disability prevents the child from eating the regular school meal, the school will make substitutions prescribed by the doctor. If a substitution is needed, there will be no extra charge for the meal. Please note, however, that the schools are not required to make substitutions for a food allergy, unless it meets the definition of disability. Please call your child's school for further information.

Your child can get free meals if you receive food stamps or receive benefits from Delaware's TANF Program. If your household's total gross income is the same or below the amount on the Income Chart, your child can get meals either free or at a reduced price.

How do I get free or reduced price school meals for my child? You must complete the School Meals Benefit form and return it to the school. Although the initial eligibility determination will be based solely on the information documented on the School Meals Benefit Form, households are required to submit verification of eligibility information with the School Meals Benefit Form for continued eligibility for free or reduced price meals.

- **Households getting food stamps or benefits from Delaware's TANF (DE-TANF):** You only have to include the child's name and case number, an adult household member must sign the School Meals Benefit Form.
- **Households that do not receive food stamps or benefits from DE-TANF:** If you do not have a case number, you must include the names of all household members, amount of their gross income they received in the last month and where the income came from. An adult household member must sign the form and include their social security number or indicate that they do not have one.
- **Households with a foster child:** You must include the foster child's name and the amount of the child's "Personal Use" income that the child received last month, and an adult must sign the form.

**School Year 2004-2005**  
**REDUCED MEALS - 185%**

**Family Size**

	<b>Yearly</b>	<b>Monthly</b>	<b>Weekly</b>
1	\$17,224	\$1,436	\$ 332
2	\$23,107	\$1,926	\$ 445
3	\$28,990	\$2,416	\$ 558
4	\$34,873	\$2,907	\$ 671
5	\$40,756	\$3,397	\$ 784
6	\$46,639	\$3,887	\$ 897
7	\$52,522	\$4,377	\$1,011
8	\$58,405	\$4,868	\$1,124
For each additional Household member Add:	+\$5,883	+\$491	+\$114

**SCHOOL YEAR  
2004-2005**

**FREE AND REDUCED PRICE SCHOOL MEALS APPLICATION**

<b>Part 3. Children in School (Use a separate application for each foster child)</b>			
Names of all children in school (First Middle Initial, Last)	School Name	Grade	Food Stamp or TANF case # (if any)

If you listed a Food Stamp/TANF case number for EACH child, skip to Part 4.

**Eoster Child**

If this application is for a child who is the legal responsibility of a welfare agency or court, list the amount of the child's personal use monthly income: \$ \_\_\_\_\_. Skip to Part 4.

**Total Household Income from Last Month—You must tell us how much and how often**

1. Name (List everyone in household)	2. Last month's income and how often it was received <i>Example: \$100/monthly \$100/twice a month \$100/every other week \$100/weekly</i>				3. Check if NO income
	Earnings from work before deductions	Welfare, child support, alimony	Pensions, retirement, Social Security	Other	
(Example) Jane Smith	\$200/weekly	\$150/weekly	\$100/monthly	\$ ____ / ____	<input type="checkbox"/>
	\$ ____ / ____	\$ ____ / ____	\$ ____ / ____	\$ ____ / ____	<input type="checkbox"/>
	\$ ____ / ____	\$ ____ / ____	\$ ____ / ____	\$ ____ / ____	<input type="checkbox"/>
	\$ ____ / ____	\$ ____ / ____	\$ ____ / ____	\$ ____ / ____	<input type="checkbox"/>
	\$ ____ / ____	\$ ____ / ____	\$ ____ / ____	\$ ____ / ____	<input type="checkbox"/>
	\$ ____ / ____	\$ ____ / ____	\$ ____ / ____	\$ ____ / ____	<input type="checkbox"/>

**Part 4. Signature and Social Security Number (Adult must sign)**

An adult household member must sign the application. If Part 3 is completed, the adult signing the form must also list his or her Social Security Number or mark the "I do not have a Social Security Number" box. (See Privacy Act Statement on the back of this page.)

*I certify (promise) that all information on this application is true and that all income is reported. I understand that the school will get Federal funds based on the information I give. I understand that school officials may verify (check) the information I understand that if I purposely give false information, my children may lose meal benefits, and I may be prosecuted.*

Sign here: X \_\_\_\_\_  
Social Security Number: \_\_\_\_\_  I do not have a Social Security Number

**Part 5. Children's racial and ethnic identities (optional)**

Mark one or more racial identities:

- Asian     Black or African American     American Indian or Alaska Native     Native Hawaiian or Other Pacific Islander     White

Mark one ethnic identity:

- Hispanic or Latino     Not Hispanic or Latino

**Don't fill out this part. This is for school use only.**

Monthly Income Conversion: Weekly x 4.33, Every 2 Weeks x 2.15, Twice A Month x 2

Monthly Income: \_\_\_\_\_ Household size: \_\_\_\_\_ FS/TANF: \_\_\_\_\_ Date Withdrawn: \_\_\_\_\_

Eligibility: Free \_\_\_\_\_ Reduced \_\_\_\_\_ Denied \_\_\_\_\_ Reason: \_\_\_\_\_

Temporary: Free \_\_\_\_\_ Reduced \_\_\_\_\_ Time Period: \_\_\_\_\_ (expires after \_\_\_\_\_ days)

Determining Official's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, age, or disability. Person with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326 W. Whitten Building, 14<sup>th</sup> and Independence Avenue, N.W., Washington, D.C. 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

**Lifelong Achievement Through Educational Excellence**

Incomplete form and requested information you will receive a meal invoice.  
→(See reverse side for meal verification form. (This form needs to be filled out and returned with meal application form.)

**According to Department of Education Food and Nutrition Program you are required to report all incoming income. Failure to do so may result in the parent reimbursing the State of Delaware all revenue due. The school will not be responsible for any false reporting. Note: The School Food Official has the right to request income from both parents in same household.**

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, age, or disability. Persons with disabilities who require alternative means for communication of program information (Braille, large print, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W White House Building, 14<sup>th</sup> and Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

# East Side Charter School

## Addendum AGREEMENT TO FURNISH FOOD SERVICE

THIS AGREEMENT is made and entered into by and between East Side Charter School and Take-A-Break for 2004-2005 school year. The East Side Charter School is not adequate for preparing meals. Therefore Take-A-Break has agreed to provide breakfast and lunch. The meals should be a combination of hot and cold foods. Take-A-Break will provide East Side Charter School the following as noted.

With Paper-ware/ Meal	Daily Quantity	Operating Days	Unit Price
Breakfast	95	203 days (Sept-June 17, 2005) July is contingent if meals are not provided by the summer food program of Delaware	1.52 each w/milk and condiments
Lunch	130	203 days (Sept-June 17, 2005) July is contingent if meals are not provided by the summer food program of Delaware	2.07 each w/milk and condiments
Snack	N/A		

It is agreed that Take-A-Break will comply with the National School Lunch, School Breakfast program (NSLSBP). The meals should contain as mentioned below.

### Breakfast Component

Milk 8 oz. Fluid (Variety)  
Bread/Bread Alternative  
Meat/Meat Alternative  
Fruit/Juice

### Lunch Component

Milk 8 oz. Fluid (Variety)  
Grain/Breads  
Meat/Meat Alternative  
Vegetable  
Fruit/Juice

See Attached for Portion size: Meal Pattern Requirements

The price of the milk and juice are included in the unit price. Take-A-Break will be responsible for the delivery of the milk and juice, to be delivered with the meals.

East Side Charter School will prepare the menus. Menus will be rotated on a four-week cycle. If meals are not satisfactory to East Side Charter School, East Side Charter School will notify Take-A-Break to change a meal(s) within 15 days. Meals are to be delivered daily on time according to East Side Charter School.

If there should be a change in the menu due to field trips and/or student reduction(s) we will notify Take-A-Break 72-hour timeframe. Meals for field trips must be prepared accordingly. The meal counts can be reduced or increase within a 72-hour timeframe.

East Side Charter School will not be responsible for any equipment unless the equipment was totally damaged on site by an employee or a student of East Side Charter School.

East Side Charter School has agreed to pay Take-A-Break for reimbursable meals on a monthly basis. A reimbursable meal is all the food components mentioned above with the proper food portions described on the attached form. (Form Meal Patter Requirements.)

Take-a-Break will provide the disposable eating utensils and paper products. If the product quality diminishes or the school see that it is more feasible to purchase the products, the school will inform Take-A-Break within 72 hours to discontinue paper products.

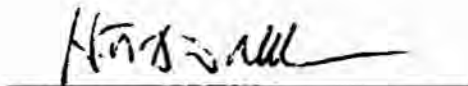
Six "Themed Meal Event" will be provided at the discretion of East Side Charter at the same cost mentioned above.

AGREEMENT TO FURNISH FOOD SERVICE

  
Executive Director (Please Print)

H.F. Smith Bell  
Take-A-Break (Please Print)

  
Executive Director Signature 9/3/04

  
Take-A-Break Signature  
09/02/04



# Appendix B Student Code of Conduct





# East Side Charter School

## Student Code of Conduct



2004-2005

**Will Robinson**  
**Executive Director**  
**2401 Thatcher Street**  
**Wilmington, Delaware 19802**  
**302-421-8270**

This document is not all inclusive nor does it restrict the District's Authority to maintain a safe and orderly educational environment.

## **VIOLATIONS AND DISCIPLINARY ACTIONS**

THE LIST IS NOT ALL INCLUSIVE, AND A STUDENT COMMITTING AN ACT OF MISCONDUCT NOT LISTED WILL STILL BE SUBJECT TO THE AUTHORITY OF THE PRINCIPAL OR DESIGNEE. SERIOUS OR EXCESSIVE BEHAVIOR WHICH NECESSITATES A MORE SEVERE DISCIPLINARY ACTION THAN THAT REQUIRED OR OPTIONAL UNDER THE FOLLOWING DISCIPLINARY ACTIONS SHALL BE SUBJECT TO THE DISCRETIONARY AUTHORITY OF THE PRINCIPAL UP TO AND INCLUDING A RECOMMENDATION FOR EXPULSION.

When establishing disciplinary action to be taken, the first priority shall be those that are required action(s).

When selecting appropriate disciplinary actions from among those listed under "Optional," the administrator or designee may select one or more of the actions listed in addition to implementing those which are required. Multiple offenses may be treated under the more severe penalties listed under subsequent violations.

### **ABUSIVE LANGUAGE**

Written or spoken language that is offensive, obscene, or vulgar and that is observed or heard by students, staff, or patrons.

#### **First Violation**

##### **Required**

Reprimand

##### **Optional**

Parent/Legal Guardian

Contact/Conference

Removal from class

Detention

Disciplinary Agreement

Restitution/Restoration

In-School Suspension

Out-of-School Suspension

#### **Subsequent Violations**

##### **Required**

Parent/Legal Guardian

Contact/Conference

Reprimand

##### **Optional**

Removal from class

Detention

Disciplinary Agreement

Restitution/Restoration

In-School Suspension

Out-of-School Suspension

### **ACADEMIC CHEATING**

The act or instance of fraudulent deception in preparing or presenting course work or class assignments as a student's own authentic work when it is not. This includes, but is not limited to, (1) copying another student's paper, (2) unauthorized use of notes or sharing answers during a test or examination, (3) presenting another person's work as one's own, (4) presenting

quotations, words, or ideas without proper references or credit (plagiarism).

**First Violation**

**Required**

Parent/Legal Guardian  
Contact/Conference  
Restitution/Restoration  
Grade Penalty for specific  
incident or act

**Optional**

In-School Suspension  
Out-of-School Suspension

**Subsequent Violations**

**Required**

Parent/Legal Guardian  
Contact/Conference  
Behavior Contract  
Restitution/Restoration  
Grade Penalty for specific  
incident or act  
In-School Suspension

**Optional**

Out-of-School Suspension  
Assignment to Alternative  
Program

**ARSON**

Any burning of school property, district buildings or their contents, or the personal property of others.

**First Violation**

**Required**

Reprimand  
Out-of-School Suspension  
Referral to Police/Fire Agency  
and/or the Courts  
Parent/Legal Guardian  
Contact/Conference  
Restitution/Restoration

**Optional**

Referral to Social Services Agencies  
Behavior Contract  
Referral; to Alternative Programs  
Recommendation for Expulsion

**Subsequent Violations**

**Required**

Parent/Legal Guardian  
Contact/Conference  
Restitution/Restoration  
Out-of-School Suspension  
Referral to Police/Fire Agency  
and/or the Courts  
Recommendation for Expulsion

**ASSAULT**

Intentionally or recklessly causing physical injury to another person.

**First Violation**

**Required**

Reprimand  
Out-of-School Suspension  
Referral to Police Agency  
Parent/Legal Guardian  
    Contact/Conference  
Restitution/Restoration

**Optional**

Behavior Contract  
Referral to Social Services Agencies  
Referral To Alternative Programs  
Recommendation for Expulsion

**Subsequent Violations**

**Required**

Parent/Legal Guardian  
    Contact/Conference  
Restitution/Restoration  
Out-of-School Suspension  
Referral to Police Agency

**Optional**

Behavior Contract  
Referral to Social Services Agencies  
Referral to Alternative Programs  
Recommendation for Expulsion

**ASSAULT OF AN EMPLOYEE BY A STUDENT**

A deliberate or spontaneous physical attack on an employee by a student resulting in an assault charge.

**First Violation**

**Required**

Reprimand  
Out-of-School Suspension  
Parent/Legal Guardian Contact/Conference  
Referral to Police Agency and/or Courts  
Recommendation for Expulsion

**AGGRAVATED ASSAULT**

Intentionally causing serious physical injury to another person or intentionally causing any degree of injury to another person by using a deadly weapon or dangerous instrument.

**First Violation**

**Required**

Reprimand  
Parent/Legal Guardian Contact/  
    Conference  
Out-of-School Suspension  
Referral to Police Agency and/or the courts  
Confiscation/Search

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/  
    Conference  
Referral to Police Agency and/or  
    the courts  
Out-of-School Suspension

**Optional**

Recommendation for Expulsion  
Referral to Alternative Programs

**Optional**

Recommendation for Expulsion  
Referral to Alternative Programs

**ATTEMPTED RAPE OR RAPE**

Forced sexual contact without consent of the victim.

**First Violation**

**Required**

Reprimand  
Parent/Legal Guardian Contact/Conference  
Out-of-School Suspension  
Referral to Police Agency and/or the Courts  
Recommendation for Expulsion

**BREAKING AND ENTERING**

**First Violating**

**Required**

Reprimand  
Parent/Legal Guardian Contact/  
Conference  
Referral to Police Agency and/or  
the Courts  
Restitution/Restoration  
Out-of-School Suspension

**Optional**

Referral to Social Services Agencies

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/  
Conference  
Restitution/Restoration  
Out-of-School Suspension  
Referral to Police Agency and/or  
the Courts

**Optional**

Referral to Social Services Agencies  
Behavior Contract  
Referral to Alternative Programs  
Recommendation for Expulsion

**CONSPIRACY TO VIOLATE STUDENT CODE**

When two or more person (students or non-students) conspire together to commit an offense which violates the law or Student Code of Conduct. This violation applies even if a student does not actually commit an offense but simply conspires to participates in planning/plotting the violation of the law or Code of Conduct.

**First Violation**

**Required**

Parent/Legal Guardian Contact/  
Conference  
Reprimand  
Restitution/Restoration

**Optional**

In-School Penalty  
In-School Suspension  
Out-of-School Suspension  
Behavior Contract  
Assignment to Alternative Program  
Recommendation for Expulsion

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/  
Conference  
Reprimand  
Restitution/Restoration

**Optional**

In-School Suspension  
Out-of-School Suspension  
Behavior Contract  
Assignment to Alternative Program  
Recommendation for Expulsion

**DEFIANCE OF SCHOOL PERSONNEL'S AUTHORITY**

A verbal or non-verbal refusal to comply with a reasonable request from school personnel; refusal to identify oneself is an act of defiance.

**First Violation**

**Required**

Parent/Legal Guardian Contact/Conference  
Reprimand

**Optional**

In-School Penalty  
Removal from Class  
Disciplinary Agreement  
Work Assignment  
In-School Suspension  
Out-of-School Suspension

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference

**Optional**

Removal from Class  
Work Assignment  
Behavior Contract  
Referral to Alternative Programs  
Out-of-School Suspension

**DISRUPTION ON THE SCHOOL BUS**

Any misconduct on the school bus, disrespect to the driver, or vandalism to the bus.  
(See Bus Regulations: Appendix C)

**First Violation**

**Required**

Parent/Legal Guardian Contact/Conference

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference

Restitution/Restoration  
Reprimand

**Optional**

Detention  
Disciplinary Agreement  
Denial of Bus Transportation  
Referral to Police Agency  
Out-of-School Suspension  
In-School Suspension  
In-School Penalty

Restitution/Restoration  
Reprimand

**Optional**

Denial of Bus Transportation  
Detention  
Disciplinary Agreement  
In-School Suspension  
Out-of-School Suspension  
Referral to Police Agency  
Behavior Contract

**EXPLOSIVES**

Possession or detonation of incendiary devices or explosives which may result in fire, burns, explosions or noxious fumes and odors or have the potential for causing injury, harm, damage or disruption. [examples: firecrackers, poppers, smoke bombs, caps, flares, flash paper, fireworks, sparklers, ammunition/bullets, etc.]

**First Violation**

**Required**

Confiscation  
Parent/Legal Guardian Contact/Conference  
Restitution/Restoration

**Optional**

In-School Penalty  
In-School Suspension  
Referral to Police and/or Court (if item is illegal or used to cause harm)  
Assignment to Alternative Program  
Recommendation for Expulsion

**Subsequent Violations**

**Required**

Confiscation  
Parent/Legal Guardian Contact/Conference  
Restitution/Restoration  
Referral to Police and/or Court (if item is illegal or used to cause harm)  
Out-of-School Suspension

**Optional**

Assignment to Alternative Program  
Recommendation for Expulsion

**FALSE FIRE ALARM/BOMB THREAT/TAMPERING WITH FIRE AND OTHER SAFETY DEVICES**

Making a "Bomb Threat," activating a fire alarm or initiating any false alarm which disrupts school activity or the orderly operation of the school or classroom. Students are strictly prohibited from tampering or using any fire or other life safety devices such as fire extinguishers, emergency lights, fire drill instructions, building exit signs, etc.

**First Violation**

**Required**

Parent/Legal Guardian Contact/Conference  
Restitution/Restoration  
Referral to Police and/or Fire Marshall  
State Report Form Completed

**Optional**

In-School Suspension  
In-School Penalty  
Out-of-School Suspension  
Assignment to Alternative Program  
Recommendation for Expulsion

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference  
Referral to Police and/or Fire Marshall  
State Report Form Completed  
Out-of-School Suspension

**Optional**

Assignment to Alternative Program  
Recommendation for Expulsion

**FIGHTING**

Aggressive physical conflict/combat between two or more individuals.

**First Violation**

**Required**

Reprimand  
Parent/Legal Guardian Contact/Conference  
Restitution/Restoration

**Optional**

In-School Penalty  
Disciplinary Agreement  
In-School Suspension  
Denial of Bus Transportation  
Out-of-School Suspension  
Behavior Contract  
Referral to Alternative Programs  
Recommendation for Expulsion

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference  
Restitution/Restoration  
Out-of-School Suspension

**Optional**

Denial of Bus Transportation  
Referral to Social Service Agencies  
Referral to Police Agency and/or the Courts  
Behavior Contract  
Referral to Alternative Programs  
Recommendation for Expulsion

**FORGERY**

Falsely or fraudulently signing or altering a document such as Hall Passes, Early Dismissal Notes, Progress Reports, Absence Excuse, etc. Forgery shall also include impersonating another student or falsely identifying oneself or others.



**First Violation**

**Required**

Parent/Legal Guardian Contact/Conference  
Reprimand

**Optional**

Behavior Contract  
In-School Suspension  
In-School Penalty  
Out-of-School Suspension  
Referral to Police and/or Courts

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference  
Out-of-School Suspension  
Behavior Contract

**Optional**

Assignment to Alternative Program  
Referral to Police and/or Courts  
Recommendation for Expulsion

**GAMBLING**

Participation in games of chance for money and/or other things of value.

**First Violation**

**Required**

Reprimand  
Parent/Legal Guardian Contact/Conference

**Optional**

Removal from Class  
Detention  
Disciplinary Agreement  
In-School Suspension  
Out-of-School Suspension  
Referral to Police Agency and/or the Courts

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference  
Out-of-School Suspension

**Optional**

Referral to Police Agency and/or Courts  
Behavior Contract  
Referral to Alternative Programs  
Recommendation for Expulsion

**GENERAL DISRUPTION OF THE ORDERLY EDUCATIONAL PROCESS**

Behavior which disrupts any school activity or the orderly operation of the school, e.g., boycotts, sit-ins, walk-outs, property damage, etc.

**First Violation**

**Required**

Reprimand  
Parent/Legal Guardian Contact/Conference  
Restitution/Restoration

**Subsequent Violations**

**Required**

Suspension

**Optional**

In-School Suspension  
In-School Penalty  
Out-of-School Suspension  
Referral to Police Agency and/or the Courts  
Disciplinary Agreement

**Optional**

Referral to Police Agency and/or the Courts  
Behavior Contract  
Referral to Alternative Programs  
Recommendation for Expulsion

**GENERAL SCHOOL/CLASSROOM DISRUPTION**

Behavior which produces distractions, frictions, or disturbances which seriously or repeatedly interfere with the effective functioning of the teacher, student, class, or school.

**First Violation**

**Required**

Reprimand

**Optional**

Parent/Legal Guardian Contact/Conference  
Removal from class  
In-School Penalty  
Detention  
Disciplinary Agreement  
Work Assignment  
Restitution/Restoration  
In-School Suspension  
Out-of-School Suspension

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference  
Removal from Class (as appropriate to classroom disruption)

**Optional**

Disciplinary Agreement  
Work Assignment  
In-School Suspension  
Detention

**HARASSMENT**

Actions or statements (spoken or written) which intimidate, offend, or defame the dignity or self-esteem of individuals or groups. Sexual harassment is included in this prohibition and includes unwelcome sexual advances, requests for sexual favors, and other inappropriate verbal or physical conduct of a sexual nature. Harassment may include, but is not limited to, displaying pictures or other items of a sexually explicit nature, verbal harassment or abuse, pressure for sexual activity, repeated remarks or jokes with demeaning implications, or other inappropriate/offensive behavior.

**First Violation**

**Required**

Parent/Legal Guardian Contact/Conference

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference

Restitution/Restoration  
Reprimand

**Optional**

Behavior Contract  
In-School Suspension  
In-School Penalty  
Out-of-School Suspension  
Recommendation for Expulsion

**INDECENT PROPOSITION/EXPOSURE**

Any unsolicited sexual behavior and/or proposal.

**First Violation**

**Required**

Reprimand  
Parent/Legal Guardian Contact/Conference

**Optional**

Out of School Suspension  
Referral to Police Agency and/or the Courts  
Disciplinary Agreement

**INFLAMMATORY ACTIONS**

Language, gestures, or actions which create or which might create a disturbance.

**First Violation**

**Required**

Reprimand

**Optional**

Parent/Legal Guardian Contact/Conference  
Removal from class  
In-School Penalty  
Detention

Restitution/Restoration  
Reprimand  
Out-of-School Suspension  
Behavior Contract

**Optional**

Assignment to Alternative Program  
Recommendation for Expulsion

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference  
Out-of-School Suspension  
Referral to Police Agency and/or the Courts

**Optional**

Referral to Social Services Agency  
Behavior Contract  
Referral to Alternative Programs  
Recommendation for Expulsion

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference  
Reprimand

**Optional**

Removal from class  
In-School Penalty  
Detention  
Disciplinary Agreement

Disciplinary Agreement  
Restitution/Restoration  
In-School Suspension  
Out-of-School Suspension

Restitution/Restoration  
In-School Suspension  
Out-of-School Suspension

### **LOITERING**

A student's unauthorized presence in any school area.

#### **First Violation**

**Required**  
Reprimand

**Optional**  
Parent/Legal Guardian Contact/Conference  
In-School Penalty  
Detention  
Disciplinary Agreement  
In-School Suspension

#### **Subsequent Violations**

**Required**  
Reprimand  
Parent/Legal Guardian Contact/Conference

**Optional**  
Detention  
In-School Penalty  
In-School Suspension  
Out-of-School Suspension  
Disciplinary Agreement

### **OFFENSIVE TOUCHING**

Intentionally touching another person, either with a part of the body or with any instrument, thereby causing offense or alarm to the other person.

#### **First Violation**

**Required**  
Reprimand  
Parent/Legal Guardian Contact/Conference

**Optional**  
Out-of-School Suspension  
Referral to Police Agency and/or the Courts  
Disciplinary Agreement  
In-School Suspension  
In-School Penalty

#### **Subsequent Violations**

**Required**  
Parent/Legal Guardian Contact/Conference  
Out-of-School Suspension

**Optional**  
Behavior Contract  
Referral to Alternative Program  
Referral to Police Agency and/or the Courts  
Recommendation for Expulsion

### **OFFENSIVE TOUCHING OF AN EMPLOYEE BY A STUDENT**

A deliberate or spontaneous physical touching, bumping, or hitting of an employee by a student done in an intimidating, provoking, abusive, alarming or endangering manner.

**First Violation**

**Required**

Reprimand  
Out-of-School Suspension  
Parent/Legal Guardian Contact/Conference  
Referral to Police Agency and/or the Courts  
Behavior Contract  
Restitution/Restoration if appropriate

**Optional**

Recommendation for Expulsion

**Subsequent Violations**

**Required**

Out-of-School Suspension  
Parent/Legal Guardian Contact/Conference  
Referral to Police Agency and/or the Courts  
Recommendation for Expulsion  
Restitution/Restoration if appropriate

**OUT-OF-SCHOOL CONDUCT**

The Code of Conduct shall also apply to out-of-school conduct by a student if the District believes that the nature of such conduct indicates that the student presents a threat to the health, safety, or welfare of other students. Such out-of-school conduct shall include, but is not limited to:

- \*acts of violence which are punishable by law.
- \*sexual offenses which are punishable by law.
- \*felony charges.
- \*the sale, transfer or possession of drugs which would constitute an offense punishable by law.

**PERSONAL INTIMACY ACTS**

Hugging, kissing, or other acts of affection or intimacy inappropriate to an educational setting.

**First Violation**

**Required**

Reprimand

**Optional**

Parent/Legal Guardian Contact/Conference  
In-School Penalty  
In-School Suspension  
Out-of-School Suspension

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference  
In-School Suspension

**Optional**

Out-of-School Suspension

**POSSESSION OF COMMUNICATION DEVICES**

Communication devices such as, but not limited to, mobile or cellular phones and electronic pagers, ordinarily have no place in the school environment. The unauthorized possession of such communication devices and other devices that may be disruptive to the educational process is prohibited. The presence of an unauthorized communication device in a student's purse, bookbag, or similar container is considered to be possession of the device by that student.

**First Violation**

**Required**

Confiscation  
Reprimand  
Parent/Legal Guardian Contact/Conference

**Optional**

In-School Suspension  
Out-of-School Suspension  
Referral to Police Agency and/or the Court

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference  
Out-of-School Suspension  
Confiscation/No Return

**Optional**

Behavior Contract  
Referral to Police Agency and/or the Court  
Recommendation for Expulsion

**POSSESSION AND/OR CONCEALING OF WEAPON/DANGEROUS INSTRUMENTS**

Possessing or concealing articles commonly used or designated to inflict bodily harm or to intimidate other persons (look alike and non-functional weapons are included) or using in an aggressive manner articles commonly designated for other purposes. For example, razor blades or knives of any size are strictly prohibited. The presence of a weapon in a student's purse, bookbag, or similar container is considered to be possession by that student.

**First Violation**

**Required**

Confiscation/ Search  
Out-of-School Suspension  
Parent/Legal Guardian Contact/Conference  
Referral to Police Agency and/or the Courts  
Restitution/Restoration

**Optional**

Denial of Bus Transportation  
Behavior Contract  
Referral to Alternative Program  
Recommendation for Expulsion

**First Violation**

**Required**

Confiscation/ Search  
Parent/Legal Guardian Contact/Conference  
Restitution/Restoration  
Out-of-School Suspension  
Referral to Police Agency and/or the Courts  
Recommendation for Expulsion

**Optional**

Denial of Bus Transportation  
Referral to Alternative Program

**POSSESSION, SALE, TRANSFER, OR USE OF ALCOHOL, DRUGS, OR ANY ILLEGAL SUBSTANCE**

The possession, use and/or distribution of alcohol, a drug, a drug-like substance, a look-alike substance and/or drug paraphernalia. Being under the influence of alcohol, drugs, or illegal substances is considered possession. The presence of alcohol, drugs, or any illegal substance in a student's purse, bookbag, or similar container is considered to be possessing by that student.

**First Violation**

**Required (All Incidents)**

Confiscation  
Reprimand  
Parent/Legal Guardian Contact/Conference  
Out-of-School Suspension  
Referral to Police Agency and/or the Courts  
Recommendation to Social Service Agencies to involve student and parents in approved Intervention or Recovery Program(s)  
Recommendation for Expulsion

**Subsequent Violations**

**Required (All Incidents)**

Confiscation  
Parent/Legal Guardian Contact/Conference  
Out-of-School Suspension  
Referral to Police Agency and/or the Courts  
Recommendation for Expulsion  
Recommendation to Social Service Agencies to involve student and parents in approved Intervention or Recovery Program(s)

**STEALING/POSSESSION/TRANSFERRING OF STOLEN GOODS**

The act of taking, possessing, or transferring the property of another without consent of the owner.

**First Violation**

**Required**

Confiscation  
Reprimand  
Parent/Legal Guardian Contact/Conference  
Restitution/Restoration

**Optional**

Out-of-School Suspension  
Referral to Police Agency and/or the Courts

**Subsequent Violations**

**Required**

Confiscation  
Parent/Legal Guardian Contact/Conference  
Restitution/Restoration  
Out-of-School Suspension

**Optional**

Referral to Police Agency and/or the Courts  
Behavior Contract  
Recommendation for Expulsion

**TERRORISTIC THREATENING**

A threat or attempt to injure or do bodily harm to a district employee with or without physical contact.

**First Violation**

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference  
Out-of-School Suspension  
Restitution/Restoration  
Referral to Police and/or Court

**Optional**

Assignment to Alternative Program  
Behavior Contract  
Recommendation for Expulsion

**Required**

Parent/Legal Guardian Contact/Conference  
Out-of-School Suspension  
Restitution/Restoration  
Referral to Police and/or Court  
Behavior Contract

**Optional**

Assignment to Alternative Program  
Recommendation for Expulsion

**TOBACCO/TOBACCO PRODUCTS**

To possess, use, dispense, or sell tobacco or tobacco products.

**First Violation**

**Required**

Confiscation  
Parent/Legal Guardian Contact/Conference  
Reprimand

**Optional**

In-School Suspension  
Out-of-School Suspension  
Detention

**Subsequent Violations**

**Required**

Confiscation  
Parent/Legal Guardian Contact/Conference  
Reprimand  
Out-of-School Suspension

**Optional**

Recommendation for Expulsion

**TRESPASSING**

The action by a student, including suspended or expelled students, of being inside or on the property of a public school, not having a legitimate reason for being there, and not having written permission from anyone authorized to grant such permission.

**First Violation**

**Required**

Reprimand  
Parent/Legal Guardian Contact/Conference

**Optional**

Out-of-School Suspension

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference  
Out-of-School Suspension  
Referral to Police Agency and/or the Court

**Optional**

Recommendation for Expulsion



Referral to Police Agency and/or the Court  
Written Reprimand and Warning

### **TRUANCY AND CLASS CUTTING**

Absence without authorization or approved reason from school or class.

#### **First Violation**

**Required**  
Reprimand

**Optional**  
Parent/Legal Guardian Contact/Conference  
Detention  
Disciplinary Agreement  
In-School Suspension

#### **Subsequent Violations**

**Required**  
Parent/Legal Guardian Contact/Conference  
Disciplinary Agreement Reprimand

**Optional**  
Removal from class  
Detention  
In-School Suspension  
Out-of-School Suspension  
Referral to the Courts  
Referral to Alternative Programs

### **UNAUTHORIZED COMPUTER USE**

Any use of a school computer for unauthorized purposes such as, but not limited to, copying software; loading unauthorized software on a hard drive; or tampering with databases, passwords or configurations. Any unauthorized altering or deleting of files.

#### **First Violation**

**Required**  
Reprimand  
Parent/Legal Guardian Contact/Conference  
Restitution/Restoration

**Optional**  
Detention  
Behavior Contract  
In-School Suspension  
In-School Penalty  
Out-of-School Suspension  
Recommendation for Expulsion

#### **Subsequent Violations**

**Required**  
Reprimand  
Parent/Legal Guardian Contact/Conference  
Restitution/Restoration  
Loss of Computer Use Privilege

**Optional**  
Detention  
Behavior Contract  
In-School Suspension  
Out-of-School Suspension  
Recommendation for Expulsion

**VANDALISM**

The willful or malicious destruction or defacing of school/district property or the property of others.

**First Violation**

**Required**

Reprimand  
Parent/Legal Guardian Contact/Conference  
Restitution/Restoration

**Optional**

Disciplinary Agreement  
Work Assignment  
In-School Suspension  
Denial of Bus Transportation  
Referral to Police Agency and/or the Courts  
Behavior Contract

**Subsequent Violations**

**Required**

Parent/Legal Guardian Contact/Conference  
Restitution/Restoration  
Out-of-School Suspension  
Referral to Police Agency and/or the Courts

**Optional**

Work Assignment  
Denial of Bus Transportation  
Behavior Contract  
Referral to Alternative Programs  
Recommendation for Expulsion

**STUDENT ATTENDANCE POLICY**

All students are expected to attend school each day that it is in operation during the regular school year unless properly excused in accordance with state regulations.

Excuses recognized as valid are the following:

- Illness of the student
- Medical diagnosis and/or treatment
- Death in the immediate family; funerals of other relative or close friends, not to exceed one day if in the locality or three days if outside the state
- Contagious disease in the home of the child subject to regulations of the Division of Public Health, Department of Health and Social Services
- Legal business requiring the student's presence
- Suspension or expulsion from school
- Observance of religious holidays
- Approved college visits
- Authorized school-sponsored activities

In addition, the Executive Director or designee shall have the authority to approve other absences.

For any absence, students are required to present a written excuse signed by a parent/guardian. Such excuses shall be kept on file in the school for the current school year. A physician's validation may be required at any time. Absence for any reason other than those outlined above are unexcused. Students absent more than three days without valid excuses are truant. Parents/guardians of such students may be subject to legal penalties under the Delaware Code.

Student's shall have the opportunity to make up school work missed due to excused absences, subject to guidelines in the Student Code of Conduct. Since attendance is closely related to achievement, schools will make reasonable attempts to contact parent/guardians regarding absences and will call upon whatever resources are available within the school district and the community to ensure good attendance.

Official notice concerning cumulative absences will be given to parents/guardians periodically; at a minimal level, such notice shall accompany report cards.

**TRANSPORTATION CONDUCT OF PUPILS**

The following rules can be enforced only with the cooperation of every person concerned with transportation. Observance of these rules will insure safety, prompt arrivals and departures of buses, and proper attitudes on the part of pupils. Good citizenship will be promoted. Violations of these rules may result in the suspension of bus riding privileges.

- A. Pupils must obey the driver promptly and be courteous to him/her and to fellow pupils. The driver is in full charge of the bus and pupils and has the authority of a classroom teacher.
- B. Pupils must be on time. The bus has to run on schedule and cannot wait for those who are tardy.
- C. Pupils should never stand or play on the roadway while waiting for the bus.
- D. Before boarding the bus, pupils must keep a safe distance from it while it is in motion.
- E. Pupils must enter the bus without crowding or disturbing others and occupy their seats immediately.
- F. Pupils must not try to get on or off the bus when it is in motion. When on the bus they must remain seated until the bus comes to a complete stop.
- G. Pupils must keep out of the driver's seat and remember that unnecessary conversation with the driver is prohibited while the bus is in motion.
- H. In approaching the bus or a bus stop along the highway, pupils should walk on the left side of the road facing traffic. They should be sure that the road is clear of all traffic or that all traffic has stopped before crossing. Upon leaving the bus, they should immediately walk around the front of the bus and stop before crossing. They should make sure that all traffic has come to a complete stop before crossing.
- I. In crossing the street or highway at any time, pupils should look both to the right and to the left, then WALK - - - not run.
- J. Outside ordinary conversation in normal tone, classroom conduct is to be observed when on the bus.
- K. Pupils must not call out to passers by. They should not open the bus windows without permission from the driver nor extend head or arms out of the windows.
- L. Pupils shall not leave the bus without the driver's consent, except on arrival at their regular bus stop or at school.
- M. Pupils should help to keep the bus clean, sanitary, and orderly. They must not damage or abuse the equipment.
- N. Pupils are not permitted to smoke while on the bus.
- O. Pupils must not use profanity while on the bus.
- P. Pupils must not throw articles of any kind, in, out, or around the bus.
- Q. Pupils are not to eat or drink while on the bus.
- R. Other forms of misconduct that will not be tolerated are acts such as, but not limited to,

indecent exposure, obscene gestures, and spitting.

- S. Pupils are to conduct themselves while on the bus in such a way that it will not distract the driver from his or her job of driving.

**STATE BOARD OF EDUCATION  
POLICY FOR SCHOOL DISTRICTS ON THE  
POSSESSION, USE OR DISTRIBUTION OF DRUGS  
AND ALCOHOL**

- I. The following policy on the possession, use, or distribution of drugs and alcohol shall apply to all public school districts:
- A. The possession, use and/or distribution of alcohol, a drug, a drug-like substance, a look-alike substance and/or drug paraphernalia are wrong and harmful to students and are prohibited within the school environment.
  - B. Communication devices, such as, but not limited to, mobile phones and electronic beepers, ordinarily have no place in the school environment. These devices may be allowed in schools, according to individual school and/or district codes of conduct.
  - C. All alcohol, drugs, drug-like substances, look-alike substances and/or drug paraphernalia found in a student's possession shall be turned over to the principal or designee, and be made available, in the case of a medical emergency, for identification. All substances shall be sealed and documented, and, in the cases of substances covered by Chapter 47 or Title 16 of the Delaware Code, turned over to police as potential evidence. A request for analysis shall be made where appropriate. According to the local school and/or district code of conduct, communication devices referenced in Appendix C, Item I (B) may be confiscated as necessary and appropriate, and they may be returned to the student, to the student's family, or the appropriate police agency.
- II The following definitions shall apply to this policy.
- A. "Alcohol" shall mean alcohol or any alcoholic liquor capable of being consumed by a human being, as defined in Section 101 of Title 4 of the Delaware Code, including alcohol, spirits, wine and beer.
  - B. "Drug" shall mean any controlled substance or counterfeit substance as defined in Chapter 47 of Title 16 of the Delaware Code, including, for example, narcotic drugs such as heroin or cocaine, amphetamines, anabolic steroids, and marijuana, and shall include any prescription substance which has been given to or prescribed for a person other than the student in whose possession it was found.
  - C. "Drug paraphernalia" shall mean all equipment, products and materials as defined in Section 4701 of Title 16 of the Delaware Code, including, for example, roach clips, miniature cocaine spoons and containers for packaging drugs.

to a valid prescription or order of a practitioner, as defined in 16 De.C. sec. 4701 (24), while acting in the course of his or her professional practice, and which is specifically intended for the student in whose possession it is found.

- E. "Drug-like substance" shall mean any non controlled and/or non prescription substance capable of producing a change in behavior or altering a state of mind or feeling, including, for example, some over-the-counter cough medicines, certain types of glue, and caffeine pills.
- F. "Non prescription medication" shall mean any over-the-counter medication; some of these medications may be a "drug-like substance".
- G. "Look-alike substance" shall mean any non controlled substance which is packaged so as to appear to be, or about which a student makes an express or implied representation that the substance is, a drug or a non controlled substance capable of producing a change in behavior or altering a state of mind or feeling. See 16 De.C. sec. 4752A.
- H. "Possess," "possessing," or "possession" shall mean that a student has on the student's person, in the student's belongings, or under the student's reasonable control by placement of and knowledge of the whereabouts of, alcohol, a drug, a look-alike substance, a drug-like substance or drug paraphernalia.
- I. "Use" shall mean that a student is reasonably known to have ingested, smoked or otherwise assimilated alcohol, a drug or a drug-like substance, or is reasonably found to be under the influence of such a substance.
- A. "Distribute," "distributing" or "distribution" shall mean the transfer or attempted transfer of alcohol, a drug, a look-alike substance, a drug-like substance, or drug paraphernalia to any other person with or without the exchange of money or other valuable consideration.
- B. "School environment" shall mean within or on school property, and/or at school sanctioned or supervised activities, including, for example, on school grounds, on school buses, at functions held on school grounds, at extra-curricular activities held on and off school grounds; on field trips and at functions held at the school in the evening.
- C. "Expulsion" shall normally mean exclusion from school for the remainder of the school year.

III Each school district shall develop and submit to the Department of Public Instruction for review and approval, policies and/or regulations which shall include, as a minimum, the following:

- A. A system of notification of each student and of his/her parent at the beginning of the school year, and whenever a student enters or re-enters the school during the school year, of the state and district policies and regulations.
- B. A statement that it is anticipated that the state and district policies shall apply to all students, except that with respect to handicapped students, the federal law will be followed, and determination of whether the violation of the alcohol and drug

- policy was due to the student's handicapping condition will be made prior to any discipline or change of placement in connection with the policy.
- C. A written policy which sets out procedures for reporting incidents, how authorities and/or parents are to be contacted, and how confidentiality is to be maintained.
  - D. A written policy on how evidence is to be kept, stored and documented, so that the chain of custody is clearly established prior to giving such evidence over to the police.
  - E. A written policy on search and seizure.
  - F. A program of intervention and assistance, which included:
    - 1. Having in each school building at least one person to whom staff can refer students to receive initial counseling and to obtain information on counseling/treatment services available to the student, on the student's rights, if any, to those services, and on the confidentiality which the student can expect.
    - 2. A written statement, available to be given to students or their parents, on what resources are available in the school environment, and in the community for counseling and for drug and/or alcohol treatment.
    - 3. A system which ensures that all staff members are aware of resources in and referral procedures within the school environment, and encourage students to seek support and assistance.
    - 4. A system which encourages or requires that a student with alcohol or drug problems be assessed to determine the extent of alcohol or drug involvement and that the student receive the appropriate level of counseling or treatment needed.
    - 5. A policy of notification of the conditions under which the district will provide or pay for alcohol and/or drug counseling/treatment and/or testing, and the extent to which the cost of such services must be borne by the student.
  - G. A discipline policy which contains, at a minimum, the following penalties for infractions of state and district drug policies.
    - 1. Use/Impairment: For a first offense, if a student is found to be only impaired and not in violation of any other policies, he/she will be suspended for up to 10 days, or placed in an alternative school setting for up to 10 days, depending upon the degree of impairment, the nature of the substance used, and other aggravating or mitigating factors. For a second or subsequent offense, a student may be expelled or placed in an alternative school setting for the rest of the school year.
    - 2. Possession of alcohol, a drug, a drug-like substance, and/or a look-alike substance, in an amount typical for personal use, and/or drug paraphernalia: For a first offense, the student will be suspended for 5-10 days, or placed in an alternative school setting for 5-10 days. For a second or subsequent offense, a student may be expelled or placed in an alternative school setting for the rest of the school year.



3. Possession of any quantity of alcohol, a drug, a drug-like substance, a look-alike substance and/or drug paraphernalia in an amount which exceeds an amount typical for personal use, and/or distribution of the above named substances or paraphernalia: the students will be suspended for 10 days, or placed in an alternative school setting for 10 days. Depending on the nature of the substance, the quantity of the substance and/or other aggravating or mitigating factors, the student also may be expelled.
- H. A policy in cases involving a drug-like substance or a look-alike substance for establishing that the student intended to use, possess or distribute the substance as a drug.
  - I. A policy which establishes how prescription and non-prescription drugs shall be handled in the school environment and when they will be considered unauthorized and subject to these state and local policies.
  - J. A policy which sets penalties for unauthorized possession of communication devices.
  - K. A policy which sets out the conditions for return after expulsion for alcohol or drug infractions.

The plan shall include the designation of a district committee composed of teachers, parents, school nurses, and community leaders. Any revisions in the local school district policy will be submitted to the Department of Public Instruction for review and approval.

**FEDERAL GUN FREE SCHOOLS ACT OF 1994**

Possession of a "firearm" on school property, a school bus or at a bus stop, or at any school-sponsored event or activity shall result in expulsion for a period of not less than 180 school days. The Executive Director shall modify such expulsion requirement to the extent a modification is required by federal or state law or State Board regulation. For purposes of this appendix, "firearm" is defined in Section 921 of Title 18, United States Code (*see definition of firearm below*).

*Please note: The District's policy on the possession of weapons continues to apply to the possession of weapons which are not included in the definition of "firearm".*

The Executive Director may recommend other discipline alternatives for students under the age of 16 on a case-by-case basis according to criteria and procedures detailed in the attachment entitled "Criteria and Procedures for Determining Exceptions to Mandatory Expulsion."

**Definition of Firearm**

3. The term "**firearm**" means (A) any weapon (including a starter gun) which will or is designed to or may readily be converted to expel a projectile by the action of an explosive; (B) the frame or receiver of any weapon; (C) any firearm muffler or firearm silencer; or (D) any destructive device. Such term does not include an antique firearm.
4. The term "**destructive device**" means - -
  - A. Any explosive, incendiary, or poison gas - -
    - 1) bomb,
    - 2) grenade,
    - 3) rocket having a propellant charge of more than four ounces,
    - 4) missile having an explosive or incendiary charge of more than one-quarter ounce,
    - 5) mine, or
    - 6) device similar to any of the devices described in the preceding clauses;
  - B. Any type of weapon (other than a shotgun or a shotgun shell which the Secretary finds is generally recognized as particularly suitable for sporting purposes) by whatever name known which will, or which may be readily converted to, expel a projectile by an action of an explosive or other propellant, and which has any barrel with a bore of more than one-half inch in diameter; and

# Appendix C Insurance Certificate



# ACORD CERTIFICATE OF LIABILITY INSURANCE

CSR  
BASTS-1

(MM/DD/YYYY)  
10/14/04

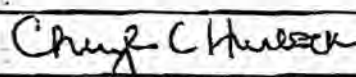
PRODUCER  <b>Pratt Insurance, Inc.</b> Four Village Square Dover, DE 19977 Phone: 302-653-6681 Fax: 302-653-2370	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
	INSURERS AFFORDING COVERAGE	NAIC #
INSURED  <b>East Side Charter School</b> Attn: Will Robinson 2401 Thatcher Street Wilmington DE 19802	INSURER A: <b>Utica National Insurance Group</b>	25976
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

## COVERAGES

COVERS OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR INBRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	CPP3755474	09/02/04	09/02/05	EACH OCCURRENCE	\$ 1,000,000
					DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
					WCD EXP (Any one person)	\$ 2,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					GENERAL AGGREGATE	\$ 2,000,000
					PRODUCTS - COMP/OP AGG	\$ 2,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	CPP3755474	09/02/04	09/02/05	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE (Per accident)	\$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN AUTO ONLY: EA ACC	\$
					AGG	\$
A	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$10,000	CULP3755545	09/02/04	09/02/05	EACH OCCURRENCE	\$ 3,000,000
					AGGREGATE	\$ 3,000,000
						\$
						\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	W3755557	09/02/04	09/02/05	WC STATUTORY LIMITS	OTH-ER
					EL EACH ACCIDENT	\$ 200,000
					EL DISEASE - EA EMPLOYEE	\$ 100,000
		EL DISEASE - POLICY LIMIT	\$ 500,000			
A	OTHER Personal Property Special Form / RC	CPP3755474	09/02/04	09/02/05	\$170,000 limit	
					\$500 Deductible	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER  DEPTOFE  <b>Delaware Dept of Education</b> John G. Townsend Building P.O. Box 1402 Dover, DE 19903-1402	CANCELLATION  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
	AUTHORIZED REPRESENTATIVE 





# Appendix

## D

# Audit Report





STATE OF DELAWARE

OFFICE OF AUDITOR OF ACCOUNTS

R. THOMAS WAGNER, JR., CGFM, CFE  
AUDITOR OF ACCOUNTS

PHONE: (302) 739-4241  
FAX: (302) 739-2723

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

Member of the Board and President  
East Side Charter School  
Wilmington, Delaware

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of East Side Charter School (the School) as of and for the year ended June 30, 2004, which collectively comprise the School's basic financial statements and have issued our report thereon dated August 27, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The financial statements of the School as of June 30, 2003, were audited by other auditors whose report dated August 29, 2003, expressed an unqualified opinion on those statements.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the System in a separate letter dated August 27, 2004.

**Reports Required by  
Government Auditing Standards**

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 grants, 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 that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the management of East Side Charter School, Department of Education, the School Board, Office of the Governor, Office of the Controller General, Office of the Attorney General, Office of Budget and Department of Finance and is not intended to be and should not be used by anyone other than these specified parties. However, under 29 Del. C., Section 10002 (d) this report is public record and its distribution is not limited.



OFFICE OF AUDITOR OF ACCOUNTS  
Dover, Delaware  
August 27, 2004

**EAST SIDE CHARTER SCHOOL**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year Ended June 30, 2004

---

**SUMMARY OF ACCOUNTANTS' RESULTS**

1. The accountants' report expresses an unqualified opinion on the basic financial statements of East Side Charter School.
2. No material reportable conditions were identified during the audit of the basic financial statements of East Side Charter School.
3. No instances of noncompliance material to the financial statements of East Side Charter School were disclosed during the audit.

**FINDINGS - COMPLIANCE REPORTING**

None.

**FINDINGS - FINANCIAL REPORTING**

None.

**EAST SIDE CHARTER SCHOOL**  
**(A Component Unit of the State of Delaware)**  
**Wilmington, Delaware**

**FINANCIAL STATEMENTS**

**Years Ended June 30, 2004 and 2003**

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**EAST SIDE CHARTER SCHOOL**  
(A Component Unit of the State of Delaware)

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STATE OF DELAWARE

OFFICE OF AUDITOR OF ACCOUNTS

R. THOMAS WAGNER, JR., CGFM, CFE  
AUDITOR OF ACCOUNTS

PHONE: (302) 739-4241  
FAX: (302) 739-2723

INDEPENDENT AUDITORS' REPORT

Members of the Board and the President  
East Side Charter School  
Wilmington, Delaware

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of East Side Charter School (School) as of and for the year ended June 30, 2004, which collectively comprise the School's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School's management. Our responsibility is to express opinions on these financial statements based on our audit. The financial statements of the School as of June 30, 2003, were audited by other auditors whose report dated August 29, 2003, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit 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 audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of School as of June 30, 2004 and June 30, 2003, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

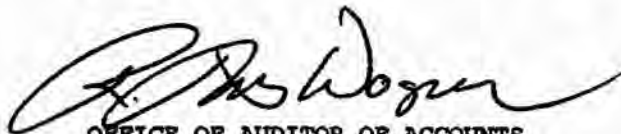
In accordance with *Government Auditing Standards*, we have also issued our report dated August 27, 2004 on our consideration of the School's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or 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 the audit.

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The management's discussion and analysis and budgetary comparison information on pages 3 through 7 and 24, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The additional information presented on pages 25 and 26 is presented for purposes of additional analysis and are not a required part of the basic financial statements. The additional information on pages 25 and 26 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



OFFICE OF AUDITOR OF ACCOUNTS  
Dover, Delaware  
August 27, 2004



**Management's Discussion  
and Analysis Section**

**EAST SIDE CHARTER SCHOOL**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended June 30, 2004

This section of East Side Charter School's (East Side) basic financial statements presents East Side's discussion and analysis of its financial performance and provides an overview of East Side's financial activities for the year ended June 30, 2004.

**FINANCIAL HIGHLIGHTS**

- East Side's net assets increased \$89,444, or 47.1%
- Charges to school districts and State aid increased over 2003 by \$51,406 or 19.9% and \$103,409 or 18% respectively as a result of the increase of student enrollment from 112 in 2003 to 144 in 2004
- An additional 4<sup>th</sup> grade class was added to accommodate the promotion of students already enrolled at East Side
- Instructional services increased by \$141,748 or 14.4% over 2003 due to the increase in 32 students enrolled in East Side

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The Basic financial statements are organized so that the reader can understand East Side as a whole, and then proceed to provide an increasingly detailed look at specific financial activities at East Side's fund level. The financial section of this report consists of the basic financial statements and the notes to the financial statements.

**REPORTING ON THE SCHOOL AS A WHOLE**

**Statement of Net Assets and Statement of Activities**

One of the most important questions asked about School finances is "Is the School better or worse off as a result of the year's activities?". The Statement of Net Assets and the Statement of Activities report information about East Side as a whole and about its activities in a manner that helps to answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report East Side's net assets and changes in them. The change in net assets provides the reader with a tool to assist in determining whether East Side's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as student enrollment, growth, and facility conditions in arriving at their conclusion regarding the overall health of the School.

**REPORTING EAST SIDE'S MOST SIGNIFICANT FUNDS**

**Fund Financial Statements**

Analysis of East Side's major funds and fund financial statements begins on page 11 and provides detailed information about the funds, not East Side as a whole. Some funds are required to be established by State statute, while other funds are established by East Side to help manage money for particular purposes and compliance with various grant provisions. East Side's two types of funds, governmental and fiduciary, use different accounting methods as further described in the notes to the financial statements.

**Governmental Funds**

Most of East Side's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the modified accrual method of accounting, which measures cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of East Side's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or less financial resources available to spend in the near future to finance the School's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the basic financial statements on page 12 and on page 14. The reconciling differences include activity related to capital assets and compensated absences.

**EAST SIDE CHARTER SCHOOL**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended June 30, 2004

**Fiduciary Funds**

East Side is trustee for funds raised by student/parent groups. The funds can only be used for student activities and are reported in a separate Statement of Fiduciary Net Assets-Agency Fund on page 15. These funds are excluded from East Side's other financial statements because the assets cannot be utilized by East Side to meet its obligations.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of East Side, assets exceeded liabilities by \$279,289 at June 30, 2004. The largest portion of East Side's total assets is cash and equivalents (66.1%) and capital assets net of depreciation (24.4%). East Side uses capital assets to provide services; consequently, these assets are not available for future spending. East Side's investment in its capital assets is reported net of related debt and currently East Side has no debt obligation. However, it should be noted that resources needed to repay any obligation must be provided from other sources, since the capital assets themselves cannot be used to liquidate such obligations.

A comparative analysis of fiscal year 2004 to 2003 follows:

**Table 1**  
**Net Assets**

	<u>Governmental Activities</u>	
	<u>2004</u>	<u>2003</u>
<b>Current and other assets</b>		
Current assets	\$ 270,555	\$ 162,618
Capital assets, net of depreciation	87,212	94,202
<b>Total Assets</b>	<u>357,767</u>	<u>256,820</u>
<b>Liabilities</b>		
Current liabilities	53,793	45,981
Long term liabilities	24,685	20,994
<b>Total Liabilities</b>	<u>78,478</u>	<u>66,975</u>
<b>Net assets</b>		
Invested in capital assets, net of debt	87,212	94,202
Unrestricted	192,077	95,643
<b>Total net assets</b>	<u>\$ 279,289</u>	<u>\$ 189,845</u>

The unrestricted balance of net assets may be used to meet East Side's ongoing activities. East Side is able to report a positive balance in net assets both for the government as a whole as well as for its separate governmental type activities, which resulted in an increased cash balance.

**Table 2**  
**Changes in Net Assets**

	<u>Governmental Activities</u>	
	<u>2004</u>	<u>2003</u>
<b>Revenues</b>		
General revenues:		
Charges to School Districts	\$ 309,909	\$ 258,503
State aid	677,864	574,455
Earnings on cash and equivalents	3,419	9,092
Miscellaneous	...	24,054
<b>Total general revenues</b>	<u>991,192</u>	<u>866,104</u>
Program revenues:		
Charges for services	138,021	72,364
Operating grants and contributions	312,400	210,767
Capital grants and contributions	66,000	...
<b>Total program revenues</b>	<u>516,421</u>	<u>283,131</u>
<b>Total revenues</b>	<u>1,507,613</u>	<u>1,149,235</u>

**EAST SIDE CHARTER SCHOOL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2004**

**Table 2 (continued)  
Changes in Net Assets**

<b>Expenses</b>		
Instructional services	1,127,719	985,951
Supporting services:		
Operation and maintenance of facilities	57,175	50,071
Transportation	75,474	65,735
School food services	71,990	78,287
Before and After School Program	23,959	29,345
Kindergarten Readiness	37,437	33,376
Depreciation-unallocated	24,415	14,812
<b>Total expenses</b>	<u>1,418,169</u>	<u>1,257,577</u>
<b>Change in net assets (liabilities)</b>	<u>\$ 89,444</u>	<u>\$ (108,342)</u>

**Governmental Activities**

Net assets of East Side's governmental activities increased by \$89,444 and unrestricted net assets reflect a positive balance of \$192,077.

The statement of activities shows the cost of program services and charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for governmental activities. General revenues which include charges to School Districts, State aid, and cash and equivalents earnings must support the net cost of East Side's programs.

	Services			
	2004		2003	
	Total Cost	Net Cost	Total Cost	Net Cost
<b>Governmental activities</b>				
Instructional services	\$1,127,719	\$ (848,819)	\$ 985,951	\$ 800,388
Supporting services:				
Operation and maintenance of facilities	57,175	8,825	50,071	50,071
Transportation	75,474	(75,474)	65,735	65,735
School food services	71,990	(3,312)	78,287	33,963
Before and After School Program	23,959	(4,458)	29,345	2,025
Kindergarten Readiness	37,437	45,905	33,376	7,452
Depreciation-unallocated	24,415	(24,415)	14,812	14,812
<b>Total expenses</b>	<u>\$1,418,169</u>	<u>\$ (901,748)</u>	<u>\$1,257,577</u>	<u>\$ 974,446</u>

The reliance on general revenues to support governmental activities is indicated by the net cost column reflecting the need for \$901,748 of support as well as general revenues comprising 65.7% of total revenues. The \$141,748 increase in instructional services expense is a result of an additional 32 students, as well as an increase due to personnel costs and health benefits.

**THE SCHOOL'S FUNDS**

East Side's governmental funds (as presented on the balance sheet on page 11) reported a combined fund balance of \$216,762, which represents an increase of 85.8% over last year's total of \$116,637. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2004.

	<u>2004</u>	<u>2003</u>	<u>Increase (Decrease)</u>
Fund Balance	<u>\$ 216,762</u>	<u>\$ 116,637</u>	<u>\$ 100,125</u>

**General Fund**

East Side's general fund balance increase is due to many factors. The tables that follow assist in illustrating the financial activities in the general fund.

**EAST SIDE CHARTER SCHOOL**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended June 30, 2004

	Amounts		Increase/(Decrease)	
	2004	2003	Dollars	Percent
<b>Revenues</b>				
State aid	\$ 677,864	\$ 574,455	\$ 103,409	18.00
Charges to school districts	309,909	258,503	51,406	19.89
Federal aid	200,529	167,185	33,344	19.94
Earnings on cash and equivalents	3,419	9,092	(5,673)	(62.40)
Program Services	147,237	85,664	74,873	103.47
Other, including donations	102,655	54,336	35,019	51.78
<b>Total</b>	<b>\$1,441,613</b>	<b>\$1,149,235</b>	<b>\$ 292,378</b>	<b>25.44</b>

**Analysis of Revenues**

The increase in revenues was due to an increase in student enrollment from 112 in 2003 to 144 in 2004. The increase in revenue from the school districts and the increase in federal aid was also due to the increase of 32 in student enrollment. Program services revenue increased with the addition of a Kindergarten Readiness program. Some additional donations were received in fiscal year 2004.

	Amounts		Increase/(Decrease)	
	2004	2003	Dollars	Percent
<b>Expenditures</b>				
<b>Current:</b>				
Instructional services	\$1,116,640	\$975,158	\$ 141,482	14.51
Supporting services:				
Operation and maintenance of facilities	57,175	49,556	7,619	15.37
Transportation	75,474	65,674	9,800	14.92
School food services	71,990	78,287	(6,297)	(8.04)
Before and After School Program	23,959	29,345	(5,386)	(18.35)
Kindergarten Readiness	37,437	33,376	4,061	12.17
Capital Outlay	6,166	31,473	(25,307)	(80.41)
<b>Total expenditures</b>	<b>\$1,388,841</b>	<b>\$1,262,869</b>	<b>\$ 125,972</b>	<b>9.98</b>

**Analysis of Expenditures**

Instructional and supporting services increased due to the addition of staff, performance increases for full and part-time staff, and the increase in student enrollment.

**Financial Performance**

Overall, revenues were more than expenditures in 2004 resulting in an increase to fund balance. This was due primarily from increased student enrollment. East Side has sufficient fund balance to meet its obligations as they arise. The School Board has designated a fund balance of \$100,000 for contingencies.

**East Side Enrollment**

Enrollment of students in all grades was 144 at the end of fiscal year 2004 as compared to 112 at the end of fiscal year 2003. This reflects the addition of another fourth grade class to accommodate the promotion of students already enrolled in East Side. East Side has been successful in attracting students from as far away as Middletown, Bear, and New Castle, Delaware. We maintain a waiting list for each grade level. We ended the year with 120 students on our waiting list. This is after registering a full student load for next year.

**Staffing**

East Side had nine (9) teachers and one (1) aide at the end of fiscal year 2004 compared to seven (7) faculty members at the end of fiscal year 2003. The School maintains a 14:1 student-teacher ratio as prescribed in the school charter.

**EAST SIDE CHARTER SCHOOL**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended June 30, 2004

**THE SCHOOL'S FUNDS (continued)**

The following table summarizes general fund expenditures by natural classification, or object code.

	Amounts		Increase/(Decrease)	
	2004	2003	Dollars	Percent
<b>Expenditures by object</b>				
Salaries	\$ 714,660	\$ 655,584	\$ 59,076	9.01
Employment Costs	239,345	178,448	60,897	34.13
Travel	13,898	4,689	9,209	196.40
Contracted Services	85,315	37,040	48,275	130.53
Communication	7,830	6,607	1,223	18.51
Public Utility Services	7,449	6,876	573	8.33
Insurance	15,466	13,378	2,088	15.61
Transportation-buses	75,474	65,674	9,800	14.92
Land/Bldg/Facilities	18,220	37,382	(19,162)	(51.26)
Repairs & Maintenance	14,817	5,298	9,519	179.67
Other Contracted Services	98,777	80,251	18,526	23.09
Supplies & Materials	57,939	40,052	17,887	44.66
Operating Supplies	31,994	27,118	4,876	17.98
Computer/Word Processing/Software	1,491	71,471	(69,980)	(97.91)
Miscellaneous	...	1,528	(1,528)	(100.00)
Capital outlay	6,166	31,473	(25,307)	(80.41)
<b>Total</b>	<b>\$1,388,841</b>	<b>\$1,262,869</b>	<b>\$ 125,972</b>	<b>9.98</b>

Salaries and employment costs increased due to the addition of staff as well as performance increases for full and part-time staff. Travel increased because of offsite seminars and meetings. Contracted Services increased from 2003 levels due to services being rendered by independent contractors.

**GENERAL FUND BUDGET INFORMATION**

Budgets are presented on the modified accrual basis of accounting for the general fund. Budgets are not adopted for the capital projects and student activity funds. Annual appropriations lapse at year end with the exception of those indicated as fund balance reserves. There were no changes between the original budget and the final budget of East Side.

**CAPITAL ASSETS**

East Side has \$87,212 invested in capital assets, net of depreciation, all of which is attributed to governmental activities. Acquisitions for governmental activities totaled \$17,425 and depreciation was \$24,415. The majority of the acquisitions were for furniture and equipment. Detailed information regarding capital assets activity is included in the notes to the financial statements.

**FACTORS EXPECTED TO HAVE AN EFFECT ON FUTURE OPERATIONS**

East Side has had new construction take place all around the school during the 2003-2004 school year related to the Hope VI project. We are increasing marketing programs to overcome the possibility that construction will deter potential parents from our fine programs, though a waiting list is in place. We are awaiting results of a feasibility study to implement our capital campaign for the acquisition of appropriate facilities for the accommodation of existing and future students.

**CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT**

The financial report is designed to provide our fellow citizens, customers, investors, and creditors with a general overview of East Side's finances and to show East Side's accountability for the money it receives. If you have questions about this report or need additional financial information, contact us at (302)421-8270.

**Basic Financial Statements Section**

**EAST SIDE CHARTER SCHOOL**  
**STATEMENTS OF NET ASSETS**  
June 30, 2004 and 2003

<b>ASSETS</b>	<u>Governmental Activities</u>	
	<u>2004</u>	<u>2003</u>
<b>CURRENT ASSETS</b>		
Cash and equivalents	\$ 236,627	\$ 152,021
Accounts receivable	7,347	1,188
Due from other governments	<u>26,581</u>	<u>9,409</u>
<b>Total current assets</b>	<b>270,555</b>	<b>162,618</b>
<b>NONCURRENT ASSETS</b>		
Capital assets, net of depreciation	<u>87,212</u>	<u>94,202</u>
<b>TOTAL ASSETS</b>	<b><u>357,767</u></b>	<b><u>256,820</u></b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	14,717	6,092
Accrued salaries and related costs	<u>39,076</u>	<u>39,889</u>
<b>Total current liabilities</b>	<b>53,793</b>	<b>45,981</b>
<b>NONCURRENT LIABILITIES</b>		
Compensated absences liability	<u>24,685</u>	<u>20,994</u>
<b>TOTAL LIABILITIES</b>	<b><u>78,478</u></b>	<b><u>66,975</u></b>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	87,212	94,202
Unrestricted	<u>192,077</u>	<u>95,643</u>
<b>TOTAL NET ASSETS</b>	<b><u>\$ 279,289</u></b>	<b><u>\$ 189,845</u></b>

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



**EAST SIDE CHARTER SCHOOL**  
**STATEMENT OF ACTIVITIES**  
Year Ended June 30, 2004

<u>Functions</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	Net (Expense) Revenues and Changes In <u>Net Assets</u> Total <u>Governmental Activities</u>
<b>GOVERNMENTAL ACTIVITIES</b>					
Instructional services	\$ 1,127,719	\$ ...	\$ 278,900	\$ ...	\$ (848,819)
Supporting services:					
Operation and maintenance of facilities	57,175	...	...	66,000	8,825
Transportation	75,474	...	...	...	(75,474)
School food services	71,990	68,678	...	...	(3,312)
Before and After School Program	23,959	14,501	5,000	...	(4,458)
Kindergarten Readiness	37,437	54,842	28,500	...	45,905
Depreciation-unallocated	24,415	...	...	...	(24,415)
<b>Total Charter School</b>	<u>\$ 1,418,169</u>	<u>\$ 138,021</u>	<u>\$ 312,400</u>	<u>\$ 66,000</u>	<u>(901,748)</u>
<b>GENERAL REVENUES</b>					
Charges to school districts					309,909
State aid not restricted to specific purposes					677,864
Earnings on cash and equivalents					3,419
Miscellaneous					...
<b>Total general revenues</b>					<u>991,192</u>
<b>CHANGE IN NET ASSETS</b>					89,444
<b>NET ASSETS</b>					
Beginning of year					<u>189,845</u>
End of year					<u>\$ 279,289</u>

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

**EAST SIDE CHARTER SCHOOL**  
**STATEMENT OF ACTIVITIES**  
Year Ended June 30, 2003

Functions	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenues and Changes in Net Assets Total Governmental Activities
<b>GOVERNMENTAL ACTIVITIES</b>					
Instructional services	\$ 985,951	\$ 9,720	\$ 175,843	\$ ...	\$ (800,388)
Supporting services:					
Operation and maintenance of facilities	50,071	...	...	...	(50,071)
Transportation	65,735	...	...	...	(65,735)
School food services	78,287	44,324	...	...	(33,963)
Before and After School Program	29,345	18,320	9,000	...	(2,025)
Kindergarten Readiness	33,376	...	25,924	...	(7,452)
Depreciation-unallocated	14,812	...	...	...	(14,812)
<b>Total Charter School</b>	<u>\$ 1,257,577</u>	<u>\$ 72,364</u>	<u>\$ 210,767</u>	<u>\$ ...</u>	<u>(974,446)</u>
<b>GENERAL REVENUES</b>					
Charges to school districts					258,503
State aid not restricted to specific purposes					574,455
Earnings on cash and equivalents					9,092
Miscellaneous					24,054
<b>Total general revenues</b>					<u>866,104</u>
<b>CHANGE IN NET ASSETS</b>					(108,342)
<b>NET ASSETS</b>					
Beginning of year					<u>298,187</u>
End of year					<u>\$ 189,845</u>

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

**EAST SIDE CHARTER SCHOOL**  
**BALANCE SHEETS-GOVERNMENTAL FUNDS**  
 June 30, 2004 and 2003

	2004			2003		
	General Fund	Capital Projects	Total Governmental Funds	General Fund	Capital Projects	Total Governmental Funds
<b>ASSETS</b>						
Cash and equivalents	\$ 167,453	\$ 69,174	\$ 236,627	\$ 130,200	\$ 21,821	\$ 152,021
Accounts receivable	7,347	...	7,347	1,188	...	1,188
Due from other governments	26,581	...	26,581	9,409	...	9,409
<b>TOTAL ASSETS</b>	<b>\$ 201,381</b>	<b>\$ 69,174</b>	<b>\$ 270,555</b>	<b>\$ 140,797</b>	<b>\$ 21,821</b>	<b>\$ 162,618</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 14,717	\$ ...	\$ 14,717	\$ 6,092	\$ ...	\$ 6,092
Accrued salaries and related costs	39,076	...	39,076	39,889	...	39,889
<b>Total liabilities</b>	<b>53,793</b>	<b>...</b>	<b>53,793</b>	<b>45,981</b>	<b>...</b>	<b>45,981</b>
<b>FUND BALANCES</b>						
Reserved for encumbrances	...	...	...	20,453	...	20,453
Unrestricted	47,588	69,174	116,762	26,310	21,821	48,131
Unrestricted-Designated for contingencies	100,000	...	100,000	48,053	...	48,053
<b>Total fund balances</b>	<b>147,588</b>	<b>69,174</b>	<b>216,762</b>	<b>94,816</b>	<b>21,821</b>	<b>116,637</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 201,381</b>	<b>\$ 69,174</b>	<b>\$ 270,555</b>	<b>\$ 140,797</b>	<b>\$ 21,821</b>	<b>\$ 162,618</b>

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

**EAST SIDE CHARTER SCHOOL**  
**RECONCILIATION OF THE BALANCE SHEETS OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENTS OF NET ASSETS**  
**June 30, 2004 and 2003**

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	<u>2004</u>	<u>2003</u>
Amounts reported for governmental activities in the statement of net assets are different because:		
<b>Total fund balances-governmental funds</b>	\$ 216,762	\$ 116,637
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The total cost of capital assets is \$139,229 for 2004 and \$121,804 for 2003. The related accumulated depreciation is \$52,017 for 2004 and \$27,602 for 2003.	87,212	94,202
Compensated absences are not due and payable in the current period and therefore are not reported in the funds.	<u>(24,685)</u>	<u>(20,994)</u>
<b>Total net assets-governmental activities</b>	<u>\$ 279,289</u>	<u>\$ 189,845</u>

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

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**EAST SIDE CHARTER SCHOOL**

**STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS**  
**Years Ended June 30, 2004 and 2003**

	2004			2003		
	General Fund	Capital Projects	Total Governmental Funds	General Fund	Capital Projects	Total Governmental Funds
<b>REVENUES</b>						
Charges to school districts	\$ 309,909	\$ ...	\$ 309,909	\$ 258,503	\$ ...	\$ 258,503
State aid	677,864	...	677,864	574,455	...	574,455
Federal aid	200,529	...	200,529	167,185	...	167,185
Earnings on cash and equivalents	3,419	...	3,419	9,092	...	9,092
School food services	68,678	...	68,678	44,324	...	44,324
Charges for services	79,558	...	79,558	41,340	...	41,340
Other local sources	75,440	...	75,440	30,282	...	30,282
Miscellaneous	26,216	66,000	92,216	22,637	1,417	24,054
<b>Total revenues</b>	<u>1,441,613</u>	<u>66,000</u>	<u>1,507,613</u>	<u>1,147,818</u>	<u>1,417</u>	<u>1,149,235</u>
<b>EXPENDITURES</b>						
Current:						
Instructional services	1,116,640	1,223	1,117,863	975,158	25,274	1,000,432
Supporting services:						
Operation and maintenance of facilities	57,175	...	57,175	49,556	515	50,071
Transportation	75,474	...	75,474	65,674	61	65,735
School food services	71,990	...	71,990	78,287	...	78,287
Before and After School program	23,959	...	23,959	29,345	...	29,345
Kindergarten Readiness	37,437	...	37,437	33,376	...	33,376
Capital outlay	6,166	17,424	23,590	31,473	4,346	35,819
<b>Total expenditures</b>	<u>1,388,841</u>	<u>18,647</u>	<u>1,407,488</u>	<u>1,262,869</u>	<u>30,196</u>	<u>1,293,065</u>
<b>NET CHANGE IN FUND BALANCES</b>	52,772	47,353	100,125	(115,051)	(28,779)	(143,830)
<b>FUND BALANCES</b>						
Beginning of year	94,816	21,821	116,637	209,867	50,600	260,467
End of year	\$ 147,588	\$ 69,174	\$ 216,762	\$ 94,816	\$ 21,821	\$ 116,637

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

**EAST SIDE CHARTER SCHOOL**  
**RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENTS OF ACTIVITIES**  
**Years Ended June 30, 2004 and 2003**

	<u>2004</u>	<u>2003</u>
Amounts reported for governmental activities in the statement of activities are different because:		
<b>Net change in fund balances-total governmental funds</b>	<b>\$ 100,125</b>	<b>\$ (143,830)</b>
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$1,500 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>		
	<u>2003</u>	<u>2002</u>
Capital Outlays	\$ 17,425	\$ 71,294
Depreciation Expense	<u>24,415</u>	<u>14,812</u>
	(6,990)	56,482
In the statement of activities, certain operating expenses such as compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). Vacation payable increased by \$3,691 for 2004 and \$20,994 for 2003.	<u>(3,691)</u>	<u>(20,994)</u>
<b>Change in net assets-governmental activities</b>	<b><u>\$ 89,444</u></b>	<b><u>\$ (108,342)</u></b>

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

**EAST SIDE CHARTER SCHOOL**  
**STATEMENTS OF FIDUCIARY NET ASSETS-AGENCY FUND**  
**June 30, 2004 and 2003**

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	<u>Student Activities Fund</u>	
	<u>2004</u>	<u>2003</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 10,835	\$ 3,911
 <b>LIABILITIES</b>		
Other current liabilities	<u>\$ 10,835</u>	<u>\$ 3,911</u>

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

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the East Side Charter School (East Side) have been prepared in conformity with U.S. generally accepted accounting principles as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of East Side are described below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Certain of the significant changes in the Statement include the following:

- The basic financial statements include:

Management's Discussion and Analysis (MD&A) providing an analysis of East Side's overall financial position and results of operations.

Financial statements prepared using full-accrual accounting for all of East Side's activities.

- Change in the fund financial statements to focus on major funds.

These and other changes are reflected in the accompanying financial statements, including notes to the financial statements.

Reporting Entity

East Side was formed in 1997 as a §501(c)(3) tax exempt corporation. East Side was established to provide a strong learning atmosphere and educational program to at-risk students. The School is the primary government and is considered a component unit of the State of Delaware. A component unit, although a legally separate entity, is, in substance, part of the State of Delaware's operations. East Side has no component units for which it is considered to be financially accountable.

Government-Wide and Fund Financial Statements

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of East Side. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific program. *Program revenues* include charges to students who purchase, or directly benefit from goods and services provided, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.



**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Government-Wide and Fund Financial Statements (continued)

Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The **government-wide financial statements** are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Charges to school districts are recognized as revenues in the year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The **governmental fund financial statements** are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, East Side considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, and postemployment healthcare benefits, are recorded only when payment is due.

Charges to school districts and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when East Side receives cash.

East Side reports the following major governmental funds:

- The **general fund** is East Side's primary operating fund. It accounts for all financial resources of East Side, except those required to be accounted for in another fund.
- The **capital projects fund** accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction and remodel of facilities, and procurement of equipment necessary for providing educational programs for all students within East Side.

EAST SIDE CHARTER SCHOOL  
NOTES TO FINANCIAL STATEMENTS

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Additionally, East Side reports the following fund type:

- The **agency funds** (fiduciary funds) account for assets held on behalf of student and parent groups.

Amounts reported as program revenues include 1) charges to students for special fees or services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include charges to school districts.

When both restricted and unrestricted resources are available for use, it is East Side's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgetary Data

Budgets are presented on the modified accrual basis of accounting for the general fund. Budgets are not adopted for capital projects and student activity funds. Annual appropriations lapse at year end with the exception of those indicated as fund balance reserves.

Encumbrance accounting is employed in the governmental funds. Encumbrances (e.g., purchase orders and contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Use of Estimates

The preparation of basic financial statements in conformance with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Cash and Equivalents

East Side's cash and equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., current portion of interfund loans) or "advances from/to other funds" (i.e., the noncurrent portion of interfund loans). At June 30, 2004 and 2003, East Side had no such activity.

EAST SIDE CHARTER SCHOOL  
NOTES TO FINANCIAL STATEMENTS

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

Receivables and Payables (continued)

Advances between funds, when present in the fund financial statements, are offset by a fund balance reserve account in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Amounts due from other governments at June 30 are as follows:

	2004	2003
Federal Subsidies	\$ 2,500	\$ 1,458
Reimbursement for Free/Reduced Lunch	13,038	...
Local School Districts	11,043	7,951
Total Due from Other Governments	<u>\$ 26,581</u>	<u>\$ 9,409</u>

Capital Assets

Capital assets, which includes furniture and equipment, are reported in the government-wide financial statements. East Side defines capital assets as assets with an initial, individual cost of more than \$1,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extends the life of an asset is not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. The interest cost incurred during construction is not capitalized.

Furniture and equipment of East Side is depreciated using the straight-line method over their estimated lives ranging between 5 to 10 years.

Compensated Absences

Vacation pay plus related payroll taxes is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Vacation** - Twelve month employees can accumulate up to 42 days of vacation. Any days in excess of 42 are dropped as of July 1 of each year. Employees are paid for unused vacation upon termination, retirement, etc. at the current rate of pay.

**Sick Leave** - Sick leave allowances are as follows: 10 days for 10-month employees, 11 days for 11-month employees, and 12 days for 12-month employees. Any unused sick days are accumulated to the employee's credit without limit. Compensation for accumulated sick days is received when employees (a) qualify and apply for State pension and is paid at a rate of 50 percent of the per diem rate of pay not to exceed 90 days, or (b) in the case of death, when payment is made to the employee's estate at a rate of one day's pay for each day of unused sick leave not to exceed 90 days.

**EAST SIDE CHARTER SCHOOL**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Fund Balances

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a restricted purpose. Designations of fund balance represent tentative plans for future use of financial resources that are subject to change.

**NOTE 2 - CASH AND EQUIVALENTS**

At June 30, 2004 and 2003, East Side has cash and equivalents of \$236,627 and \$152,021, respectively. Cash and equivalents are controlled by the personnel of the State Treasurer's Office in Dover, Delaware and any investment decisions are made by the State Treasurer's Office. The deposits held by the State of Delaware investment pool, an internal investment pool, are specifically identified for East Side, but the credit risk cannot be categorized for these deposits. Credit risk for such deposits depends on the financial stability of the State.

The petty cash fund is in the custody of School officials. These deposits are held by one financial institution and are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. Deposits totaling \$286 and \$129 held by the financial institution were not in excess of FDIC limits, respectively.

**NOTE 3 - CAPITAL ASSETS**

Capital assets activity for the years ended June 30 follows:

Description	June 30, 2004			Ending Balances
	Beginning Balances	Increases	Decreases	
Capital assets, being depreciated:				
Leasehold improvements	\$ ...	\$ 17,425	\$ ...	\$ 17,425
Furniture and equipment	121,804	...	...	121,804
Totals	<u>121,804</u>	<u>17,425</u>	<u>...</u>	<u>139,229</u>
Less accumulated depreciation:				
Leasehold improvements	...	2,904	...	2,904
Furniture and equipment	27,602	21,511	...	49,113
Totals	<u>27,602</u>	<u>24,415</u>	<u>...</u>	<u>52,017</u>
Total capital assets, being depreciated, net	\$ <u>94,202</u>	\$ <u>(6,990)</u>	\$ <u>...</u>	\$ <u>87,212</u>
Description	June 30, 2003			Ending Balances
	Beginning Balances	Increases	Decreases	
Capital assets, being depreciated:				
Furniture and equipment	\$ 50,510	\$ 71,294	\$ ...	\$ 121,804
Less accumulated depreciation:				
Furniture and equipment	<u>12,790</u>	<u>14,812</u>	<u>...</u>	<u>27,602</u>
Total capital assets, being depreciated, net	\$ <u>37,720</u>	\$ <u>56,482</u>	\$ <u>...</u>	\$ <u>94,202</u>

EAST SIDE CHARTER SCHOOL  
 NOTES TO FINANCIAL STATEMENTS

**NOTE 4 - LONG-TERM DEBT OBLIGATIONS**

The following is a summary of changes in long-term obligations:

Description	Beginning Balance	Year Ended June 30, 2004		
		Additions	Deletions	Long-Term Obligations Due Ending Balance Within One Year
Governmental activity: Compensated absences	\$ 20,994	\$ 3,691	\$ ...	\$ 24,685

Description	Beginning Balance	Year Ended June 30, 2003		
		Additions	Deletions	Long-Term Obligations Due Ending Balance Within One Year
Governmental activity: Compensated absences	\$ ...	\$ 20,994	\$ ...	\$ 20,994

Compensated absences for governmental activities are generally liquidated by the general fund.

**NOTE 5 - PENSION PLAN**

East Side employees are considered State employees and are covered under the State's Multiple Employee Pension Plan. The State contributed 7.44% for 2004 and 2003 of the State share of the employees' salary. East Side contributed the same percentages on the local share of the salary. The employees contribute 3.00% of salary in excess of \$6,000 per share up to social security maximum and 3.00% for any salary above social security maximum. Total pension cost is \$37,281 for 2004 and \$27,781 for 2003 (State share) and \$37,184 for 2004 and \$28,192 for 2003 (local share) is included in the financial statements. Of those amounts, \$3,075 is due to the State's Pension Office as of June 30, 2004. Certain significant plan provisions follow:

- Early retirement:
  - a. 15 years service-age 55 (reduced by 0.2% for each month under age 60)
  - b. 25 years service-any age (reduced by 0.2% for each month short of 30 years)
- Service retirement:
  - a. 15 years service-age 60
  - b. 30 years service-any age
  - c. 5 years service-age 62
- Disability retirement:
  - a. 5 years service and proof of disability
- Vested pension-An employee can vest pension rights after five years of service.

The State's pension program is a defined benefit plan. More information on this plan is available in the Office of Pensions' *Comprehensive Annual Financial Report*, which can be obtained from the Office of Pensions, McArdle Building, 860 Silver Lake Blvd., Suite 1, Dover, DE 19904.

**EAST SIDE CHARTER SCHOOL**  
NOTES TO FINANCIAL STATEMENTS

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**NOTE 6 - LEASING ARRANGEMENTS**

East Side leases its facilities and certain copier equipment under operating leasing arrangements expiring at various dates through calendar year 2004.

At June 30, 2004, the minimum future rental payments under non-cancelable operating lease arrangements having remaining terms in excess of one year for the remaining years in the aggregate are:

<u>Fiscal Years Ending June 30</u>	<u>Amount</u>
2005	\$ 9,740
2006	4,740
2007	4,740
2008	4,740
2009	<u>2,370</u>
Minimum future rental payments required	<u>\$ 26,330</u>

Total rental expense is \$32,425 for 2004 and \$34,812 for 2003.

**NOTE 7 - COMMITMENTS AND CONTINGENCIES**

In the normal course of business, there are outstanding various commitments and contingent liabilities in addition to the normal encumbrances for the purchase of goods and services. East Side does not anticipate losses from these transactions.

Grants Activity

East Side receives financial assistance from federal agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the State Office of Auditor of Accounts. Any disallowed claims resulting from such audits could become a liability of the General Fund. East Side's administration believes such disallowance, if any, would be immaterial.

Leasing Arrangements

As described in another note, East Side is committed to certain leasing arrangements.

**NOTE 8 - RISK MANAGEMENT**

East Side has purchased commercial insurance policies for various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; injuries to employees; or acts of God. Payments of premiums for these policies are recorded as expenses of East Side. Insurance settlements have not exceeded insurance coverage in either of the past two years. There were no significant reductions in coverage compared to the prior year.

**EAST SIDE CHARTER SCHOOL**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 9 - REQUIRED PRIMARY GOVERNMENT DISCLOSURES**

The following are condensed government-wide financial statements as of and for the years ended June 30:

Description	2004 (in Thousands)	2003
<b>Statement of Net Assets</b>		
Current assets:		
Cash and equivalents	\$ 237	\$ 152
Accounts receivable, net	7	1
Due from primary government	27	10
Other current assets	...	...
Total current assets	<u>271</u>	<u>163</u>
Noncurrent assets:		
Capital assets, net	87	94
Other noncurrent assets	...	...
	<u>358</u>	<u>257</u>
Liabilities:		
Accounts payable	15	6
Accrued liabilities	39	40
Deferred revenues	...	...
Due to primary government	...	...
Current portion of long-term debt	...	...
Total current liabilities	<u>54</u>	<u>46</u>
Noncurrent liabilities:		
Compensated absences	25	21
Notes payable	...	...
	<u>79</u>	<u>67</u>
Net assets (liabilities):		
Invested in capital assets, net	87	94
Unrestricted	<u>192</u>	<u>96</u>
	<u>\$ 279</u>	<u>\$ 190</u>
<b>Statement of Activities</b>		
Total expenses	\$ (1,418)	\$ (1,257)
Program revenues:		
Charges for services	138	72
Operating grants and contributions	33	44
Capital grants and contributions	66	...
	<u>(1,181)</u>	<u>(1,141)</u>
General revenues:		
Payments from primary governments	1,267	1,000
Investment earnings	3	9
Miscellaneous	...	24
	<u>1,270</u>	<u>1,033</u>
	89	(108)
Net assets-beginning of year	<u>190</u>	<u>298</u>
	<u>\$ 279</u>	<u>\$ 190</u>

**Required Supplemental Information Section**



**EAST SIDE CHARTER SCHOOL**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-GENERAL FUND  
Years Ended June 30, 2004 and 2003**

	2004				2003			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
<b>REVENUES</b>								
Charges to school districts	\$ 347,030	\$ 347,030	\$ 309,909	\$ (37,121)	\$ 251,000	\$ 251,000	\$ 258,503	\$ 7,503
State aid	795,440	795,440	677,864	(117,576)	582,560	582,560	574,455	(8,105)
Federal aid	177,190	177,190	200,529	23,339	86,613	86,613	167,185	80,572
Earnings on cash and equivalents	...	...	3,419	3,419	...	...	9,092	9,092
School food services	...	...	68,678	68,678	40,000	40,000	44,324	4,324
Other local sources	81,000	81,000	181,214	100,214	35,500	35,500	94,259	58,759
<b>Total revenues</b>	<u>1,400,660</u>	<u>1,400,660</u>	<u>1,441,613</u>	<u>40,953</u>	<u>995,673</u>	<u>995,673</u>	<u>1,147,818</u>	<u>152,145</u>
<b>EXPENDITURES</b>								
Current:								
Salaries	785,247	785,247	714,660	70,587	681,367	681,367	655,584	25,783
Employment costs	254,792	254,792	239,345	15,447	213,914	213,914	178,448	35,466
Travel	...	...	13,898	(13,898)	...	...	4,689	(4,689)
Contracted services	358,100	358,100	85,315	272,785	...	276,140	37,040	239,100
Communications	...	...	7,830	(7,830)	...	...	6,607	(6,607)
Public utility services	...	...	7,449	(7,449)	...	...	6,876	(6,876)
Insurance	...	...	15,466	(15,466)	...	...	13,378	(13,378)
Transportation-buses	...	...	75,474	(75,474)	...	...	65,674	(65,674)
Land/Building/Facilities	...	...	18,220	(18,220)	...	...	37,382	(37,382)
Repairs and maintenance	...	...	14,817	(14,817)	...	...	5,298	(5,298)
Other contractual services	...	...	98,777	(98,777)	...	...	80,251	(80,251)
Supplies and materials	78,900	78,900	57,939	20,961	67,400	67,400	40,052	27,348
Operating supplies	...	...	31,994	(31,994)	...	...	27,118	(27,118)
Computer/Word Processing/Software	...	...	1,491	(1,491)	...	...	71,471	(71,471)
Miscellaneous	1,000	1,000	...	1,000	1,000	1,000	1,528	(528)
Capital outlay	37,700	37,700	6,166	31,534	37,700	37,700	31,473	6,227
<b>Total expenditures</b>	<u>1,515,739</u>	<u>1,515,739</u>	<u>1,388,841</u>	<u>126,898</u>	<u>1,001,381</u>	<u>1,277,521</u>	<u>1,262,869</u>	<u>14,652</u>
<b>NET CHANGE IN FUND BALANCES</b>	(115,079)	(115,079)	52,772	167,851	(5,708)	(281,848)	(115,051)	166,797
<b>FUND BALANCES</b>								
Beginning of year	94,816	94,816	94,816	...	208,678	209,867	209,867	166,797
End of year	\$ 20,263	\$ 20,263	\$ 147,588	\$ 167,851	\$ 202,970	\$ (71,981)	\$ 94,816	\$ 166,797

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

East Side annually adopts a budget for the general fund financial statements. The budgets are integrated into the accounting system, and the budgetary data, as presented in the financial statements for all funds with annual budgets, compare the expenditures with the annual budgets. All budgets are presented on the modified accrual basis of accounting. Accordingly, the accompanying budgetary comparison schedule for the general fund presents actual expenditures in accordance with the accounting principles generally accepted in the United States on a basis consistent with the legally adopted budgets as amended. Unexpended appropriations on annual budgets lapse at the end of each fiscal year.

**Material Violations**

There were no material violations of the annual appropriated budget for the general fund for fiscal year 2004.

See Accompanying Report of Independent Accountants

**Additional Information**

**EAST SIDE CHARTER SCHOOL**  
**COMBINING STATEMENT-BALANCE SHEETS-GENERAL FUND**  
 June 30, 2004 and 2003

	2004				2003			
	State Allocation	Local Funds	Federal Funds	Total General Fund	State Allocation	Local Funds	Federal Funds	Total General Fund
<b>ASSETS</b>								
Cash and equivalents	\$ 6,226	\$ 161,227	\$ ...	\$ 167,453	\$ 46,510	\$ 83,690	\$ ...	\$ 130,200
Accounts receivable	...	7,347	...	7,347	...	1,188	...	1,188
Due from other governments	...	26,581	...	26,581	...	7,951	1,458	9,409
<b>TOTAL ASSETS</b>	\$ 6,226	\$ 195,155	\$ ...	\$ 201,381	\$ 46,510	\$ 92,829	\$ 1,458	\$ 140,797
<b>LIABILITIES</b>								
Accounts payable	\$ ...	\$ 14,717	\$ ...	\$ 14,717	\$ ...	\$ 4,634	\$ 1,458	\$ 6,092
Accrued salaries and related costs	...	39,076	...	39,076	...	39,889	...	39,889
<b>Total liabilities</b>	...	53,793	...	53,793	...	44,523	1,458	45,981
<b>FUND BALANCES</b>								
Reserved for encumbrances	...	...	...	...	20,200	253	...	20,453
Unrestricted	6,226	41,362	...	47,588	26,310	...	...	26,310
Unrestricted-designated for contingencies	...	100,000	...	100,000	...	48,053	...	48,053
<b>Total fund balances</b>	6,226	141,362	...	147,588	46,510	48,306	...	94,816
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	\$ 6,226	\$ 195,155	\$ ...	\$ 201,381	\$ 46,510	\$ 92,829	\$ 1,458	\$ 140,797

See Accompanying Report of Independent Accountants

**EAST SIDE CHARTER SCHOOL**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-GENERAL FUND**

Years Ended June 30, 2004 and 2003

	2004				2003			
	State Allocation	Local Funds	Federal Funds	Total General Fund	State Allocation	Local Funds	Federal Funds	Total General Fund
<b>REVENUES</b>								
Charges to school districts	\$ ...	\$ 309,909	\$ ...	\$ 309,909	\$ ...	\$ 258,503	\$ ...	\$ 258,503
State aid	677,864	...	...	677,864	574,455	...	...	574,455
Federal aid	...	...	200,529	200,529	...	...	167,185	167,185
Earnings on cash and equivalents	...	3,419	...	3,419	...	9,092	...	9,092
School food services	...	68,678	...	68,678	...	44,324	...	44,324
Charges for services	...	79,558	...	79,558	...	41,340	...	41,340
Other local sources	...	75,440	...	75,440	...	30,282	...	30,282
Miscellaneous	...	26,216	...	26,216	...	22,637	...	22,637
<b>Total revenues</b>	<u>677,864</u>	<u>563,220</u>	<u>200,529</u>	<u>1,441,613</u>	<u>574,455</u>	<u>406,178</u>	<u>167,185</u>	<u>1,147,818</u>
<b>EXPENDITURES</b>								
Current:								
Salaries	366,806	246,828	101,026	714,660	312,335	283,382	59,867	655,584
Employment costs	126,569	79,110	33,666	239,345	85,148	74,035	19,265	178,448
Travel	589	485	12,824	13,898	503	654	3,532	4,689
Contracted services	59,123	26,192	...	85,315	20,307	10,033	6,700	37,040
Communications	3,454	4,376	...	7,830	4,786	1,821	...	6,607
Public utility services	4,820	2,629	...	7,449	3,186	3,690	...	6,876
Insurance	15,466	...	...	15,466	...	13,378	...	13,378
Transportation-buses	53,834	21,561	79	75,474	27,839	37,835	...	65,674
Land/Building/Facilities	12,944	276	5,000	18,220	17,619	19,763	...	37,382
Repairs and maintenance	9,154	5,663	...	14,817	4,862	436	...	5,298
Other contractual services	28,231	63,322	7,224	98,777	9,709	70,102	440	80,251
Supplies and materials	3,904	16,814	37,221	57,939	7,512	26,476	6,064	40,052
Operating supplies	31,994	...	...	31,994	27,118	...	...	27,118
Computer/Word Processing/Software	393	1,098	...	1,491	141	7,243	64,087	71,471
Miscellaneous	...	...	...	...	...	1,528	...	1,528
Capital outlay	867	1,810	3,489	6,166	22,229	2,014	7,230	31,473
<b>Total expenditures</b>	<u>718,148</u>	<u>470,164</u>	<u>200,529</u>	<u>1,388,841</u>	<u>543,294</u>	<u>552,390</u>	<u>167,185</u>	<u>1,262,869</u>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES</b>	(40,824)	93,056	...	52,772	31,161	(146,212)	...	(115,051)
<b>OTHER FINANCING SOURCES (USES)</b>								
Interfund transfers	...	...	...	...	(5,000)	5,000	...	...
<b>NET CHANGE IN FUND BALANCES</b>	(40,284)	93,056	...	52,772	26,161	(141,212)	...	(115,051)
<b>FUND BALANCES</b>								
Beginning of year	46,510	48,306	...	94,816	20,349	189,518	...	209,867
End of year	<u>\$ 6,226</u>	<u>\$ 141,362</u>	<u>\$ ...</u>	<u>\$ 147,588</u>	<u>\$ 46,510</u>	<u>\$ 48,306</u>	<u>\$ ...</u>	<u>\$ 94,816</u>

See Accompanying Report of Independent Accountants

Appendix  
E  
Transportation  
Contract



## TRANSPORTATION CONTRACT

This agreement made and entered into this 27 day of July 2004, in the school year of 2004 – 2005 by and between **Advance Student Transportation, Inc.**, a Delaware Corporation of New Castle County, (hereinafter called the “contractor”), party of the first part, and **East Side Charter School**, a Delaware Corporation (hereinafter called the “Agent”) party of the second part:

Whereas, the Contractor is the owner of the buses hereinafter described, which are constructed and equipped in accordance with the regulations adopted by the Board of Education of the State of Delaware governing the design and operation of all school buses, and,

Whereas, the Agent desires to employ the use of said buses and services of the Contractor for the purpose of transporting school children, and the Contractor has agreed to provide the use of said buses and its services under the terms and conditions herein set forth.

Now, therefore, it is mutually agreed as follows;

### BUSES:

The Contractor shall, during the continuance of this agreement and at the Contractor's own cost, provide and use the buses described herein. The Agent shall approve the description that shall include the make, year, vehicle identification number, chassis and the capacity of the body. The capacity for each bus shall be licensed in accordance with the current weight schedule that has been approved by the Board of Education of the State of Delaware.

### BUS SUBSTITUTION:

In the event the buses listed and approved herein shall become unfit through any cause whatsoever, the Contractor shall notify the Agent thereof and shall secure its consent to the permanent substitution of suitable buses; provided, however, that any such substitution must be acceptable to the Agent; and, in the event that approval is not obtained from the Agent for the permanent substitution of such buses, the Contract may at the option of the Agent, be immediately terminated. The provision relating to substitution of buses shall not apply to an emergency arising out of a breakdown or accident provided that any such bus is repaired within a reasonable period.

### TRANSPORTATION OF PUPILS:

(a) the contractor shall transport the pupils residing along the route or routes which shall be outlined by the Agent to and from the school(s) which fall under the direction of the Agent of each and every day shown by the official school calendar during the school year 2004 – 20045 and on such time schedules as may be designated by the Agent, which routes and time schedules the Agent may from time to time change as provided herein. The Contractor will operate the bus on other days to make up time lost as a result of emergency situations. *All late drop-offs and pick-ups over 5 minutes (exceeding five per month) shall result in a 1% per incident reduction in payment. Drop off at 9 – 8:30 and pick up at 3:30.*

(b) In cases of emergency, when it may be necessary for the bus to operate on schedule other than the regular daily schedule, the Agent shall advise contractor. The contractor will then make every effort to secure the drivers and operate the bus on a temporary schedule. The term “emergency” as used in this section shall be deemed to include, but not be limited to, unforeseen occurrences or conditions; pressing necessity such as fire damage, an act of God, failure of the school plant to operate normally due to a

leaking rood, heater/air conditioning failure, plumbing problems, electrical failure, or any other plant failure which would in any way effect the health and welfare of pupils; necessity for unscheduled school closing due to extreme weather conditions such as floods, blizzards, fog, sleet, snow, storms or winds which may effect the well-being of pupils, or a community, county, state or national emergency so declared by the properly constituted authority.

- (c) The Contractor will pick up and discharge pupils along such route or routes at such points as may be selected by the Agent, having in mind that safety and convenience of the pupils. Pre-Kindergarten or Kindergarten students will be brought back to the school if no one is at the stops to pick them up.
- (d) Agent and Contractor agree that the contact may be modified by mutual agreement from time to time and addendum or addenda altering or terminating or adding routes or stops for taking on or letting off pupils, or changing time schedules, which may correspondingly increase or decrease compensation, or by making changes in description of bus, or by making any other changes, which addendum or addenda in form attached hereto shall be signed by the Agent and Contactor.
- (e) When it is necessary to provide additional transportation services at the request of the Agent which are not anticipated in this agreement, additional compensation shall be mutually agreed upon by the Agent and Contractor which will be paid by the aforesaid Agent as part of the regular periodic payments.

#### **TERMS OF AGREEMENT:**

This contact shall be in effect upon signature by representatives of both the Contractor and the Agent. The expiration date of this contact is July 31, 2005, subject to provisions of paragraph 3(d) of this agreement. All cost and payment agreements between Contactor and Agent will be listed in the addenda to this contract.

#### **GENERAL CONDITIONS:**

In the performance of this contract, the Contractor shall observe the following:

- (a) The Contractor through Contractor's employees shall take entire charge of all pupils and be responsible and accountable for their welfare and conduct while they are riding in the bus and while they are boarding or being discharged therefore.
- (b) The Contractor shall observe such rules and regulations as are or may be adopted by the Board of Education of the State of Delaware governing the design and operation of school buses as provided for in the Delaware Code and as adopted by the Agent. The Contractor shall also comply with the statues and ordinances of the State of Delaware and each county and municipality applying to the operation of motor vehicles therein and will observe such rules and regulations as may be adopted by the Board of Education of the State of Delaware and the Agent for the safety and welfare of the pupils.
- (c) The Contractor will furnish evidence to Agent of current insurance coverage as follows:

Bodily Injury	\$1,000,000.00
Property Damage	\$100,000.00
Medical Payment	\$2,000 each person

The policy is also to name the Agent as additional insured. A certificate of insurance must be filed with the Agent covering each bus used in this contract.



**AUTHORITY AND CANCELLATION:**

- (a) The Executive director or the Executive Director's designate shall act for and represent the Agent in matters relating to this contract.
- (b) The Agent may terminate this contract at any time during any school year for just cause provided thirty (30) days compensation shall be paid to the Contractor, or thirty (30) days compensation shall be paid to the Contractor in lieu of notice before such termination shall take effect.
- (c) It is understood that the Contractor will not be expected to fulfill the obligations of Contractor under the provisions of this contract due to an act of God or national force over which Contractor has no control.

**COLLUSION OR CONFLICT OF INTEREST:**

- (a) Contractor represents that no Officer, Director, Shareholder or any duly authorized Agent of the Contractor has entered into any understanding agreement, or other collusive relationship with any other person, firm corporation or association that has submitted bids on this contract.
- (b) Contractor represents no officer, Director, employee, agent, creditor, or any person having a personal interest in Contractor, partnership, corporation, association or business entity connected with this contract is any officer or employee of said Agent or its representatives.

**PRICES (DESCRIPTION): SEE ATTACHED ADDENDUM**

**DISC ROUTE:**

	Cost Per Day
East Side Charter (Local)	\$157.50
East Side Charter (Long Bus)	\$198.45

Beginning September 3, 2003 through July 31, 2004 as per attached school calendar.


Equipment #	Chassis	Vin #	Body Make	Capacity	Route
A36	International	1HVBBABN8XH206483	Blue Bird	72	North
A45	International	1HVBBABN81H383054	Blue Bird	72	South

In witness whereof, the said Contractor and the Agent have caused this contract to be executed the day and year first above written

**Advance Student Transportation, Inc., 1400 First State Boulevard, Wilmington, DE 19804**

  
\_\_\_\_\_  
President - Advance Student Transportation, Inc.

7-31-04  
Date

  
\_\_\_\_\_  
Attest - Advance Student Transportation, Inc.

7-27-04  
Date

**East Side Charter School**

  
\_\_\_\_\_  
Executive Director - East Side Charter School

July 27, 2004  
Date

\_\_\_\_\_  
Attest - East Side Charter School

\_\_\_\_\_  
Date