

**THE BOSTON PLAN FOR EXCELLENCE  
IN THE PUBLIC SCHOOLS FOUNDATION**

Financial Statements  
and  
Auditors' Report

June 30, 2009 with Comparative Totals for 2008



**Daniel Dennis & Company LLP**  
*Certified Public Accountants*

116 Huntington Avenue  
Boston, MA 02116  
(617) 262-9898  
FAX: (617) 437-9937  
Web Site: <http://www.danieldennis.com>

# The Boston Plan For Excellence In The Public Schools Foundation

## *Contents*

	<i>Page</i>
Independent Auditors' Report	1
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Notes to Financial Statements	6
Schedule of Expenditures of Functional Expenses	15
Schedule of Expenditures of Federal Awards	16
Note to Schedule of Expenditures of Federal Awards	17
Reports on Compliance and on Internal Control	18
Schedule of Findings and Questioned Costs	22

To the Board of Trustees of  
**The Boston Plan For Excellence In The  
Public Schools Foundation**

*Independent Auditors' Report*

We have audited the accompanying statement of financial position of The Boston Plan For Excellence In The Public Schools Foundation (the Foundation) as of June 30, 2009, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Foundation's 2008 financial statements and, in our report dated March 31, 2009, we expressed an unqualified opinion on those financial statements.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Boston Plan For Excellence In The Public Schools Foundation as of June 30, 2009, and the changes in its net assets and its cash flows 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 reports dated February 9, 2010, on our consideration of The Boston Plan For Excellence In The Public Schools Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the basis financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Daniel Dennis + Company LLP*  
February 9, 2010

**The Boston Plan For Excellence In The Public Schools Foundation**

Statement of Financial Position

June 30, 2009

With Comparative Totals for 2008

<i>Assets</i>		
	<i>2009</i>	<i>2008</i>
<i>Assets</i>		
Cash and cash equivalents	\$ 4,990,397	\$ 4,615,861
Interest receivable	1,083	7,728
Grants and contributions receivable	460,634	2,226,415
Other receivables	4,660	4,862
Prepaid expenses	34,508	43,109
Other assets	14,331	12,391
Fixed assets, net of accumulated depreciation of \$329,514 and \$296,319	107,340	79,767
Total assets	\$ 5,612,953	\$ 6,990,133
<i>Liabilities and Net Assets</i>		
<i>Liabilities</i>		
Accounts payable and accrued expenses	\$ 384,838	\$ 127,648
Grants payable	203,723	370,310
Total liabilities	588,561	497,958
<i>Net Assets</i>		
Unrestricted	3,305,286	3,779,206
Temporarily restricted	1,697,606	2,691,469
Permanently restricted	21,500	21,500
Total net assets	5,024,392	6,492,175
Total liabilities and net assets	\$ 5,612,953	\$ 6,990,133

*See accompanying notes to financial statements.*

**The Boston Plan For Excellence In The Public Schools Foundation**  
Statement of Activities  
For the Year Ended June 30, 2009  
With Summarized Comparative Totals for 2008

	2009			2008	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
<i>Revenue and gains</i>					
Contributions	\$ 361,280	\$ 2,676,011	\$ -	\$ 3,037,291	\$ 5,508,528
Grants	-	2,644,051	-	2,644,051	551,397
In-kind contributions	594,799	-	-	594,799	552,113
Investment income	61,839	-	-	61,839	238,457
Miscellaneous income	11,822	-	-	11,822	10,089
Total revenues and gains	1,029,740	5,320,062	-	6,349,802	6,860,584
<i>Net assets released following satisfaction of donor restrictions</i>	6,313,925	(6,313,925)	-	-	-
Total revenues, gains, and net assets released	7,343,665	(993,863)	-	6,349,802	6,860,584
<i>Expenses</i>					
Program services	7,365,129	-	-	7,365,129	7,745,230
Supporting services	452,456	-	-	452,456	654,155
Management and general	452,456	-	-	452,456	654,155
Total supporting services	7,817,585	-	-	7,817,585	8,399,385
Total expenses	(473,920)	(993,863)	-	(1,467,783)	(1,538,801)
<i>Change in net assets</i>					
Net assets, beginning of year	3,779,206	2,691,469	21,500	6,492,175	9,614,972
ACCESS divestiture	-	-	-	-	(1,583,996)
Net assets restated, beginning of year	3,779,206	2,691,469	21,500	6,492,175	8,030,976
Net assets, end of year	\$ 3,305,286	\$ 1,697,606	\$ 21,500	\$ 5,024,392	\$ 6,492,175

See accompanying notes to financial statements.

**The Boston Plan For Excellence In The Public Schools Foundation**  
Statement of Cash Flows  
For the Year Ended June 30, 2009  
With Comparative Totals for 2008

	<i>2009</i>	<i>2008</i>
<i>Cash flows from operating activities</i>		
Cash received from contributions	\$ 5,098,365	\$ 5,517,901
Interest and dividends received	656,638	790,570
Grants and scholarships	(2,736,968)	(7,094,627)
Cash paid to employees	(2,582,731)	(2,559,649)
	<b>435,304</b>	<b>(3,345,805)</b>
<i>Cash flows from investing activities</i>		
Proceeds from sales of investments	-	11,078,146
Purchase of investments	-	(4,129,028)
Sale of equipment	-	35,657
Purchase of equipment	(60,768)	-
	<b>(60,768)</b>	<b>6,984,775</b>
<i>Cash flows from financing activities</i>		
	-	-
Net change in cash and cash equivalents	374,536	3,638,970
Cash and cash equivalents, beginning of year	4,615,861	976,891
Cash and cash equivalents, end of year	<b>\$ 4,990,397</b>	<b>\$ 4,615,861</b>
<i>Reconciliation of change in net assets to net cash from operating activities</i>		
Change in net assets	\$ (1,467,783)	\$ (1,538,801)
<i>Adjustments to reconcile change in net assets to net cash from operating activities</i>		
Depreciation	33,195	36,318
<i>Changes in current assets and liabilities</i>		
Interest and other receivables	6,847	(10,202)
Prepaid expenses and other assets	6,661	14,415
Contributions receivable	1,765,781	(138,042)
Accounts payable and accrued expenses	257,190	73,625
Grants payable	(166,587)	(1,783,118)
Net cash from operating activities	<b>\$ 435,304</b>	<b>\$ (3,345,805)</b>

*See accompanying notes to financial statements.*

# The Boston Plan For Excellence In The Public Schools Foundation

Notes to Financial Statements

June 30, 2009

## 1. *Type of Foundation*

The Boston Plan For Excellence In The Public Schools Foundation (the Foundation) is a Massachusetts trust exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Foundation operates exclusively for charitable, scientific, and educational purposes primarily for the benefit of the public schools of the City of Boston and for the benefit of the students in the Boston Public Schools.

A portion of the Foundation's support for its programs and operations is derived from the award of investment income earned from certain endowment funds held by The Boston Foundation (TBF). These endowment funds represent grants made in prior years by certain Boston financial institutions and other Foundations to fund the Foundation's programs. The income earned on these funds is awarded periodically to the Foundation by TBF. Additionally, the Foundation has historically received investment income from two endowment funds held by TBF for which the donor did not specifically name the Foundation as beneficiary. See Note 7 for a summary of all endowment funds and related contributions described herein.

During the years ended June 30, 2009 and 2008, the Foundation administered the following distinct programs:

### *Boston Teacher Residency Program*

The Boston Teacher Residency (BTR) program is part of Boston's strategy to improve instruction for every child. BTR recruits talented, committed people to make a difference in the city's classrooms. During the 13-month program, Teacher Residents work side-by-side with Mentor Teachers in Boston's public schools and take a specialized curriculum developed and led by local educators and community leaders. BTR graduates earn a Massachusetts Initial Teacher License, a master's degree in education from University of Massachusetts, Boston, and credit toward a dual license in special education. BTR is a highly selective program, recruiting diverse and talented individuals who are committed to a career in education.

### *Scaffolded Apprenticeship Model (SAM)*

SAM is an asset-based approach to improvement. It provides a structure to help school staff build and focus their collective will and skill on interventions they believe will most help bring struggling students into the sphere of success. SAM provides a common set of tasks and tools grounded in research and best practices. At the core of SAM are teams of school staff (principal/headmaster, teachers, and administrators) engaged in a cycle of action research to improve learning for all students, especially those who aren't currently experiencing success. Together, the team uses data to identify a target group of students, who are currently unsuccessful, then decides on high-leverage instructional interventions, measures their effects, refines their work, and then embeds this systematic approach to improving student learning in the school.



## The Boston Plan For Excellence In The Public Schools Foundation

Notes to Financial Statements - *Continued*

June 30, 2009

### 1. *Type of Foundation - Continued*

#### *High School Renewal Program*

The main objective of the program is to change the way Boston's high school students are educated. The broad action plan encompasses strategies that fall under three priorities: school-based strategies to change relationships and improve instruction; district-based strategies to address central problems; and initiatives with the community to bring more adults into student's lives.

#### *Fast-R Program*

The FAST-R program was designed to create, pilot and evaluate tools teachers need, starting with design of assessments for English Language Arts and extending to math assessments.

#### *Fund for Teachers*

Fund for Teachers is a privately-funded, competitive, grants program for Boston Public School teachers for the purposes of enriching their personal and professional growth by recognizing and supporting them as they identify and pursue opportunities around the globe that will improve their practice, the academic lives of their students and their school communities.

#### *Accelerating Improvement through Inquiry (AI<sup>2</sup>)*

Accelerating Improvement through Inquiry (AI<sup>2</sup>) is a partnership between BPS and BPE to instill habits of data-based inquiry in every level of a school - from the classroom to the principal's office. The initiative funds four inquiry facilitators and a math content specialist to work with teacher leaders in each of fifteen schools and for two leadership coaches to work with each school's principal or headmaster. Provided one-on-one, in small groups, and in cross-school sessions, this support allows school teams to conduct focused cycles of data analysis, action, and evaluation of the results to improve teaching and learning for the most struggling students, while learning about the inner workings of their school that contributed to the difficulty these students face. The data-based inquiry occurs in existing content-area and grade-level teams focused on English Language Arts and mathematics, as well as with administrative teams. In addition to facilitation and coaching, the schools receive data sets and analysis tools, a \$2,000 supply grant, and graduate credits for two teacher leaders per school. Both BPS and BPE contribute facilitators, coaches, and other resources for the fifteen schools. Meanwhile, the district's central office is participating in its own inquiry to learn how to best support schools pursuing more data-based decision making so that such practices can become sustainable in more district schools in the future. The project funding also covers a quantitative and qualitative program evaluation by University of Massachusetts' Donahue Institute.

## **The Boston Plan For Excellence In The Public Schools Foundation**

Notes to Financial Statements - *Continued*

June 30, 2009

### **2. *Summary of Significant Accounting Policies***

The following is a summary of significant accounting policies followed by the Foundation in the preparation of its financial statements.

#### *Basis of Accounting*

The accompanying financial statements are prepared on the accrual basis of accounting. Accordingly, revenue is recognized when earned and expenditures are recorded when received and incurred, respectively. Grants and contributions are recognized when all eligible requirements are met.

#### *Use of Estimates*

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

#### *Cash and Cash Equivalents*

For the purpose of the statement of financial position and the statement of cash flows, the Foundation considers all short-term investments with an original maturity of three months or less to be cash equivalents. As of June 30 2009 and 2008 the Foundation held \$4,795,984 and \$4,129,028 in cash equivalents.

#### *Classification of Net Assets*

Unrestricted net assets comprise amounts upon which donors have placed no restrictions on the expenditures of the assets themselves or their investment income.

Temporarily restricted net assets and the investment income generated by these assets comprise those amounts the expenditure of which has been restricted by donors for use during a specific time period or for a particular purpose. When such a restriction expires, that is, when a stipulated time restriction ends or a program restriction is accomplished, temporarily restricted net assets are released to unrestricted net assets and are reported in the statement of activities. Temporarily restricted net assets are available for program purposes in accordance with published standards established by the Foundation.

Permanently restricted net assets comprise those assets contributed to the Foundation by donors who have indicated an intention that the assets are to remain in perpetuity as permanent endowments of the Foundation. Investment income generated by these assets is reported as unrestricted or temporarily restricted, depending upon whether the donors have limited the expenditure of income to a particular purpose or purposes or have indicated that such income is to be available for the general purposes of the Foundation.

## **The Boston Plan For Excellence In The Public Schools Foundation**

Notes to Financial Statements - *Continued*

June 30, 2009

### **2. *Summary of Significant Accounting Policies - Continued***

#### *Fixed Assets*

The Foundation capitalizes expenditures with a cost or value greater than \$1,000 incurred to purchase furniture, fixtures, and office equipment. Depreciation is recognized over the estimated useful life of the asset using the straight-line method.

#### *Grants Paid*

The Foundation records grants when all conditions stipulated by the grant have been met.

#### *Contributions and Bequests*

Contributions are recorded as revenue when an unconditional promise to give is received. Contributions received are classified as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contributions are recorded at fair value at the date of donation.

#### *Donated Assets*

Gifts of long-lived assets are recorded as unrestricted net assets, as no time restriction is assumed for their use.

#### *Donated Services*

The Foundation receives contributions of time and resources from various volunteers and Foundations to develop its programs. Services that create or enhance non-financial assets or require specialized skills and are performed by people possessing those skills are recorded, at the estimated fair value, as contributions and expenses. The Foundation received \$594,799 and \$552,113 in donated services as of June 30, 2009 and 2008, respectively. These amounts have been reported as both in-kind contribution revenue and in-kind program support expense.

#### *Donated Grant Assets*

Gifts of long-lived assets that the Foundation receives for the benefit of its programs are recorded at fair value as contributions and grants.

#### *Program Expenses*

Program expenses primarily represent expenses incurred related to individual programs that are separate and distinct from the Foundation's normal operating expenses.

#### *Operating Expenses*

Operating expenses include salaries, rent, and other overhead expenses that are incurred in the operation of the Foundation overall and are not specifically attributable to a particular program.

## The Boston Plan For Excellence In The Public Schools Foundation

Notes to Financial Statements - *Continued*

June 30, 2009

### 2. *Summary of Significant Accounting Policies - Continued*

#### *Comparative Financial Information*

The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2008, from which the information was derived.

### 3. *Cash*

At June 30, 2009 and 2008 the bank balance of cash was \$358,969 and \$868,642, respectively. The Foundation maintains cash balances at one financial institution. These balances, at times during the year may exceed the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000. Management acknowledges the possibility of risk in this arrangement; however, the size and longevity of the depository institution minimizes such risk.

### 4. *Grants and Contributions Receivable*

Contributions receivable represent pledges that are expected to be collected within one year and are recorded at net realized value.

	2009	2008
BPS - Auditing	\$ 130,182	\$ 1,509,198
U.S. Department of Education	104,651	109,491
JFF	-	423,298
MSA/AmeriCorps	<u>225,801</u>	<u>184,428</u>
Total	<u>\$ 460,634</u>	<u>\$ 2,226,415</u>

During 2008, the Foundation received two conditional promises to give totaling \$1,285,000, which will be received in incremental payments based on the satisfaction of certain criteria set forth by the donors. Through June 30, 2009, \$700,000 had been received. Since there is no unconditional promise for the donor to grant future income to the Foundation, no accrual of such promises has been made in the financial statements as of June 30, 2009.

## The Boston Plan For Excellence In The Public Schools Foundation

Notes to Financial Statements - *Continued*

June 30, 2009

### 5. *Employee Benefit Plans*

The Foundation participates in the defined contribution plan offered by the Teacher's Insurance Annuity Association/College Retirement Equities Fund. In addition to pension benefits, health care, life insurance, and disability insurance are provided to Foundation employees. The total benefit expense was \$496,740 and \$418,806 for fiscal years 2009 and 2008, respectively.

### 6. *Lease Commitment*

During fiscal year 2009 the Foundation extended its three year lease agreement commencing January 1, 2006 and expiring on December 31, 2009 for an additional three years and entered into a sublease commencing on October 1, 2008 and expiring on December 31, 2012. The Foundation entered into a sublease commencing December 1, 2005 and expiring on June 30, 2009. Rent expense was \$205,822 and \$196,897 for fiscal years 2009 and 2008, respectively. The future minimum lease payments are as follows:

<i>Fiscal Year</i>	<i>Total</i>
2010	\$ 228,900
2011	228,900
2012	<u>114,450</u>
Total	<u>\$ 572,250</u>

### 7. *Funds Held by TBF*

The Foundation is the beneficiary of the net income from the SEED and HEART endowment funds held at TBF. The donors of these endowment funds specifically named the Foundation as the income beneficiary; however, TBF has variance power which enables TBF to withhold or modify the distribution to the Foundation. Since there is no unconditional promise for TBF to grant future income earned on these funds to the Foundation, no accrual of such promises has been made in the financial statements except for those amounts that have been unconditionally pledged as of year end. Contributions from TBF related to these endowment funds were \$205,671 and \$193,384 in 2009 and 2008, respectively.

The Foundation has received contributions from the BankBoston 200th Anniversary Fund and the General Support Fund for Education, both endowment funds held at TBF. The donor of these endowment funds did not specifically name the Foundation as the income beneficiary. Since there is no unconditional promise for TBF to grant the future income earned on the funds to the Foundation, no accrual for such promise has been made in the financial statements except for those amounts that have been unconditionally pledged as of year end. Contributions

**The Boston Plan For Excellence In The Public Schools Foundation**

Notes to Financial Statements - *Continued*

June 30, 2009

**7. Funds Held by TBF - *Continued***

from TBF related to the BankBoston 200th Anniversary Fund and the General Support Fund for Education were \$963,750 and \$950,919 for 2009 and 2008, respectively.

The market value of these funds at June 30, 2009, was as follows:

	<i>Market Value</i>
Support for Early Educational Development (SEED)	\$ 1,741,755
The Hancock Endowment for Academics, Recreation and Teaching (HEART)	1,675,209
BankBoston 200th Anniversary Fund	12,583,028
General Support Fund for Education	<u>3,553,502</u>
Total Funds held by The Boston Foundation	<u>\$ 19,553,494</u>

**8. Related Party Transaction**

During 2008 the Foundation purchased accounting services from a consulting firm owned by the Foundation's Treasurer. The total expense incurred for the accounting services was \$28,205 which has been paid in full.

**9. Divestiture of ACCESS**

The Action Center for Education Services and Scholarships (ACCESS), a program affiliated with the Foundation, filed for and received approval from the Internal Revenue Service to form its own 501(c)(3) Foundation. On July 1, 2008 ACCESS divested from the Foundation and acted as an independent Foundation. The divestiture resulted in decrease of net assets in the amount of \$1,583,996.

**10. Concentration**

During 2009 and 2009 the Foundation received approximately 99% and 96%, respectively of its total revenue from contributions and grants.

## The Boston Plan For Excellence In The Public Schools Foundation

Notes to Financial Statements - *Continued*

June 30, 2009

### 11. *Temporarily Restricted Net Assets*

Temporarily restricted net assets are available for the following purposes:

	<i>2009</i>	<i>2008</i>
Boston Teachers Residency Program	\$ 1,261,919	\$ 1,486,595
Boston Public Schools	249,264	337,437
High School Renewal	-	90,021
Fund for Teachers	3,337	12,409
Other Programs	<u>183,086</u>	<u>765,007</u>
Total temporarily restricted net assets	<u>\$ 1,697,606</u>	<u>\$ 2,691,469</u>

Temporarily restricted net assets released from program restrictions:

	<i>2009</i>	<i>2008</i>
Boston Teachers Residency Program	\$ 4,091,603	\$ 4,221,208
Boston Public Schools	561,361	882,247
High School Renewal	90,021	239,836
FAST-R	109,743	281,457
Fund for Teachers	11,891	253,303
Other Programs	<u>1,449,306</u>	<u>99,860</u>
Net assets released from program restrictions	<u>\$ 6,313,925</u>	<u>\$ 5,977,911</u>

### 12. *Accounting for Uncertainty in Income Taxes*

The Foundation is a not-for-profit organization that is exempt from Federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and Chapter 180 of the Massachusetts General Laws. Unrelated business income, of which the Foundation had none for the years ended June 30, 2009 and 2008, would be subject to federal and state income taxes. Consequently, the accompanying financial statements do not reflect any provision for income taxes.

The Foundation has evaluated the tax positions taken in its previously filed returns and those expected to be taken in its 2009 return and believe they are more-likely-than-not of being sustained if examined by Federal or state tax authorities. The Foundation's 2002 through 2008 tax years remain subject to tax examinations by Federal and state tax authorities.

**The Boston Plan For Excellence In The Public Schools Foundation**

Notes to Financial Statements - *Continued*

June 30, 2009

***13. Subsequent Events***

The Foundation has evaluated subsequent events through February 9, 2010, which is the date the financial statements were available to be issued. There are no recognized subsequent events, events that provide additional evidence about conditions that existed at the statement of financial position date, or nonrecognized subsequent events, events that provide evidence about conditions that did not exist at the statement of financials position date, which are necessary to disclose to keep the financial statements from being misleading.



**The Boston Plan For Excellence In The Public Schools Foundation**  
 Schedule of Functional Expenses  
 For the Year Ended June 30, 2009

	BTR	School Support	Research & Policy	Communications	Pass-Thru Projects	Total Programs	General & Administrative	Total
Salaries	\$ 854,736	\$ 669,515	\$ 238,135	\$ 57,199	\$ 49,669	\$ 1,869,254	\$ 230,983	\$ 2,100,237
Fringe benefits	221,509	203,409	68,874	10,567	15,044	519,403	68,658	588,061
Total salaries & fringe benefits	1,076,245	872,924	307,009	67,766	64,713	2,388,657	299,641	2,688,298
Other personnel costs	2,379,731	377,672	3,547	-	17,877	2,778,827	483	2,779,310
Contracted & professional services	58,031	299,248	123,205	56,049	432,059	968,592	40,500	1,009,092
Minor equipment & leases	13,105	14,062	4,304	1,244	64	32,779	2,729	35,508
Rent & utilities	114,627	89,810	28,881	6,314	25,095	264,727	26,461	291,188
Insurance (W/C, Prop, GL)	3,968	1,977	646	187	-	6,778	343	7,121
Travel, meetings, and seminars	51,517	34,162	1,404	412	34,877	122,372	19,956	142,328
Supplies & other costs	255,246	108,492	4,832	4,035	429,792	802,397	62,343	864,740
Total expenses	\$ 3,952,470	\$ 1,798,347	\$ 473,828	\$ 136,007	\$ 1,004,477	\$ 7,365,129	\$ 452,456	\$ 7,817,585

**The Boston Plan For Excellence In The Public Schools Foundation**

Note to Schedule of Expenditures of Federal Awards

June 30, 2009

<i>Federal Grantor (Pass Through Grantor) Program Title</i>	<i>Federal CFDA Number</i>	<i>Pass-through Entity Identifying Number</i>	<i>Federal Expenditures</i>
Corporation for National and Community Service (Massachusetts Service Alliance) AmeriCorps	94.006	06ACHMA001003	\$ 844,429
Department of Education Transition to Teaching	84.350	-	<u>377,959</u>
Total			<u>\$ 1,222,388</u>

*See accompanying note to schedule.*

**The Boston Plan For Excellence In The Public Schools Foundation**

Note to Schedule of Expenditures of Federal Awards

June 30, 2009

1. ***Summary of Significant Accounting Policies***

The schedule of expenditures of federal awards includes accounts of The Boston Plan For Excellence In The Public Schools Foundation's federal awards programs and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

The Board of Trustees of  
**The Boston Plan For Excellence In The Public Schools Foundation**

*Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on  
an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*

We have audited the financial statements of The Boston Plan For Excellence In The Public Schools Foundation (the Foundation), as of and for the year ended June 30, 2009, and have issued our report thereon dated February 9, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

*Internal Control Over Financial Reporting*

In planning and performing our audit, we considered the Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Foundation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Foundation's financial statements that is more than inconsequential will not be prevented or detected by the Foundation's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Foundation's internal control.

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

*Compliance and Other Matters*

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

This report is intended solely for the information and use of management, the Board of Trustees, others within the entity, and Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

  
February 9, 2010

The Board of Trustees of  
**The Boston Plan For Excellence In The Public Schools Foundation**

*Report On Compliance With Requirements Applicable To Each Major Program And On Internal  
Control Over Compliance In Accordance With OMB Circular A-133*

*Compliance*

We have audited the compliance of The Boston Plan For Excellence In The Public Schools Foundation (the Foundation), with the types of compliance requirements described in the *US Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that is applicable to its major Federal program for the year ended June 30, 2009. The Foundation's major Federal program is identified in the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major Federal program is the responsibility of the Foundation's management. Our responsibility is to express an opinion on the Foundation's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the Foundation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Foundation's compliance with those requirements.

In our opinion, the Foundation, complied, in all material respects, with the requirements referred to above that are applicable to its major Federal program for the year ended June 30, 2009.

### *Internal Control Over Compliance*

The management of the Foundation is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to Federal programs. In planning and performing our audit, we considered the Foundation's internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned function, to prevent or detect noncompliance with a type of compliance requirement of a Federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a Federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a Federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a Federal program will not be prevented or detected by the entity's internal control.

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

This report is intended solely for the information and use of management, the Board of Trustees, others within the entity, and Federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

  
February 9, 2010

**The Boston Plan For Excellence In The Public Schools Foundation**  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2009

**Section I - Summary of Auditor's Results:**

*Financial Statements*

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes \_\_\_\_\_ No  X

Significant deficiency(ies) identified not considered to be material weakness(es)? Yes \_\_\_\_\_ No  X

Noncompliance which is material to financial statements noted? Yes \_\_\_\_\_ No  X

*Federal Awards*

Internal control over major programs:

Material weakness(es) identified? Yes \_\_\_\_\_ No  X

Significant deficiency(ies) identified not considered to be material weakness(es)? Yes \_\_\_\_\_ No  X

Type of auditor's report issued: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? Yes \_\_\_\_\_ No  X

Identification of major programs:

<i>CFDA Number</i>	<i>Name of Federal Program</i>
94.006	AmeriCorps Grant

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes \_\_\_\_\_ No  X



**The Boston Plan For Excellence In The Public Schools Foundation**  
Schedule of Findings and Questioned Costs - *Continued*  
For the Year Ended June 30, 2009

**Section II – Financial Statement Findings – *None***

**Section III – Federal Award Findings and Questioned Costs – *None***

**Prior Audit Findings - *None***