



*Leading Houston
Forward*

Top 100 High Schools in the Nation

U.S. NEWS & WORLD REPORT (2007-PRESENT)

Gold Ribbon Schools

CHILDREN AT RISK (2014-PRESENT)

America's Most Challenging High Schools

THE WASHINGTON POST (2013-PRESENT)

Broad Prize for Public Charter Schools

THE ELI AND EDYTHE BROAD FOUNDATION (WINNER 2012, FINALIST 2016)

Outstanding CEO of a Non-Profit

HOUSTON BUSINESS JOURNAL (NOMINEE 2017)

Best Places to Work

HOUSTON BUSINESS JOURNAL (2010-13, 2015)

YES PREP PUBLIC SCHOOLS



LEADING HOUSTON FORWARD

Now more than ever, we are dedicated to **Leading Houston Forward** so that college is an expectation, not an exception, for students from low-income communities.



Dear Friends & Supporters,

In 2018, we celebrate two decades of YES Prep Public Schools transforming the future of Houston by addressing its most urgent need: increasing the number of students from underserved communities who graduate from college prepared to lead. We make college an expectation, not an exception, for students. Over the past 20 years, YES Prep has matured into a nationally recognized leader in educating children from low-income communities and today proudly serves 12,500 students across 17 campuses, all in Houston, Texas.

Without you, we never would have opened our doors to the very first group of 300 middle and high school students twenty years ago. From the humble beginnings of 11 modular buildings on a nine-acre parking lot, we have built an organization together that is now an enduring institution in Houston. We have provided the opportunity for thousands more students to access higher education, and as a result, our students have created pathways to pursue choice-filled lives.

In the pages of this report, we invite you to join us in celebrating our 20-year milestone. You'll also read about the YES Prep community uniting in generosity in response to the devastation of Hurricane Harvey. You'll learn about our 17th campus, YES Prep Northline, which opened in August of 2017, and meet one of its students. Lastly, you'll see how YES Prep prepares its students to lead by providing a well-rounded educational experience.

While so much has changed over the past 20 years, the importance of a rigorous K-12 education remains constant. Unfortunately, today in Houston, far too many families still lack access to rigorous educational options, and consequently, far too many students graduate unprepared for college and for the competitive job market beyond. As proud as we are in the progress we've made together, we must also recognize that YES Prep's mission is as relevant today as it was when we opened our doors to that first group of students 20 years ago.

This May, we will celebrate 1,000 new graduates at our annual Senior Signing Day, raising our total alumni base to nearly 5,000. Next August, we will continue our growth, opening our 18th school, YES Prep Northwest. This will be another milestone as we continue igniting the limitless potential of our students to graduate from college prepared to lead Houston forward. Thank you for joining us in this work—work that *will* transform our great city.

Sincerely,



Mark DiBella
CEO



Mark Gregg
Chairman
YES Prep Board of Directors

YES Prep at a Glance

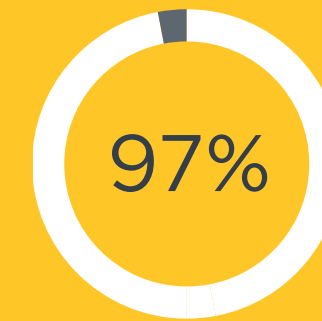


OUR MISSION

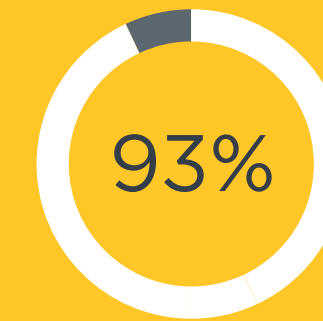
YES Prep Public Schools will increase the number of students from underserved communities who graduate from college prepared to lead.

17
CAMPUSES

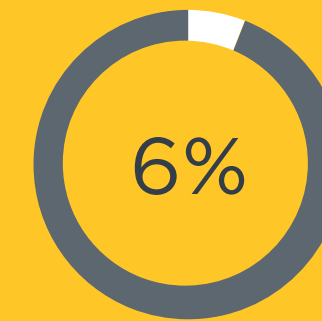
12,500
STUDENTS



HISPANIC &
AFRICAN AMERICAN



ECONOMICALLY
DISADVANTAGED



RECEIVE SPECIAL
EDUCATION SERVICES



LIMITED ENGLISH
PROFICIENCY

CLASS OF 2017

▶ 90%+
FIRST-GENERATION
COLLEGE STUDENTS

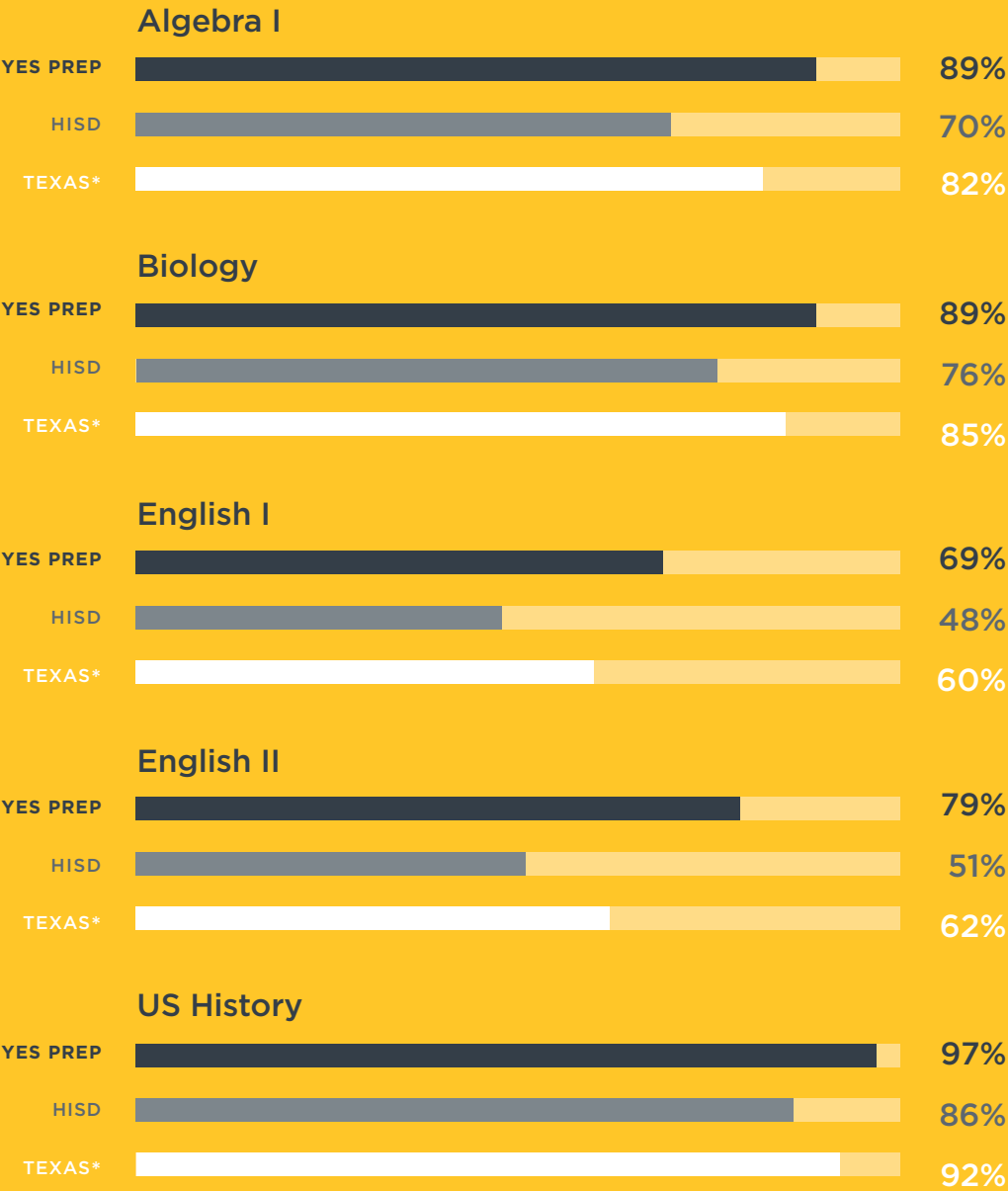
🎓 807
GRADUATES

📄 6,743
COLLEGE APPLICATIONS

💰 \$18M+
AWARDED IN SCHOLARSHIPS,
GRANTS, & FINANCIAL AID



2016-2017 HIGH SCHOOL STAAR PASSING RATES



* Indicates economically disadvantaged students in Texas

3,701 students have graduated from YES Prep since 2001



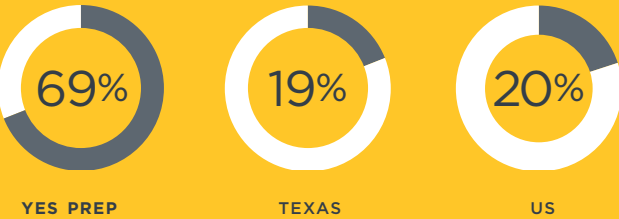
87% of YES Prep alumni have matriculated to college within one year of high school graduation



YES Prep alumni are earning college degrees at **five** times the rate of peers with similar economic backgrounds

AP RESULTS

Graduates earning a 3 or higher on the AP exam



Source: College Board's 10th Annual Report, 2013

20 Years Strong

On November 17, 2017, YES Prep hosted the 20 Years Strong Legacy Luncheon, honoring our founder, Chris Barbic, and celebrating 20 years of YES Prep leading Houston forward. The inspiring event raised over \$1.2 million thanks to the support of our event chairs, Lori and Chip Johnson; honorary chairs, Laura and John Arnold; and the generous event underwriters.

About Founder Chris Barbic

Chris Barbic has impacted thousands of children through his commitment to provide all students with opportunities inside and outside the classroom. His passion and commitment to his students and families led him to create Project YES in 1995 at Rusk Elementary; following its success, YES Prep Public Schools was officially founded three years later. Under his leadership, YES Prep grew into an award-winning charter school system for underserved communities throughout Houston. Chris led YES Prep for 13 years before transitioning to serve as the founding superintendent of the Achievement School District in Tennessee. Currently, Chris serves as the Senior Education Fellow at the Laura and John Arnold Foundation, working to advance the portfolio model of school governance across the country to increase student achievement.

"Today, we celebrate the pioneers and we look ahead to the next 20 years. **Who comes after the pioneers? The settlers.** The group that expands, builds infrastructure, and creates the place where more and more people want to come."

CHRIS BARBIC, FOUNDER



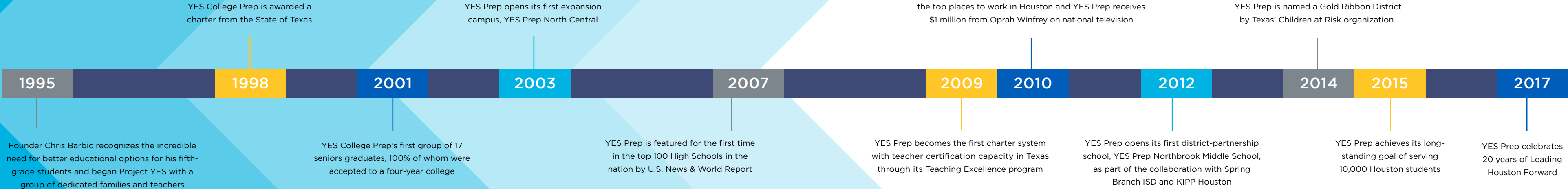
"Chris Barbic personally engaged so many of us with his passion and 'can-do' attitude. Chris's commitment to providing the highest quality education to children in Houston's most underserved communities has created opportunity and access for thousands of families and has established Houston as a leader in the national movement to eliminate educational inequity."

MARK DIBELLA, CEO

A Look Back

"YES Prep stimulated my intellect and built in me the foundations of academic achievement through hard work, and belief-in-self, which helped me succeed and graduate with a philosophy degree from Cornell University."

DANIEL URIBE, MEMBER OF YES PREP'S FIRST GRADUATING CLASS



"I wouldn't have graduated from TCU and started working in the financial sector had it not been for Barbic's vision for education and the sacrifices he made to make college a reality for students like me."

BONNY OLVERA, MEMBER OF YES PREP'S FIRST GRADUATING CLASS



2017 Highlights



Response to Harvey

In the wake of Harvey, widespread flooding devastated Houston. Over 2,500 YES Prep families and staff members suffered significant damage to their homes. Through the generous support of staff, families, and the community, YES Prep was able to raise nearly \$4.3 million in its Family Flood Relief Fund to support students, alumni, and staff members most impacted by the storm. The fund helped to provide food, clothing, uniforms, rental homes, furniture, and repairs.



Meet Bitia Alanis | Senior at YES Prep Southeast

During Hurricane Harvey, Bitia's family lost their home. Teachers and friends, including CEO Mark DiBella, rallied to help clean up the debris. One of Bitia's teachers opened her house to Bitia's family, so that they had somewhere to stay while their home was repaired.

"Next year, I will fulfill my vision by attending a top college. I'll be the first person in my family to graduate from college. I will join Doctors Without Borders. I will provide care and support for those all over the world. I will do all of this because my family made the choice to send me to YES Prep. And because I am prepared to lead."



YES Prep Northline

YES Prep's 17th campus, Northline, welcomed 157 sixth-grade students in August. Local media featured YES Prep for its innovative transformation of a 93,486-square-foot hospital building into a school. With more than 7,300 students on YES Prep's record-breaking wait list, demand for seats at schools like YES Prep Northline still continues to outpace growth. YES Prep plans to open an additional three schools by 2020.



Meet Iliana Donaciano | Sixth grader at YES Prep Northline

Iliana Donaciano lives with her grandparents and several extended family members in Houston's Northline community. Her grandmother was unhappy with the educational options in her neighborhood and entered YES Prep's lottery because she loves YES Prep's emphasis on providing a college education. Iliana loves YES Prep Northline because her teachers are caring and invested in her education.

"I want to attend college because I will be able to get a better job and learn about things I enjoy— like Alexander Hamilton and the history of the United States. YES Prep will give me access to college."



Prepared to Lead

For students to graduate prepared to lead, they must have rich experiences inside and outside the classroom. At YES Prep, student athletes are held to high academic standards and compete in the Houston Charter Athletic League. Additionally, students play instruments, dance, paint, and invent. At YES Prep Fifth Ward, high school students have the opportunity to participate in STEAM Lab, a system of interrelated electives that teach science, technology, engineering, fine arts, and math.



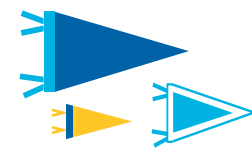
Meet Alberto Partida | Senior at YES Prep Fifth Ward

Inspired by STEAM Lab, Alberto interned with Baylor College of Medicine and Texas Children's Hospital. He plans to attend Texas A&M because of the strong scientific research programs and join a student organization that focuses on environmental awareness.

"I plan to study microbiology and minor in psychology. I'm interested in learning more about how the immune system works, and I'd like to pursue opportunities in the medical research field."

A Look Forward

For 20 years, YES Prep has been unapologetically committed to preparing every child for success in college and beyond. As YES Prep looks to the future, we will continue this commitment to lead Houston forward. At the 20 Years Strong Legacy Luncheon, CEO **Mark DiBella** spoke about three priorities for the coming years:



College Readiness For Every Student

"The national college completion rate for children in the bottom economic quartile is nine percent. YES Prep is leading the nation on college completion rates— more than quintupling the national average for children from similar demographics and proving what is possible when our brilliant students are given the access they deserve. Yet, we will not be satisfied until at least 80% of our alumni go on to graduate from college—mirroring the national average for children from the highest economic quartile."



Elementary Schools

"We will lead Houston forward by opening YES Prep's first elementary schools. As our students come to us further behind than ever, it's clear that the task of catching them up starting in 6th grade isn't a viable long-term strategy. Most importantly, this is right for the families we serve. I cannot bear to look one more parent in the eyes and say, 'just wait until your child is in sixth grade.' Our work will start much earlier in the lives of our students."



All Means ALL

"We will double down on our belief that all means ALL, the idea that we serve ALL students—regardless of readiness, behavior, or background. When a student chooses YES Prep, we will never unchoose her or him. One way that we will demonstrate our commitment to 'all means ALL' is by continuing to provide excellent, robust special education services, and restorative opportunities."



Meet Our Leaders

From left to right

Recy Benjamin Dunn | Chief Operating Officer
Ann Ziker | Former Chief Advancement Officer*
Carmen Darville | Chief of Staff
Mark DiBella | Chief Executive Officer

Millicent Chancellor | Chief Financial Officer
Nella García Urban | Chief Program Officer
Richard Charlesworth | Chief Information Officer
Philip Wright | Chief Schools Officer

**Current Executive Director of The Brown Foundation*



Meet Carmen Darville | Chief of Staff

Carmen Darville joined the educational equity movement because she fiercely believes that a child's zip code and socioeconomic status should not determine their access to opportunity. As Chief of Staff, Darville works to achieve organizational effectiveness through CEO support; risk, compliance and strategic management; and cross-functional project management. Prior to YES Prep, Darville worked in Texas's two largest ISDs leading aggressive human resources turnaround efforts. In her first year in this role, Darville improved collaboration across teams in the Home Office so that they can better support campuses and continue to minimize organizational risk. Under her leadership, teams responded to Harvey and other crises, established a new diversity metric, monitored progress on strategic initiatives, improved data integrity, and more.

"I hope that YES Prep continues to saturate the greater Houston landscape with diverse educational options for families that will allow more low-income students to graduate from college prepared to lead. I also hope that YES Prep will continue to be an example for that landscape, demonstrating what's possible in diversity, equity, and inclusion so that students are proud of who they are as they pursue their dreams."



Meet Philip Wright | Chief Schools Officer

Philip Wright's experience teaching at a public school in Houston opened his eyes to the educational inequity that exists for students from underserved communities. In 2004, Wright began teaching at YES Prep. He then served as a principal and School Director before becoming a Head of Schools in 2013. Now, as Chief Schools Officer, Wright leads the management of all YES Prep campuses, continues to strengthen our academic program to prepare students for college, and develops school leaders. In this role, Wright aligned the goal-setting process for School Directors and launched a program to prepare future school leaders to drive student achievement. Under his leadership, YES Prep was able to strategically allocate resources to campuses and create a pipeline of future school leaders.

"We need to build on our strengths of the last 20 years while finding ways to innovate so that our students develop the skills they need to be successful in the future. As we open new schools and build partnerships, I hope we can initiate change throughout the community that results in all of Houston's students attending an excellent school."

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Mickey Barrett, *Vice-Chair*
Eric Calderon
Tom Castro
Eric Chan, *Special Advisor to the Board*
Luly Castillo, *YES Prep Alumna*
Luis Elizondo-Thomson
Dan Gilbane
Joe Greenberg, *Chairman Emeritus*
Barry Kelly
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Doug Selman
Rev. Leslie Smith
Melanie Trent
Ann Davis Vaughan

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Thank you to our 2016-17 Donors*

\$500,000 +

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The Brown Foundation
Charter School Growth Fund
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\$100,000 - \$499,999

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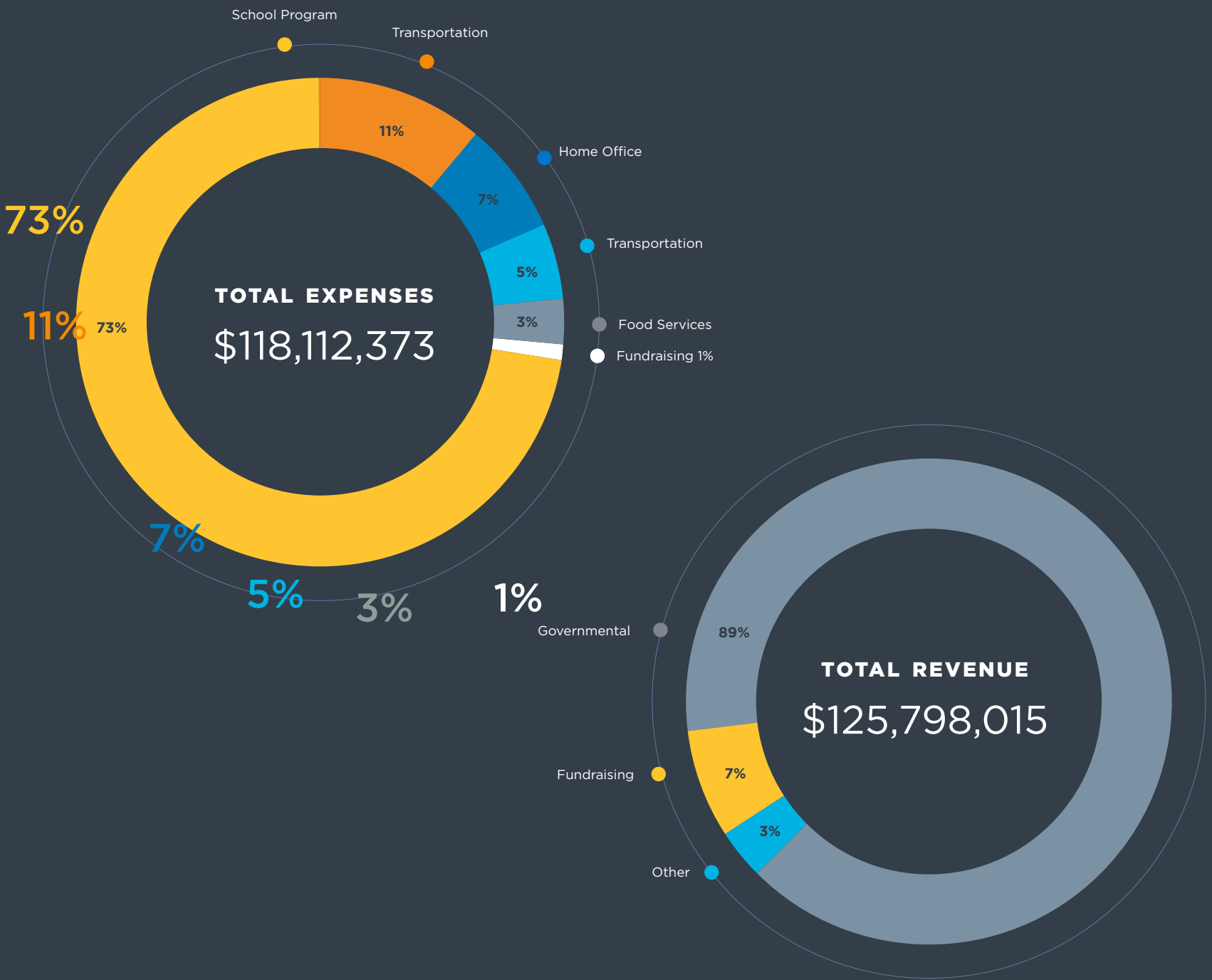
*** In Memoriam*

Financial Report

Fiscal Year Ending June 30 and August 31

| Revenue, Grants, and Support | 2017 | 2016 | 2015* | 2014 | 2013 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Governmental | 112,379,578 | 99,692,385 | 85,168,270 | 74,632,481 | 61,105,351 |
| Fundraising | 9,209,159 | 6,968,123 | 12,823,021 | 12,790,487 | 6,842,985 |
| Other | 4,209,278 | 3,114,048 | 3,029,172 | 2,848,559 | 2,833,063 |
| Totals | 125,798,015 | 109,774,556 | 101,020,463 | 90,271,527 | 70,781,398 |
| Expenses | | | | | |
| School Program | 85,655,600 | 81,568,390 | 60,748,520 | 69,538,452 | 51,088,118 |
| Transportation | 5,908,428 | 5,187,968 | 4,370,509 | 4,384,811 | 3,773,999 |
| Food Services | 3,878,750 | 3,570,691 | 3,051,242 | 3,054,511 | 2,840,659 |
| Facilities | 13,271,867 | 12,993,741 | 8,928,262 | 10,102,977 | 8,575,879 |
| Home Office | 8,385,927 | 5,634,047 | 4,125,675 | 1,313,979 | 3,731,662 |
| Fundraising | 1,011,801 | 883,388 | 876,459 | 927,166 | 678,540 |
| Total | 118,112,373 | 109,838,226 | 82,100,666 | 86,693,938 | 70,688,857 |
| Statement of Financial Position | 2017 | 2016 | 2015* | 2014 | 2013 |
| Current Assets | 46,308,460 | 46,105,291 | 47,861,898 | 21,461,568 | 19,433,329 |
| Bond Sinking Fund | 14,389,425 | 11,369,121 | 8,449,614 | 6,494,624 | 4,559,855 |
| Note Receivable | 10,422,800 | 10,422,800 | 10,422,800 | 10,422,800 | 10,422,800 |
| Furniture And Equipment | 7,778,506 | 7,261,727 | 7,419,278 | 7,226,957 | 6,883,869 |
| Land And Buildings | 135,218,820 | 119,161,300 | 108,307,412 | 98,726,434 | 89,583,801 |
| Accumulated Depreciation | (30,472,504) | (25,880,716) | (21,261,979) | (17,903,774) | (13,685,453) |
| Other Assets | 8,337,501 | 7,000,143 | 1,297,445 | 989,948 | 845,168 |
| Totals | 191,983,008 | 175,439,666 | 162,496,468 | 127,418,557 | 118,043,369 |
| Liabilities and Net Assets | 2017 | 2016 | 2015* | 2014 | 2013 |
| Current Liabilities | 17,568,249 | 14,494,044 | 12,178,421 | 6,575,342 | 6,855,117 |
| Debt | 85,042,050 | 79,256,555 | 80,929,194 | 65,036,896 | 58,759,522 |
| Net Assets | 89,372,709 | 81,687,067 | 69,388,853 | 55,806,319 | 52,428,730 |
| Totals | 191,983,008 | 175,439,666 | 162,496,468 | 127,418,557 | 118,043,369 |

*YES Prep changed from an 8/31 to a 6/30 fiscal year end in FY 2015; therefore, only 10 months of activity is reflected.



YES PREP PUBLIC SCHOOLS



LEADING HOUSTON FORWARD

yesprep.org