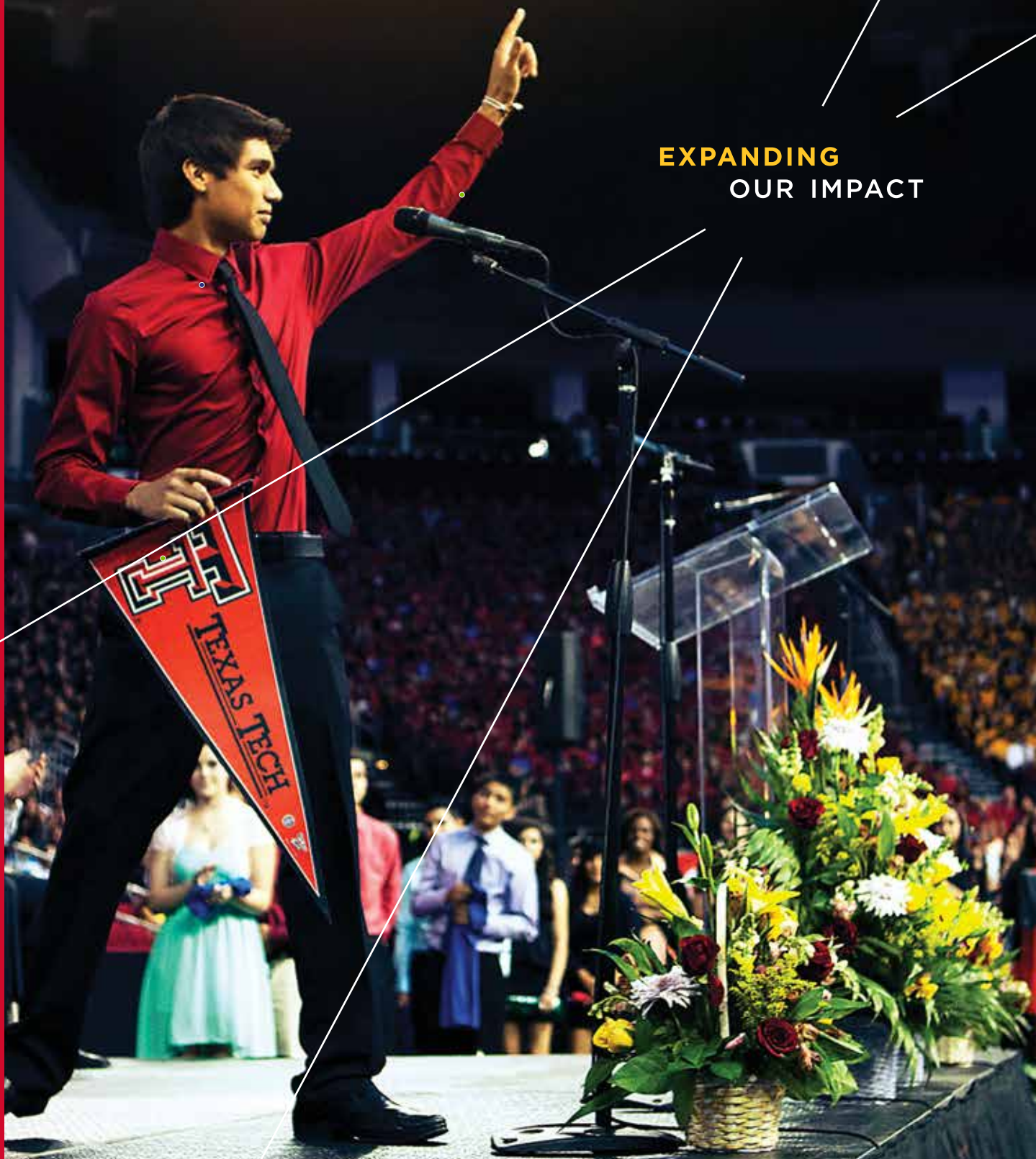


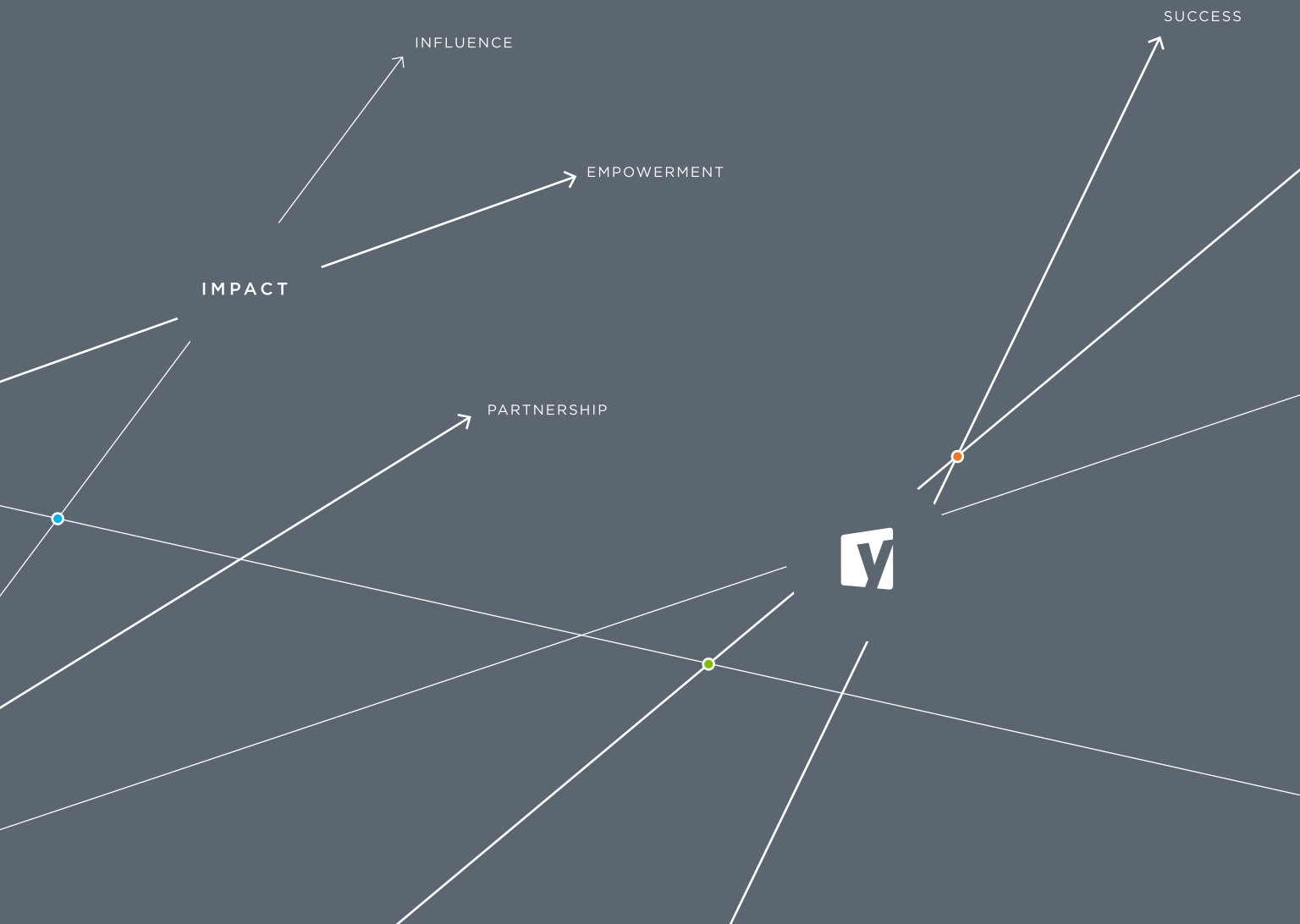
**EXPANDING  
OUR IMPACT**

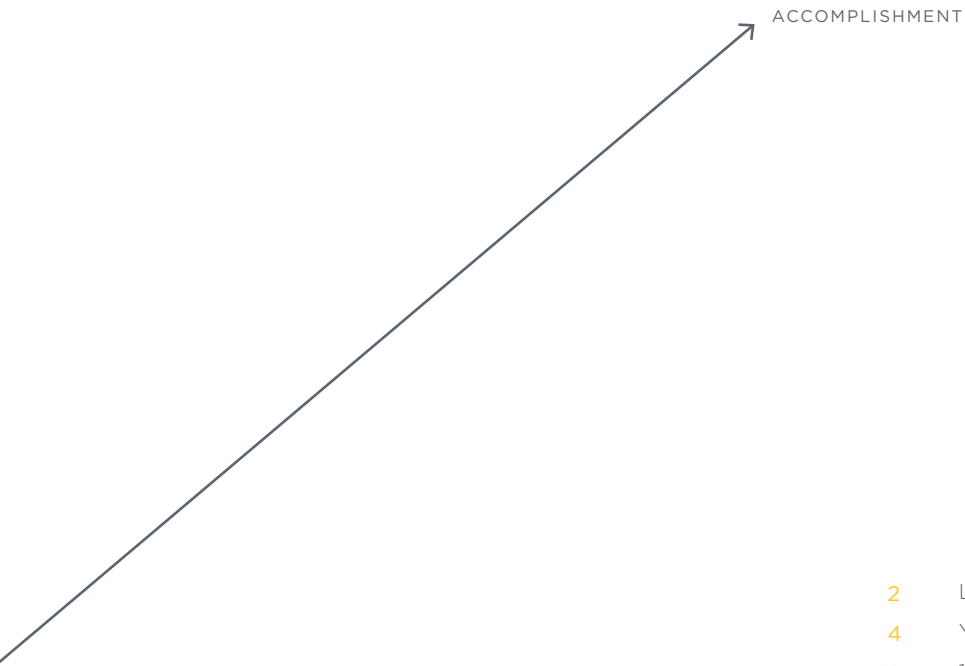


Expanding our Impact means maximizing our influence across the country to increase the number of college graduates.

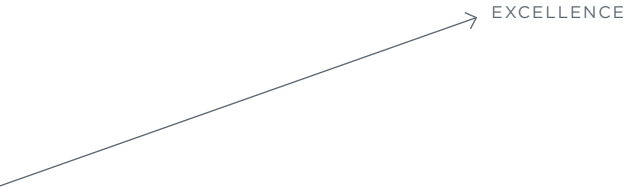
ON THE COVER

Recent graduate, Erick Bahena, of YES Prep East End declares his acceptance to Texas Tech University during Senior Signing Day.





ACCOMPLISHMENT



EXCELLENCE

2	Letter from the President & Board Chair
4	YES Prep at a Glance
6	10 Things to Know about YES Prep
10	Student Achievement
12	Data-Driven Growth
15	To and Through College
18	Coming Full Circle
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34	Leaders of Change



Dear Friends,

Over the past 15 years, YES Prep has redefined what is possible in public education. Based on this success, we are putting plans in motion to dramatically expand our impact and we look forward to sharing some exciting updates with you in the 2013 Annual Report.

YES has grown rapidly to 13 schools serving 8,000 students in Houston, the most diverse city in the United States. We have created a proven national model for educating students from low income communities.

We are focusing on programming that allows us to collaborate with other school districts and communities, colleges and universities, and now, other states, in order to expand our reach to underserved kids. We are honored and humbled to have our own alumni working alongside us in this expansion—two of our alumni are spearheading our growth in Houston as the school directors of our two newest campuses. We now have over 25 alumni working as teachers and leaders across our system. All of them are a compelling reminder of what it means to redefine possible for families and communities.

“Fully built out, YES Prep in Houston will be operating at the same scale as the vast majority of traditional school districts across the country while retaining our exceptional quality and results of getting low income kids into college.”

YES is involved in cutting-edge collaborations with two traditional school districts in the Houston community, Spring Branch ISD and Aldine ISD. Education leaders around the country are watching as we integrate our high-performing model into traditional districts.

Starting in 2015, YES is launching our next phase of growth. We will continue our focused growth in Houston by adding six more schools by 2020, expanding our seat capacity in Houston to 18,000. Fully built out, YES Prep in Houston will be operating at the same scale as the vast majority of traditional school districts across the country while retaining our exceptional quality and results of getting low income kids into college. We are also in the planning stage of opening our first schools in Memphis, Tennessee in 2015 and eventually expanding YES Prep schools into Louisiana.

On behalf of everyone in our organization, thank you for helping us redefine possible in public education. Your support and commitment to making college graduation a reality for all students is invaluable to the success of innumerable Houston families and the continued progress of our country as a whole.

Sincerely,

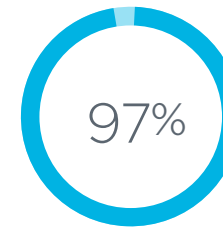
Jason Bernal  
PRESIDENT

Joseph Greenberg  
BOARD CHAIR

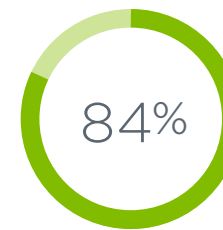
# YES Prep at a Glance



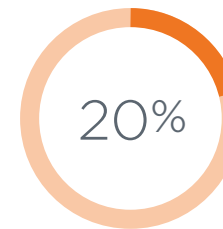
8,000  
STUDENTS



AFRICAN AMERICAN /  
HISPANIC



ECONOMICALLY  
DISADVANTAGED



LIMITED ENGLISH  
PROFICIENCY

1 **SOUTHEAST**  
Grades served: 6-12  
Year founded: 1998



2 **NORTH CENTRAL**  
Grades served: 6-12  
Year founded: 2003



3 **SOUTHWEST**  
Grades served: 6-12  
Year founded: 2004



4 **EAST END**  
Grades served: 6-12  
Year founded: 2006



5 **GULFTON**  
Grades served: 6-12  
Year founded: 2007



6 **WEST**  
Grades served: 6-10  
Year founded: 2009



7 **BRAYS OAKS**  
Grades served: 6-10  
Year founded: 2009



8 **NORTH FOREST**  
Grades served: 6-12  
Year founded: 2010



9 **FIFTH WARD**  
Grades served: 6-8  
Year founded: 2011



10 **NORTHSIDE**  
Grades served: 6-8  
Year founded: 2011



11 **NORTHBROOK**  
Grades served: 6-7  
Year founded: 2012



12 **WHITE OAK**  
Grades served: 6  
Year founded: 2013



13 **HOFFMAN**  
Grades served: 6  
Year founded: 2013



# 10 Things to Know About YES Prep in 2013

1

Named #1 'Best Place to Work' in Houston by the *Houston Business Journal*

2

Kicked off our new Leading Excellence Program with 25 fellows

3

Hosted our first national conference, 'What Matters in Curriculum, Assessment and Instruction'

4

Launched a new district partnership with fellow Broad Prize winner Aldine ISD

5

Announced our plan to expand new campuses in Tennessee and Louisiana

6

Our students achieved over 1,000 qualifying scores on AP exams

7

Three YES Prep high schools ranked in the Top 25 in Texas.

US NEWS & WORLD REPORT

Three YES Prep High Schools ranked in the Top 25 in Texas  
*US News & World Report*

8

Over 25 of our alumni worked at YES Prep as full-time teachers and leaders

9

Opened two new schools, both with alumni serving as the school leaders


10

Reached over 1,000 total alumni, with the Class of 2013



SENIOR SIGNING DAY

YES Prep Southwest students cheer on their seniors as they declare the college they will graduate from.



“15 years ago I was one of 16 teachers, in one school, with roughly 300 students. Today we have grown to 13 schools and 8,000 students.”

It has been such an honor to watch our organization grow from an unproven experiment in 1998 to the leader in urban education we are today. And now we are ready to further expand our impact with a national presence.

Jason Bernal  
PRESIDENT

# Student Achievement

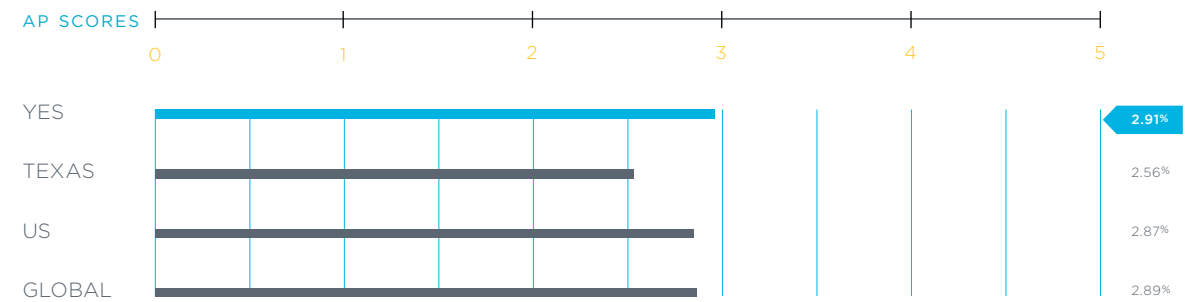
Expanding our Impact means building innovative programs that yield unsurpassed results.



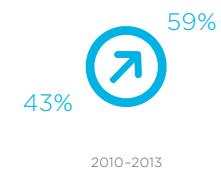
“We have not seen any school serving minority and low income students that can duplicate YES’s results with 1/3 of their graduating class passing AP Calculus. Not many schools perform that feat for any race or economic status. YES has built an impressive AP program.”

Gregg Fleisher

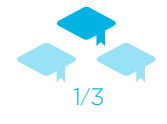
CHIEF ACADEMIC OFFICER OF NATIONAL MATH & SCIENCE INITIATIVE



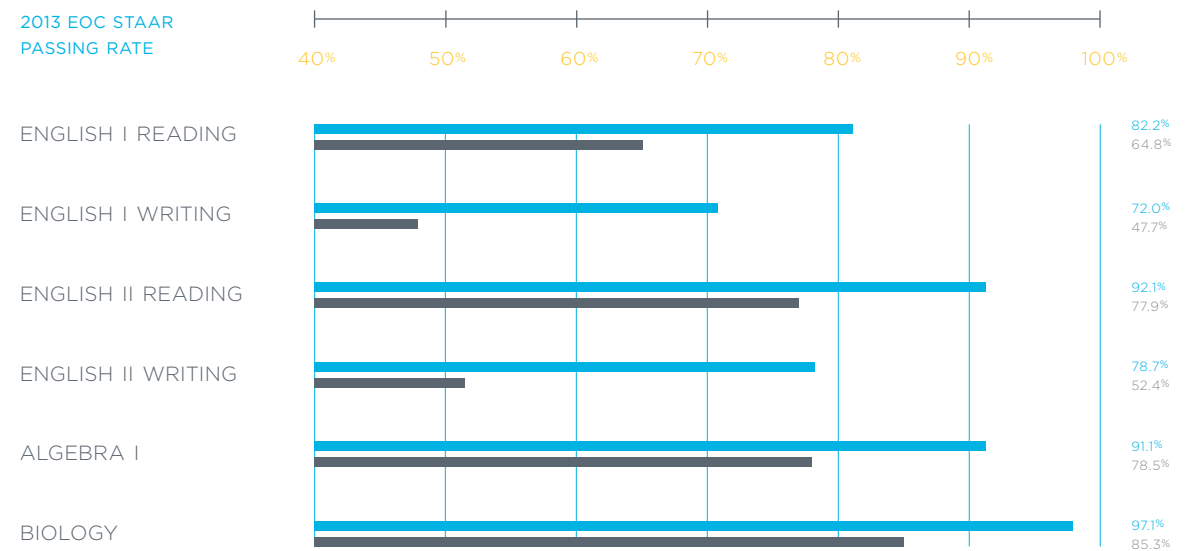
QUALIFYING AP EXAM SCORES



PASSING RATE INCREASE



OF GRADUATES PASSED AP CALCULUS EXAM



YES TEXAS



# Data-Driven Growth

Expanding our Impact means providing teachers and students with data that drives growth.



When students at YES Prep receive major assessment scores in their classes, they also receive an Advanced Placement score projection. This means both teachers and students know where students are on the path to college readiness at all times. Combined with this, our program and technology leaders have developed the Student Achievement Forecast - a tool that allows YES Prep teachers and leaders to better understand the predicted performance of students in their current classes. Teachers and leaders use this predicted performance to differentiate instruction to better meet the needs of individual students, to provide increased understanding of students' actual performance, and to identify bright spots and areas for growth in teacher performance.



TEACHER AND STUDENT

YES Prep teachers give students the personal attention they need.



COLLEGE COMPLETION

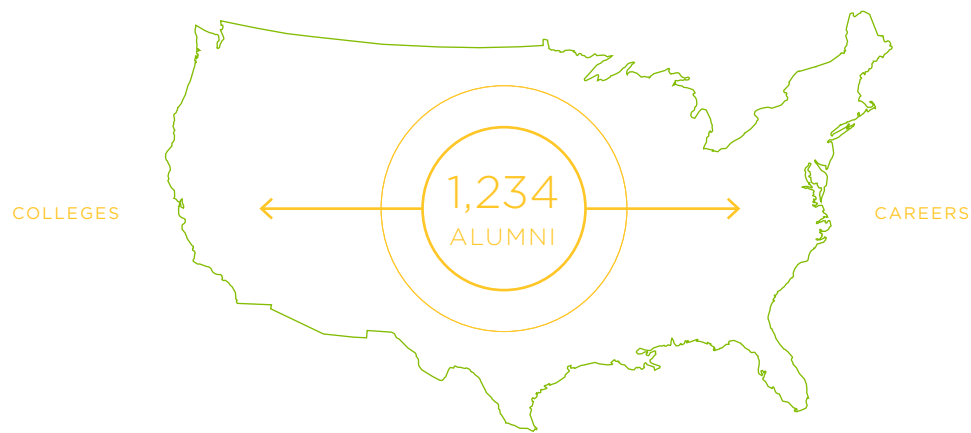
Recent graduate, Paloma Mendoza, is happy to declare her acceptance to Vanderbilt University.

# To and Through College

Expanding our Impact means innovating our alumni support in order to best support our growing alumni family.



With graduates from the Class of 2013, we are excited to have 1,234 YES Prep alumni in colleges and careers across the country. Our job now is to ensure that all of them earn a college degree. For students from low income communities across the country, only 10% are expected to graduate from college. YES Prep's college graduation rates rival the national average for all income levels. While we are proud that our students have closed this achievement gap, we want more of our students to attain a college degree. To this end, we have focused on providing innovative support to our alumni. Through targeted outreach and meticulous data collection, our alumni program team has been able to craft support structures to meet the unique needs of our students.

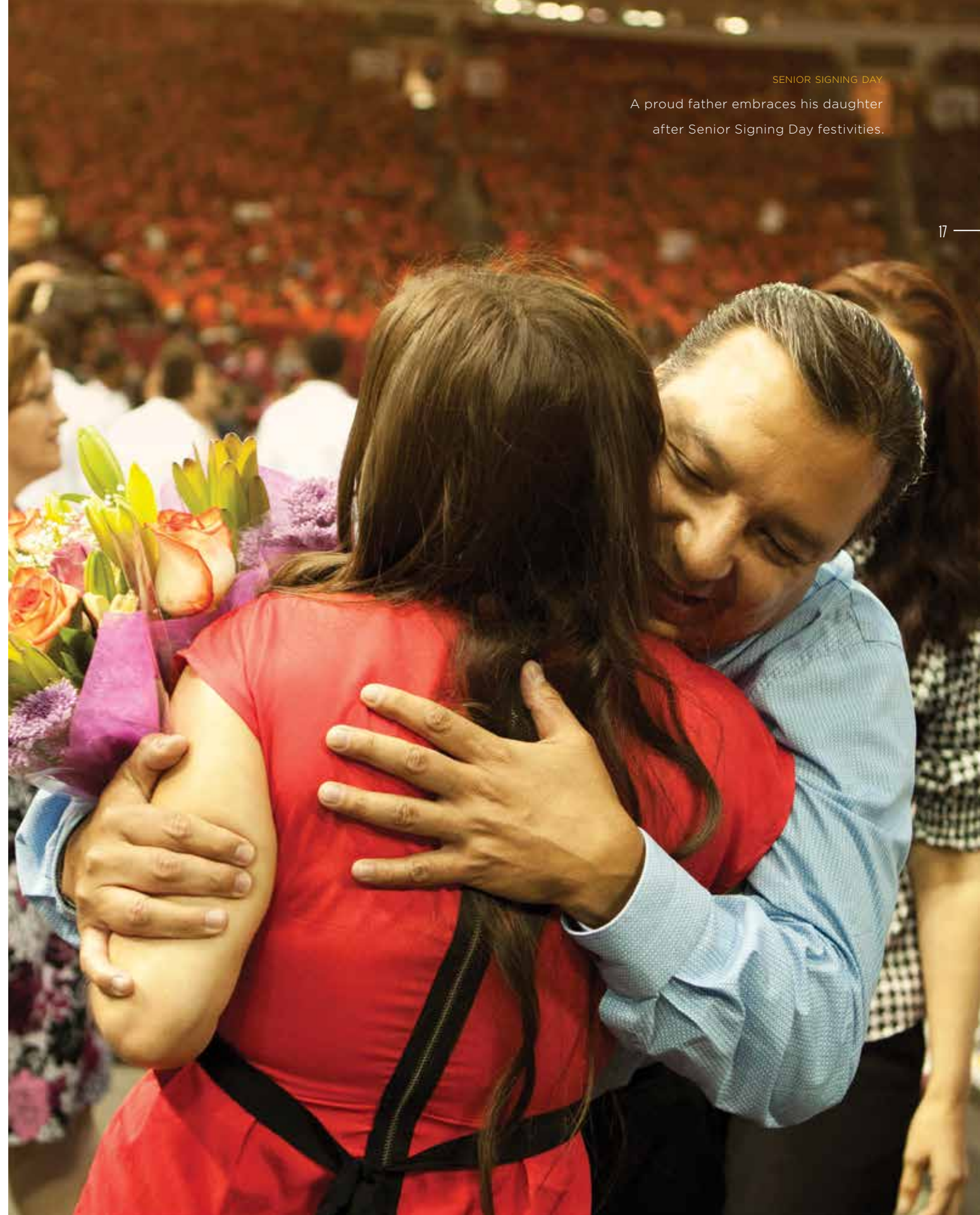


“Through targeted outreach and meticulous data collection, our alumni program team has been able to craft support structures to meet the unique needs of our students.”

Our IMPACT Program, for example, is leading the way in providing the crucial support necessary for students from low income communities to be successful at some of the nation’s best colleges and universities.

We partner with over 25 colleges who commit to accepting a cohort of well-prepared graduates and meeting 100% of their financial need. Additionally, IMPACT partners provide extra supports on campus for our students to transition successfully into college life. Since the inception of the IMPACT program in 2006, close to 90% of our participating students have graduated from or are still attending their IMPACT school. Programs like this are truly redefining what’s possible for college students from low income communities.

A proud father embraces his daughter after Senior Signing Day festivities.



18

# Coming Full Circle

Expanding our Impact means former students become future leaders.



An integral piece of our mission is to create college graduates who are committed to improving disadvantaged communities. We are humbled and honored that this year we have had over 50 of our alumni working at YES Prep to do just that. About half of them are still in college and have chosen to work part-time or during the summer in order to stay connected and support their younger classmates. 25 of them have chosen to return after earning their college degrees and now make an impact every day as full-time teachers and leaders across the system. We are proud to say that two of our alumni, Joel Muñoz and Melanie Singleton, are now the school directors of our two newest campuses.



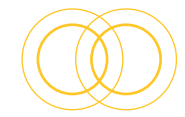
YES PREP WHITE OAK SCHOOL DIRECTOR

YES PREP SOUTHEAST ALUMNUS

Joel Muñoz

# District Partnerships

Expanding our Impact means breaking down barriers between districts and charters.



For true education reform to take hold, it is going to take collaboration, not competition, across the larger education community. In an effort to best serve the students of Houston, we are currently partnered with two traditional districts as well as another charter school system. With a YES Prep campus inside a traditional campus, we have been able to integrate professional development, electives, and athletics, as well as collaborate with partner school teachers and leaders around curriculum and school culture. Our goal is to learn from each other and forge strong relationships between our staff and students in order to expand our collective impact on the students of Houston.

“Our goal is to learn from each other and forge strong relationships between our staff and students in order to expand our collective impact on the students of Houston.”

# National Expansion

Expanding our Impact means scaling with quality to serve more families.



Driven by our mission to increase the number of college graduates from low income communities, in 2015 we plan to expand to Memphis, Tennessee and, eventually, to Louisiana. We are excited to have Bill Durbin, our current Head of Schools, and a leader at YES Prep since 1998, leading our growth in Memphis. We will also continue our commitment to Houston by opening six more schools right here at home. At scale, YES Prep will be the size of a traditional school district.



**NATIONAL EXPANSION**

15-year YES veteran leader Bill Durbin will serve as the superintendent for YES Prep Memphis.



# Teaching Excellence

Expanding our Impact means accelerating the effectiveness of our newest teachers.



When we hire new teachers, we do not leave anything to chance. We feel a tremendous responsibility to make sure they are well supported and successful so that their students can be successful. Teaching Excellence, our novice teacher development program, allows us to do this. In 2013, we marked the 10<sup>th</sup> year that Teaching Excellence has been providing our newest teachers with rigorous professional learning combined with individualized instructional coaching in order to expand their impact during their first year of teaching. Teaching Excellence is also the first new teacher training program run by a charter school to be approved to certify teachers by the Texas Education Agency. We are excited to be collaborating with three other school districts in Texas to have their novice teachers participate in Teaching Excellence, earn their teaching certificate, and accelerate their effectiveness as they begin their teaching careers.



SOUTHEAST WIZARDS

Ally Wallace gives positive feedback on a math problem.



# Leading Excellence

Expanding our Impact means growing our next generation of leaders today.



Strong leadership will be the backbone of our expansion - we must have great people in place who are prepared to lead our newest schools and programs in order to best serve our students. To this end, we have launched the Leading Excellence program. After being nominated and then selected through a rigorous application process, participants are steeped in proven best practices of leadership from various industries and perspectives. During the school year, while they hold an early leadership role, Leading Excellence fellows are paired with a coach and mentor who gives them real-time feedback and guidance as they execute their new learning and strategies. Our inaugural cohort has 25 participants in various positions across the organization. We plan to expand the cohort to 50 participants per year over the next 3 years in order to build a strong pipeline of leaders who are able to effectively lead our campuses and home office teams.



SCHOOL DIRECTOR  
YES PREP NORTH FOREST  
Eldridge Gilbert

# Financial Report

FISCAL YEAR ENDING AUGUST 31, 2013

REVENUE, GRANTS AND SUPPORT	8/31/2013	8/31/2012	8/31/2011
Governmental	61,105,351	51,025,759	43,410,455
Fundraising	6,842,985	8,834,541	12,810,726
Other	2,833,063	1,519,185	1,261,639
<b>Totals</b>	<b>70,781,398</b>	61,379,485	57,482,820

EXPENSES	8/31/2013	8/31/2012	8/31/2011
School Program	51,088,118	41,857,372	33,899,374
Transportation	3,773,999	3,356,247	2,901,053
Food Services	2,840,659	2,428,470	1,756,916
Facilities	8,575,879	7,387,329	5,525,650
Home Office	3,731,662	2,637,563	2,475,068
Fundraising	678,540	616,462	874,572
<b>Totals</b>	<b>70,688,857</b>	58,283,443	47,432,633

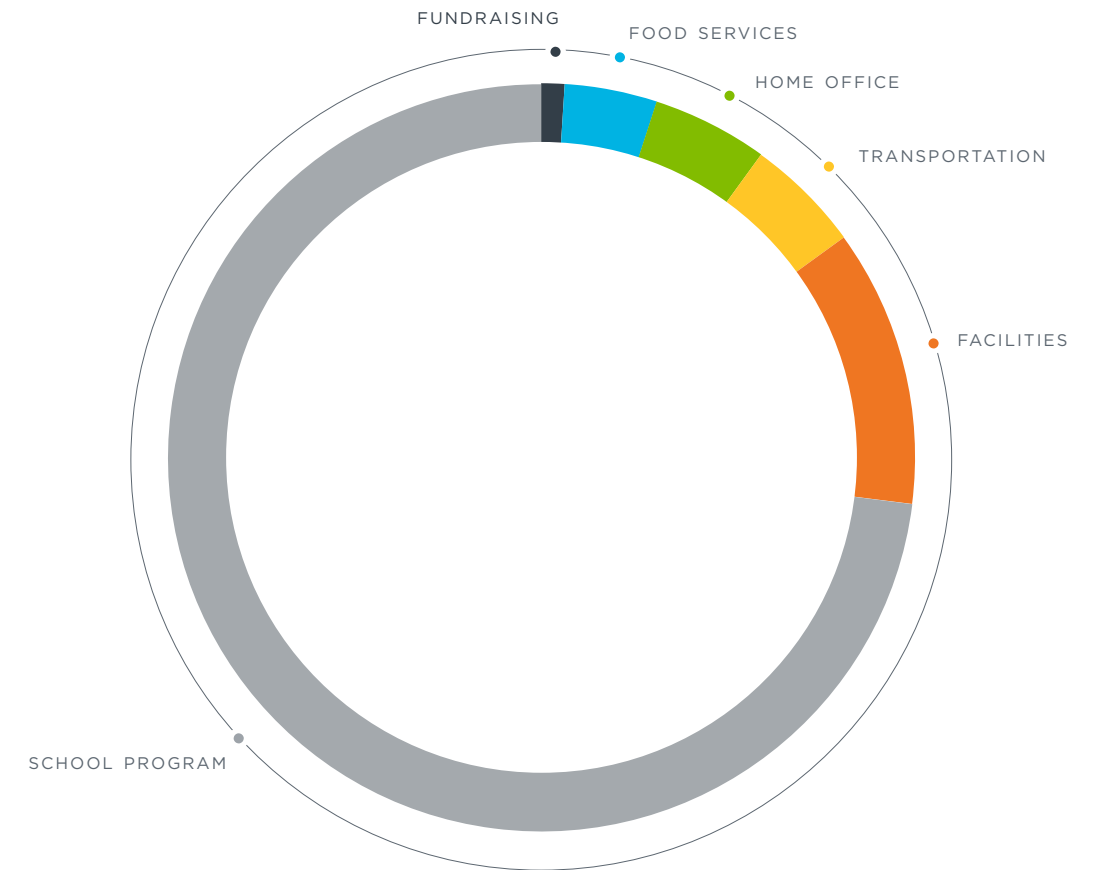
## STATEMENT OF FINANCIAL POSITION

ASSETS	8/31/2013	8/31/2012	8/31/2011
Current Assets	19,433,329	22,242,806	29,289,167
Bond Sinking Fund	4,559,855	2,698,120	1,098,148
Note Receivable	10,422,800	-	-
Furniture and Equipment	6,883,869	6,409,745	4,708,806
Land and Buildings	89,583,801	78,298,331	69,075,482
Accumulated Depreciation	(13,685,453)	(9,987,681)	(6,768,104)
Other Assets	845,168	789,223	652,289
<b>Totals</b>	<b>118,043,369</b>	100,450,544	98,055,788

LIABILITIES AND NET ASSETS	8/31/2013	8/31/2012	8/31/2011
Current Liabilities	6,855,117	5,550,456	7,265,848
Debt	58,759,522	42,563,899	41,578,044
Net Assets	52,428,730	52,336,189	49,211,896
<b>Totals</b>	<b>118,043,369</b>	100,450,544	98,055,788

# Expenses by Percentage

FISCAL YEAR 2013



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VICE PRESIDENT OF INSTITUTIONAL ADVANCEMENT

David Easterby  
VICE PRESIDENT OF INFORMATION SYSTEMS

Bill Durbin  
HEAD OF SCHOOLS

# Leaders of Change

DONORS LISTED PLEDGED CONTRIBUTIONS OF \$5,000 OR MORE DURING CALENDAR YEAR 2013

## **\$10,000,000+**

Laura and John Arnold

## **\$1,000,000-\$9,999,999**

Anonymous  
Charter School Growth Fund  
Claire and Joe Greenberg  
Kinder Foundation  
Michael & Susan Dell Foundation  
The Pyramid Peak Foundation

## **\$500,000-\$999,999**

Anonymous  
The Brown Foundation, Inc.  
HEB Tournament of Champions  
The Jeff and Kellie Hepper Foundation

## **\$100,000-\$499,999**

Stanford and Joan Alexander Family  
M.D. Anderson Foundation  
Cindy and Mickey Barrett  
Baxter Trust  
Charles T. Bauer Foundation  
CFP Foundation  
Credit Suisse Americas Foundation  
Lisa and John Curtin  
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Emily and Jordan Marye  
The Nau Foundation  
Vivian L. Smith Foundation  
Spindletop Charities, Inc.  
The Tapeats Fund  
White Deer Energy

## **\$50,000-\$99,999**

Capital One Bank  
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Jennifer and Wil VanLoh  
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## **\$25,000-\$49,999**

Alta Resources  
Assistance League of Houston  
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Denham Capital Management LP  
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Sovereign Bank  
Karen and Brian Thurman

Ursa Resources Group LLC  
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Cyvia and Melvyn Wolff Family Foundation

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