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Return of Organization Exempt From Income Tax

2008

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2008 calendar year, or tax year beginning 07/01, 2008, and ending 06/30, 2009

B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions.	C Name of organization <u>ICAHN CHARTER SCHOOL 2</u> Doing Business As _____ Number and street (or P O box if mail is not delivered to street address) Room/suite <u>767 FIFTH AVENUE; SUITE #4700</u> <u>4700</u> City or town, state or country, and ZIP + 4 <u>NEW YORK, NY 10153</u>	D Employer identification number <u>20-5816198</u> E Telephone number <u>(212) 702-4300</u>
	F Name and address of principal officer. _____ _____ _____		G Gross receipts \$ <u>2,112,407.</u> H(a) Is this a group return for affiliates? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> H(b) Are all affiliates included? Yes <input type="checkbox"/> No <input type="checkbox"/> If "No," attach a list (see instructions) H(c) Group exemption number ▶ _____
	I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (<u>3</u>) ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		J Website: ▶ <u>N/A</u>
K Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ _____		L Year of formation. <u>2007</u> M State of legal domicile <u>NY</u>	

Part I Summary

1	Briefly describe the organization's mission or most significant activities: <u>TO USE A RIGOROUS ACADEMIC PROGRAM IN ORDER TO PREPARE STUDENTS WITH SKILLS AND KNOWLEDGE TO PARTICIPATE IN THE MOST RIGOROUS ACADEMIC ENVIRONMENTS AND DEVELOP A SENSE OF PERSONAL RESPONSIBILITY.</u>		
2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
3	Number of voting members of the governing body (Part VI, line 1a)	<u>3</u>	<u>8</u>
4	Number of independent voting members of the governing body (Part VI, line 1b)	<u>4</u>	<u>1</u>
5	Total number of employees (Part V, line 2a)	<u>5</u>	<u>28</u>
6	Total number of volunteers (estimate if necessary)	<u>6</u>	
7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	<u>7a</u>	
7b	Net unrelated business taxable income from Form 990-T, line 34	<u>7b</u>	
8	Contribution and grants (Part VIII, line 1h)	<u>525,381.</u>	<u>351,754.</u>
9	Program service revenue (Part VIII, line 2g)	<u>1,178,581.</u>	<u>1,750,981.</u>
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<u>9,447.</u>	<u>6,575.</u>
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<u>460.</u>	<u>3,097.</u>
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<u>1,713,869.</u>	<u>2,112,407.</u>
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		<u>NONE</u>
14	Benefits paid to or for members (Part IX, column (A), line 4)		<u>NONE</u>
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<u>906,883.</u>	<u>1,541,119.</u>
16a	Professional fundraising fees (Part IX, column (A), line 11e)		<u>NONE</u>
16b	Total fundraising expenses, Part IX, column (D), line 25 ▶ <u>NONE</u>		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	<u>464,956.</u>	<u>508,499.</u>
18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	<u>1,371,839.</u>	<u>2,049,618.</u>
19	Revenue less expenses Subtract line 18 from line 12	<u>342,030.</u>	<u>62,789.</u>
20	Total assets (Part X, line 16)	<u>570,302.</u>	<u>874,024.</u>
21	Total liabilities (Part X, line 26)	<u>228,272.</u>	<u>469,205.</u>
22	Net assets or fund balances. Subtract line 21 from line 20	<u>342,030.</u>	<u>404,819.</u>

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

Keith Corza
Signature of officer

13/5/2010
Date

KEITH CORZA - ASSISTANT TREASURER
Type or print name and title

Paid Preparer's Use Only	Preparer's signature <u>[Signature]</u> Firm's name (or yours if self-employed), address, and ZIP + 4 <u>GRANT THORNTON, LLP</u> <u>666 THIRD AVENUE NEW YORK, NY 10017</u>	Date <u>2/25/2010</u>	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions) <u>P00504182</u> EIN ▶ <u>36-6055558</u> Phone no. ▶ <u>212-542-9609</u>
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May the IRS discuss this return with the preparer shown above? (See instructions) Yes No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

SEE STATEMENT 1

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes" describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 1,790,723. including grants of \$) (Revenue \$ 351,754.)

SUPPORT FOR EDUCATION EXPENSES AND GENERAL OPERATION EXPENSES FOR ICAHN CHARTER SCHOOL 2 WHICH PROVIDES GENERAL AND SPECIAL EDUCATION FOR 263 STUDENTS ON THE AVERAGE.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► \$ 1,790,723. (Must equal Part IX, Line 25, column (B))

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Question text, Yes, No. Contains 27 numbered questions regarding organizational requirements and schedules.

Part IV Checklist of Required Schedules (continued)

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i>		X
b	Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		X
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		X
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X

Part V Statements Regarding Other IRS Filings and Tax Compliance

Form with questions 1a through 12b regarding IRS filings and tax compliance, including sections on backup withholding, employee reporting, foreign accounts, prohibited transactions, and charitable trusts.

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code)

Section A. Governing Body and Management

		Yes	No
For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, process, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body		
1b	Enter the number of voting members that are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	X	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	X	
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organizations contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	a The governing body?	X	
8b	b Each committee with authority to act on behalf of the governing body?		X
9a	Does the organization have local chapters, branches, or affiliates?		X
9b	b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	X	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
15a	a The organization's CEO, Executive Director, or top management official?		X
15b	b Other officers or key employees of the organization? Describe the process in Schedule O. (see instructions)	X	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16b	b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17	List the states with which a copy of this Form 990 is required to be filed	
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input type="checkbox"/> Upon request	
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.	
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization: RICHARD SANTIAGO 1525 BROOK AVE, BRONX, NY 10457 718-716-8105	

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
CARL C ICAHN CHAIR OF BOARD/DIRECTOR	1.	X		X				NONE		
GAIL GOLDEN-ICAHN VICE CHAIRMAN/DIRECTOR	1.	X		X				NONE		
JULIE CLARK GOODYEAR SECRETARY/DIRECTOR	1.	X		X				NONE		
KEITH COZZA ASSISTANT TREASURER	1.	X						NONE		
ROBERT SANCHO DIRECTOR	1.	X						NONE		
KAREN MANDELBAUM DIRECTOR	1.	X						NONE		
EDWARD J SHANAHAN DIRECTOR	1.	X						NONE		
SEYMOUR FLIEGEL DIRECTOR	1.		X					NONE		
TINA MARCH TREASURER	1.			X				NONE		
BRENDA CARRASQUILLO PRINCIPAL	40.				X			131,600.	24,467.	

Part VIII Statement of Revenue

20-5816198

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a			
	b	Membership dues	1b			
	c	Fundraising events	1c			
	d	Related organizations	1d			
	e	Government grants (contributions)	1e	351,754.		
	f	All other contributions, gifts, grants, and similar amounts not included above	1f			
	g	Noncash contributions included in lines 1a-1f \$				
	h	Total. Add lines 1a-1f		351,754.		
Program Service Revenue			Business Code			
	2a	CAPITATION GRANTS	900099	1,750,981.	1,750,981.	
	b					
	c					
	d					
	e					
	f	All other program service revenue				
	g	Total. Add lines 2a-2f		1,750,981.		
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		6,575.		6,575.
	4	Income from investment of tax-exempt bond proceeds		NONE		
	5	Royalties		NONE		
			(i) Real (ii) Personal			
	6a	Gross Rents				
	b	Less rental expenses				
	c	Rental income or (loss)				
	d	Net rental income or (loss)		NONE		
	7a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other			
	b	Less: cost or other basis and sales expenses				
	c	Gain or (loss)				
	d	Net gain or (loss)		NONE		
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a			
	b	Less: direct expenses	b			
	c	Net income or (loss) from fundraising events		NONE		
	9a	Gross income from gaming activities See Part IV, line 19.	a			
	b	Less: direct expenses	b			
	c	Net income or (loss) from gaming activities		NONE		
10a	Gross sales of inventory, less returns and allowances	a				
b	Less: cost of goods sold	b				
c	Net income or (loss) from sales of inventory		NONE			
		Miscellaneous Revenue	Business Code			
11a	MISC INCOME	900099	3,097.		3,097.	
b						
c						
d	All other revenue					
e	Total. Add lines 11a-11d		3,097.			
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		2,112,407.	1,750,981.		9,672.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	NONE			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	NONE			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	NONE			
4 Benefits paid to or for members	NONE			
5 Compensation of current officers, directors, trustees, and key employees	131,600.	131,600.	NONE	NONE
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	NONE			
7 Other salaries and wages	1,142,482.	959,666.	182,816.	
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions) . .	27,528.	27,528.		
9 Other employee benefits	148,230.	118,650.	29,580.	
10 Payroll taxes	91,279.	78,182.	13,097.	
11 Fees for services (non-employees)				
a Management	NONE			
b Legal	728.		728.	
c Accounting	NONE			
d Lobbying	NONE			
e Professional fundraising services See Part IV, line 17	NONE			
f Investment management fees	NONE			
g Other	NONE			
12 Advertising and promotion	NONE			
13 Office expenses	127,640.	109,566.	18,074.	
14 Information technology	NONE			
15 Royalties	NONE			
16 Occupancy	80,851.	74,383.	6,468.	
17 Travel	3,332.	1,891.	1,441.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE			
19 Conferences, conventions, and meetings	NONE			
20 Interest	568.	523.	45.	
21 Payments to affiliates	NONE			
22 Depreciation, depletion, and amortization	64,483.	63,081.	1,402.	
23 Insurance	30,573.	28,127.	2,446.	
24 Other expenses. Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a <u>EQUIPMENT RENTAL</u> -----	11,203.	10,307.	896.	
b <u>REPAIRS AND MAINTENANCE</u> -----	11,744.	10,948.	796.	
c <u>STAFF DEVELOPMENT</u> -----	109,834.	109,834.		
d <u>STUDENT TESTING</u> -----	9,238.	9,238.		
e <u>STUDENT TRANSPORTATION</u> -----	30,301.	30,301.		
f All other expenses -----	28,004.	26,898.	1,106.	
25 Total functional expenses. Add lines 1 through 24f	2,049,618.	1,790,723.	258,895.	NONE
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing		1	
	2	Savings and temporary cash investments	319,445.	2	562,344.
	3	Pledges and grants receivable, net	125,234.	3	135,206.
	4	Accounts receivable, net		4	
	5	Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sales or use		8	
	9	Prepaid expenses and deferred charges	17,561.	9	29,822.
	10a	Land, buildings, and equipment: cost basis	10a 247,155.		
	b	Less: accumulated depreciation. Complete Part VI of Schedule D.	10b 100,503.	10c	146,652.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11		15	
16	Total assets. Add lines 1 through 15 (must equal line 34)	570,302.	16	874,024.	
Liabilities	17	Accounts payable and accrued expenses	181,129.	17	339,125.
	18	Grants payable		18	
	19	Deferred revenue	47,143.	19	78,145.
	20	Tax-exempt bond liabilities		20	
	21	Escrow account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable		24	
	25	Other liabilities. Complete Part X of Schedule D	NONE	25	51,935.
	26	Total liabilities. Add lines 17 through 25.	228,272.	26	469,205.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	342,030.	27	404,819.
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	Total net assets or fund balances	342,030.	33	404,819.	
34	Total liabilities and net assets/fund balances	570,302.	34	874,024.	

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b	Were the organization's financial statements audited by an independent accountant?	2b	X
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X
b	If "Yes," did the organization undergo the required audit or audits?	3b	

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi) (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Table with 7 columns: (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1-3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc. (See instructions); 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, Amount, Percentage. Rows include: 14 Public support percentage for 2008; 15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f; 16a 33 1/3% support test - 2008; 16b 33 1/3% support test - 2007; 17a 10%-facts-and-circumstances test - 2008; 17b 10%-facts-and-circumstances test - 2007; 18 Private foundation.

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Table with 7 columns: (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total. Add lines 1-5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income. Do not include gain or loss from the sale of capital assets; 13 Total support. (Add lines 9, 10c, 11, and 12.); 14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, Value, Percentage. Row 15: Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)). Row 16: Public support percentage from 2007 Schedule A, Part IV-A, line 27g.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, Value, Percentage. Row 17: Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f)). Row 18: Investment income percentage from 2007 Schedule A, Part IV-A, line 27h.

- 19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.
b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.

Supplemental Financial Statements

2008

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Name of the organization ICAHN CHARTER SCHOOL 2 Employer identification number C/O FOUNDATION FOR A GREATER OPPORTUNITY 20-5816198

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 3 columns: Line number, Description, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and two questions about donor advisement.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 3 columns: Line number, Description, Held at the End of the Year. Rows include purpose(s) of conservation easements, total number of easements, total acreage, and number of easements on certified historic structures.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 3 columns: Line number, Description, Amount. Rows include questions about reporting art, historical treasures, or other similar assets held for public exhibition, education, or research.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ▶ _____ %
- b Permanent endowment ▶ _____ %
- c Term endowment ▶ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		247,155.	100,503.	146,652.
e Other				
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c))				146,652.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

Table with 10 rows for reconciliation of net assets. Line 1: Total revenue (2,112,407); Line 2: Total expenses (2,049,618); Line 3: Excess or (deficit) for the year (62,789); Line 10: Excess or (deficit) for the year per financial statements (62,789).

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Table with 5 main rows for revenue reconciliation. Line 1: Total revenue (2,112,407); Line 3: Subtract line 2e from line 1 (2,112,407); Line 5: Total revenue (2,112,407).

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Table with 5 main rows for expense reconciliation. Line 1: Total expenses (2,049,618); Line 3: Subtract line 2e from line 1 (2,049,618); Line 5: Total expenses (2,049,618).

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

Series of horizontal dashed lines provided for entering supplemental information.

SCHEDULE E
(Form 990 or 990-EZ)

Schools

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **To be completed by organizations that answer "Yes" to Form 990, Part IV, line 13, or Form 990-EZ, Part VI, line 48.**

▶ **Attach to Form 990 or Form 990-EZ.**

Name of the organization **ICAHN CHARTER SCHOOL 2**
C/O FOUNDATION FOR A GREATER OPPORTUNITY

Employer identification number
20-5816198

	YES	NO
1 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	1 X	
2 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	2 X	
3 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe. If "No," please explain <u>POLICY EXPLAINED ON CHARTER SCHOOL WEBSITE AND IN REGISTRATION MATERIALS.</u>	3 X	
4 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	4a X	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	4b X	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	4c X	
d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)	4d X	
5 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?	5a	X
b Admissions policies?	5b	X
c Employment of faculty or administrative staff?	5c	X
d Scholarships or other financial assistance?	5d	X
e Educational policies?	5e	X
f Use of facilities?	5f	X
g Athletic programs?	5g	X
h Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)	5h	X
6a Does the organization receive any financial aid or assistance from a governmental agency? STMT. 2	6a X	
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either line 6a or line 6b, please explain using an attached statement.	6b	X
7 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation.	7 X	

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No 1545-0047

2008

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Attach to Form 990. To be completed by organizations
that answered "Yes" to Form 990, Part IV, line 23.

Name of the organization **ICAHN CHARTER SCHOOL 2**
C/O FOUNDATION FOR A GREATER OPPORTUNITY

Employer identification number
20-5816198

Part I Questions Regarding Compensation

		Yes	No								
<p>1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</p> <table border="0"> <tr> <td><input type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input type="checkbox"/> Tax indemnification and gross-up payments</td> <td><input type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table>				<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use										
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence										
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees										
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)										
<p>b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain</p>		1b									
<p>2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?</p>		2									
<p>3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.</p> <table border="0"> <tr> <td><input type="checkbox"/> Compensation committee</td> <td><input type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input type="checkbox"/> Independent compensation consultant</td> <td><input type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>				<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract	<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study	<input type="checkbox"/> Form 990 of other organizations	<input type="checkbox"/> Approval by the board or compensation committee		
<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract										
<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study										
<input type="checkbox"/> Form 990 of other organizations	<input type="checkbox"/> Approval by the board or compensation committee										
<p>4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a:</p>											
<p>a Receive a severance payment or change of control payment?</p>		4a	X								
<p>b Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p>		4b	X								
<p>c Participate in, or receive payment from, an equity-based compensation arrangement?</p> <p>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</p>		4c	X								
<p>Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.</p>											
<p>5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:</p>											
<p>a The organization?</p>		5a	X								
<p>b Any related organization?</p> <p>If "Yes" to line 5a or 5b, describe in Part III.</p>		5b	X								
<p>6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:</p>											
<p>a The organization?</p>		6a	X								
<p>b Any related organization?</p> <p>If "Yes" to line 6a or 6b, describe in Part III.</p>		6b	X								
<p>7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III</p>											
		7	X								
<p>8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III</p>											
		8	X								

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

Name of the organization ICAHN CHARTER SCHOOL 2 C/O FOUNDATION FOR A GREATER OPPORTUNITY	Employer identification number 20-5816198
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990 REVIEW

FORM 990, PART VI, LINE 10

THE FINANCIAL STATEMENTS AND FORM 990 ARE REVIEWED BY INDEPENDENT AUDIT

FIRMS PRIOR TO THEIR COMPLETION AND FILING. FORM 990 IS MADE AVAILABLE TO

THE TRUSTEES UPON COMPLETION OF THE INDEPENDENT AUDIT AND THE FILING OF

THE TAX RETURN.

Name of the organization ICAHN CHARTER SCHOOL 2
C/O FOUNDATION FOR A GREATER OPPORTUNITY

Employer identification number
20-5816198

PUBLIC INFORMATION DISCLOSURE

FORM 990, PART VI, LINE 19

THE SCHOOL DOES NOT MAKE ITS GOVERNING DOCUMENTS AND CONFLICT OF INTEREST

POLICY AVAILABLE TO THE PUBLIC. THE SCHOOL'S FINANCIAL STATEMENTS APPEAR

ON WWW.GUIDESTAR.ORG AS PART OF THE FORM 990 FILINGS.

Name of the organization ICAHN CHARTER SCHOOL 2 C/O FOUNDATION FOR A GREATER OPPORTUNITY	Employer identification number 20-5816198
--	--

CONFLICT OF INTEREST POLICY

PART VI, SECTION B, LINE 12C

IF THE BOARD OR A COMMITTEE HAS REASONABLE CAUSE TO BELIEVE THAT AN

INTERESTED PERSON HAS FAILED TO DISCLOSE AN ACTUAL OR POSSIBLE CONFLICT

OF INTEREST, IT WILL INFORM THE INTERESTED PERSON OF THE BASIS FOR SUCH

BELIEF AND AFFORD HIM OR HER AN OPPORTUNITY TO EXPLAIN THE ALLEGED

FAILURE TO DISCLOSE. IF, AFTER HEARING THE RESPONSE AND MAKING SUCH

FURTHER INVESTIGATION AS MAY BE WARRANTED IN THE CIRCUMSTANCES, THE BOARD

DETERMINES THAT THE INTERESTED PERSON HAS IN FACT FAILED TO DISCLOSE AN

ACTUAL OR POSSIBLE CONFLICT OF INTEREST, IT WILL TAKE APPROPRIATE ACTION

WHICH MAY INCLUDE RECOMMENDATION TO THE BOARD FOR REMOVAL FROM THE BOARD

OR TERMINATION OF EMPLOYMENT, AS WELL AS RECONSIDERATION OF WHETHER THE

TRANSACTION OR ARRANGEMENT WAS IN THE BEST INTERESTS OF AND FAIR AND

REASONABLE TO THE SCHOOL AT THE TIME IT WAS UNDERTAKEN. IF IT IS

DETERMINED THAT THE TRANSACTION WAS NOT FAIR AND REASONABLE TO THE

SCHOOL, THE SCHOOL IN ITS DISCRETION, MAY AVOID THE CONTRACT AND/OR

REQUIRE THE INTERESTED PERSON TO RESTORE THE SCHOOL TO THE FINANCIAL

POSITION IS WOULD HAVE BEEN IN IF SUCH PERSON HAD BEEN DEALING UNDER THE

HIGHEST FIDUCIARY STANDING.

Name of the organization ICAHN CHARTER SCHOOL 2 C/O FOUNDATION FOR A GREATER OPPORTUNITY	Employer identification number 20-5816198
---	---

MANAGEMENT COMPANY

PART VI, SECTION A, LINE 3

A MANAGEMENT COMPANY, ICAHN ASSOCIATES, HANDLES PAYROLL, ACCOUNTING, AND

VARIOUS OTHER FUNCTIONS ON BEHALF OF THE SCHOOL. THERE IS NO COMPENSATION

PAID FOR THESE SERVICES.

Name of the organization ICAHN CHARTER SCHOOL 2
C/O FOUNDATION FOR A GREATER OPPORTUNITY

Employer identification number
20-5816198

KEY EMPLOYEE PAY

FORM 990, PART VI, LINE 15B

THE COMPENSATION PAID TO KEY EMPLOYEES IS REASONABLE BASED ON THE DUTIES

AND RESPONSIBILITIES OF THE POSITIONS, THE TIME SPENT PERFORMING THEIR

DUTIES, AND THEIR PERFORMANCE LEVEL. THIS IS DETERMINED BY CONDUCTING

RESEARCH OF COMPENSATION FOR SIMILAR POSITIONS AT SIMILAR TYPES OF

SCHOOLS. NO COMPENSATION IS PAID TO THE OFFICERS OF THE SCHOOL.

Part V Transactions With Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III, or IV.

1 During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)
- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)
- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees
- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses
- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(A) Name of other organization(s)	(B) Transaction type (e-r)	(C) Amount involved
(1)	ICAHN CHARTER SCHOOL 1	N	219,027.
(2)	ICAHN CHARTER SCHOOL 3	N	7,173.
(3)			
(4)			
(5)			
(6)			

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

=====

THE ICAHN CHARTER SCHOOL 2 PRIMARILY USES A RIGOROUS ACADEMIC PROGRAM FOR GRADES K-4 IN ORDER TO PREPARE THE STUDENTS WITH THE SKILLS AND KNOWLEDGE TO PARTICIPATE SUCCESSFULLY IN THE MOST RIGOROUS ACADEMIC ENVIRONMENTS, AND HAVE A SENSE OF PERSONAL AND COMMUNITY RESPONSIBILITY.

SCHEDULE E - EXPLANATION FOR LINE 6A

=====

ASSISTANCE RECEIVED FROM NEW YORK CITY DEPARTMENT OF EDUCATION.

Depreciation and Amortization (Including Information on Listed Property)

See separate instructions. Attach to your tax return.

Name(s) shown on return

Identifying number 20-5816198

ICAHN CHARTER SCHOOL 2

Business or activity to which this form relates

GENERAL DEPRECIATION

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

Table with 5 rows for general depreciation calculations (lines 1-5) and 13 rows for detailed property information (lines 6-13).

Note: Do not use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

Table with 3 rows for special depreciation allowance and other depreciation (lines 14-16).

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

Table with 2 rows for MACRS deductions (lines 17-18).

Section B - Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows include 3-year, 5-year, 7-year, 10-year, 15-year, 20-year, 25-year, residential rental, and nonresidential real property.

Section C - Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

Table with 5 columns: (a) Class life, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows include 12-year and 40-year class life.

Part IV Summary (See instructions.)

Table with 3 rows for summary calculations (lines 21-23).

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed? Yes No X 24b If "Yes," is the evidence written? Yes No X
(a) Type of property (list vehicles first) (b) Date placed in service (c) Business/investment use percentage (d) Cost or other basis (e) Basis for depreciation (business/investment use only) (f) Recovery period (g) Method/Convention (h) Depreciation deduction (i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) 25
26 Property used more than 50% in a qualified business use: % % %
27 Property used 50% or less in a qualified business use: % S/L - % S/L - % S/L -
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1 28
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

30 Total business/investment miles driven during the year (do not include commuting miles) (a) Vehicle 1 (b) Vehicle 2 (c) Vehicle 3 (d) Vehicle 4 (e) Vehicle 5 (f) Vehicle 6
31 Total commuting miles driven during the year
32 Total other personal (noncommuting) miles driven
33 Total miles driven during the year. Add lines 30 through 32
34 Was the vehicle available for personal use during off-duty hours? Yes No Yes No Yes No Yes No Yes No Yes No
35 Was the vehicle used primarily by a more than 5% owner or related person?
36 Is another vehicle available for personal use?

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? Yes No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners
39 Do you treat all use of vehicles by employees as personal use?
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI Amortization

(a) Description of costs (b) Date amortization begins (c) Amortizable amount (d) Code section (e) Amortization period or percentage (f) Amortization for this year
42 Amortization of costs that begins during your 2008 tax year (see instructions):
43 Amortization of costs that began before your 2008 tax year 43
44 Total. Add amounts in column (f) See the instructions for where to report 44

Description of Property
GENERAL DEPRECIATION
DEPRECIATION

Asset description	Date placed in service	Unadjusted Cost or basis	Bus %	179 exp. reduction in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated depreciation	Ending Accumulated depreciation	Method	Conv	Life	ACRS class	MA CRS class	Current-year 179 expense	Current-year depreciation
FURN, FIX, & EQUIP	10/01/2007	247,155.	100.000			247,155.	36,020.	100,503.	SLA		3.000				64,483.
Less: Retired Assets															
Subtotals		247,155.				247,155.	36,020.	100,503.							64,483.
Listed Property															
Less: Retired Assets															
Subtotals															
TOTALS		247,155.				247,155.	36,020.	100,503.							64,483.

AMORTIZATION

Asset description	Date placed in service	Cost or basis	Accumulated amortization	Ending Accumulated amortization	Code	Life	Current-year amortization
TOTALS							

*Assets Retired
JSA
8X8024 1 000

FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULE
TOGETHER WITH REPORT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS

ICAHN CHARTER SCHOOL 2

June 30, 2009 and 2008

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Grant Thornton LLP
666 Third Avenue, 13th Floor
New York, NY 10017-4011

T 212 599 0100
F 212 370 4520
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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of the
Icahn Charter School 2

We have audited the accompanying statements of financial position of the Icahn Charter School 2 (the “Charter School”) as of June 30, 2009 and 2008, and the related statement of activities and cash flows for the years then ended. These financial statements are the responsibility of the Charter School’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America as established by the American Institute of Certified Public Accountants 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charter School’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Icahn Charter School 2 as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2009 and 2008, on our consideration of the Charter School’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

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Our audits were conducted for the purpose of forming an opinion on the basic financial statements of the Charter School taken as a whole. The supplementary information included on pages 13 and 14 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

GRANT THORNTON LLP

New York, New York
October 29, 2009

Icahn Charter School 2

STATEMENTS OF FINANCIAL POSITION

As of June 30, 2009 and 2008

<u>ASSETS</u>	<u>2009</u>	<u>2008</u>
Cash and cash equivalents	\$ 562,344	\$ 319,445
Grants and contributions receivable	135,206	125,234
Prepaid expenses	29,822	17,561
Furniture, fixtures and equipment, net (Note C)	<u>146,652</u>	<u>108,062</u>
Total assets	<u>\$ 874,024</u>	<u>\$ 570,302</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities:		
Accounts payable and accrued expenses	\$ 339,125	\$ 181,129
Deferred revenue	78,145	47,143
Obligation under capital leases (Note F)	<u>51,935</u>	<u>-</u>
Total liabilities	469,205	228,272
Commitments (Note D)		
Net assets - unrestricted	<u>404,819</u>	<u>342,030</u>
Total liabilities and net assets	<u>\$ 874,024</u>	<u>\$ 570,302</u>

The accompanying notes are an integral part of these statements.

Icahn Charter School 2

STATEMENTS OF ACTIVITIES

For the years ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Revenues, gains and other support:		
State and local capitation (Note E)	\$ 1,747,311	\$ 1,178,581
Grants and contributions	351,754	525,381
Special education	3,670	-
Interest income	6,575	9,447
Other	<u>3,097</u>	<u>460</u>
Total revenues, gains and other support	<u>2,112,407</u>	<u>1,713,869</u>
Expenses:		
Program services:		
Regular education	1,770,334	1,147,447
Special education	<u>20,389</u>	<u>-</u>
Total program services	1,790,723	1,147,447
Supporting services:		
Management and general	<u>258,895</u>	<u>224,392</u>
Total expenses	<u>2,049,618</u>	<u>1,371,839</u>
Increase in net assets	62,789	342,030
Net assets, beginning of year	<u>342,030</u>	<u>-</u>
Net assets, end of year	<u>\$ 404,819</u>	<u>\$ 342,030</u>

The accompanying notes are an integral part of these statements.

Icahn Charter School 2

STATEMENTS OF CASH FLOWS

For the years ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities		
Cash receipts from:		
State and local capitation	\$ 1,768,176	\$ 1,225,724
Grants and contributions	345,452	400,147
Interest	6,575	9,447
Other	3,097	460
Cash payments to/for:		
Employee salaries and benefits	(1,485,892)	(959,622)
Vendors	<u>(343,371)</u>	<u>(212,629)</u>
Net cash provided by operating activities	<u>294,037</u>	<u>463,527</u>
Cash flows from investing activities:		
Purchase of furniture, fixtures and equipment	<u>(48,684)</u>	<u>(144,082)</u>
Cash flows from financing activities:		
Payments under capital leases	<u>(2,454)</u>	<u>-</u>
Net increase in cash and cash equivalents	242,899	319,445
Cash and cash equivalents, beginning of year	<u>319,445</u>	<u>-</u>
Cash and cash equivalents, end of year	<u>\$ 562,344</u>	<u>\$ 319,445</u>
Reconciliation of increase in net assets to net cash provided by operating activities		
Increase in net assets	\$ 62,789	\$ 342,030
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	64,483	36,020
Changes in assets and liabilities		
Increase in grants and contributions receivable	(9,972)	(125,234)
Increase in prepaid expenses	(12,261)	(17,561)
Increase in accounts payable and accrued expenses	157,996	181,129
Increase in deferred revenue	<u>31,002</u>	<u>47,143</u>
Net cash provided by operating activities	<u>\$ 294,037</u>	<u>\$ 463,527</u>
Supplemental disclosure of cash flow information:		
Equipment acquired under capital leases	<u>\$ 54,389</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

Icahn Charter School 2

NOTES TO FINANCIAL STATEMENTS

June 30, 2009 and 2008

NOTE A - NATURE OF OPERATIONS

The Icahn Charter School 2 (the "Charter School") is an educational corporation formed to operate a charter school located in the City of New York, County of the Bronx. On September 12, 2006, the Board of Regents of the University of the State of New York, for and on behalf of the State Education Department, granted a provisional charter valid for a term of five years, incorporating the Charter School

The central mission of the Charter School, using the Core Knowledge curriculum developed by E.D. Hirsch, is to provide students with a rigorous academic program offered in an extended day/year setting. Students are expected to graduate armed with the skills and knowledge to participate successfully in the most rigorous academic environments and have a sense of personal and community responsibility. The Charter School is coeducational and nonsectarian and commenced instruction on September 10, 2007.

The Charter School is exempt from federal income tax under Section 501(a) of the Internal Revenue Code and is classified as an organization described in Section 501(c)(3)

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The Charter School prepares its financial statements on the accrual basis of accounting in conformity with U.S. Generally Accepted Accounting Principles ("U.S. GAAP") and standards established by the Financial Accounting Standards Board for external financial reporting by not-for-profit organizations. Those standards require the classification of activities and net assets based upon the existence or absence of donor-imposed restrictions, as follows:

Unrestricted - Net assets that are not subject to donor-imposed stipulation and, therefore, may be expended for any purpose in performing the primary objective of the Charter School.

Temporarily Restricted - Net assets subject to donor-imposed restrictions that will be satisfied either by actions of the Charter School or the passage of time.

Permanently Restricted - Net assets subject to donor-imposed restrictions stipulating that the corpus be maintained in perpetuity by the Charter School, but permit the Charter School to expend all or part of the income derived there from. At June 30, 2009 and 2008, the Charter School did not have any permanently restricted net assets.

Icahn Charter School 2

NOTES TO FINANCIAL STATEMENTS (continued)

June 30, 2009 and 2008

NOTE B (continued)

2. *Revenue*

Revenue is recorded on the accrual basis of accounting. The Charter School derives its revenue primarily from state and local capitation based on student enrollment, and contributions and grants.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by explicit donor-imposed restrictions or by law. Revenues (state and local capitation) received from the New York City Department of Education Office of Charter Schools are recognized over the period earned. Amounts received in advance are reported as deferred revenue.

The Charter School records contributions of cash and other assets when an unconditional promise to give such assets is received from a donor. Contributions are recorded at the fair market value of the assets received and are classified as either unrestricted, temporarily restricted or permanently restricted, depending on whether the donor has imposed a restriction on the use of such assets. All contributions receivable are expected to be collected within one year.

The Charter School reports gifts of cash or other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same fiscal year are reported as unrestricted revenues.

Receivables outstanding longer than the payment terms are considered past due. The carrying value of the related receivables is reduced by an appropriate allowance for uncollectible accounts. The Charter School determines its allowance by considering a number of factors, including the length of time receivables are past due, the Charter School's previous loss history, the donor's current ability to pay its obligation, and the condition of the general economy and the industry as a whole.

The Charter School writes off receivables when they are deemed to be uncollectible, and payments subsequently received on such receivables are credited to the allowance for doubtful accounts.

3. *Cash and Cash Equivalents*

Cash and cash equivalents are recorded at fair value, and are comprised of highly liquid financial instruments with original maturities of three months or less at the time of purchase.

Icahn Charter School 2

NOTES TO FINANCIAL STATEMENTS (continued)

June 30, 2009 and 2008

NOTE B (continued)

4. *Concentration of Credit Risk*

Certain financial instruments potentially subject the Charter School to concentration of credit risk. These financial instruments consist primarily of cash and cash equivalents. The Charter School maintains its cash in various bank accounts, which may exceed federally insured limits at times. The Charter School has not experienced, nor does it anticipate, any losses with respect to these bank accounts.

5. *Furniture, Fixtures, Equipment, Library and Textbooks*

Furniture, fixtures, equipment, library and textbooks are stated at cost net of depreciation, or fair value at date of contribution, if donated. Depreciation of furniture, fixtures, equipment, library, software and textbooks is computed in the month in which the assets are acquired, utilizing the straight-line basis, over their estimated useful lives, as follows:

	<u>Useful lives</u>
Furniture	3 years
Fixtures	3 years
Equipment	3 - 5 years
Library, software and textbooks	3 years

6. *Contributed Space*

The Charter School utilizes certain facilities provided by the New York City public school system at no cost. The cost savings associated with such arrangement which totaled \$80,851 for the year ended June 30, 2009, is recorded as contributed space and is recognized as revenue and expenses in the statement of activities based on the fair value of the space received.

7. *Use of Estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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.

Icahn Charter School 2

NOTES TO FINANCIAL STATEMENTS (continued)

June 30, 2009 and 2008

NOTE C - FURNITURE, FIXTURES AND EQUIPMENT, NET

At June 30, 2009 and 2008, furniture, fixtures and equipment consisted of the following:

	<u>2009</u>	<u>2008</u>
Library, software and textbooks	\$ 65,485	\$ 38,575
Equipment	107,600	40,415
Furniture and fixtures	<u>74,070</u>	<u>65,092</u>
	247,155	144,082
Less: Accumulated depreciation	<u>(100,503)</u>	<u>(36,020)</u>
	<u>\$ 146,652</u>	<u>\$ 108,062</u>

Included in equipment as of June 30, 2009 are assets acquired under capital leases at a cost of \$54,389, with accumulated depreciation of \$2,719. Remaining obligations due under such leases are included in obligations under capital leases in the accompanying fiscal year 2009 statement of financial position.

Depreciation expense totaled \$64,483 and \$36,020 for the years ended June 30, 2009 and 2008, respectively.

NOTE D - RELATED PARTY TRANSACTIONS

Certain payroll and legal services are provided by the Icahn Associates Corp. (the "Company"), a company affiliated with Carl C. Icahn, at no cost to the Charter School. These amounts have not been reflected as in-kind contributions in the accompanying financial statements, as neither the Charter School nor the Company has a readily measurable or objective basis for determining such amounts.

NOTE E - CONCENTRATION OF REVENUES

The Charter School receives a majority of its revenues from the New York State Education Department through the New York City Department of Education Office of Charter Schools. The New York City Department of Education provides general operating support to the Charter School based upon the location and the number of students enrolled. Operating support provided to the Charter School by the New York City Department of Education totaled \$1,747,311 and \$1,178,581 for the years ended June 30, 2009 and 2008, respectively. The Charter School is dependent upon this level of funding in order to continue its operations.

Icahn Charter School 2

NOTES TO FINANCIAL STATEMENTS (continued)

June 30, 2009 and 2008

NOTE F - OBLIGATION UNDER CAPITAL LEASES

Certain long-term leases covering equipment are classified as capital leases. Accordingly, equipment is capitalized as leased property and amortized on a straight-line basis over the term of the lease. The corresponding obligation under the capital leases represents the present value of the rental payments discounted by interest rates implicit in the lease agreements. Annual payments subsequent to June 30, 2009 follow:

<u>Year Ending June 30,</u>	
2010	\$ 12,094
2011	12,094
2012	12,094
2013	12,094
2014	<u>9,070</u>
	57,446
Less interest	<u>(5,511)</u>
	<u>\$ 51,935</u>

NOTE G - PENSION PLAN

The Charter School has a defined contribution plan (the "Plan"), administered by Prudential, for all full-time personnel. Contributions by The Charter School to the Plan totaled \$27,528 and \$16,104 for the years ended June 30, 2009 and 2008, respectively.



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Grant Thornton LLP
666 Third Avenue, 13th Floor
New York, NY 10017-4011

T 212 599 0100
F 212 370 4520
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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of the
Icahn Charter School 2:

We have audited the financial statements of the Icahn Charter School 2 (the "Charter School") as of and for the years ended June 30, 2009 and 2008, and have issued our report thereon dated October 29, 2009. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees to prevent or detect misstatements on a timely basis in the normal course of performing their assigned functions. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Charter School's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the Charter School's financial statements that is more than inconsequential will not be prevented or detected by the Charter School'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 Charter School'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 Charter School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits. 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 the Charter School's Board of Directors and management, and the State of New York awarding agencies providing funding to the Charter School. It is not intended for, and should not be used by anyone other than these specified parties.

GRANT THORNTON LLP

New York, New York
October 29, 2009

SUPPLEMENTARY INFORMATION

Icahn Charter School 2

SCHEDULE OF FUNCTIONAL EXPENSES

For the year ended June 30, 2009

	Regular Education	Special Education	Management and General	Total
Salaries	\$ 1,075,833	\$ 15,433	\$ 182,816	\$ 1,274,082
Employee benefits and payroll taxes	222,867	1,493	42,677	267,037
Bank/payroll service charge	5,867	-	622	6,489
Custodial supplies	295	-	26	321
Dues and subscriptions	1,480	-	-	1,480
Equipment rental/lease	10,067	240	896	11,203
Extracurricular	1,780	-	-	1,780
Insurance	28,127	-	2,446	30,573
Internet and community connectivity	440	10	39	489
Legal	-	-	728	728
Maintenance and repairs	10,948	-	796	11,744
Occupancy	72,676	1,707	6,468	80,851
Office supplies	6,215	-	17,971	24,186
Instructional supplies	102,177	-	-	102,177
Other expenses	7,650	-	-	7,650
Postage and delivery	859	20	77	956
Software and license support	4,556	-	-	4,556
Staff development	109,834	-	-	109,834
Student testing	9,238	-	-	9,238
Telephone	4,997	118	445	5,560
Transportation (student)	30,301	-	-	30,301
Travel	1,891	-	1,441	3,332
Interest	512	11	45	568
Depreciation (Note C)	<u>61,724</u>	<u>1,357</u>	<u>1,402</u>	<u>64,483</u>
Total expenses	<u>\$ 1,770,334</u>	<u>\$ 20,389</u>	<u>\$ 258,895</u>	<u>\$ 2,049,618</u>

This schedule should be read in conjunction with the report of independent certified public accountants.

Icahn Charter School 2

SCHEDULE OF FUNCTIONAL EXPENSES

For the year ended June 30, 2008

	Regular Education	Management and General	Total
Salaries	\$ 643,862	\$ 158,268	\$ 802,130
Employee benefits and payroll taxes	131,365	32,841	164,206
Accounting/auditing fees	8,250	2,750	11,000
Bank/payroll service charge	3,741	1,308	5,049
Consultants - education	44,325	-	44,325
Dues and subscriptions	5,268	777	6,045
Equipment rental/lease	5,087	1,272	6,359
Extracurricular	640	-	640
Insurance	18,044	4,511	22,555
Internet and community connectivity	21,710	5,427	27,137
Maintenance and repairs	1,190	240	1,430
Marketing and recruitment	-	205	205
Office supplies	14,083	3,455	17,538
Instructional supplies	94,233	-	94,233
Other expenses	-	321	321
Postage and delivery	867	289	1,156
Software and license support	23,050	5,763	28,813
Staff development	90,036	-	90,036
Student testing	2,317	-	2,317
Telephone	6,760	1,690	8,450
Transportation (student)	806	201	1,007
Travel	644	223	867
Depreciation (Note C)	<u>31,169</u>	<u>4,851</u>	<u>36,020</u>
Total expenses	<u>\$ 1,147,447</u>	<u>\$ 224,392</u>	<u>\$ 1,371,839</u>

This schedule should be read in conjunction with the report of independent certified public accountants.

Application for Extension of Time To file an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box **X**
 - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed)

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*

Type or print	Name of Exempt Organization CARL C ICAHN CHARTER SCHOOL - BRONX N	Employer identification number
	C/O FOUNDATION FOR A GREATER OPPORTUNITY	20-5816198
File by the due date for filing your return. See instructions	Number, street, and room or suite no. If a P O box, see instructions	
	767 FIFTH AVENUE; SUITE #4700	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
NEW YORK, NY 10153		

Check type of return to be filed (file a separate application for each return)

- | | | |
|--|--|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ RICHARD SANTIAGO

Telephone No ▶ 718 716-8105 FAX No ▶ 718 716-6716

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 02/15, 2010, to file the exempt organization return for the organization named above. The extension is for the organization's return for

▶ calendar year _____ or
▶ tax year beginning 07/01, 2008, and ending 06/30, 2009

2 If this tax year is for less than 12 months, check reason. Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II and check this box

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed)

Table with 2 columns: Name of Exempt Organization (ICAHN CHARTER SCHOOL 2 C/O FOUNDATION FOR A GREATER OPPORTUNITY) and Employer identification number (20-5816198). Includes address: 767 FIFTH AVENUE; SUITE #4700, NEW YORK, NY 10153.

Check type of return to be filed (File a separate application for each return):

Grid of checkboxes for return types: Form 990 (checked), Form 990-BL, Form 990-EZ, Form 990-PF, Form 990-T (sec 401(a) or 408(a) trust), Form 990-T (trust other than above), Form 1041-A, Form 4720, Form 5227, Form 6069, Form 8870.

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

The books are in the care of RICHARD SANTIAGO. Telephone No. 718 716-8105, FAX No. 718 716-6716. If the organization does not have an office or place of business in the United States, check this box. If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN).

I request an additional 3-month extension of time until 05/15/2010. For calendar year, or other tax year beginning 07/01/2008, and ending 06/30/2009. State in detail why you need the extension: ALL OF THE NECESSARY INFORMATION TO COMPLETE THE TAX RETURN IS NOT AVAILABLE AT THIS TIME.

Table with 2 columns: Description of tax calculation (8a, 8b, 8c) and Amount (\$). 8a: tentative tax, less any nonrefundable credits. 8b: refundable credits and estimated tax payments. 8c: Balance Due.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature: Edward C. Petrucci, Title: CPA, Date: 1/12/10

Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Type or print <small>File by the due date for filing your return. See instructions.</small>	Name of Exempt Organization CARL C ICAHN CHARTER SCHOOL - BRONX N	Employer identification number
	C/O FOUNDATION FOR A GREATER OPPORTUNITY	20-5816198
	Number, street, and room or suite no. If a P.O. box, see instructions	
	767 FIFTH AVENUE; SUITE #4700	
City, town or post office, state, and ZIP code. For a foreign address, see instructions		
NEW YORK, NY 10153		

Check type of return to be filed (file a separate application for each return).

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ RICHARD SANTIAGO

Telephone No ▶ 718 716-8105 FAX No. ▶ 718 716-6716

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 02/15, 2010, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ calendar year _____ or
 ▶ tax year beginning 07/01, 2008, and ending 06/30, 2009.

2 If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box **X**

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

• If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization ICAHN CHARTER SCHOOL 2	Employer identification number
	C/O FOUNDATION FOR A GREATER OPPORTUNITY	20-5816198
	Number, street, and room or suite no If a P O box, see instructions	For IRS use only
	767 FIFTH AVENUE; SUITE #4700	
	City, town or post office, state, and ZIP code For a foreign address, see instructions	
	NEW YORK, NY 10153	

Check type of return to be filed (File a separate application for each return):

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 5227	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• The books are in the care of **RICHARD SANTIAGO**

Telephone No **718 716-8105** FAX No **718 716-6716**

• If the organization does not have an office or place of business in the United States, check this box

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until 05/15/2010
- 5 For calendar year _____, or other tax year beginning 07/01/2008, and ending 06/30/2009
- 6 If this tax year is for less than 12 months, check reason Initial return Final return Change in accounting period
- 7 State in detail why you need the extension ALL OF THE NECESSARY INFORMATION TO COMPLETE THE TAX RETURN IS NOT AVAILABLE AT THIS TIME.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions.	8a	\$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	\$
c Balance Due. Subtract line 8b from line 8a Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	8c	\$

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature Edward C. Petrino Title CPA Date 1/12/10