

**ATMOSPHERE ACADEMY PUBLIC CHARTER SCHOOL**

**BRONX, NEW YORK**

**AUDITED FINANCIAL STATEMENTS**

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Certified Public Accountants

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**Report on the Financial Statements**

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**Management's Responsibility for the Financial Statements**

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**Auditor's Responsibility**

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**Opinion**

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**Report on Summarized Comparative Information**

Yg jcxg rtgxkqwn{ cwfkvgf Cvo qur jgtg Cecfgo { Rwdnke Ejctvgt Uejqqn'u Lwpg 52. 423; hkpcpekn uvcvg o gpvu. cpf yg gzrtguugf cp wpoqfkhkgf cwfkv qrkpkqp qp vjqug cwfkvgf hkpcpekn uvcvg o gpvu kp qwt tgrqtv fcvgf Ugrvg o dgt 3:. 423;0 kp qwt qrkpkqp. vjg uw o o ctk|gf eq o rctcvkxg kphqt o cvkqp rtgugpvvgf jgtgkp cu qh cpf hqt vjg {gct gpfgf Lwpg 52. 423;. ku eqpukuvgpv. kp cmm o cvgtken turggevu. ykvj vjg cwfkvgf hkpcpekn uvcvg o gpvu htq o yjkej kv jcu dggp fgkxgf

**Other Report Required by Government Auditing Standards**

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**Emphasis of Matter with Respect to Change of Accounting Methods**

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*Mengel, Metzger, Baw & Co. LLP*

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Vjg hkpcpekn uvcvgogpvu qh vjg Ejctvgt Uejqqn jcxg dggp rtgrctgf qp vjg ceetwcn dcuku qh ceeqwpvkpi kp eqphqto kv{ ykvj ceeqwpvkpi rtkpekrngu igpgtcnn{ ceegrvgf kp vjg Wpkvgf Uvcvgu qh C ogtkec \*ICCR+0 Vjg Ejctvgt Uejqqn tgrqtvu kphqto cvkqp tgiectfkpi kvu hkpcpekn rqukvkqp cpf cevxkvkgu ceetfkpi vq vyq encuugu qh pgv cuugvu< pgv cuugvu ykvjqww fqpqt tguvkev \_ u

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qh hkpcpekn rqukvkqp0 Oquv rtqokpgpv c o qpi vjg ejcpigu kp vjg uvcpfctf ku vjg tgeqipkvkqp qh TQW cuugvu cpf  
ngcug nkedknkvkgu d{ nguuggu hqt vjqug ngcugu encuukhkgf cu qrgtcvkpi ngcugu wpgt ewttgpn WOU0 ICCR0 Hqt pqrwdnke  
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PQVG O< CEEQWPVKP I KORCEV QH EQXKF/3; QWVDTGCM

Qp Lcpwct{ 52. 4242. vjg Yqtnf Jgcnvj Qticpk|cvkqp \*õY JQö+ cppqwpegf c inqden jgcnvj gogtigpe{ dgecwug qh c pgy uvtckp qh eqtqpc xktwu qtkikpcvkpi kp Ywjcp. Ejkc \*vjg õEQXKF/3; qwvdtgcmö+ cpf vjg tkumu vq vjg kpvgtpcvkqpen eqo owpkv{ cu vjg xktwu urtgcfu inqden{ dg{qpf kvu rqkv qh qtkikp0 kp Ocej 4242. vjg YJQ encuukhkgf vjg EQXKF/3; qwvdtgcm cu c rcpfgoke. dcugf qp vjg tcrkf kpetgcug kp gzrqwtg inqden{0 Vjg hwmm ko rcev qh vjg EQXKF/3; qwvdtgcm eqpvkpwgu vq gxqnxg cu qh vjg fcvg qh vjku tgrqtv0 Cu uwej. kv ku wpegvckp cu vq vjg hwmm ocipkwvfg vjcv vjg rcpfgoke yknn jcxg qp vjg Ejctvgt Uejqqn'u hkpcpeken eqpfkvkqp. nkswkfkv{. cpf hwwvtg tguwnvu qh qrgtcvkqpu0 Ocpicigogpv ku cevkggn{ oqpkvqtkpi vjg inqden ukvwcvkqp qp kvu hkpcpeken eqpfkvkqp. nkswkfkv{. qrgtcvkqpu. uwrnkgtu. kpfwvvt{. cpf yqtmhqteg0 Ikxgp vjg fckn{ gxqnwvkqp qh vjg EQXKF/3; qwvdtgcm cpf vjg inqden tguvqpugu vq ewtd kvu urtgcf. vjg Ejctvgt Uejqqn ku pqv cdng vq guvko cvg vjg ghggev u qh vjg EQXKF/3; qwvdtgcm qp kvu tguwnvu qh qrgtcvkqpu. hkpcpeken eqpfkvkqp. qt nkswkfkv{ hqt hkuecn {get 42430





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## **Compliance and Other Matters**

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## **Purpose of This Report**

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**ATMOSPHERE ACADEMY PUBLIC CHARTER SCHOOL**

**ADVISORY COMMENT LETTER**

**JUNE 30, 2020**





Certified Public Accountants

September 30, 2020

Board of Trustees  
Atmosphere Academy Public Charter School

In planning and performing our audit of the financial statements of Atmosphere Academy Public Charter School (the "Charter School") as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Charter School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the Charter School's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or

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**ATMOSPHERE ACADEMY PUBLIC CHARTER SCHOOL**

**REPORT TO THE FINANCE COMMITTEE**

**JUNE 30, 2020**





Certified Public Accountants

September 30, 2020

Finance Committee  
Atmosphere Academy Public Charter School

We have audited the financial statements of Atmosphere Academy Public Charter School as of and for the year then ended June 30, 2020, and have issued our report thereon dated September 30, 2020. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated May 1, 2020, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your s

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## **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

## **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence. Safeguards in place to eliminate or reduce threats to independence to an acceptable level include a skilled, knowledgeable and experienced Board Treasurer who reviews the draft financial statements prior to issuance and accepts responsibility for them.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Atmosphere Academy Public Charter School is included in Note A to the financial statements. As described in Note A to the financial statements, effective July 1, 2019, the Charter School changed its method of accounting for revenue recognition by adopting FASB Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers* and Accounting Standards Update (ASU) 2018-08 *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. In addition, the Charter School changed its statement of cash flows presentation by adopting FASB ASC 230. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account



Should you desire further information concerning these matters, Shelby Stenson or Caitlin Langmead will be happy to meet with you at your convenience.

This report is intended solely for the information and use of the Board of Trustees, Finance Committee and management of Atmosphere Academy Public Charter School and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Mengel, Metzger, Barr & Co. LLP*

MENGEL, METZGER, BARR & CO. LLP

**Review of Bank Reconciliations**

During our audit, we noted that with the transition of Board Treasurer’s during the fiscal year, bank reconciliations were being reviewed by the financial consultant and not the Board Treasurer as required by the Charter School’s finance policy.

**Recommendation**

We recommend the Charter School update its financial procedures and policies manual to reflect their current procedures over review of bank reconciliations.

**Credit Card Support and Approvals**

During our audit testing, we noted several transactions where receipts were not maintained to support credit card purchases, as required by the Charter School’s finance policies. In addition, we noted that Principal did not document approval of March 2020 credit card purchases either electronically or on the Debit Card Purchasing Log.

**Recommendation**

We recommend that the Charter School follow credit card procedures as stated in the Charter School’s finance policies.

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This communication is intended solely for the information and use of Management and the Board of Trustees and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the outstanding cooperation from your staff that our personnel received during the audit of the Charter School’s financial statements. Should you have any questions or comments, please contact Shelby Stenson or Caitlin Langmead.

Very truly yours,

*Mengel, Metzger, Barr & Co. LLP*

MENGEL, METZGER, BARR & CO. LLP