
BRONX CHARTER SCHOOL FOR THE ARTS

Financial Statements

For the years ended June 30, 2020 and 2019

NCheng LLP

accountants and advisors

40 Wall Street, 20th Floor
New York, NY 10005
T 212 785 0100
F 212 785 0169
www.ncheng.com

Independent Auditor's Report

To the Board of Trustees of
Bronx Charter School for the Arts

Report on the financial statements

We have audited the accompanying financial statements of Bronx Charter School for the Arts, which consist of the balance sheet as of June 30, 2009, and the related statements of activities, changes in net assets, and cash flows, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation in accordance with accounting principles generally accepted in the United States of the financial statements, which includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits issued by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making such assessments, the auditor considers internal control in the entity as a basis for designing audit procedures that are appropriate for the purpose of expressing an opinion on the financial statements. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referr

Bronx Charter School for the Arts
Statements of Financial Position
June 30,

	<u>2020</u>	<u>2019</u>
<u>Assets</u>		
Cash	\$ 3,237,497	\$ 1,950,238
Grants receivable	444,127	149,157
Prepaid expenses and other current assets	-	37,647
Property and equipment, net	547,859	401,198
Security deposit	170,000	170,000
Security deposit - capital expense reserve account	75,626	50,776
Total assets	<u>\$ 4,475,109</u>	<u>\$ 2,759,016</u>
<u>Liabilities and Net Assets</u>		
Liabilities		
Accounts payable and accrued expenses	\$ 207,761	\$ 327,935
Accrued salaries and other payroll related expenses	522,824	433,031
Deferred lease credit	128,570	160,713
Deferred rent	410,952	457,738
Loan payable - SBA payroll protection program	1,335,784	-
Total liabilities	<u>2,605,891</u>	<u>1,379,417</u>
Net Assets		
Net assets without donor restrictions		
Board designated	425,000	425,000
Other	1,424,218	804,599
Net assets with donor restriction	<u>20,000</u>	<u>150,000</u>
Total net assets	<u>1,869,218</u>	<u>1,379,599</u>
Total liabilities and net assets	<u>\$ 4,475,109</u>	<u>\$ 2,759,016</u>

The accompanying notes are an integral part of these financial statements.

Bronx Charter School for the Arts

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Bronx Charter School for the Arts
Statement of Functional Expenses
For the year ended June 30, 2020

	Regular Education	Special Education	Total Programs	Management and General	Fund- raising	
Personnel services costs						
Administrative staff personnel	\$ 1,091,249	\$ 484,445	\$ 1,575,694	\$ 532,828	\$ 57,505	\$ 2,166,027
Instructional personnel	2,926,830	1,079,754	4,006,584	-	-	4,006,584
Non-instructional personnel	37,944	9,486	47,430	47,431	-	94,861
Total personnel services costs	4,056,023	1,573,685	5,629,708	580,259	57,505	6,267,472
Operating expenses						
Fringe benefits and payroll taxes	998,966	387,586	1,386,552	142,913	14,163	1,543,628
Professional fees	271,915	139,471	411,386	142,345	6,634	560,365
Rent	423,549	164,332	587,881	60,593	6,005	654,479
Repairs and maintenance	113,928	44,203	158,131	16,298	1,615	176,044
Insurance	44,010	17,075	61,085	6,295	624	68,004
Utilities	50,507	19,596	70,103	7,225	716	78,044
Supplies and materials	63,079	36,794	99,873	1,187	118	101,178
Equipment and furnishings	8,630	5,289	13,919	-	-	13,919
Staff development	117,341	71,919	189,260	10,564	-	199,824
Marketing and recruitment	57,633	35,323	92,956	10,329	-	103,285
Technology	12,724	6,090	18,814	1,087	108	20,009
Food service	97,865	59,981	157,846	68,264	-	226,110
Student services	22,800	13,974	36,774	-	-	36,774
Office expense	111,946	68,612	180,558	16,050	4,012	200,620
Indirect benefit expen	0	0	0	0	0	0

The accompanying notes are an integral part of these financial statements.

Bronx Charter School for the Arts

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Bronx Charter School for the Arts
Statements of Cash Flows
For the years ended June 30,

	2020	2019
Cash flows from operating activities		
Change in net assets	\$ 489,619	\$ 250,369
Adjustment to reconcile change in net assets to net cash provided by operating activities		
Depreciation	110,784	83,054
Bad debt	10,174	-
Deferred rent	(46,786)	(25,701)
Deferred lease credit	(32,143)	(32,143)
Changes in operating assets and liabilities		
Grants receivable	(305,144)	138,604
Prepaid expenses	37,647	

The accompanying notes are an integral part of these financial statements.

Bronx Charter School for the Arts
Notes to the Financial Statements
June 30, 2020 and 2019

Note 1 Organization

Bronx Charter School for the Arts ("BCSA") is an education not-for-profit institution formed to operate a charter school in accordance with an agreement with the Board of Regents of the University of the State of New York under a provisional charter valid until June 30, 2024.

BCSA is a public elementary school that opened in the South Bronx in September 2003. The school is founded on the principle that

Bronx Charter School for the Arts
Notes to the Financial Statements
June 30, 2020 and 2019

Note 2 Summary of significant accounting policies - (continued)

Grants receivable. Grants receivable are recorded at net realizable value. The allowance for doubtful accounts is BCSA ¶ V Estimated of the amount of probable credit losses in existing receivables. Management determines the allowance based on historical write-off experience and reviews its allowance for doubtful accounts periodically. Past due balances are reviewed individually for collectability. Grants receivable amounted to \$444,127 and \$149,157 as of June 30, 2020 and 2019, respe

Bronx Charter School for the Arts

Bronx Charter School for the Arts
Notes to the Financial Statements
June 30, 2020 and 2019

Note 5 Accrued salaries and other payroll-related expenses

Accrued payroll and benefits consist of amounts due to staff for payroll earned during the school year but paid over the summer months. As of June 30, 2020 and 2019, total accrued salaries and other payroll-related expenses amounted to \$522,824 and \$433,031, respectively.

Note 6 Loan payable – SBA payroll protection program

On May 6, 2020, BCSA received a Paycheck Protection Program ^{3 3 3} loan in the amount of \$1,335,784 under the Coronavirus Aid, Relief, and Economic Security Act. The PPP loan bears interest at 1% per annum and will mature on May 1, 2022. The PPP loan and accrued interest allow for f R U J L Y H Q H V V E D V H G R O of B C S A ¶ E D X N ¶ R J H M D O K S W L

Bronx Charter School for the Arts
Notes to the Financial Statements
June 30, 2020 and 2019

Note 9 Lease - (continued)

As part of the amendment, BCSA is required to fund \$25,000 into a tenant capital expense reserve account, on July 1 of each year. BCSA is entitled to be reimbursed for repairs and replacements pursuant to its lease obligations up to the balance available in the Reserve.

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Bronx Charter School for the Arts
Notes to the Financial Statements
June 30, 2020 and 2019

Note 13 Subsequent events

Management has evaluated subsequent events through the date of the financial statements. There are no subsequent events that require adjustment to the financial statements.

40 Wall Street, 22nd Floor
New York, NY 10005
T 212 707 0400
F 212 785 9168
www.ncheng.com

Independent Auditor's Report on Internal Control over Financial Reporting, Compliance and Other Matters Material to an Auditor of Financial Statements Prepared in Accordance with Government Auditing Standards

To the Board of Trustees of
Bronx Charter School for the Arts

We have audited the internal control over financial reporting, compliance with requirements generally accepted in the United States of America, and other matters that we consider to be material to the financial statements of Bronx Charter School for the Arts, which comprise the statements of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 19, 2020.

Internal control over financial reporting

In planning and performing our audit of the financial statements, we considered Bronx Charter School for the Arts' internal control over financial reporting (internal control) to determine audit procedures that are appropriate in the circumstances for this engagement. Our purpose in this regard is to obtain sufficient evidence to support our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bronx Charter School for the Arts' internal control. We do not intend to express an opinion on the effectiveness of the Bronx Charter School for the Arts' 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, detect and correct, on a timely basis, misstatements of financial statements, or a combination of deficiencies in internal control that result in a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. A control deficiency that is considered a deficiency, or a combination of deficiencies in internal control that result in a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis, is considered a material weakness if it is important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose specified in the introductory paragraph of this report and was designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, our audit did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that we did not identify.

Compliance and other matters

As part of obtaining reasonable assurance about whether Bronx Charter School for the Arts' 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, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Bronx Charter School for the Arts' internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Bronx Charter School for the Arts' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

New York, New York
October 19, 2020





Annual Financial Statement Audit Report

School Name:	Prattville Charter School for the Deaf
Date Reported in the NY State Report:	November 1, 2020
Primary District of Location (If NYC select NYC DOE):	New York City Department of Education
If Located in NYC (If select NYC DOE, select SD #):	SD #8
School Fiscal Contact Name:	William R. [REDACTED]
School Fiscal Contact Email:	[REDACTED]
School Fiscal Contact Phone:	[REDACTED]
School Audit Firm Name:	Nehong LLP
School Audit Contact Name:	[REDACTED]
School Audit Contact Email:	[REDACTED]
School Audit Contact Phone:	[REDACTED]
Audit Period:	2019-20
Prior Year:	2018-19

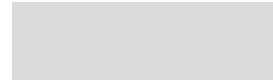
The following items are required to be included:

- 1.) The independent auditor's report on financial statements and notes.
- 2.) Excel template file containing the Financial Position, Statement of Activities, Cash Flow and Functional Expenses worksheets.
- 3.) Reports on internal controls over financial reporting and on compliance.

The additional items listed below are required to be included if the items are included. Example: If the auditor's report includes a disclaimer, the auditor's report must be included in excess of the date of the submission of the report, the report must be dated (should be no later than 30 days of the submission of the report).

Item	Is not included and state the reason why, if not applicable, the item is not included
Management Letter	N/A
Management Letter Response	N/A
Form 990	On Extension
Federal Single Audit (25 CFR 122)	N/A
Corrective Action Plan	N/A

	Unrestricted	Temporarily Restricted	Total	2019 Total
OPERATING REVENUE				
State and Local Per Pupil Revenue - Reg. Ed	\$ 8,261,130	\$ -	\$ 8,261,130	\$ 6,504,310
State and Local Per Pupil Revenue - SPED	1,504,560	-	1,504,560	1,359,620
State and Local Per Pupil Facilities Revenue	-	-	-	-
Federal Grants	584,913	-	584,913	523,000
State and City Grants	100,260	-	100,260	198,810
Other Operating Income	-	-	-	-
Food Service/Child Nutrition Progra.8 (i)-63 (o)1.3 (d)-0.85 q 58.4 371.28 723.36 46.56 re W n BT 0 Tc 0.006 Tw 11.04 0 0 11.04 381.6 741.28 Tm [



	2020	2019
CASH FLOWS - OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 489,615	250
Revenues from School Districts	-	-
Accounts Receivable	-	-
Due from School Districts	-	-
Depreciation	110,784	83,054
Grants Receivable		

	No. of Positions	Regular Education	Special Education	Other Education	Total	Fundraising	Management and General	Total	Total	Total
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Personnel Services Costs										
Administrative Staff Personnel	27.00	1,091,249	484,445	-	1,575,694	57,505	532,828	590,333	2,166,027	1,974,861
Instructional Personnel	46.00	2,926,830	1,079,754	-	4,006,584	-	-	-	4,006,584	3,263,511
Non-Instructional Personnel	13.00	37,944	9,486	-	47,430	-	47,431	47,431	94,861	124,311
Total Salaries and Staff	86.00	4,056,023	1,573,682	-	5,629,705	57,505	580,259	637,764	5,740,442	5,362,683

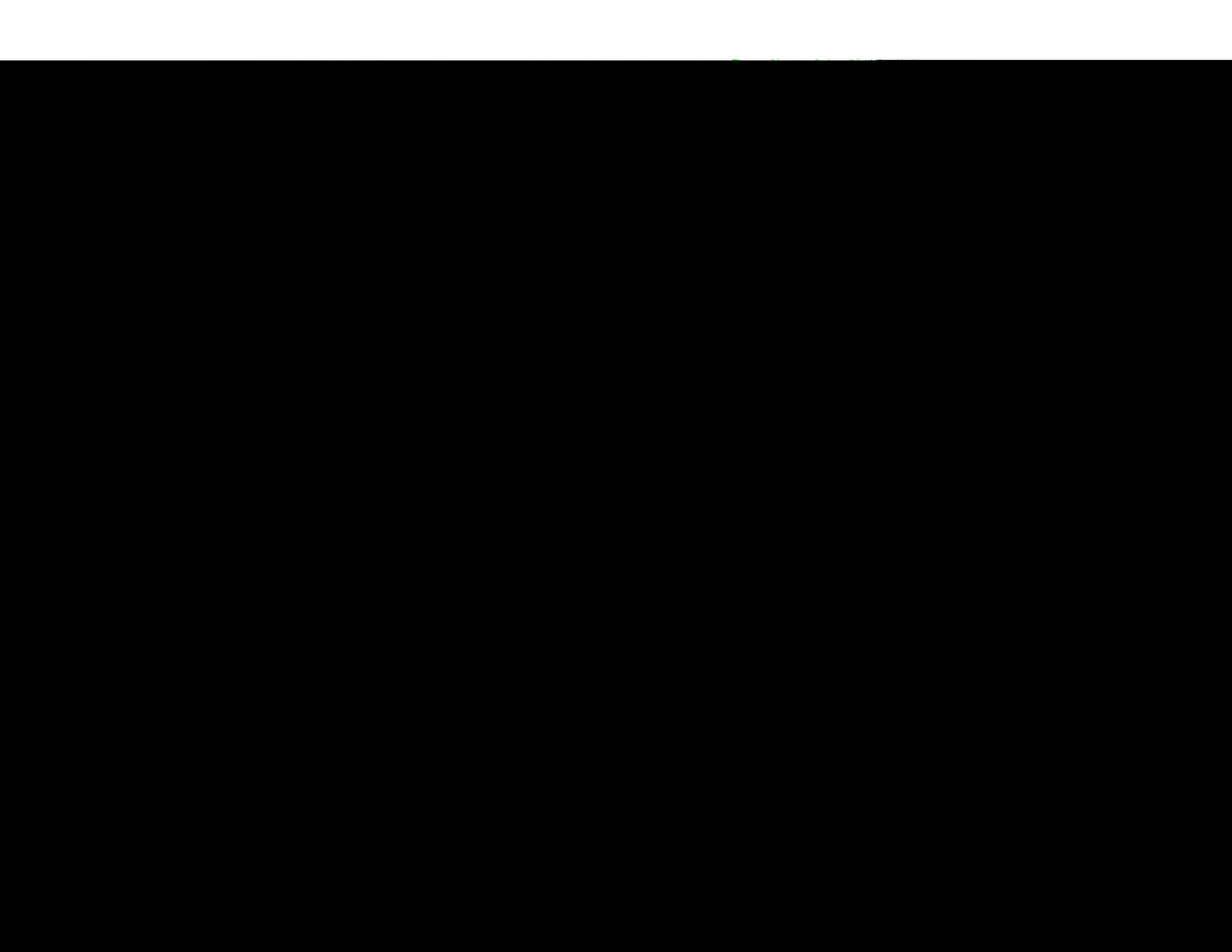
New York State Office of Education Department

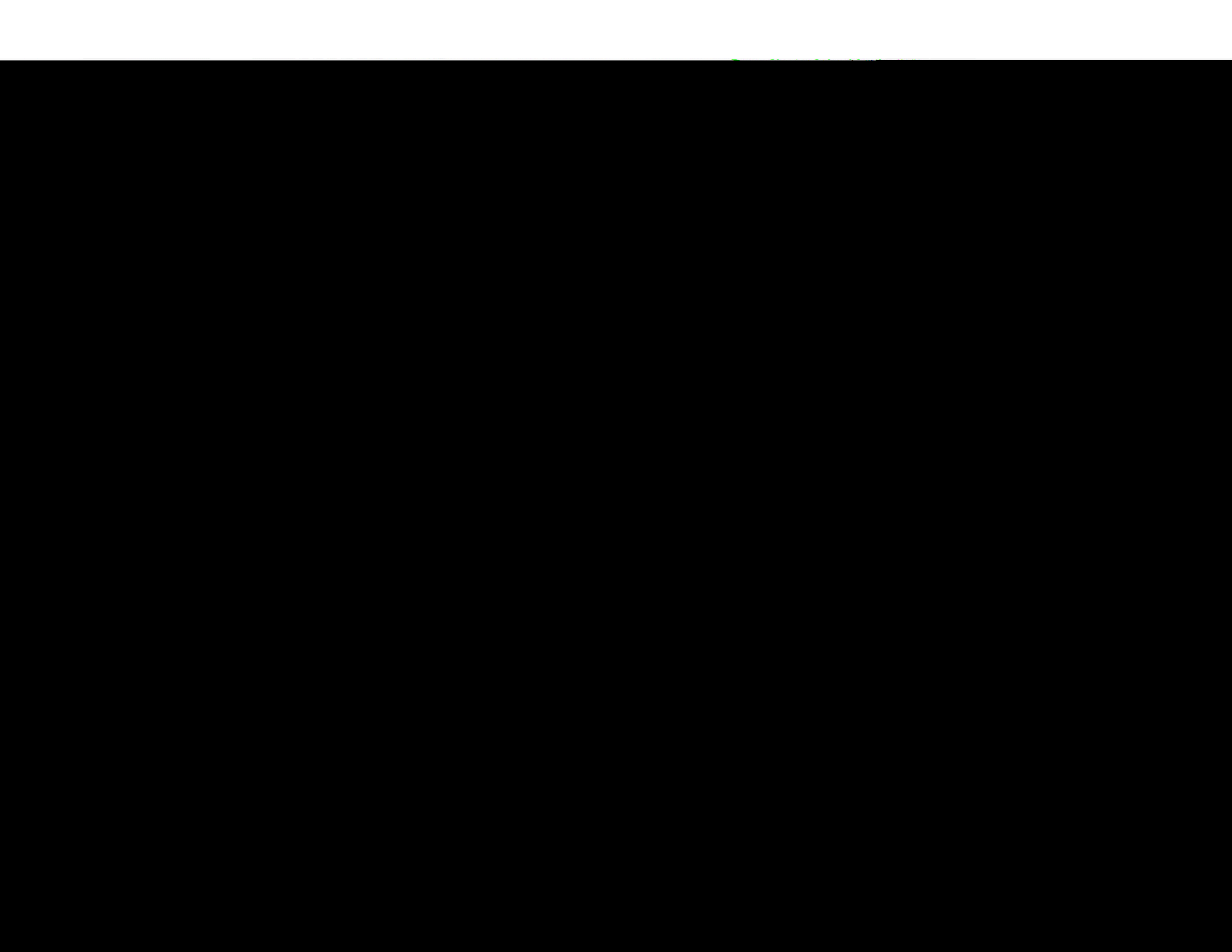
Request for Proposals to Establish Charter Schools Board of Regents

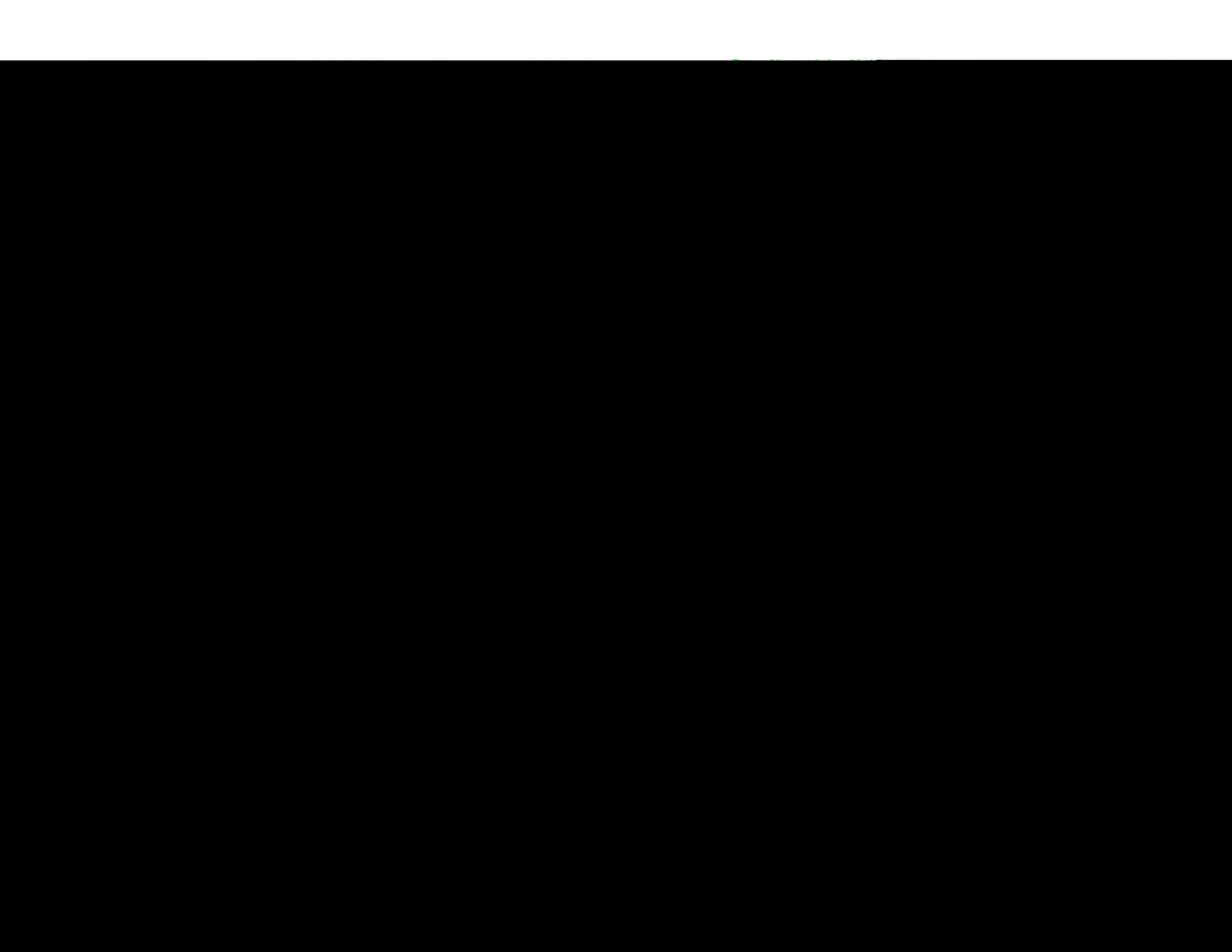
2020-21 Budget Cycle - RFP #17011001

General Instructions and Notes for New Applicants

- 1 Complete ALL SIX columns in BGE.
- 2 Enter information into the GRAY cells:
 - a. All cells containing a red triangle
 - b. that particular item
- 3 <https://www.education.nysed.gov/charter> for additional information regarding the application process. For additional information regarding the application process, please contact the Office of Charter Schools at charter@education.nysed.gov or call (518) 485-2000. For additional information regarding the application process, please contact the Office of Charter Schools at charter@education.nysed.gov or call (518) 485-2000.
- 4 The Assumptions column should be completed for all revenue and expense items unless the item is self-explanatory. If not self-explanatory, please include a brief narrative that indicates the assumption being made. For instance, "Charter Schools are exempt from state and local taxes." In Section C of the application narrative, please reference the applicable paragraph in Section C of the application narrative.
- 5







BRONX CHARTER SCHOOL FOR THE ARTS
 950 LONGFELLOW AVE. L
 BRONX NY 10474

Speak to a dedicated business solutions expert
 at 1.888.755.2112, a one stop number for
 both your business and personal needs.

ACCOUNT SUMMARY

BRONX CHARTER SCHOOL FOR THE ARTS

Business Advantage Savings		Number of Payments	
Previous Balance 03/31/20	\$555,661.06	0	0
0 Deposits	\$0.00	0	0
0 Debits	\$8,000.00	0	0
Service Charges	\$0.00	0	0
Ending Balance 06/30/20	\$555,661.06	0	0

ACCOUNT DETAIL FOR PERIOD APRIL 01 2020 TO JUNE 30 2020

BRONX CHARTER SCHOOL FOR THE ARTS

Date	Description	Debit	Credit	Balance
04/30	Interest paid	\$211.07		\$555,450.00
05/31	Interest paid	\$222.01		\$555,228.00
06/30	Interest paid	\$219.11		\$555,009.00
Total		\$652.29		

Thank you for banking with us.

An Important Message to Our Clients

What should I do if I find an error or problem on my statement?

In case of error or questions about your electronic transfers telephone us at 1-888-755-2172 or write us at Capital One, N.A., 7933 Preston Rd. Plano, Texas 75024, Attn: Customer Service Center as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt.

For small business accounts: Please refer to your Electronic Fund Transfer Agreement/Disclosure for additional information.

For consumer accounts: We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

1. Tell us your name and account number (if any).
2. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell us the dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days to do this, we will credit your account for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation.