



October 19, 2020

PKF O'Connor Davies LLP
500 Manhattan Avenue, Suite 500
Harrison, NY 10528

This representation letter is provided in connection with your audit of the financial statements of OnTECH Charter High School (the "organization"), which represent the financial position as of June 30, 2020 and 2019, and the related changes in components or amounts, income, expenses and cash flows for the year ended June 30, 2020 and for the period from June 13, 2016 (inception) to June 30, 2019, and the related notes to the financial statements for the purpose of not expressing an opinion as to whether the financial statements are presented in all material respects, in accordance with accounting principles generally accepted in the United States of America (US GAAP).

Certain representations in this letter have been described as being limited to matters that are material. Items are considered material if their omission or misstatement could reasonably be expected to influence the judgment of a reasonable person who is knowledgeable of the facts and circumstances. The omission of material information or misstatement of material information could be considered material as a result of our qualitative factors.

Expenditures of Federal awards were below the \$750,000 threshold for this year of June 30, 2020 and 2019 and we were not required to have an audit in accordance with Title 2, U.S. Code, Federal Regulations 201.5 (21 CFR 201.5), Part 200 of Uniform Administrative Requirements, Principles and Audit Requirements for Federal Awards (Uniform Guidance), Audits of States, Local Governments and Non-Profit Organizations, 2013 and 2014 standards.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves and in reliance on this letter, the following representations made to you during your audits:

Our Responsibility

- We acknowledge that we are fully responsible for:
 - The preparation and fair presentation of the financial statements in accordance with US GAAP;
 - 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.

- o The design, implementation, and maintenance of internal controls to prevent and detect fraud.

We understand that the term "fraud" refers to intentional acts by one or more individuals among management, those charged with governance, employees, or third parties, involving the use of deception for personal or business gain. Misstatements of financial statements are relevant to your audits. Misstatements resulting from fraudulent financial reporting include intentional misstatements, omissions, or misappropriation of assets. Fraudulent financial reporting involves intentional misstatements, omissions, or misappropriation of assets involving financial statements and financial data made to users. Misappropriation of assets involves the theft of an entity's assets.

In regard to the preparation of financial statements for the period, we have:

- o Assumed all management responsibilities;
- o Designated members of management who have suitable skill, knowledge, or experience to oversee the services;
- o Evaluated the adequacy and results of the services performed; and
- o Accepted responsibility for the results of the services.

Financial Statements

The financial statements are prepared in accordance with generally accepted accounting principles (GAAP) and include all disclosures necessary for such fair presentation. In that connection,

we specifically comment on:

- o The Organization's accounting policies, and the practices and methods to be used in applying them, are appropriate and are as disclosed in the financial statements.
- o Except as disclosed in the financial statements, there have been no changes during the period audited in the Organization's accounting policies or practices.
- o All material transactions have been recorded in the financial statements.

Significant assumptions we used in making accounting estimates, including those measurements and values, are reasonable.

The following, where they exist, have been appropriately disclosed to you and accounted for and/or disclosed in the financial statements in accordance with the requirements of GAAP:

- o The identity of all related parties and related party relationships and transactions.
- o Material concentrations of investments, concentrations of business revenues, available sources of supply, or markets or geographic areas for which it is reasonably possible that events could occur which would significantly disrupt normal finances within the next year.
- o Guarantees, whether written or oral, under which the Organization is contingently liable, including guarantee contracts and indemnification agreements.
- o The effects of all known actual, possible, pending or threatened lawsuits, claims, and assessments.

The Organization does not have any uncertain tax positions that require disclosure.

recognition in the financial statements.

- We have evaluated all events or circumstances that could affect the financial statements through the date of this letter, and no such disclosure is in the financial statements.

Information Provider

- We have provided you with:
 - Access to all information, or a list of words or phrases that are relevant to the proper and fair presentation of the financial statements, that you request in writing for other matters.
 - Access to all minutes of the meetings of trustees or similar bodies in action or in contemplation of action for which minutes were not yet prepared.
 - Communication with management and notes on any deficiencies in financial reporting practices.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the Organization from whom you obtain information necessary to obtain audit evidence.
- There are no deficiencies in the design or operation of internal controls that we believe reporting that are reasonably likely to adversely affect the Organization's ability to initiate, authorize, record, process, and report financial transactions.
- We have no knowledge of any fraud or suspected fraud that affects the Organization and involves:
 - Management
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any wrongdoing or irregularities by employees, former employees, or regulars of the Organization's financial statements committed by employees, former employees, or regulars.
- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements that we are a party to, and we have advised you of all laws, regulations, and provisions that we are a party to that we believe have a direct and material effect on the Organization's financial statement amounts or other financial data reported in the financial statements.
- We have no knowledge of any instances of non-compliance with laws and regulations that we are a party to that we believe have a direct and material effect on the financial statements.
- The Organization has satisfactory title to its owned assets and there are no liens or encumbrances on such assets or other assets that have not been pledged as collateral.

- The Organization is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
- We have a reasonable basis for the allocation of functional expenses.
- With respect to contributions:
 - Adequate controls are in place over the receipt and recording of contributions.
 - There were no unrecorded contributions or pledges of \$10,000 or more in 2019 that could materially affect the financial statements. In addition, we are unaware of any assets for which the School may be beneficiary as prescribed by probated wills or held in trusts by independent trustees at June 30, 2020 and 2019, which should be considered in the financial statements.
- We have complied with all restrictions on non-resour (excluding donor restrictions) and all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance. This includes complying with donor restrictions to maintain an appropriate composition of assets.

Hosting Services

We acknowledge that electronic portals used during the audit are only a method of transferring data and the data may be deleted by you at any time.

We are responsible for maintaining our financial and non-financial information and for hosting of our any indications, also downloading and reviewing any information you uploaded to such portal in a timely manner.



Ellen K. Eager, President of the Board of Trustees



Beth Gavenda, Chief Financial Officer

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Independent Auditors' Report

Board of Trustees
OnTECH Charter High School

Report on the Financial Statements

We have audited the accompanying financial statements of OnTECH Charter High School (the "School"), which comprise the statement of financial position as of June 30, 2020 and 2019, the related statements of activities, functional expenses and cash flows, for the year ended June 30, 2020 and for the period from December 15, 2013 (inception) to June 30, 2019, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, this 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.

Auditors' Responsibility

Our responsibility is to express an opinion about these financial statements based on our audits. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit 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 those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. We also evaluate the appropriateness of accounting policies 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.

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Annual Financial Statement Report
for Board of Regents' Approval of Green Budget Schools

School Name:	UNION SQUARE HIGH SCHOOL
Date (Report is due Nov. 1):	November 1, 2020
Primary District of Jurisdiction: (If NYC, please specify):	Queens Central School District
If located in:	1.
School Fiscal Contact Name:	Ellen Eagan, Treasurer
School Fiscal Contact Email:	[Redacted]
School Fiscal Contact Phone:	[Redacted]
School Audit Firm Name:	NYK-719, [Redacted]
School Audit Contact Name:	Jose Luis Salazar
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 of financial statements and notes.
- 2.) Excel templates containing the financial position and other worksheets.
- 3.) Reports on internal controls over financial reporting and on compliance.

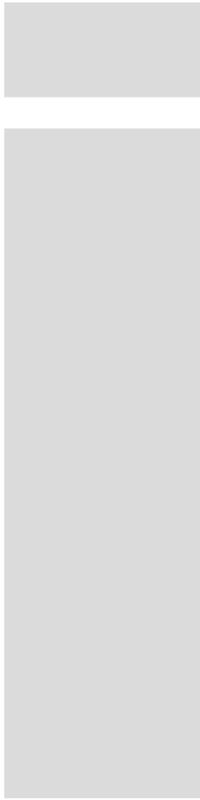
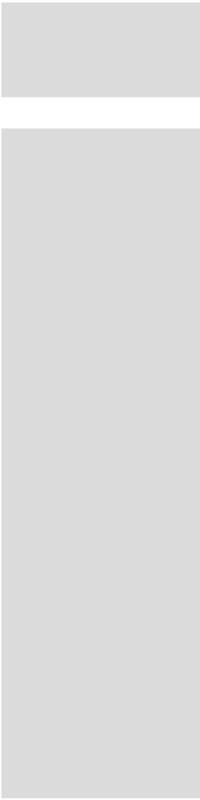
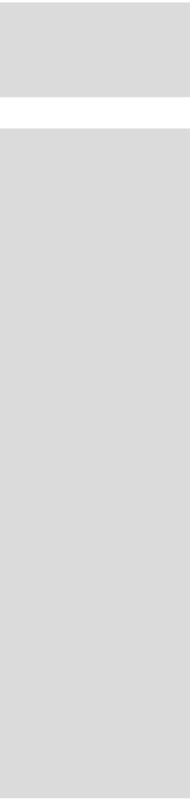
The additional items listed below should be included if applicable. Please explain the reason(s) if it is not included. Examples might include: a written management letter was not issued, the auditor did not perform procedures in excess of the Single Audit threshold, or the date should be no later than 30 days from the submission of the report, etc.

Item	If not included, explain
Management Letter	[Redacted]
Management Letter Response	[Redacted]
Form 990	[Redacted]
Federal Single Audit (A-123) 2019	[Redacted]
Corrective Action Plan	[Redacted]

OnTECH Charter High School
Statement of Financial Position
as of June 30

	2020	2019
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,284,143	\$ 116,14
Grants and contracts receivable	88,363	693,413
Accounts receivables		-
Prepaid Expenses	15,479	19,7
Contributions and other receivables	-	
Other current assets	-	
TOTAL CURRENT ASSETS	1,387,985	829,2
NON-CURRENT ASSETS		
Property, Building and Equipment, net	\$ 600,833	\$ 482,53
Restricted Cash	25,003	
Security Deposits	25,000	25,0
Other Non-Current Assets	-	
TOTAL NON-CURRENT ASSETS	650,836	507,5
TOTAL ASSETS	2,038,821	1,336,802
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 57,407	\$ 429,36
Accrued payroll, payroll taxes and benefits	-	
Current Portion of Loan Payable	-	
Due to Related Parties	-	
Refundable Advances	6,210	44,7
Deferred Revenue	-	
Other Current Liabilities	304,439	274,0
TOTAL CURRENT LIABILITIES	368,056	748,2
LONG-TERM LIABILITIES		
Loan Payable; Due in More than One Year	\$ 190,860	
Deferred Rent	334,432	116,4
Due to Related Party	-	
Other Long-Term Liabilities	-	
TOTAL LONG-TERM LIABILITIES	525,292	116,4
TOTAL LIABILITIES	893,348	864,6
NET ASSETS		
Unrestricted	\$ 1,145,473	\$ 472,11
Temporarily restricted	-	
Permanently restricted	-	
TOTAL NET ASSETS	1,145,473	472,1
TOTAL LIABILITIES AND NET ASSETS	2,038,821	1,336,80

	2020	2019
CASH FLOWS - OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 673,355	472,
Revenues from School Districts	-	-
Accounts Receivable	-	-
Due from School Districts	-	-
Depreciation	152,855	37,592
Grants Receivable	-	(693,413)
Due from NYS	-	-
Grant revenues	-	-
Prepaid Expenses	605,050	(19,
Accounts Payable	(371,960)	429,
Accrued Expenses	-	-
Accrued Liabilities	248,312	390,
Contributions and fund-raising activities	-	-



October 19, 2020

The State Education Department of the State University of New York

Office of Management and Enterprise Services

2020-01 Escrow Account for Dissolution

Management agrees with the auditor's finding and, by the end of the second year, the school was required to have an escrow of at least \$75,000. By the end of the second year, June 30, 2021, the school no longer had an escrow of at least \$75,000.

By the end of the second year, June 30, 2021, the school had a balance of \$25,000 in escrow. The deficiency was remedied by the school depositing an additional \$50,000 to bring the total escrow to \$75,000.


Stephen Annunzio, Board Treasurer

PROJECTED BUDGET FOR FISCAL YEAR 2021

July 1, 2020 to June 30, 2021

DESCRIPTION OF ASSUMPTIONS: Please use the note assumptions when applicable

Please Note: The student enrollment is based on the 2019-2020 enrollment data.

	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT	TOTAL
Total Revenue	4,100,000	1,000,000	100,000	100,000	100,000	5,400,000
Total Expenses	3,800,000	1,000,000	100,000	100,000	100,000	5,100,000
Net Income	300,000	0	0	0	0	300,000
Actual Student Enrollment	1,000	100	100	100	100	1,400
Total Paid Student Enrollment	1,000	100	100	100	100	1,400

	PROGRAM SERVICES			SUPPORT SERVICES		
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	GENERAL	TOTAL

REVENUE FROM STATE SOURCES

Syracuse City School District	\$13,158.00	1,925,000	100,000	100,000	100,000	2,238,158.00
Baldwinsville Central School District	5,122,450.00	1,000,000	100,000	100,000	100,000	7,422,450.00
Liverpool Central School District	10,000,000.00	1,000,000	100,000	100,000	100,000	12,300,000.00
North Syracuse Central School District	10,000,000.00	1,000,000	100,000	100,000	100,000	12,300,000.00
Westhill Central School District	10,000,000.00	1,000,000	100,000	100,000	100,000	12,300,000.00
Special Education Revenue	-	100,000	-	-	-	100,000
Grants	-	-	-	-	-	-
State Revenue	-	-	-	-	-	-
Other State Revenue	-	-	-	-	-	-
TOTAL REVENUE FROM STATE SOURCES	31,285,608.00	4,025,000	300,000	300,000	300,000	36,410,608.00

REVENUE FROM FEDERAL FUNDING

IDEA Special Education	-	20,000	-	-	-	20,000
Title Funding - CTE	-	1,120	2,280	-	-	3,400
Subsidized Lunch	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Charter School Program (CSP) Planning & Implementation	-	-	-	-	-	-
Other	-	-	-	-	-	-
Other Federal Revenue	-	-	-	-	-	-
TOTAL REVENUE FROM FEDERAL FUNDING	-	21,120	2,280	-	-	23,400

LOCAL AND OTHER REVENUE

Contributions and Donations, Fundraising	-	-	-	-	-	-
Erate Reimbursement	2,100	-	-	-	-	2,100
Interest Income, Savings, Investments	-	-	-	-	-	-
NYC-DYCD (Department of Youth and Community Development)	-	-	-	-	-	-
Food Service (Income from meals)	-	-	-	-	-	-
Text Book	-	-	-	-	-	-
Other Local Revenue	-	-	-	-	-	-
TOTAL REVENUE FROM LOCAL AND OTHER SOURCES	2,100	-	-	-	-	2,100

TOTAL REVENUE

TOTAL REVENUE	33,387,708.00	4,046,120	300,000	300,000	300,000	38,333,828.00
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EXPENSES

ADMINISTRATIVE PERSONNEL COSTS	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	GENERAL	TOTAL
Executive Director	-	-	-	-	-	-
Instructional Management	-	-	-	-	-	-
Deans, Directors & Coordinators	4.00	100,000	100,000	-	-	200,000
CFO / Director of Finance	4.00	-	-	-	-	40,000
Operations / Business Manager	1.00	-	-	-	-	20,000
Administrative Staff	2.00	-	-	-	-	20,000
TOTAL ADMINISTRATIVE STAFF	11.00	100,000	100,000	-	-	220,000

INSTRUCTIONAL PERSONNEL COSTS

Teachers - Regular	1.00	79,400	-	-	-	79,400
Teachers - SPED	1.00	-	35,741	-	-	35,741
Substitute Teachers	1.00	26,000	6,500	-	-	32,500
Teaching Assistants	-	-	-	-	-	-
Specialty Teachers	1.00	-	40,000	-	-	40,000
Aides	-	-	-	-	-	-
Therapists & Counselors	1.00	24,000	6,500	-	-	30,500
Other	-	-	-	-	-	-
TOTAL INSTRUCTIONAL PERSONNEL COSTS	4.00	129,400	82,241	-	-	211,641

List exact titles and staff FTE's (Full time equivalent)

NON-INSTRUCTIONAL PERSONNEL COSTS

Nurse
Librarian
Custodian
Security
Other

-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
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