Financial Report June 30, 2020

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in accordance with Government Auditing Standards	15-1



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Emphasis of Matter

As further discussed in Note 9 to the financial statements, the Charter School's authorizer, the New York City Department of Education, has recommended renewal of the charter effective July 1, 2017, with the condition that the Charter School eliminate grades six, seven and eight. The Charter School has challenged this condition in court and the Charter School is continuing to operate all grades. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited the Charter School's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 30, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 29, 2020 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 solely 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Charter School's internal control over financial reporting and compliance.

New York, New York October 29, 2020

Statement of Activities Year Ended June 30, 2020 (with summarized comparative information for the year ended June 30, 2019)

				2019
	Without	With		Summarized
	Donor	Donor		Comparative
	Restrictions	Restrictions	Total	Total
Operating revenue:				
State and local per pupil				
operating revenue	\$ 11,616,142	\$-	\$ 11,616,142	\$ 11,643,352
Government grants	606,792	-	606,792	537,949

Statement of Cash Flows Year Ended June 30, 2020 (with summarized comparative information for the year ended June 30, 2019)

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ 688,109	\$ (561,108)
Adjustments to reconcile change in net assets to net cash		
used in (provided by) operating activities:		
Depreciation and amortization	213,097	247,622
Loss on disposal of equipment	-	2,380
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(144,795)	125,596

Notes to Financial Statements

Note 1. Principal Business Activity

Opportunity Charter School (the Charter School) is an educational corporation that operates a charter school in the borough and county of Manhattan, New York. The Charter School was granted a charter valid for a term of five years from May 18, 2004 that is renewable by the Board of Regents of the University of the State of New York. In May 2012, the Charter School was awarded its third renewal, which is a five-year renewal, which expired on June 30, 2017. During the year ended June 30, 2018, the Charter School was recommended for a short term renewal of three years for its high school only with conditions consistent with the terms of the renewal application (please refer to Note 9).

The Charter School was established to prepare underserved middle and high school students for higher education, civic involvement and lifelong success through a structured, caring environment of high academic expectations. The Charter School is unique in that each year it accepts an incoming grade of students, more than half of whom have been classified by their previous schools as requ2.9 (al)-9 (,)-incomihom I.2 (oe0en r2 (g t) (u)-12d H(r)4(e)e2 (I)3.1 (.2 (oe1 Tw -44. O)-71 (h.1 (o3 (g(I)3.1 (f).1 (T)-z s)--12.3 (,)-1.1 (c).1 (w)9.ne)3.2 ((b)-12

Notes to Financial Statements

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Note 4. Employee Benefit Plan (Continued)

Employer contributions to the Plan are determined by the Plan's Chief Actuary of the Office of the Actuary in accordance with the State statutes and City laws, and include amounts to reduce the Plan's underfunding. During the years ended June 30, 2020 and 2019, the Charter School contributed \$809,412 and \$795,393, respectively, to the Plan.

The audited financial statements of the Plan, as of and for the year ended June 30, 2019, reported total assets of \$85,076,959,000. The funded status of the Plan as of June 30, 2019, the most recent actuarial valuation date, is as follows:

	Amounts (in Thousands)
Actuarial value of assets	\$ 44,381,706
Actuarial accrued liability	69,552,380
Unfunded actuarial accrued liability	\$ (25,170,674)

Funded status

63.8%

Notes to Financial Statements

Note 7. Facilities

As part of the New York City Chancellor's Charter School Initiative, the NYC DOE has committed space to charter schools within existing public schools. Beginning with fiscal year 2007, the NYC DOE has facilitated Shared Use Agreements with charter schools outlining services and facility offerings to charter schools for a five-year period. Beginning with fiscal year 2012, the NYC DOE renewed the Shared Use Agreement for a five-year period that expired on June 30, 2017. Currently the Charter School awaits the renewal of the Shared Use Agreement from NYC DOE and continues to operate in the same location for fiscal year 2020. The Charter School shares space at a public school building and utilizes approximately 20,800 square feet at no cost to the Charter School.

Note 8. Commitments

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During fiscal year 2016, the Charter School entered into a lease agreement for additional classrooms in New York City under an operating lease that expires on April 30, 2021 with an additional five-year renewal option. The Charter School occupied the lease space on April 20, 2016 and the lease is subject (8.9 (tsc) content esc(t) lation 024 -20)-12.3 .1 (4 .1 (4 (e (Y)2.29.8 (pr)-6.3 (ns)-8 (.)]TJ 2.29.a)-6.4 (nd

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Purpose of This Report

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Opportunity Charter School Budget Dra	
Jul '20 - Jun	21
Government Grants 12,153,598	3.00
Contributed Income 77,000	0.00
Interest Income 5,000	00.0
Misc. Income 2,000	00.0
Total Income 12,237,598	3.00
Personnel 10,493,553	3.93
OTPS 1,744,044	1.07
Total Expense 12,237,598	8.00
Net Income C	0.00

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OPPORTUNITY CHARLER SCHOOL	Number		I Da Milly Date	Lile to Date	Closing
THE OPPORTUNITY CHARTER SCHOOL	NEW	\$9.39	\$85.72	\$1,604.15	Balance
		\$9.39			\$76,346.40
		42.35	\$85.72	\$1,68075	\$10,040.4U

THE OPPORTUNITY CHARTER SCHO	OL		Clos	ing Balance \$	76,346,40
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