

CUSACK & COMPANY
Certified Public Accountants LLC
7 AIRPORT PARK BOULEVARD
LATHAM, NEW YORK 12110
(518) 786-3550
FAX (518) 786-1538
E-MAIL ADDRESS: CPAS@CUSACKCPAS.COM
WWW.CUSACKCPAS.COM

MEMBERS OF:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF:
NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

October 27, 2020

To the Board of Trustees
Brighter Choice Elementary Charter School
250 Central Avenue
Albany, NY 12206

We have audited the financial statements of Brighter Choice Elementary Charter Schools for the year ended June 30, 2020, and have issued our report thereon dated October 27, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 1, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Brighter Choice Elementary Charter Schools are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no sensitive disclosures affecting the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The attached misstatements detected as a result of audit procedures were corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 27, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We did note the following:

1) Pension Plan 5500

Filing Form 5500 with an independent audit report is required for the pension plan and is due no later than 9 ½ months after year end. The IRS penalty for late filing Form 5500 is \$25 per day, up to a maximum of \$15,000, although the Department of Labor penalty for late filing can be \$1,100 per day, with no maximum. Form 5500 for the June 30, 2018 period, due March 15, 2019, and Form 5500 for the June 30, 2019 period, due March 15, 2020, have yet to be filed.

We recommend that management develop and implement procedures to file past due and future form 5500 filings in a timely basis.

2) Timely Deposit of Pension Withholdings

During our testing of accrued pension, it was noted that all employee pension contributions were not being remitted to the plan in a timely manner. All employee and withholdings should be deposited into the plan as soon as possible but no later than 15 days from withholdings.

We recommend that procedures be developed and implemented to deposit employee pension withholdings as soon as possible.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Trustees of Brighter Choice Elementary Charter Schools and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Cusack & Company, CPA's LLC". The signature is written in a cursive, flowing style.

CUSACK & COMPANY, CPA'S, LLC

Brighter Choice Charter School for Girls Adjusting Journal Entries

July 1, 2019 - June 30, 2020

| Date | Reference | Account | Description | WP Reference | Debit | Credit | Net Income Effect |
|---|-----------|---------|---|--------------|-------------------|-------------------|--------------------|
| Adjusting Journal Entries | | | | | | | |
| 06/30/20 | 1 | | ADJUST DEBT TO SCHEDULED DETAIL | M-1/M-2 | | | 573.51 |
| | | | ACCRUED INTEREST | | 806.92 | | |
| | | | PREMIUM ON BOND PAYABLE | | | 233.41 | |
| | | | BOND INTEREST EXP | | | 573.51 | |
| 06/30/20 | 2 | | CLIENT ADJUST ALLOW TO LATEST STATUS | | | | 45,980.76 |
| | | | Reserve for Doubtful Accounts | | 45,980.76 | | |
| | | | RENSELAEAR CSD | | | 4,384.29 | |
| | | | MENANDS | | | 0.47 | |
| | | | SCHENECTADY SPED | | | 41,596.00 | |
| 06/30/20 | 3 | | RECLASS | | | | 0.00 |
| | | | Retained Earnings | | 543,939.07 | | |
| | | | UNRESTRICTED NET ASSETS | | | 543,939.07 | |
| 09/22/20 | 4 | | ACCUE INTAC FEES FOR PENSION AUDIT EXPENSE | | | | (17,875.00) |
| | | | ACCURED EXP OTHER | | 17,875.00 | | |
| 09/22/20 | 5 | | WRITE OFF FEDERAL NUTRITION PY AR | C-1.2 | | | (6,033.00) |
| | | | FEDERAL NUTRITIONAL PROGRAM | | 6,033.00 | | |
| | | | ACCURED REVENUE | | | 6,033.00 | |
| 09/23/20 | 6 | | TO ADJUST DEPRECIATION TO ACTUAL | H-1.1 | | | (23,910.92) |
| | | | DEPRECIATION EXPENSE | | 23,910.92 | | |
| | | | A/D FURNITURE & EQUIP | | | 23,910.92 | |
| 09/30/20 | 7 | | To adjust per pupil revenue to actual | W-1 | | | (8,768.94) |
| | | | ALBANY PER PUPIL FUNDING | | 0.07 | | |
| | | | RENSELAEAR CSD | | 91,797.61 | | |
| | | | TROY CSD | | 0.01 | | |
| | | | SCHENECTADY CSD | | | 83,028.75 | |
| | | | Reserve for Doubtful Accounts | | | 8,768.94 | |
| Totals for Adjusting Journal Entries | | | | | <u>730,343.36</u> | <u>730,343.36</u> | <u>(10,033.59)</u> |
| Report Totals | | | | | <u>730,343.36</u> | <u>730,343.36</u> | <u>(10,033.59)</u> |

Brighter Choice Charter School for Boys Adjusting Journal Entries

July 1, 2019 - June 30, 2020

| Date | Reference | Account | Description | WP Reference | Debit | Credit | Net Income Effect |
|---|-----------|---------|---|--------------|-------------------|-------------------|-------------------|
| Adjusting Journal Entries | | | | | | | |
| 2 | | | CLIENT ADJUSTMENT TO ALLOWANCE BASED ON LATEST STATUS | | | | 32,528.00 |
| | | | Allowance for Doubtful Accts | | 32,528.00 | | |
| | | | COHOES CSD | | 4,498.00 | | |
| | | | GREEN ISLAND | | 2,152.00 | | |
| | | | RAVENA-COEYMANS-SELKIRK CSD | | 6,245.00 | | |
| | | | SCHENECTADY SPED | | | 45,423.00 | |
| 1 | | | ADJUST DEBT TO SCHEDULED AMOUNTS | M-1/M-2 | | | (3,073.16) |
| | | | BOND INTEREST EXPENSE | | 3,073.16 | | |
| | | | PREMIUM ON BOND PAYABLE | | 177.38 | | |
| | | | ACCRUED INTEREST | | | 3,250.54 | |
| 3 | | | RECLASS Retained Earnings | | 608,437.45 | | 0.00 |
| | | | UNRESTRICTED NET ASSETS | | | 608,437.45 | |
| 4 | | | ACCURIE INTAC FEES FOR PENSION AUDIT | | 17,875.00 | | (17,875.00) |
| | | | Accrued Expenses | | | 17,875.00 | |
| 5 | | | To adjust depreciation expense to actual | H-1.1 | | | 1,034.53 |
| | | | ACCUM DEPRECIATION - FURN & EQU DEPRECIATION | | 1,034.53 | | |
| Totals for Adjusting Journal Entries | | | | | <u>676,020.52</u> | <u>676,020.52</u> | <u>12,614.37</u> |
| Report Totals | | | | | <u>676,020.52</u> | <u>676,020.52</u> | <u>12,614.37</u> |

Journal Entry count = 5



Annual Financial Statement Audit Report

| | |
|--|--|
| School Name: | Brighter Choice Elemenary Charter Schools |
| Date (Report is due Nov. 1): | November 1, 2020 |
| Primary District of Location (If NYC select NYC DOE): | Albany City School District |
| If located in NYC DOE select CSD: | - |
| School Fiscal Contact Name: | Paul J. Augello, Jr., CPA |
| School Fiscal Contact Email: | [REDACTED] |
| School Fiscal Contact Phone: | [REDACTED] |
| School Audit Firm Name: | Cusack & Company, CPA's LLC |
| School Audit Contact Name: | Ken Claflin |
| 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 should be included if applicable. Please explain the reason(s) if the items are not included. Examples might include: a written management letter was not issued; the school did not expend federal funds in excess of the Single Audit Threshold of \$750,000; the management letter response will be submitted by the following date (should be no later than 30 days from the submission of the report); etc.

| Item | If not included, state the reason(s) below (if not applicable fill in N/A): |
|------------------------------|---|
| Management Letter | N/A |
| Management Letter Response | N/A |
| Federal Single Audit (A-133) | N/A |
| Corrective Action Plan | N/A |



Annual Financial Statement Audit Report

| | |
|--|---|
| School Name: | Brighter Choice Elementary Charter Schools |
| Date (Report is due Nov. 1): | November 1, 2020 |
| Primary District of Location (If NYC select NYC DOE): | Albany City School District |
| If located in NYC DOE select CSD: | - |
| School Fiscal Contact Name: | Paul J. Augello, Jr., CPA |
| School Fiscal Contact Email: | [REDACTED] |
| School Fiscal Contact Phone: | [REDACTED] |
| School Audit Firm Name: | Cusack & Company, CPA's LLC |
| School Audit Contact Name: | Ken Claflin |
| 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 should be included if applicable. Please explain the reason(s) if the items are not included. Examples might include: a written management letter was not issued; the school did not expend federal funds in excess of the Single Audit Threshold of \$750,000; the management letter response will be submitted by the following date (should be no later than 30 days from the submission of the report); etc.

| Item | If not included, state the reason(s) below (if not applicable fill in N/A): |
|------------------------------|---|
| Management Letter | N/A |
| Management Letter Response | N/A |
| Federal Single Audit (A-133) | N/A |
| Corrective Action Plan | N/A |

Brighter Choice Elementary Charter Schools
Statement of Financial Position
as of June 30

| | <u>2020</u> | <u>2019</u> |
|---|--------------------------|--------------------------|
| <u>CURRENT ASSETS</u> | | |
| Cash and cash equivalents | \$ 5,019,493 | \$ 3,377,605 |
| Grants and contracts receivable | 826,352 | 653,000 |
| Accounts receivables | - | - |
| Prepaid Expenses | - | - |
| Contributions and other receivables | - | - |
| Other current assets | - | - |
| TOTAL CURRENT ASSETS | 5,845,845 | 4,030,605 |
| <u>NON-CURRENT ASSETS</u> | | |
| Property, Building and Equipment, net | \$ 10,508,906 | \$ 10,860,648 |
| Restricted Cash | 3,144,965 | 2,937,925 |
| Security Deposits | - | - |
| Other Non-Current Assets | - | - |
| TOTAL NON-CURRENT ASSETS | 13,653,871 | 13,798,573 |
| TOTAL ASSETS | <u>19,499,716</u> | <u>17,829,178</u> |
| | | |
| <u>CURRENT LIABILITIES</u> | | |
| Accounts payable and accrued expenses | \$ 578,188 | \$ 745,264 |
| Accrued payroll, payroll taxes and benefits | 712,823 | 614,333 |
| Current Portion of Loan Payable | 545,000 | 520,000 |
| Due to Related Parties | - | - |
| Refundable Advances | - | - |
| Deferred Revenue | 35,219 | 46,959 |
| Other Current Liabilities | - | - |
| TOTAL CURRENT LIABILITIES | 1,871,230 | 1,926,556 |
| <u>LONG-TERM LIABILITIES</u> | | |
| Loan Payable; Due in More than One Year | \$ 13,317,518 | \$ 13,852,317 |
| Deferred Rent | - | - |
| Due to Related Party | - | - |
| Other Long-Term Liabilities | 881,300 | - |
| TOTAL LONG-TERM LIABILITIES | 14,198,818 | 13,852,317 |
| TOTAL LIABILITIES | <u>16,070,048</u> | <u>15,778,873</u> |
| <u>NET ASSETS</u> | | |
| Unrestricted | \$ 3,429,668 | \$ 2,050,305 |
| Temporarily restricted | - | - |
| Permanently restricted | - | - |
| TOTAL NET ASSETS | <u>3,429,668</u> | <u>2,050,305</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>19,499,716</u> | <u>17,829,178</u> |

Brighter Choice Elementary Charter Schools
Statement of Activities
as of June 30

| | 2020 | | | 2019 |
|---|---------------------|---------------------------|---------------------|---------------------|
| | Unrestricted | Temporarily Restricted | Total | Total |
| OPERATING REVENUE | | | | |
| State and Local Per Pupil Revenue - Reg. Ed | \$ 9,410,269 | \$ - | \$ 9,410,269 | \$ 9,417,410 |
| State and Local Per Pupil Revenue - SPED | 203,706 | - | 203,706 | - |
| State and Local Per Pupil Facilities Revenue | - | - | - | - |
| Federal Grants | 319,363 | - | 319,363 | 341,777 |
| State and City Grants | - | - | - | 175,536 |
| Other Operating Income | 99,370 | - | 99,370 | 104,965 |
| Food Service/Child Nutrition Program | 422,872 | - | 422,872 | 620,333 |
| TOTAL OPERATING REVENUE | 10,455,580 | - | 10,455,580 | 10,660,021 |
| EXPENSES | | | | |
| Program Services | | | | |
| Regular Education | \$ 5,672,027 | \$ - | \$ 5,672,027 | \$ 5,796,962 |
| Special Education | 436,961 | - | 436,961 | 399,790 |
| Other Programs | 1,276,991 | - | 1,276,991 | 1,699,192 |
| Total Program Services | 7,385,979 | - | 7,385,979 | 7,895,944 |
| Management and general | 1,770,989 | - | 1,770,989 | 1,675,843 |
| Fundraising | - | - | - | - |
| TOTAL EXPENSES | 9,156,968 | - | 9,156,968 | 9,571,787 |
| SURPLUS / (DEFICIT) FROM OPERATIONS | 1,298,612 | - | 1,298,612 | 1,088,234 |
| SUPPORT AND OTHER REVENUE | | | | |
| Interest and Other Income | \$ 71,862 | \$ - | \$ 71,862 | \$ 44,072 |
| Contributions and Grants | - | - | - | - |
| Fundraising Support | 8,888 | - | 8,888 | 20,070 |
| Investments | - | - | - | - |
| Donated Services | - | - | - | - |
| Other Support and Revenue | - | - | - | - |
| TOTAL SUPPORT AND OTHER REVENUE | 80,750 | - | 80,750 | 64,142 |
| Net Assets Released from Restrictions / Loss on Disposal of Assets | \$ - | \$ - | \$ - | \$ - |
| CHANGE IN NET ASSETS | 1,379,362 | - | 1,379,362 | 1,152,376 |
| NET ASSETS - BEGINNING OF YEAR | \$ 2,050,306 | \$ - | \$ 2,050,306 | \$ 897,929 |
| PRIOR YEAR/PERIOD ADJUSTMENTS | - | - | - | - |
| NET ASSETS - END OF YEAR | \$ 3,429,668 | \$ - | \$ 3,429,668 | \$ 2,050,305 |

**Brighter Choice Elementary Charter Schools
Statement of Cash Flows**

as of June 30

| | 2020 | 2019 |
|---|---------------------|---------------------|
| CASH FLOWS - OPERATING ACTIVITIES | | |
| Increase (decrease) in net assets | \$ 1,388,130 | \$ 1,152,376 |
| Revenues from School Districts | - | - |
| Accounts Receivable | - | - |
| Due from School Districts | - | - |
| Depreciation | 486,593 | 469,073 |
| Grants Receivable | (182,121) | (293,439) |
| Due from NYS | - | - |
| Grant revenues | - | - |
| Prepaid Expenses | - | - |
| Accounts Payable | (167,075) | 328,071 |
| Accrued Expenses | - | - |
| Accrued Liabilities | 98,490 | 38,348 |
| Contributions and fund-raising activities | - | - |
| Miscellaneous sources | - | - |
| Deferred Revenue | (11,740) | 41,786 |
| Interest payments | - | - |
| Other | 24,912 | 24,912 |
| Other | (14,711) | (14,356) |
| NET CASH PROVIDED FROM OPERATING ACTIVITIES | \$ 1,622,478 | \$ 1,746,771 |
| CASH FLOWS - INVESTING ACTIVITIES | | |
| Purchase of equipment | (134,850) | (78,705) |
| Other | (246,928) | (16,077) |
| NET CASH PROVIDED FROM INVESTING ACTIVITIES | \$ (381,778) | \$ (94,782) |
| CASH FLOWS - FINANCING ACTIVITIES | | |
| Principal payments on long-term debt | (727,040) | (732,745) |
| Other | 1,128,228 | 16,616 |
| NET CASH PROVIDED FROM FINANCING ACTIVITIES | \$ 401,188 | \$ (716,129) |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | \$ 1,641,888 | \$ 935,860 |
| Cash at beginning of year | 3,377,605 | 2,641,745 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | \$ 5,019,493 | \$ 3,577,605 |

**Brighter Choice Elementary Charter Schools
Statement of Functional Expenses
as of June 30**

| | | 2020 | | | | | | | 2019 | |
|--|-------------------|---------------------|-------------------|---------------------|---------------------|------------------------|---------------------|---------------------|---------------------|---------------------|
| No. of Positions | Program Services | | | | Supporting Services | | | Total | | |
| | Regular Education | Special Education | Other Education | Total | Fundraising | Management and General | Total | | | |
| Personnel Services Costs | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| Administrative Staff Personnel | 10.00 | 196,583 | - | - | 196,583 | - | 933,505 | 933,505 | 1,130,088 | 1,159,607 |
| Instructional Personnel | 53.00 | 2,741,266 | 242,467 | - | 2,983,733 | - | - | - | 2,983,733 | 2,792,268 |
| Non-Instructional Personnel | 16.00 | - | - | 470,563 | 470,563 | - | - | - | 470,563 | 582,203 |
| Total Salaries and Staff | 79.00 | 2,937,849 | 242,467 | 470,563 | 3,650,879 | - | 933,505 | 933,505 | 4,584,384 | 4,534,078 |
| Fringe Benefits & Payroll Taxes | | 609,156 | 50,500 | 98,725 | 758,381 | - | 192,495 | 192,495 | 950,876 | 990,804 |
| Retirement | | 108,654 | 8,961 | 17,372 | 134,987 | - | 34,554 | 34,554 | 169,541 | 158,650 |
| Management Company Fees | | - | - | - | - | - | - | - | - | - |
| Legal Service | | - | - | - | - | - | 3,404 | 3,404 | 3,404 | 5,623 |
| Accounting / Audit Services | | 113,044 | 9,296 | 17,934 | 140,274 | - | 36,079 | 36,079 | 176,353 | 166,342 |
| Other Purchased / Professional / Consulting Services | | 109,121 | 8,783 | 16,334 | 134,238 | - | 35,728 | 35,728 | 169,966 | 179,966 |
| Building and Land Rent / Lease | | 475,638 | 39,385 | 76,847 | 591,870 | - | 150,524 | 150,524 | 742,394 | 762,307 |
| Repairs & Maintenance | | 246,032 | 20,293 | 39,339 | 305,664 | - | 78,240 | 78,240 | 383,904 | 408,674 |
| Insurance | | 53,859 | 4,455 | 8,674 | 66,988 | - | 17,071 | 17,071 | 84,059 | 76,769 |
| Utilities | | 101,114 | 8,337 | 16,154 | 125,605 | - | 32,168 | 32,168 | 157,773 | 155,120 |
| Supplies / Materials | | 47,901 | 3,725 | 6,501 | 58,127 | - | 16,300 | 16,300 | 74,427 | 51,093 |
| Equipment / Furnishings | | - | - | - | - | - | - | - | - | - |
| Staff Development | | 27,085 | 2,250 | 4,410 | 33,745 | - | 8,540 | 8,540 | 42,285 | 43,181 |
| Marketing / Recruitment | | - | - | - | - | - | 89,069 | 89,069 | 89,069 | 67,207 |
| Technology | | 56,291 | 4,880 | 10,217 | 71,388 | - | 16,780 | 16,780 | 88,168 | 99,103 |
| Food Service | | - | - | 427,567 | 427,567 | - | - | - | 427,567 | 632,064 |
| Student Services | | 382,979 | - | - | 382,979 | - | - | - | 382,979 | 622,525 |
| Office Expense | | 84,555 | 7,120 | 14,264 | 105,939 | - | 26,203 | 26,203 | 132,142 | 133,399 |
| Depreciation | | 311,649 | 25,919 | 50,936 | 388,504 | - | 98,088 | 98,088 | 486,592 | 469,073 |
| OTHER | | 7,100 | 590 | 1,154 | 8,844 | - | 2,241 | 2,241 | 11,085 | 15,809 |
| Total Expenses | | \$ 5,672,027 | \$ 436,961 | \$ 1,276,991 | \$ 7,385,979 | \$ - | \$ 1,770,989 | \$ 1,770,989 | \$ 9,156,968 | \$ 9,571,787 |



Brighter Choice

CHARTER ELEMENTARY SCHOOLS

for Boys & Girls

October 30, 2020

RE: Management Letter Response

Cusack and Co. CPAs:

Management has reviewed the audit notes and has issued the following response:

1. 5500 filing
 - Brighter Choice has contracted with a new TPA which is in the process of completing past due 5500 filings which were not completed by the prior firm. Filings will be timely moving forward.
2. 403b contributions
 - Brighter Choice is considering alternative provider options, which will allow for the creation of a group plan rather than the individual contracts that are currently in place. This will allow for more control over the plan and more timely contributions.

Respectfully,

Brighter Choice Charter Schools

New York State Education Department

Request for Proposals to Establish Charter Schools Authorized by the Board of Regents

2019-20 Budget & Cash Flow Template

General Instructions and Notes for New Application Budgets and Cash Flows Templates

| | |
|---|--|
| 1 | Complete ALL SIX columns in BLUE |
| 2 | Enter information into the GRAY cells |
| 3 | Cells containing RED triangles in the upper right corner in columns B through G contain guidance on that particular item |
| 4 | School district per-pupil tuition information is located on the State Aid website at https://stateaid.nysed.gov/charter/ . Rows may be inserted in the worksheet to accommodate additional districts if necessary. |
| 5 | The Assumptions column should be completed for all revenue and expense items unless the item is self-explanatory. Where applicable, please reference the page number or section in the application narrative that indicates the assumption being made. For instance, student enrollment would reference the applicable page number in Section I, C of the application narrative. |

Brighter Choice Charter School - Boys

PROJECTED BUDGET FOR 2020-2021

| PROJECTED BUDGET FOR 2020-2021 | | | | | | | Assumptions |
|--|-------------------|-------------------|----------------|------------------|----------------------|------------------|---|
| July 1, 2020 to June 30, 2021 | | | | | | | DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable |
| Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 155. This will populate the data in row 10. | | | | | | | |
| | REGULAR EDUCATION | SPECIAL EDUCATION | OTHER | FUNDRAISING | MANAGEMENT & GENERAL | TOTAL | |
| Total Revenue | 4,601,777 | 8,721 | 224,834 | 4,000 | - | 4,839,332 | |
| Total Expenses | 4,046,457 | 338,622 | 264,003 | 4,000 | 313,247 | 4,966,329 | |
| Net Income | 555,319 | (329,901) | (39,169) | - | (313,247) | (126,997) | |
| Actual Student Enrollment | 251 | - | - | - | - | - | |
| Total Paid Student Enrollment | 251 | - | - | - | - | 251 | |
| | PROGRAM SERVICES | | | SUPPORT SERVICES | | | |
| | REGULAR EDUCATION | SPECIAL EDUCATION | OTHER | FUNDRAISING | MANAGEMENT & GENERAL | TOTAL | |
| REVENUE | | | | | | | |
| REVENUES FROM STATE SOURCES | | | | | | | |
| Per Pupil Revenue | CY Per Pupil Rate | | | | | | |
| Albany | \$15,718.00 | | | | | | |
| School District 2 (Bethlehem) | \$13,424.00 | | | | | | |
| School District 3 (Cohoes) | \$13,274.00 | | | | | | |
| School District 4 (East Greenbush) | \$12,711.00 | | | | | | |
| School District 5 (Green Island) | \$13,293.00 | | | | | | |
| School District 6 (Guilfordland) | \$12,686.00 | | | | | | |
| School District 7 (Lansingburgh) | \$10,696.00 | | | | | | |
| School District 8 (Niskayuna) | \$12,416.00 | | | | | | |
| School District 9 (Notth Colonie) | \$11,790.00 | | | | | | |
| School District 10 (Ravena) | \$14,255.00 | | | | | | |
| School District 11 (Schenectady) | \$12,675.00 | | | | | | |
| School District 12 (Shenedehowa) | \$12,185.00 | | | | | | |
| School District 13 (South Colonie) | \$13,158.00 | | | | | | |
| School District 14 (Troy) | \$16,407.00 | | | | | | |
| School District 15 (Watervliet) | \$10,078.00 | | | | | | |
| School District 16 (Wynantskill) | \$13,144.00 | | | | | | |
| | 3,754,210 | - | - | - | - | 3,754,210 | |
| Special Education Revenue | 50,000 | - | - | - | - | 50,000 | SpEd |
| Grants | | | | | | | |
| Stimulus | - | - | - | - | - | - | |
| Other | - | - | - | - | - | - | |
| Other State Revenue | 5,312 | - | - | - | - | 5,312 | State Child Nutrition |
| TOTAL REVENUE FROM STATE SOURCES | 3,809,522 | - | - | - | - | 3,809,522 | |
| REVENUE FROM FEDERAL FUNDING | | | | | | | |
| IDEA Special Needs | - | 8,721 | - | - | - | 8,721 | |
| Title I | 237,479 | - | - | - | - | 237,479 | Title I \$122,830, Title I Cares Act \$114,649 |
| Title Funding - Other | 24,048 | - | - | - | - | 24,048 | Title IIA \$14,048, Title IV \$10,000 |
| School Food Service (Free Lunch) | - | - | 224,834 | - | - | 224,834 | Federal Child Nutrition |
| Grants | | | | | | | |
| Charter School Program (CSP) Planning & Implementation | - | - | - | - | - | - | |
| Other | 452,000 | - | - | - | - | 452,000 | PPP Forgiveness/Grant |
| Other Federal Revenue | 24,728 | - | - | - | - | 24,728 | CACFP |
| TOTAL REVENUE FROM FEDERAL SOURCES | 738,255 | 8,721 | 224,834 | - | - | 971,810 | |
| LOCAL and OTHER REVENUE | | | | | | | |
| Contributions and Donations, Fundraising | - | - | - | 4,000 | - | 4,000 | Fundraising |
| Erate Reimbursement | 36,000 | - | - | - | - | 36,000 | |
| Interest Income, Earnings on Investments, | 10,000 | - | - | - | - | 10,000 | |
| NYC-DYCD (Department of Youth and Community Developmt.) | - | - | - | - | - | - | |
| Food Service (Income from meals) | - | - | - | - | - | - | |
| Text Book | - | - | - | - | - | - | |
| Other Local Revenue | 8,000 | - | - | - | - | 8,000 | After School Program |
| TOTAL REVENUE FROM LOCAL and OTHER SOURCES | 54,000 | - | - | 4,000 | - | 58,000 | |
| TOTAL REVENUE | 4,601,777 | 8,721 | 224,834 | 4,000 | - | 4,839,332 | |
| EXPENSES | | | | | | | |
| ADMINISTRATIVE STAFF PERSONNEL COSTS | | | | | | | |
| | No. of Positions | | | | | | List exact titles and staff FTE's (Full time equivalent) |
| Executive Management | - | - | - | - | - | - | |
| Instructional Management | 2.00 | 208,578 | - | - | - | 208,578 | (1) Principal, (1) Asst Principal |
| Deans, Directors & Coordinators | 5.00 | 303,799 | - | - | - | 303,799 | (1) Beh Interv Spec., (1) Dean, (1) School Culture, (1) Parent Coord, (1) Coach |
| CFO / Director of Finance | 0.50 | - | - | - | 41,200 | 41,200 | (.5) Finance Manager |
| Operation / Business Manager | 0.50 | - | - | - | 37,125 | 37,125 | (.5) Ops Manager |
| Administrative Staff | 1.00 | - | - | - | 45,912 | 45,912 | (1) Office Manager |
| TOTAL ADMINISTRATIVE STAFF | 9 | 512,377 | - | - | 124,237 | 636,614 | |
| INSTRUCTIONAL PERSONNEL COSTS | | | | | | | |

Brighter Choice Charter School - Boys

PROJECTED BUDGET FOR 2020-2021

July 1, 2020 to June 30, 2021

Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 155. This will populate the data in row 10.

Assumptions

DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable

| REGULAR EDUCATION | | | | | | | SPECIAL EDUCATION | | OTHER | FUNDRAISING | MANAGEMENT & GENERAL | TOTAL | |
|---|-------------------|-------------------|----------------|-------------|----------------------|------------------|-------------------|--|-------|-------------|----------------------|-------|--|
| Total Revenue | 4,601,777 | 8,721 | 224,834 | 4,000 | - | 4,839,332 | | | | | | | |
| Total Expenses | 4,046,457 | 338,622 | 264,003 | 4,000 | 313,247 | 4,966,329 | | | | | | | |
| Net Income | 555,319 | (329,901) | (39,169) | - | (313,247) | (126,997) | | | | | | | |
| Actual Student Enrollment | 251 | - | - | - | - | - | | | | | | | |
| Total Paid Student Enrollment | 251 | - | - | - | - | 251 | | | | | | | |
| PROGRAM SERVICES | | | | | | | | | | | | | |
| SUPPORT SERVICES | | | | | | | | | | | | | |
| | REGULAR EDUCATION | SPECIAL EDUCATION | OTHER | FUNDRAISING | MANAGEMENT & GENERAL | TOTAL | | | | | | | |
| Teachers - Regular | 16.00 | 811,551 | - | - | - | 811,551 | (16) | Regular Teachers | | | | | |
| Teachers - SPED | 3.00 | - | 149,195 | - | - | 149,195 | (3) | SPED | | | | | |
| Substitute Teachers | - | - | - | - | - | - | | | | | | | |
| Teaching Assistants | 3.00 | 91,718 | - | - | - | 91,718 | (3) | Teaching Assistants | | | | | |
| Specialty Teachers | 8.00 | 355,031 | - | - | - | 355,031 | (1) | Theater, (1) PE, (2) Science/Social Studies, (3) RTI, (1) ESL | | | | | |
| Aides | - | - | - | - | - | - | | | | | | | |
| Therapists & Counselors | 2.00 | 113,359 | - | - | - | 113,359 | (2) | Social Workers | | | | | |
| Other | - | 60,000 | - | - | - | 60,000 | | After School, Summer School, PTO Buyback | | | | | |
| TOTAL INSTRUCTIONAL | 32 | 1,431,659 | 149,195 | - | - | 1,580,854 | | | | | | | |
| NON-INSTRUCTIONAL PERSONNEL COSTS | | | | | | | | | | | | | |
| Nurse | 0.50 | 26,636 | - | - | - | 26,636 | (5) | Nurse | | | | | |
| Librarian | - | - | - | - | - | - | | | | | | | |
| Custodian | - | - | - | - | - | - | | | | | | | |
| Security | - | - | - | - | - | - | | | | | | | |
| Other | - | - | - | - | - | - | | | | | | | |
| TOTAL NON-INSTRUCTIONAL | 1 | 26,636 | - | - | - | 26,636 | | | | | | | |
| SUBTOTAL PERSONNEL SERVICE COSTS | 42 | 1,970,672 | 149,195 | - | 124,237 | 2,244,104 | | | | | | | |
| PAYROLL TAXES AND BENEFITS | | | | | | | | | | | | | |
| Payroll Taxes | - | 173,837 | 13,161 | - | 10,959 | 197,957 | | | | | | | |
| Fringe / Employee Benefits | - | 268,347 | 20,316 | - | 16,917 | 305,580 | | | | | | | |
| Retirement / Pension | - | 75,521 | 5,718 | - | 4,761 | 86,000 | | | | | | | |
| TOTAL PAYROLL TAXES AND BENEFITS | - | 517,705 | 39,194 | - | 32,638 | 589,537 | | | | | | | |
| TOTAL PERSONNEL SERVICE COSTS | - | 2,488,377 | 188,389 | - | 156,875 | 2,833,641 | | | | | | | |
| CONTRACTED SERVICES | | | | | | | | | | | | | |
| Accounting / Audit | - | - | - | - | 72,500 | 72,500 | | Accounting \$47,500 & Audit \$25,000 | | | | | |
| Legal | - | - | - | - | 10,000 | 10,000 | | Legal | | | | | |
| Management Company Fee | - | - | - | - | - | - | | | | | | | |
| Nurse Services | - | - | - | - | - | - | | | | | | | |
| Food Service / School Lunch | - | - | 264,003 | - | - | 264,003 | | School Food Authority \$10,000, Child Nutrition Program \$254,003 | | | | | |
| Payroll Services | 10,440 | 840 | - | - | 720 | 12,000 | | Payroll Services | | | | | |
| Special Ed Services | - | 36,000 | - | - | - | 36,000 | | Special Ed Services | | | | | |
| Titlement Services (i.e. Title I) | 13,020 | 980 | - | - | - | 14,000 | | Titlement Services | | | | | |
| Other Purchased / Professional / Consulting | 50,895 | 4,095 | - | - | 3,510 | 58,500 | | Technology Consultant \$19k, E-Rate \$6,500, Data Mgmt \$23k, Other Consultants \$10k | | | | | |
| TOTAL CONTRACTED SERVICES | 74,355 | 41,915 | 264,003 | - | 86,730 | 467,003 | | | | | | | |
| SCHOOL OPERATIONS | | | | | | | | | | | | | |
| Board Expenses | - | - | - | - | - | - | | | | | | | |
| Classroom / Teaching Supplies & Materials | 14,136 | 1,064 | - | - | - | 15,200 | | Classroom Teaching Supplies | | | | | |
| Special Ed Supplies & Materials | - | - | - | - | - | - | | | | | | | |
| Textbooks / Workbooks | 9,300 | 700 | - | - | - | 10,000 | | Textbooks & Workbooks | | | | | |
| Supplies & Materials other | - | - | - | - | - | - | | | | | | | |
| Equipment / Furniture | 4,350 | 350 | - | - | 300 | 5,000 | | Equipment/Furniture | | | | | |
| Telephone | 30,102 | 2,422 | - | - | 2,076 | 34,600 | | Telephones/Internet \$28k, Cell Phones \$6,600k | | | | | |
| Technology | 26,970 | 2,170 | - | - | 1,860 | 31,000 | | Technology Hardware \$3k, Software \$28k | | | | | |
| Student Testing & Assessment | 13,020 | 980 | - | - | - | 14,000 | | Student Testing | | | | | |
| Field Trips | 4,650 | 350 | - | - | - | 5,000 | | Field Trips | | | | | |
| Transportation (student) | 210,180 | 15,820 | - | - | - | 226,000 | | Student Transportation | | | | | |
| Student Services - other | 57,195 | 4,305 | - | - | - | 61,500 | | Uniforms \$10k, Special Events \$34,500, Student Recognition \$10k, Backpack \$5k, Basketball \$2k | | | | | |
| Office Expense | 32,190 | 2,590 | - | - | 2,220 | 37,000 | | Printing & Copying \$20k, Postage/Shipping \$3k, Office Expenses \$14k | | | | | |
| Staff Development | 26,100 | 2,100 | - | - | 1,800 | 30,000 | | Staff Development \$20k, Staff Recognition \$10k | | | | | |
| Staff Recruitment | 4,350 | 350 | - | - | 300 | 5,000 | | Staff Recruitment \$4k, Background Checks \$1k | | | | | |
| Student Recruitment / Marketing | 51,150 | 3,850 | - | - | - | 55,000 | | Student Recruitment/Advertising \$50k, ELL Refugee Outreach \$5k | | | | | |
| School Meals / Lunch | - | - | - | - | - | - | | | | | | | |
| Travel (Staff) | 435 | 35 | - | - | 30 | 500 | | Travel Staff | | | | | |
| Fundraising | - | - | - | 4,000 | - | 4,000 | | Fundraising | | | | | |
| Other | 3,915 | 315 | - | - | 270 | 4,500 | | Other \$500, Bank Charges \$3,000, Dues & Memberships \$1k | | | | | |

Brighter Choice Charter School - Boys

PROJECTED BUDGET FOR 2020-2021

| PROJECTED BUDGET FOR 2020-2021 | | | | | | | Assumptions |
|--|-------------------|-------------------|-----------------|--------------|----------------------|------------------|--|
| July 1, 2020 to June 30, 2021 | | | | | | | DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable |
| Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 155. This will populate the data in row 10. | | | | | | | |
| | REGULAR EDUCATION | SPECIAL EDUCATION | OTHER | FUNDRAISING | MANAGEMENT & GENERAL | TOTAL | |
| Total Revenue | 4,601,777 | 8,721 | 224,834 | 4,000 | - | 4,839,332 | |
| Total Expenses | 4,046,457 | 338,622 | 264,003 | 4,000 | 313,247 | 4,966,329 | |
| Net Income | 555,319 | (329,901) | (39,169) | - | (313,247) | (126,997) | |
| Actual Student Enrollment | 251 | - | - | - | - | - | |
| Total Paid Student Enrollment | 251 | - | - | - | - | 251 | |
| PROGRAM SERVICES | | | | | | | SUPPORT SERVICES |
| | REGULAR EDUCATION | SPECIAL EDUCATION | OTHER | FUNDRAISING | MANAGEMENT & GENERAL | TOTAL | |
| TOTAL SCHOOL OPERATIONS | 488,043 | 37,401 | - | 4,000 | 8,856 | 538,300 | |
| FACILITY OPERATION & MAINTENANCE | | | | | | | |
| Insurance | 53,766 | 4,326 | - | - | 3,708 | 61,800 | GL, Business Owners, WC |
| Janitorial | 104,400 | 8,400 | - | - | 7,200 | 120,000 | Janitorial |
| Building and Land Rent / Lease | 302,449 | 24,335 | - | - | 20,859 | 347,643 | Bond Interest \$347,643 |
| Repairs & Maintenance | 120,060 | 9,660 | - | - | 8,280 | 138,000 | Repairs and Maintenance |
| Equipment / Furniture | 71,340 | 5,740 | - | - | 4,920 | 82,000 | Equipment/Furniture |
| Security | 870 | 70 | - | - | 60 | 1,000 | Security |
| Utilities | 4,524 | 364 | - | - | 312 | 5,200 | Gas & Electric |
| TOTAL FACILITY OPERATION & MAINTENANCE | 657,409 | 52,895 | - | - | 45,339 | 755,643 | |
| DEPRECIATION & AMORTIZATION | 223,987 | 18,022 | - | - | 15,447 | 257,456 | Depreciation \$245,000, Amortization \$12,456 |
| DISSOLUTION ESCROW & RESERVES / CONTINGENCY | 114,286 | - | - | - | - | 114,286 | Reserve & Contingency |
| TOTAL EXPENSES | 4,046,457 | 338,622 | 264,003 | 4,000 | 313,247 | 4,966,329 | |
| NET INCOME | 555,319 | (329,901) | (39,169) | - | (313,247) | (126,997) | |
| ENROLLMENT - *School Districts Are Linked To Above Entries* | | | | | | | |
| | REGULAR EDUCATION | SPECIAL EDUCATION | TOTAL ENROLLED | | | | |
| Albany | 178 | - | 178 | | | | |
| School District 2 (Bethlehem) | 1 | - | 1 | | | | |
| School District 3 (Cohoes) | 2 | - | 2 | | | | |
| School District 4 (East Greenbush) | 1 | - | 1 | | | | |
| School District 5 (Green Island) | 1 | - | 1 | | | | |
| School District 6 (Guilderland) | 2 | - | 2 | | | | |
| School District 7 (Lansingburgh) | 3 | - | 3 | | | | |
| School District 8 (Niskayuna) | 1 | - | 1 | | | | |
| School District 9 (North Colonie) | 4 | - | 4 | | | | |
| School District 10 (Ravena) | 1 | - | 1 | | | | |
| School District 11 (Schenectady) | 37 | - | 37 | | | | |
| School District 12 (Shenedehowa) | 1 | - | 1 | | | | |
| School District 13 (South Colonie) | 3 | - | 3 | | | | |
| School District 14 (Troy) | 12 | - | 12 | | | | |
| School District 15 (Watervliet) | 4 | - | 4 | | | | |
| School District 16 (Wynantskill) | 1 | - | 1 | | | | |
| TOTAL ENROLLMENT | 251 | - | 251 | | | | |
| REVENUE PER PUPIL | 18,334 | - | 896 | | | | |
| EXPENSES PER PUPIL | 16,121 | - | 1,052 | | | | |

Statement of Account

Last statement: August 31, 2020
 This statement: September 30, 2020
 Total days in statement period: 30

BRIGHTER CHOICE CHARTER SCHOOL FOR BOYS
 116 N LAKE AVE
 ALBANY NY 12206-2710

Direct inquiries to:
 800-773-5601 OR
 BERKSHIREBANK.COM

Berkshire Bank
 PO Box 1308
 Pittsfield, MA 01202-1308

0

Summary of Account Balance

| Account | Number | Ending Balance |
|--------------------|--------|----------------|
| Corporate Checking | | \$100,000.00 |

Corporate Checking

Account number

| Date | Description | Additions | Subtractions | Balance |
|-------|-------------------|-----------|--------------|--------------|
| 08-31 | Beginning balance | | | \$100,000.00 |
| 09-30 | Ending totals | .00 | .00 | \$100,000.00 |

** No activity this statement period **

