



Auditors' Communications

October 4, 2020

To The Board of Trustees
Science Academies of New York Charter Schools
1409 West Genesee St.
Syracuse, New York 13204

Dear Board Members:

This letter is intended only for the board and those responsible for management and governance. Although we did review some of your internal controls, we did not perform an examination of them that would allow us to give an opinion on the adequacy of your controls.

Those charged with management and governance are responsible for:

- safeguarding your assets,
- ensuring that your resources are used as directed by funders, donors, and as required by charities laws and your own articles of incorporation,
- assuring that you are complying with laws, regulations, contracts and grants associated with your funding,
- properly recording and reporting results of operations and account balances, and
- proper business practices, operating procedures, documentation and controls.

Our audit was designed to help you with those responsibilities, and is also designed and intended to help you to benchmark your administrative operations to best practices.

Our Responsibilities to You

As part of our audit we are required to inform you of significant deficiencies and material weaknesses in your controls that we become aware of.

Controls are procedures, policies, and responsibilities that you put in place to make sure that appropriate transactions take place and are reported properly on your financial statements. Examples of controls are timely billing for services you perform, ensuring proper payments are received and recorded, and measures to prevent overpayment of payroll or vendors.

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Control deficiencies result when proper procedures are not in place to assure that appropriate transactions are carried out, recorded and reported properly.

Significant deficiencies are control deficiencies or combinations of control deficiencies that are less severe than material weaknesses, yet important enough to merit attention by those charged with governance.

Material weaknesses are significant deficiencies or combinations of significant deficiencies such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

The Role of Internal Controls

Internal controls are managements' standards to safeguard your assets. They include the following components:

- Setting expectations of integrity and ethical conduct, with actions such as proper hiring and training,
- Assessing risks based on your operations and your staffing,
- Establishing control activities, such as separation of responsibilities, to reduce risks,
- Communications from senior management to all involved staff about internal controls, and
- Monitoring - ongoing evaluation of whether controls are appropriate and are working.

General Observations

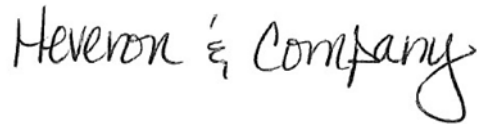
Our general observations are that:

- Recordkeeping appears to be done in a timely, complete and conscientious manner.
- Internal controls are good for an organization of your size and staffing.
- The attitude of management regarding the importance of proper systems and controls seems appropriate.
- We confirm that the significant accounting policies used by management, the significant estimates made by management (about areas such as useful life and collectibility), and the disclosures are appropriate for these financial statements.
- Your financial statements also include supplementary information. That information has been prepared consistently with the prior year and is appropriate and complete.
- Management may disagree with auditors about areas needed to be accessed for audits or about conclusions that are reached with respect to amounts or disclosures. Management may explain their position and may also reach out to other CPAs or experts. We did not have any such disagreements or difficulties with management.
- We did not become aware of fraud or illegal acts, and we did not note any significant financial statement adjustments or unusual transactions.
- Whenever we become aware of adjustments or corrections that are not clearly trivial, we will discuss them with management. No material accounting adjustments were required to make your financial statements materially correct.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this communication is solely to describe the scope of our testing of internal control over financial reporting and the results of that testing. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting. Accordingly, this communication is not suitable for any other purpose.

Sincerely,

A handwritten signature in black ink that reads "Heveron & Company". The script is cursive and fluid, with the ampersand being a simple loop.

Heveron & Company CPAs

**SCIENCE ACADEMIES OF
NEW YORK CHARTER SCHOOLS**

FINANCIAL STATEMENTS

June 30, 2020



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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Science Academies of New York Charter Schools
Syracuse, New York

We have audited the accompanying financial statements of Science Academies of New York Charter Schools (a New York nonprofit organization), which comprise the balance sheets as of June 30, 2020 and 2019, and the related statements of cash flows for the years then ended, the related statements of activities and functional expenses for the year ended June 30, 2020, 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 on 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 Audit 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. An audit also includes evaluating 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.

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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 referred to above present fairly, in all material respects, the financial position of Science Academies of New York Charter Schools as of June 30, 2020 and 2019 and its cash flows for the years then ended, and the changes in net assets and functional expenses for the year ended June 30, 2020 in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Science Academies of New York Charter Schools's statements of activities and functional expenses for the year ended June 30, 2019, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 8, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of activities by school and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated October 13, 2020 on our consideration of Science Academies of New York Charter Schools' internal control over financial reporting, and 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 the effectiveness of Science Academies of New York Charter Schools' 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 Science Academies of New York Charter Schools' internal control over financial reporting and compliance.

Heveron & Company

Heveron & Company
Certified Public Accountants

Rochester, New York
October 13, 2020

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
BALANCE SHEETS
June 30, 2020 and 2019

ASSETS

| | <u>2020</u> | <u>2019</u> |
|---|--------------------------------|--------------------------------|
| <u>Current Assets</u> | | |
| Cash and Cash Equivalents | \$12,963,757 | \$10,044,257 |
| Restricted Cash - Extra Classroom Funds | 88,930 | 94,101 |
| Accounts Receivable | 1,064,543 | 257,882 |
| Grants Receivable | 815,277 | 1,094,739 |
| Prepaid Expenses | <u>531,825</u> | <u>211,347</u> |
| Total Current Assets | <u>15,464,332</u> | <u>11,702,326</u> |
| <u>Property and Equipment</u> | | |
| Leasehold Improvements | 7,315,591 | 3,891,740 |
| Furniture, Fixtures and Equipment | 1,786,074 | 1,700,468 |
| Computer Software and Hardware | 1,826,797 | 1,395,539 |
| Vehicles | 606,125 | 412,747 |
| Less: Accumulated Depreciation and Amortization | <u>(4,117,727)</u> | <u>(3,311,246)</u> |
| Net Property and Equipment | <u>7,416,860</u> | <u>4,089,248</u> |
| <u>Other Assets</u> | | |
| Restricted Cash - Escrow Accounts | 229,643 | 204,439 |
| Security Deposits | <u>209,874</u> | <u>233,286</u> |
| Total Other Assets | <u>439,517</u> | <u>437,725</u> |
| TOTAL ASSETS | <u><u>\$23,320,709</u></u> | <u><u>\$16,229,299</u></u> |

LIABILITIES AND NET ASSETS

| | <u>2020</u> | <u>2019</u> |
|-----------------------------------|----------------------------|----------------------------|
| <u>Current Liabilities</u> | | |
| Accounts Payable | \$ 186,993 | \$ 475,892 |
| Accrued Payroll and Benefits | 1,564,036 | 1,701,672 |
| Extra Classroom Funds | 88,930 | 94,101 |
| Current Portion of Long Term Debt | <u>1,161,690</u> | <u>-</u> |
| Total Current Liabilities | <u>3,001,649</u> | <u>2,271,665</u> |
| Long Term Debt | <u>1,839,242</u> | <u>-</u> |
| Total Liabilities | <u>4,840,891</u> | <u>2,271,665</u> |
| <u>Net Assets</u> | | |
| Without Donor Restrictions | | |
| Undesignated | <u>18,479,818</u> | <u>13,957,634</u> |
| Total Net Assets | <u>18,479,818</u> | <u>13,957,634</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u><u>\$23,320,709</u></u> | <u><u>\$16,229,299</u></u> |

See Independent Auditors' Report and Notes to Financial Statements.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2020
(With Comparative Totals For The Year Ended June 30, 2019)

| | <u>2020</u> | <u>2019</u> |
|------------------------------------|-----------------------------|-----------------------------|
| <u>Revenues and Other Support:</u> | | |
| Public School District: | | |
| Resident Student Enrollment | \$ 24,739,687 | \$ 21,247,385 |
| Students with Disabilities | 589,706 | 574,491 |
| Special Charter School Aid | - | 476,070 |
| Food Service | 1,068,904 | 1,261,763 |
| Federal Grants | 1,499,349 | 1,643,943 |
| State Grants | 173,721 | 149,046 |
| Other Grants and Contributions | - | 20,860 |
| Other Income | <u>51,907</u> | <u>146,440</u> |
| Total Revenues and Other Support | <u>28,123,274</u> | <u>25,519,998</u> |
| <u>Expenses:</u> | | |
| <u>Program Services:</u> | | |
| Regular Education | 16,641,085 | 15,485,418 |
| Special Education | 1,888,467 | 1,551,980 |
| Other Programs | <u>1,258,234</u> | <u>1,518,718</u> |
| Total Program Services Expense | 19,787,786 | 18,556,116 |
| <u>Supporting Services:</u> | | |
| Management and General | <u>3,813,304</u> | <u>3,685,827</u> |
| Total Expenses | <u>23,601,090</u> | <u>22,241,943</u> |
| Change in Net Assets | 4,522,184 | 3,278,055 |
| Net Assets - Beginning of Year | <u>13,957,634</u> | <u>10,679,579</u> |
| Net Assets - End of Year | <u><u>\$ 18,479,818</u></u> | <u><u>\$ 13,957,634</u></u> |

See Independent Auditors' Report and Notes to Financial Statements.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
STATEMENT OF FUNCTIONAL EXPENSES

For The Year Ended June 30, 2020

(With Comparative Totals For The Year Ended June 30, 2019)

| | No. of Positions | Program Services | | | Management and General | Totals | |
|-----------------------------------|---------------------|----------------------|----------------------|-------------------|---------------------------|--------------|--------------|
| | | Regular Education | Special Education | Other Programs | | 2020 | 2019 |
| Personnel Service Costs | | | | | | | |
| Instructional Personnel | 206 | \$ 7,901,252 | \$ 1,114,735 | \$ 66,758 | \$ 206,297 | \$ 9,289,042 | \$ 8,317,495 |
| Non-Instructional Personnel | 35 | 406,102 | 19,279 | - | 790,442 | 1,215,823 | 974,116 |
| Administrative Personnel | 39 | 443,446 | 10,575 | - | 1,764,256 | 2,218,277 | 2,232,632 |
| Total Salaries and Wages | 280 | 8,750,800 | 1,144,589 | 66,758 | 2,760,995 | 12,723,142 | 11,524,243 |
| Retirement | | 800,228 | 80,397 | - | 85,140 | 965,765 | 1,034,876 |
| Fringe Benefits and Payroll Taxes | | 2,511,047 | 268,766 | 5,107 | 250,614 | 3,035,534 | 2,719,543 |
| Total Personnel Services | | 12,062,075 | 1,493,752 | 71,865 | 3,096,749 | 16,724,441 | 15,278,662 |
| Building Rent and Taxes | | 1,427,676 | 156,032 | - | 123,979 | 1,707,687 | 1,653,034 |
| Food | | - | - | 900,235 | - | 900,235 | 1,079,553 |
| Depreciation and Amortization | | 685,509 | 80,648 | - | 40,324 | 806,481 | 653,353 |
| Technology | | 558,263 | 22,422 | - | 112,380 | 693,065 | 496,352 |
| Supplies and Materials | | 455,967 | 38,117 | - | 12,923 | 507,007 | 510,849 |
| Repairs and Maintenance | | 388,892 | 42,828 | - | 41,619 | 473,339 | 425,000 |
| Other Professional Services | | 293,524 | 14,784 | - | 18,614 | 326,922 | 584,049 |
| Student Services | | - | - | 286,134 | - | 286,134 | 380,845 |
| Utilities | | 213,972 | 24,391 | - | 17,684 | 256,047 | 301,566 |
| Professional Development | | 86,297 | 460 | - | 139,453 | 226,210 | 171,520 |
| Other Expenses | | 121,396 | 2,161 | - | 85,664 | 209,221 | 197,695 |
| Insurance | | 153,196 | - | - | 14,738 | 167,934 | 160,620 |

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended June 30, 2020
(With Comparative Totals For The Year Ended June 30, 2019)
(Continued)

| | <u>Program Services</u> | | | <u>Management and General</u> | <u>Totals</u> | |
|------------------------------|------------------------------|------------------------------|---------------------------|-----------------------------------|---------------------|---------------------|
| | <u>Regular Education</u> | <u>Special Education</u> | <u>Other Programs</u> | | <u>2020</u> | <u>2019</u> |
| Equipment and Furnishings | 103,717 | 12,089 | - | 29,951 | 145,757 | 146,580 |
| Marketing and Recruitment | 83,838 | 128 | - | 3,662 | 87,628 | 80,297 |
| Legal Services | - | - | - | 35,413 | 35,413 | 75,800 |
| Accounting and Auditing Fees | - | - | - | 28,630 | 28,630 | 29,667 |
| Office Expense | <u>6,763</u> | <u>655</u> | <u>-</u> | <u>11,521</u> | <u>18,939</u> | <u>16,501</u> |
| Total Expenses | <u>\$16,641,085</u> | <u>\$ 1,888,467</u> | <u>\$ 1,258,234</u> | <u>\$ 3,813,304</u> | <u>\$23,601,090</u> | <u>\$22,241,943</u> |

See Independent Auditors' Report and Notes to Financial Statements.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
STATEMENTS OF CASH FLOWS
For The Years Ended June 30, 2020 and 2019

| | <u>2020</u> | <u>2019</u> |
|--|-----------------------------|-----------------------------|
| <u>Cash Flow From Operating Activities</u> | | |
| Revenue from School Districts | \$ 24,589,866 | \$ 21,901,256 |
| Grant Revenues | 1,624,037 | 1,743,153 |
| Food Service Fees | 1,090,480 | 1,157,344 |
| Other Sources | 51,907 | 167,300 |
| Payments to Vendors for Goods and Services Rendered | (6,507,597) | (5,941,792) |
| Payments to Charter School Personnel for Services Rendered | <u>(16,862,078)</u> | <u>(15,033,828)</u> |
| Net Cash Flow Provided By Operating Activities | <u>3,986,615</u> | <u>3,993,433</u> |
| <u>Cash Flow From Investing Activities</u> | | |
| Purchase of Property and Equipment | (4,042,843) | (1,295,105) |
| Change in Extra Classroom Funds | <u>(5,171)</u> | <u>12,909</u> |
| Cash Flow Used By Investing Activities | <u>(4,048,014)</u> | <u>(1,282,196)</u> |
| <u>Cash Flow From Financing Activities</u> | | |
| Proceeds from Long Term Debt | <u>3,000,932</u> | <u>-</u> |
| Cash Flow Provided By Financing Activities | <u>3,000,932</u> | <u>-</u> |
| Net Increase in Cash and Cash Equivalents, and Restricted Cash | 2,939,533 | 2,711,237 |
| Cash and Cash Equivalents, and Restricted Cash - Beginning of Year | <u>10,342,797</u> | <u>7,631,560</u> |
| Cash and Cash Equivalents, and Restricted Cash - End of Year | <u><u>\$ 13,282,330</u></u> | <u><u>\$ 10,342,797</u></u> |

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
STATEMENTS OF CASH FLOWS
For The Years Ended June 30, 2020 and 2019
(Continued)

| | <u>2020</u> | <u>2019</u> |
|---|---------------------|---------------------|
| <u>Reconciliation of Change in Net Assets to Net Cash</u> | | |
| <u>Provided by Operating Activities</u> | | |
| Change in Net Assets | \$ 4,522,184 | \$ 3,278,055 |
| Adjustments to Reconcile Change in Net Assets | | |
| to Net Cash Provided by Operating Activities: | | |
| Depreciation and Amortization | 806,481 | 653,353 |
| (Increase)/Decrease In: | | |
| Accounts Receivable | (806,661) | 142,525 |
| Grants Receivable | 279,462 | (315,911) |
| Inventory | - | 28,377 |
| Prepaid Expenses | (320,478) | (39,451) |
| Security Deposits | 23,412 | (25,000) |
| Increase/(Decrease) In: | | |
| Accounts Payable | (380,149) | 87,600 |
| Accrued Payroll and Benefits | (137,636) | 244,834 |
| Deferred Revenue | <u>-</u> | <u>(60,949)</u> |
| Net Cash Flow Provided By Operating Activities | <u>\$ 3,986,615</u> | <u>\$ 3,993,433</u> |

See Independent Auditors' Report and Notes to Financial Statements.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Science Academies of New York Charter Schools (the School) is a not-for-profit education corporation that operates three public charter schools. Syracuse Academy of Science Charter School maintains grades K-12 in Syracuse, NY. Utica Academy of Science Charter School maintains grades K-2 and 6-12 in Utica, NY, with plans to expand and include grades 3-5 by 2023. Syracuse Academy of Science and Citizenship Charter School maintains grades K-4 and plans to expand to grade 12 by 2027. All three charters place a special emphasis on math, science, and technology. The School seeks to empower students through high intellectual standards and prepare them for college, career, and citizenship. The School obtains its revenue mainly from charter school basic tuition from the Syracuse City School District, Utica City School District and a few other surrounding school districts, in addition to food service, and state and federal grants.

The main programs of the School are as follows:

REGULAR EDUCATION: The School's curriculum is focused on mathematics, science, and technology. The School seeks to graduate students who can think critically and creatively who are committed to a lifetime of learning and civic involvement, and who are conscious of local, global, and environmental issues. All courses align with the New York State Learning Standards.

SPECIAL EDUCATION: The School is open to all children and does not discriminate on the basis of ethnicity, national origin, gender, disability, or any other grounds that would be unlawful or deny the civil rights of any individual. In accordance with the Individuals with Disabilities Education Act, the Rehabilitation Act, Section 504, and the Americans with Disabilities Act, the School provides a free and appropriate education, in the least restrictive environment to students with disabilities. The primary service delivery for students with special needs is inclusion. Services for students requiring supplemental services are provided by the Syracuse and Utica City School Districts.

OTHER PROGRAMS: Other programs include food services, athletics, and extra-curricular activities.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
NOTES TO FINANCIAL STATEMENTS

June 30, 2020

(Continued)

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (Continued)**

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Net Assets

In accordance with accounting principles generally accepted in the United States of America, the School reports information regarding its financial position and activities according to the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, based on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

There were no net assets with donor restrictions at June 30, 2020 and 2019.

Accounts and Grants Receivable

Receivables are stated at the amount management expects to collect. Amounts that management believes to be uncollectible after collection efforts have been completed are written off. In addition, management evaluates the need for, and if appropriate, provides an allowance to reduce receivables to amounts management expects will be collected. Management determined that no allowances were necessary at June 30, 2020 and 2019.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
NOTES TO FINANCIAL STATEMENTS

June 30, 2020

(Continued)

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (Continued)**

Revenue and Revenue Recognition

A portion of the School's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the School has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the balance sheet.

The School recognizes revenue derived from tuition and food service. Tuition income is recognized during the school year based on enrollment. Food service revenue is recognized when earned at the time of service.

The School has analyzed the provisions of ASU 2014-09, *Revenue from Contracts with Customers*, and has determined that no significant changes in the way the school recognizes revenue are necessary, however, the presentation and disclosures of revenue has been enhanced.

Contributions

The School recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Contributions that are expected to be received in future years are recorded at their present value. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

Income Taxes

The Internal Revenue Service has determined that the School is qualified as a charity exempt under Section 501(c)(3) of the Internal Revenue Code. As a result, no provision for federal or state income taxes has been made.

Advertising

Advertising costs are expensed as incurred.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2020
(Continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are stated at cost. The School capitalizes property and equipment with an estimated life of 3 years and amounts over the following thresholds:

| | <u>Cost</u> |
|-----------------------------------|-------------|
| Leasehold Improvements | \$5,000 |
| Furniture, Fixtures and Equipment | \$2,000 |
| Computer Software and Hardware | \$2,000 |

Furniture, fixtures, and equipment purchased as a bundle greater than \$25,000 will also be capitalized, and all land and vehicle acquisitions are capitalized. Depreciation and amortization is computed using the straight-line method based on the estimated useful lives of the assets as follows:

| | <u>Years</u> |
|-----------------------------------|--------------|
| Leasehold Improvements | 5-40 |
| Furniture, Fixtures and Equipment | 5-10 |
| Computer Software and Hardware | 3-10 |
| Vehicles | 5-10 |

Depreciation and amortization expense amounted to \$806,481 and \$653,353 for the years ended June 30, 2020 and 2019, respectively.

Use of Estimates in the Preparation of Financial Statements

Accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the amounts of assets and liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results could vary from those estimates.

Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the School's financial statements for the year ended June 30, 2019 from which the summarized information was derived.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
NOTES TO FINANCIAL STATEMENTS

June 30, 2020

(Continued)

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (Continued)**

Functional Expenses

The costs of providing the various program services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among program, and management and general services. An immaterial amount of fundraising costs for the year ended June 30, 2020 and 2019 are included in management and general expenses.

The financial statements report certain categories of expenses that are attributed to both program, and management and general functions. Therefore, allocation on a reasonable basis that is consistently applied is required. The expenses that are allocated include occupancy, repairs and maintenance, insurance and depreciation, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, other purchased services, student services, supplies, office expenses, and other expenses, which are allocated on the basis of estimates of time and effort for each category.

Recent Accounting Pronouncements

During 2018, the School adopted Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. This guidance is intended to improve the net asset classifications and the information presented in the financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. Main provisions of this guidance include, when applicable, the presentation of two classes of net assets versus the previously required three. The guidance also enhances disclosures for board designated amounts, composition of net assets with donor restrictions, liquidity, and expenses by both their natural and functional classification.

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers*. This guidance implements a single framework for recognition of all revenue earned with customers. This framework ensures that entities appropriately reflect the consideration to which they expect to be entitled in exchange for goods and services by allocating transaction price to identified performance obligations and recognizing revenue as performance obligations are satisfied. Qualitative and quantitative disclosures are required to enable users of financial statements to understand the nature, timing, and uncertainty of revenues and cash flows arising from contracts with customers. The guidance is effective for the School's year ended June 30, 2020.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
NOTES TO FINANCIAL STATEMENTS

June 30, 2020
(Continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements (Continued)

During the year ended June 30, 2020, the School adopted ASU No. 2014-09 along with the practical expedient, which allows modifications to contracts to be applied at the time of adoption. The School receives revenue from several sources and recognizes revenue based on when performance obligations are met.

In June 2018, the FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958), *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU clarifies and improves guidance for contributions received and contributions made and provides guidance to organizations on how to account for certain exchange transactions. This change is preferable in that it clarifies whether to account for transactions as contributions or as exchange transactions. In addition, it clarifies whether a contribution is conditional or unconditional. As a result, it enhances comparability of financial information among not-for-profit entities.

The change in accounting principle was adopted on a modified prospective basis. As a result, there was no cumulative-effect adjustment to opening net assets without donor restrictions or opening net assets with donor restrictions as of June 30, 2019.

NOTE 2 - LIQUIDITY AND AVAILABILITY

The School regularly monitors the availability of resources required to meet its operating needs and other contractual commitments. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the School considers all expenditures related to its ongoing activities, as well as the conduct of services undertaken to support those activities to be general expenditures.

At June 30, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures:

| | <u>2020</u> | <u>2019</u> |
|---------------------------|----------------------|----------------------|
| Cash and cash equivalents | \$ 12,963,757 | \$ 10,044,257 |
| Accounts receivable | 1,064,543 | 257,882 |
| Grants receivable | <u>815,277</u> | <u>1,094,739</u> |
| | <u>\$ 14,843,577</u> | <u>\$ 11,396,878</u> |

The School also receives basic charter school tuition and grants throughout the year to provide additional funds for general expenditures.

**SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
NOTES TO FINANCIAL STATEMENTS**

June 30, 2020

(Continued)

NOTE 3 - CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH

Cash and cash equivalents include all cash on hand and in banks, which at times, may exceed federally insured limits. The School considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Certain of these accounts are not federally insured, however, the School does have a collateral agreement with their bank that provides a possible avenue of recovery in the unlikely event of a bank failure. The School has not experienced any losses in these accounts and does not believe it is exposed to any significant credit risk with respect to cash and cash equivalents.

The School maintains cash in an escrow account in accordance with the terms of their charter agreement. The escrow is restricted to fund legal and other costs related to the dissolution of the School.

The School also maintains funds on behalf of the students. The amounts collected are reported as a liability on the balance sheet.

Cash and cash equivalents, and restricted cash consisted of the following at June 30:

| | <u>2020</u> | <u>2019</u> |
|---|----------------------------|----------------------------|
| Checking | \$ 10,772,506 | \$ 7,862,038 |
| Savings | <u>2,191,251</u> | <u>2,182,219</u> |
| Total Cash and Cash Equivalents | 12,963,757 | 10,044,257 |
| Restricted Cash - Escrow Accounts | 229,643 | 204,439 |
| Restricted Cash - Extra Classroom Funds | <u>88,930</u> | <u>94,101</u> |
| Total Cash and Cash Equivalents, and Restricted Cash | <u><u>\$13,282,330</u></u> | <u><u>\$10,342,797</u></u> |

NOTE 4 - RELATED PARTY TRANSACTIONS

The School leases schools and office space from Terra Science and Education, Inc. ("Terra"). Terra and the School share one common board member. This board member abstains from voting matters affecting both the School and Terra and is not paid a salary from Terra nor the School. Total rent expense paid to Terra for the years ended June 30, 2020 and 2019 was \$1,561,215 and \$1,514,016, respectively. Terra also holds \$209,874 of security deposits due to the School at the termination of the building leases.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
NOTES TO FINANCIAL STATEMENTS

June 30, 2020

(Continued)

NOTE 4 - RELATED PARTY TRANSACTIONS (Continued)

During the years ended June 30, 2018 and June 30, 2020, the School entered into two separate memorandums of understanding with Terra to provide funding for leasehold improvements totaling \$250,000 and \$400,000, respectively. These amounts were considered prepaid rent for 36 months and 60 months, respectively, and the School is recognizing monthly rent expense over these time periods. For the years ended June 30, 2020 and 2019, the balance of prepaid rent left to recognize was \$483,333 and \$166,667.

NOTE 5 - PENSION EXPENSE

The School participates in the New York State Teachers' Retirement System (System), a cost-sharing, multiple-employer, defined benefit pension plan administered by the New York State Teachers' Retirement Board. The System provides retirement, disability, withdrawal, and death benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York.

Plan members who joined the System before July 27, 1976 are not required to make contributions. Those joining after that date and before January 1, 2010, who have less than ten years of service or membership are required to contribute 3% of their annual salary. Those joining on or after January 1, 2010 and before April 1, 2012 are required to contribute 3.5% of their annual salary for their entire working career. Those joining on or after April 1, 2012 are required to contribute between 3% and 6%, dependent upon their salary, for their entire working career.

Employers are required to contribute at an actuarially determined rate. The rate applicable to the fiscal years ended June 30, 2020 and 2019 was 8.86% and 10.62%, respectively. The total retirement contribution expense for the System was \$957,365 and \$1,027,891 for the years ended June 30, 2020 and 2019, respectively.

The School also has a 403(b) annuity retirement plan for its employees. Employees that are not eligible for the New York State Teachers' Retirement System, and who work more than 20 hours per week, are made eligible immediately upon employment and may contribute a portion of their taxable salary not to exceed the statutory limits each year. Eligible employees may also receive discretionary amounts the School contributes. The School matches contributions up to \$100 per month and \$1,000 per year. The total 403(b) contribution expense was \$8,400 and \$6,985 for the years ended June 30, 2020 and 2019, respectively.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
NOTES TO FINANCIAL STATEMENTS

June 30, 2020

(Continued)

NOTE 6 - COMMITMENTS

The School is obligated under operating leases for six buildings. The leases can be terminated with a ten month notice. For each lease, the School is responsible for payment of utilities, maintenance, and real property taxes.

The first lease term ends June 30, 2026. Rent is payable in monthly installments of \$36,736 with an escalation clause equal to the greater of 4% or the Consumer Price Index percentage figure relating to the Northeast region of the United States.

The second lease term ends June 30, 2026. Rent is payable in monthly installments of \$31,313 with an escalation clause equal to the greater of 4% or the Consumer Price Index percentage figure relating to the Northeast region of the United States.

The third lease term ends June 30, 2029. Rent is payable in monthly installments of \$20,446 with an escalation clause equal to the greater of 4% or the Consumer Price Index percentage figure relating to the Northeast region of the United States.

The fourth lease term ends June 30, 2032. Rent is payable in monthly installments of \$23,168 with an escalation clause to an amount equal to the greater of 4% or the Consumer Price Index percentage figure relating to the Northeast region of the United States.

The fifth lease term ends March 31, 2021. Rent is payable in monthly installments of \$7,002 with an escalation clause equal to the greater of 3% or the Consumer Price Index percentage figure relating to the Northeast region of the United States.

The sixth lease term ends January 30, 2060. Rent is payable in monthly installments of \$25,078 with an escalation clause equal to the greater of 4% or the Consumer Price Index percentage figure relating to the Northeast region of the United States.

Total rental expense for June 30, 2020 and 2019 totaled \$1,642,792 and \$1,595,593, respectively.

Future minimum lease payment commitments are as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2021 | \$ 1,703,909 |
| 2022 | 1,706,528 |
| 2023 | 1,744,789 |
| 2024 | 1,845,780 |
| 2025 | 1,919,612 |

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2020
(Continued)

NOTE 7 - LOAN PAYABLE

In May 2020, the School applied for and was approved to receive a \$3,000,932 loan under the Paycheck Protection Program created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration. The loan accrues interest at 1%, but payments are not required to begin for six months after the funding of the loan. The School may be eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The loan is uncollateralized and is fully guaranteed by the Federal government. The current portion of the loan at June 30, 2020 is \$1,161,690.

Maturities of long-term debt for the years after June 30, 2021 are as follows:

| <u>Year Ended</u> | <u>Amount</u> |
|-------------------|---------------|
| 2022 | \$ 1,839,242 |

NOTE 8 - DONATED SERVICES AND GOODS

The School receives donated services that, although substantial, do not meet the criteria for recording as revenue and expense under accounting principles generally accepted in the United States of America.

NOTE 9 - SPECIAL EDUCATION AND OTHER SUPPORT

Some of the special education services required by students of the School are provided by the Syracuse and Utica City School Districts. The Syracuse and Utica City School Districts also provided transportation and nursing services. The School was unable to determine a value for these services, thus, these financial statements do not reflect revenue or expenses associated with those services.

The School receives State Aid in the form of textbooks, computer hardware, computer software, and library materials through the Syracuse City School District and Utica City School District. The total aid received for the years ended June 30, 2020 and 2019 was \$173,721 and \$149,046, respectively .

The School also receives Federal Aid in the form of food commodities from the United States Department of Agriculture. The total aid received for the years ended June 30, 2020 and 2019 was \$66,224 and \$39,744, respectively.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
NOTES TO FINANCIAL STATEMENTS

June 30, 2020

(Continued)

NOTE 10 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through October 13, 2020, which is the date the statements were available for issuance.

The School is in the process of obtaining two new charters in the cities of Buffalo and Rochester, New York.

Beginning around March 2020, the COVID-19 virus has been declared a global pandemic. Business continuity, including supply chains and consumer demand across a broad range of industries and countries could be severely impacted for months or beyond as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS

SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2020

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
STATEMENT OF ACTIVITIES BY SCHOOL
For The Year Ended June 30, 2020

| | Syracuse Academy of Science | Utica Academy of Science | Syracuse Academy of Science and Citizenship | Total |
|---------------------------------------|-----------------------------------|--------------------------------|--|---------------------|
| <u>Revenues and Other Support:</u> | | | | |
| Public School District: | | | | |
| Revenue - Resident Student Enrollment | \$ 12,959,694 | \$ 6,816,427 | \$ 4,963,566 | \$ 24,739,687 |
| Revenue - Students with Disabilities | 341,654 | 137,003 | 111,049 | 589,706 |
| Food Service | 523,072 | 354,056 | 191,776 | 1,068,904 |
| Federal Grants | 660,729 | 603,178 | 235,442 | 1,499,349 |
| State Grants | 86,500 | 62,885 | 24,336 | 173,721 |
| Other Income | <u>26,242</u> | <u>25,585</u> | <u>80</u> | <u>51,907</u> |
| Total Revenues and Other Support | <u>14,597,891</u> | <u>7,999,134</u> | <u>5,526,249</u> | <u>28,123,274</u> |
| <u>Expenses:</u> | | | | |
| Program Services: | | | | |
| Regular Education | 8,846,962 | 4,993,967 | 2,800,156 | 16,641,085 |
| Special Education | 1,020,681 | 526,763 | 341,023 | 1,888,467 |
| Other Programs | <u>635,109</u> | <u>460,382</u> | <u>162,743</u> | <u>1,258,234</u> |
| Total Program Services Expense | 10,502,752 | 5,981,112 | 3,303,922 | 19,787,786 |
| Supporting Services: | | | | |
| Management and General | <u>1,861,028</u> | <u>1,094,113</u> | <u>858,163</u> | <u>3,813,304</u> |
| Total Expenses | <u>12,363,780</u> | <u>7,075,225</u> | <u>4,162,085</u> | <u>23,601,090</u> |
| Change in Net Assets | 2,234,111 | 923,909 | 1,364,164 | 4,522,184 |
| Net Assets - Beginning of Year | <u>11,329,622</u> | <u>1,168,060</u> | <u>1,459,952</u> | <u>13,957,634</u> |
| Net Assets - End of Year | <u>\$13,563,733</u> | <u>\$ 2,091,969</u> | <u>\$ 2,824,116</u> | <u>\$18,479,818</u> |



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Independent Auditors' Report

To the Board of Trustees
Science Academies of New York Charter Schools
Syracuse, New York

We have audited, in accordance with the 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, the financial statements of Science Academies of New York Charter Schools as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Science Academies of New York Charter Schools' basic financial statements, and have issued our report thereon dated October 13, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Science Academies of New York Charter Schools' internal control over financial reporting (internal control) to determine the 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 Science Academies of New York Charter Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of Science Academies of New York Charter Schools' 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 detected and corrected on a timely basis. *A significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

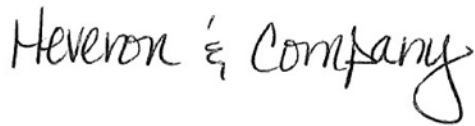
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Science Academies of New York Charter Schools' financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 audit, 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 the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Heveron & Company
Certified Public Accountants

Rochester, New York
October 13, 2020



**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditors' Report

To the Board of Trustees
Science Academies of New York Charter Schools
Syracuse, New York

Report on Compliance for Each Major Federal Program

We have audited Science Academies of New York Charter Schools' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Science Academies of New York Charter Schools' major federal programs for the year ended June 30, 2020. Science Academies of New York Charter Schools' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Science Academies of New York Charter Schools' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Science Academies of New York Charter Schools' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Science Academies of New York Charter Schools's compliance.

Opinion on Each Major Federal Program

In our opinion, Science Academies of New York Charter Schools complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Science Academies of New York Charter Schools is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Science Academies of New York Charter Schools' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program, and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Science Academies of New York Charter Schools' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency or a combination of deficiencies in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Heveron & Company

Heveron & Company
Certified Public Accountants

Rochester, New York
October 13, 2020

**SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2020**

Section I - Summary of Auditors' Results

Financial Statements

The auditors' report expresses an unmodified opinion on the general-purpose financial statements of Science Academies of New York Charter Schools.

No material weaknesses were identified in the internal controls over financial reporting.

No significant deficiencies were identified in the internal controls over financial reporting.

No instances of noncompliance material to the financial statements of Science Academies of New York Charter Schools were disclosed during the audit.

Federal Awards

The auditors' report on compliance for major programs expresses an unmodified opinion.

No material weaknesses were identified in the internal control over major programs.

No significant deficiencies were identified in the internal controls over major programs.

There are no audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a).

Identification of Major Programs:

| <u>CFDA Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|-----------------------|--|
| 84.010 | Title I Grants to Local Educational Agencies |

| | |
|---|------------|
| Dollar Threshold used to distinguish between type A and type B programs: | \$ 750,000 |
|---|------------|

The auditee qualified as a low-risk auditee.

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2020
(Continued)

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2020

| Federal Grantor/Program Title Pass-Through Grantor | Federal CFDA Number | Agency or Pass Through Number | Passed Through to Subrecipients | Federal Expenditures |
|--|---------------------------|-------------------------------------|---------------------------------------|-------------------------|
| <u>United States Department of Agriculture</u> | | | | |
| <u>Child Nutrition Cluster:</u> | | | | |
| School Breakfast Program Passed Through New York State Education Department | 10.553 | 421800860854 | - | \$ 307,116 |
| National School Lunch Program - (USDA Food) | 10.555 | Not Applicable | - | 66,224 |
| National School Lunch Program Passed Through New York State Education Department | 10.555 | 421800860854 | <u>-</u> | <u>651,654</u> |
| Total Child Nutrition Cluster | | | <u>-</u> | <u>1,024,994</u> |
| Total United States Department of Agriculture | | | <u>-</u> | <u>1,024,994</u> |
| <u>United States Department of Education</u> | | | | |
| Title I Grants to Local Educational Agencies Passed Through New York State Education Department | 84.010 | 421800860854 | - | 847,767 |
| Supporting Effective Instruction State Grant Passed Through New York State Education Department | 84.367 | 421800860854 | - | 96,845 |

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2020
(Continued)

| Federal Grantor/Program Title Pass-Through Grantor | Federal CFDA Number | Agency or Pass Through Number | Passed Through to Subrecipients | Federal Expenditures |
|---|---------------------------|-------------------------------------|---------------------------------------|-------------------------|
|---|---------------------------|-------------------------------------|---------------------------------------|-------------------------|

United States Department of Education (Continued)

| | | | | |
|---|--------|--------------|------|--------------|
| Student Support and Academic Enrichment Program Passed Through New York State Education Department | 84.424 | 421800860854 | - | 113,298 |
| Total United States Department of Education | | | - | 1,057,910 |
| Total Federal Expenditures | | | \$ - | \$ 2,082,904 |

SCIENCE ACADEMIES OF NEW YORK CHARTER SCHOOLS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2020

Note 1 - Basis of Presentation:

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Science Academies of New York Charter Schools under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Science Academies of New York Charter Schools, it is not intended to and does not present the financial position, change in net assets or cash flows of Science Academies of New York Charter Schools.

Note 2 - Summary of Significant Accounting Policies:

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Science Academies of New York Charter Schools has not yet elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



Annual Financial Statement Audit Report

for Board of Regents Authorized Charter Schools

| | |
|--|---|
| School Name: | Utica Academy of Science Charter School |
| Date (Report is due Nov. 1): | November 1, 2020 |
| Primary District of Location (If NYC select NYC DOE): | Utica City School District |
| If located in NYC DOE select CSD: | - |
| School Fiscal Contact Name: | Yusuf Akyar |
| School Fiscal Contact Email: | [REDACTED] |
| School Fiscal Contact Phone: | [REDACTED] |
| School Audit Firm Name: | Heveron CPA |
| School Audit Contact Name: | Jeanne Beutner |
| 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 | |
| Management Letter Response | NA |
| Form 990 | |
| Federal Single Audit (A-133) | |
| Corrective Action Plan | NA |

Utica Academy of Science Charter School
Statement of Financial Position
as of June 30

| | <u>2020</u> | <u>2019</u> |
|---|-------------------------|-------------------------|
| <u>CURRENT ASSETS</u> | | |
| Cash and cash equivalents | \$ 381,895 | 974,184.70 |
| Grants and contracts receivable | 274,079 | 334,317.30 |
| Accounts receivables | 116,678 | 28,674.46 |
| Prepaid Expenses | - | 1,570.00 |
| Contributions and other receivables | - | (421,306.72) |
| Other current assets | - | - |
| TOTAL CURRENT ASSETS | <u>772,652</u> | <u>917,440</u> |
| <u>NON-CURRENT ASSETS</u> | | |
| Property, Building and Equipment, net | \$ 3,556,505 | \$ 696,977 |
| Restricted Cash | 75,286 | 75,191 |
| Security Deposits | 48,295 | 48,295 |
| Other Non-Current Assets | - | - |
| TOTAL NON-CURRENT ASSETS | <u>3,680,086</u> | <u>820,463</u> |
| TOTAL ASSETS | <u>4,452,738</u> | <u>1,737,903</u> |
| <u>CURRENT LIABILITIES</u> | | |
| Accounts payable and accrued expenses | \$ 149,244 | 161,366.03 |
| Accrued payroll, payroll taxes and benefits | 419,847 | 408,476.64 |
| Current Portion of Loan Payable | - | - |
| Due to Related Parties | 910,322 | - |
| Refundable Advances | - | - |
| Deferred Revenue | - | - |
| Other Current Liabilities | - | - |
| TOTAL CURRENT LIABILITIES | <u>1,479,413</u> | <u>569,843</u> |
| <u>LONG-TERM LIABILITIES</u> | | |
| Loan Payable; Due in More than One Year | \$ 343,093 | \$ - |
| Deferred Rent | - | - |
| Due to Related Party | - | - |
| Other Long-Term Liabilities | 538,263 | - |
| TOTAL LONG-TERM LIABILITIES | <u>881,357</u> | <u>-</u> |
| TOTAL LIABILITIES | <u>2,360,769</u> | <u>569,843</u> |
| <u>NET ASSETS</u> | | |
| Unrestricted | \$ 2,091,969 | 1,168,060.20 |
| Temporarily restricted | - | - |
| Permanently restricted | - | - |
| TOTAL NET ASSETS | <u>2,091,969</u> | <u>1,168,060</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>4,452,738</u> | <u>1,737,903</u> |

Utica Academy of Science Charter School
Statement of Activities
as of June 30

| | 2020 | | | 2019 |
|---|---------------------|------------------------|---------------------|---------------------|
| | Unrestricted | Temporarily Restricted | Total | Total |
| OPERATING REVENUE | | | | |
| State and Local Per Pupil Revenue - Reg. Ed | \$ 6,816,427 | \$ - | \$ 6,816,427 | \$ 5,405,978 |
| State and Local Per Pupil Revenue - SPED | 137,003 | - | 137,003 | 150,794 |
| State and Local Per Pupil Facilities Revenue | - | - | - | - |
| Federal Grants | 603,178 | - | 603,178 | 428,774 |
| State and City Grants | 62,885 | - | 62,885 | 52,326 |
| Other Operating Income | 25,585 | - | 25,585 | 182,961 |
| Food Service/Child Nutrition Program | 354,056 | - | 354,056 | 381,879 |
| TOTAL OPERATING REVENUE | 7,999,134 | - | 7,999,134 | 6,602,712 |
| EXPENSES | | | | |
| Program Services | | | | |
| Regular Education | \$ 4,993,967 | \$ - | \$ 4,993,967 | \$ 4,470,025 |
| Special Education | 526,763 | - | 526,763 | 396,960 |
| Other Programs | 460,382 | - | 460,382 | 451,193 |
| Total Program Services | 5,981,112 | - | 5,981,112 | 5,318,178 |
| Management and general | 1,094,113 | - | 1,094,113 | 993,030 |
| Fundraising | - | - | - | - |
| TOTAL EXPENSES | 7,075,225 | - | 7,075,225 | 6,311,208 |
| SURPLUS / (DEFICIT) FROM OPERATIONS | 923,909 | - | 923,909 | 291,504 |
| SUPPORT AND OTHER REVENUE | | | | |
| Interest and Other Income | \$ - | \$ - | \$ - | \$ - |
| Contributions and Grants | - | - | - | - |
| Fundraising Support | - | - | - | - |
| Investments | - | - | - | - |
| Donated Services | - | - | - | - |
| Other Support and Revenue | - | - | - | - |
| TOTAL SUPPORT AND OTHER REVENUE | - | - | - | - |
| Net Assets Released from Restrictions / Loss on Disposal of Assets | \$ - | \$ - | \$ - | \$ - |
| CHANGE IN NET ASSETS | 923,909 | - | 923,909 | 291,504 |
| NET ASSETS - BEGINNING OF YEAR | \$ 1,168,060 | \$ - | \$ 1,168,060 | \$ 876,556 |
| PRIOR YEAR/PERIOD ADJUSTMENTS | - | - | - | - |
| NET ASSETS - END OF YEAR | \$ 2,091,969 | \$ - | \$ 2,091,969 | \$ 1,168,060 |

Utica Academy of Science Charter School
Statement of Cash Flows

as of June 30

| | 2020 | 2019 |
|---|-----------------------|---------------------|
| CASH FLOWS - OPERATING ACTIVITIES | | |
| Increase (decrease) in net assets | \$ 923,909 | \$ 291,504 |
| Revenues from School Districts | - | - |
| Accounts Receivable | (88,004) | 35,806.69 |
| Due from School Districts | - | 483,444.97 |
| Depreciation | 146,529 | 91,292.64 |
| Grants Receivable | 60,238 | (65,517.15) |
| Due from NYS | - | - |
| Grant revenues | - | - |
| Prepaid Expenses | 1,570 | 5,172.88 |
| Accounts Payable | (111,551) | 82,400.51 |
| Accrued Expenses | - | - |
| Accrued Liabilities | 11,371 | 90,620.59 |
| Contributions and fund-raising activities | - | - |
| Miscellaneous sources | - | - |
| Deferred Revenue | - | - |
| Interest payments | - | - |
| Other | - | 15,219.56 |
| Other | - | - |
| NET CASH PROVIDED FROM OPERATING ACTIVITIES | \$ 944,062 | \$ 1,029,945 |
| CASH FLOWS - INVESTING ACTIVITIES | | |
| Purchase of equipment | (2,914,808) | (491,228) |
| Other | - | - |
| NET CASH PROVIDED FROM INVESTING ACTIVITIES | \$ (2,914,808) | \$ (491,228) |
| CASH FLOWS - FINANCING ACTIVITIES | | |
| Principal payments on long-term debt | 891,152 | - |
| Other | - | - |
| NET CASH PROVIDED FROM FINANCING ACTIVITIES | \$ 891,152 | \$ - |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | \$ (1,079,594) | \$ 538,716 |
| Cash at beginning of year | 1,049,376 | 510,660 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | \$ (30,218) | \$ 1,049,376 |

Utica Academy of Science Charter School
Statement of Functional Expenses
as of June 30

| | | 2020 | | | | | | | 2019 | |
|--|-------|-------------------|-------------------|-----------------|--------------|---------------------|------------------------|--------------|--------------|--------------|
| | | Program Services | | | | Supporting Services | | | | |
| No. of Positions | | Regular Education | Special Education | Other Education | Total | Fundraising | Management and General | Total | Total | |
| | | | | | | | | | | |
| Personnel Services Costs | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Administrative Staff Personnel | 9.00 | 133,232 | - | - | 133,232 | - | 622,149.32 | 622,149 | 755,382 | 618,623 |
| Instructional Personnel | 64.00 | 2,464,344.49 | 319,866.96 | 29,684 | 2,813,895 | - | 8,090.69 | 8,091 | 2,821,986 | 2,417,909 |
| Non-Instructional Personnel | 15.00 | 161,702.63 | - | - | 161,703 | - | 201,717.97 | 201,718 | 363,421 | 199,134 |
| Total Salaries and Staff | 88.00 | 2,759,280 | 319,867 | 29,684 | 3,108,830 | - | 831,958 | 831,958 | 3,940,788 | 3,235,666 |
| Fringe Benefits & Payroll Taxes | | 782,283.82 | 75,261.40 | - | 857,545 | - | 65,546.28 | 65,546 | 923,092 | 791,795 |
| Retirement | | 232,883.43 | 24,260.00 | 2,271 | 259,414 | - | 38,806.98 | 38,807 | 298,221 | 291,202 |
| Management Company Fees | | - | - | - | - | - | - | - | - | - |
| Legal Service | | - | - | - | - | - | 7,667.54 | 7,668 | 7,668 | 31,081 |
| Accounting / Audit Services | | - | - | - | - | - | 7,157.50 | 7,158 | 7,158 | 7,448 |
| Other Purchased / Professional / Consulting Services | | 81,425.99 | 5,568.42 | - | 86,994 | - | 3,213.90 | 3,214 | 90,208 | 293,021 |
| Building and Land Rent / Lease | | 315,140.46 | 37,001.30 | - | 352,142 | - | 27,863.10 | 27,863 | 380,005 | 368,456 |
| Repairs & Maintenance | | 117,386.13 | 12,895.91 | - | 130,282 | - | 7,082.61 | 7,083 | 137,365 | 107,781 |
| Insurance | | 33,639.00 | - | - | 33,639 | - | 3,684.50 | 3,685 | 37,324 | 35,032 |
| Utilities | | 72,466.60 | 8,022.33 | - | 80,489 | - | 5,468.93 | 5,469 | 85,958 | 103,617 |
| Supplies / Materials | | 194,103.76 | 14,278.77 | - | 208,383 | - | 3,672.70 | 3,673 | 212,055 | 190,257 |
| Equipment / Furnishings | | 44,758.55 | 5,244.03 | - | 50,003 | - | 4,769.71 | 4,770 | 54,772 | 36,532 |
| Staff Development | | 13,265.43 | - | - | 13,265 | - | 37,464.04 | 37,464 | 50,729 | 37,535 |
| Marketing / Recruitment | | 33,016.07 | 25.00 | - | 33,041 | - | 473.89 | 474 | 33,515 | 28,694 |
| Technology | | 155,533.22 | 8,571.65 | - | 164,105 | - | 25,837.97 | 25,838 | 189,943 | 146,002 |
| Food Service | | - | - | 296,172 | 296,172 | - | - | - | 296,172 | 327,994 |
| Student Services | | - | - | 132,255 | 132,255 | - | - | - | 132,255 | 116,026 |
| Office Expense | | 5,022 | 549 | - | 5,572 | - | 467 | 467 | 6,039 | 4,759 |
| Depreciation | | 124,550.03 | 14,652.94 | - | 139,203 | - | 7,326.47 | 7,326 | 146,529 | 91,293 |
| OTHER | | 29,212 | 565 | - | 29,778 | - | 15,652 | 15,652 | 45,430 | 67,019 |
| Total Expenses | | \$ 4,993,967 | \$ 526,763 | \$ 460,382 | \$ 5,981,112 | \$ - | \$ 1,094,113 | \$ 1,094,113 | \$ 7,075,225 | \$ 6,311,208 |

New York State Education Department

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

2020-21 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 accomodate 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. |

Utica Academy of Science Charter School

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.

| | REGULAR EDUCATION | SPECIAL EDUCATION | OTHER | FUNDRAISING | MANAGEMENT & GENERAL | TOTAL |
|-------------------------------|----------------------|----------------------|---------|-------------|-------------------------|-----------|
| Total Revenue | 7,422,044 | 589,275 | 449,790 | - | - | 8,461,109 |
| Total Expenses | 6,157,837 | 478,501 | 455,400 | - | 1,037,907 | 8,129,645 |
| Net Income | 1,264,208 | 110,774 | (5,610) | - | (1,037,907) | 331,465 |
| Actual Student Enrollment | 679 | 32 | | | | - |
| Total Paid Student Enrollment | - | - | | | | - |

Assumptions

DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable

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

Utica City School District
School District 2 (Enter Name)
School District 3 (Enter Name)
School District 4 (Enter Name)
School District 5 (Enter Name)

| |
|-------------|
| \$10,210.00 |
| |
| |
| |
| |

| | | | | | |
|-----------|---------|---|---|---|-----------|
| 6,937,491 | 326,720 | - | - | - | 7,264,211 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 6,937,491 | 326,720 | - | - | - | 7,264,211 |

711 Regular Ed. FTE Projection for 2020-21

Special Education Revenue

Grants

Stimulus

Other

Other State Revenue

| | | | | | |
|---|---------|--------|---|---|---------|
| - | 189,000 | - | - | - | 189,000 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | 11,286 | - | - | 11,286 |

32 Special Ed. Student FTE

TOTAL REVENUE FROM STATE SOURCES

| | | | | | |
|-----------|---------|--------|---|---|-----------|
| 6,937,491 | 515,720 | 11,286 | - | - | 7,464,497 |
|-----------|---------|--------|---|---|-----------|

REVENUE FROM FEDERAL FUNDING

IDEA Special Needs

Title I

Title Funding - Other

School Food Service (Free Lunch)

Grants

Charter School Program (CSP) Planning & Implementation

Other

Other Federal Revenue

| | | | | | |
|---------|--------|---------|---|---|---------|
| | 48,052 | | | - | 48,052 |
| 306,979 | 16,157 | | | - | 323,136 |
| 56,180 | 2,957 | | | - | 59,137 |
| - | - | 418,440 | - | - | 418,440 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |

Allocations for Title I Revenue for 2020-21

Allocations for Title II and Title IV Revenue for 2020-21

TOTAL REVENUE FROM FEDERAL SOURCES

| | | | | | |
|---------|--------|---------|---|---|---------|
| 363,160 | 67,166 | 418,440 | - | - | 848,765 |
|---------|--------|---------|---|---|---------|

LOCAL and OTHER REVENUE

Contributions and Donations, Fundraising

Erate Reimbursement

Interest Income, Earnings on Investments,

NYC-DYCD (Department of Youth and Community Developmt.)

Food Service (Income from meals)

Text Book

Other Local Revenue

| | | | | | |
|--------|-------|--------|---|---|--------|
| 27,693 | 1,458 | - | - | - | 29,150 |
| 28,083 | 1,478 | - | - | - | 29,561 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | 20,064 | - | - | 20,064 |
| 40,929 | 2,154 | - | - | - | 43,083 |
| 24,689 | 1,299 | - | - | - | 25,988 |

Based on current application for 2020-21

Utica City School District Allocation per Student

Utica City School District Allocation per Student

TOTAL REVENUE FROM LOCAL and OTHER SOURCES

| | | | | | |
|---------|-------|--------|---|---|---------|
| 121,394 | 6,389 | 20,064 | - | - | 147,847 |
|---------|-------|--------|---|---|---------|

TOTAL REVENUE

| | | | | | |
|-----------|---------|---------|---|---|-----------|
| 7,422,044 | 589,275 | 449,790 | - | - | 8,461,109 |
|-----------|---------|---------|---|---|-----------|

List exact titles and staff FTE"s (Full time equiulivalent)

EXPENSES

ADMINISTRATIVE STAFF PERSONNEL COSTS

No. of Positions

Executive Management

Instructional Management

Deans, Directors & Coordinators

CFO / Director of Finance

Operation / Business Manager

Administrative Staff

TOTAL ADMINISTRATIVE STAFF

| |
|------|
| 1.25 |
| 3.00 |
| 2.00 |
| 0.30 |
| 2.00 |
| 4.00 |
| 13 |

| | | | | | |
|------------|-----------|---|---|---------|---------|
| | | | | 165,034 | 165,034 |
| 201,910.84 | 22,434.54 | | | | 224,345 |
| 103,824 | 11,536 | | | 33,042 | 148,402 |
| | | | | 30,000 | 30,000 |
| | | | | 113,161 | 113,161 |
| | | | | 207,050 | 207,050 |
| 305,735 | 33,971 | - | - | 548,287 | 887,993 |

Superintendent and Assistant Superintendent FTE Allocation

School Deans

Dean of Students

CFO FTE Allocation

Operations Manager

Administrative Assistant

INSTRUCTIONAL PERSONNEL COSTS

Teachers - Regular

Teachers - SPED

Substitute Teachers

Teaching Assistants

Specialty Teachers

| |
|-------|
| 36.00 |
| 2.50 |
| 2.00 |
| - |
| 11.50 |

| | | | | | |
|-----------|---------|---|---|---|-----------|
| 1,661,850 | 81,150 | - | - | - | 1,743,000 |
| - | 124,000 | - | - | - | 124,000 |
| 54,360 | 6,040 | - | - | - | 60,400 |
| - | - | - | - | - | - |
| 549,300 | 26,200 | - | - | - | 575,500 |

Utica Academy of Science Charter School

| 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 | 7,422,044 | 589,275 | 449,790 | - | - | 8,461,109 | | |
| Total Expenses | 6,157,837 | 478,501 | 455,400 | - | 1,037,907 | 8,129,645 | | |
| Net Income | 1,264,208 | 110,774 | (5,610) | - | (1,037,907) | 331,465 | | |
| Actual Student Enrollment | 679 | 32 | | | | - | | |
| Total Paid Student Enrollment | - | - | | | | - | | |
| PROGRAM SERVICES | | | | | | | | |
| | REGULAR EDUCATION | SPECIAL EDUCATION | OTHER | FUNDRAISING | MANAGEMENT & GENERAL | TOTAL | | |
| Aides | 12.00 | 348,743 | 18,355 | - | - | 367,098 | | |
| Therapists & Counselors | 2.00 | 99,750 | 5,250 | - | - | 105,000 | | |
| Other | 2.00 | 90,000 | 5,000 | - | 5,000 | 100,000 | | Tutoring and Additional Pay |
| TOTAL INSTRUCTIONAL | 68 | 2,804,003 | 265,995 | - | 5,000 | 3,074,998 | | |
| NON-INSTRUCTIONAL PERSONNEL COSTS | | | | | | | | |
| Nurse | - | - | - | - | - | - | | |
| Librarian | - | - | - | - | - | - | | |
| Custodian | 6.00 | - | - | - | 169,558 | 169,558 | | |
| Security | - | - | - | - | - | - | | |
| Other | 5.00 | 208,970 | 23,219 | - | - | 232,189 | | |
| TOTAL NON-INSTRUCTIONAL | 11 | 208,970 | 23,219 | - | 169,558 | 401,747 | | |
| SUBTOTAL PERSONNEL SERVICE COSTS | 92 | 3,318,708 | 323,184 | - | 722,845 | 4,364,737 | | |
| PAYROLL TAXES AND BENEFITS | | | | | | | | |
| Payroll Taxes | | 293,627 | 16,313 | - | 16,313 | 326,252 | | 7.65% |
| Fringe / Employee Benefits | | 698,753 | 38,820 | - | 38,820 | 776,392 | | Health, Dental, Life, Work Comp., Short-Term Disability and Long-Term Disability |
| Retirement / Pension | | 318,878 | 17,715 | - | 24,715 | 361,309 | | 9.53% |
| TOTAL PAYROLL TAXES AND BENEFITS | | 1,311,258 | 72,848 | - | 79,848 | 1,463,953 | | |
| TOTAL PERSONNEL SERVICE COSTS | | 4,629,966 | 396,032 | - | 802,692 | 5,828,691 | | |
| CONTRACTED SERVICES | | | | | | | | |
| Accounting / Audit | | - | - | - | 8,250 | 8,250 | | |
| Legal | | - | - | - | 30,000 | 30,000 | | |
| Management Company Fee | | - | - | - | - | - | | |
| Nurse Services | | - | - | - | - | - | | |
| Food Service / School Lunch | | - | - | 448,800 | - | 448,800 | | Per Student Count and school days with participation data for lunch and breakfast |
| Payroll Services | | - | - | - | 15,400 | 15,400 | | |
| Special Ed Services | | - | - | - | - | - | | |
| Titlement Services (i.e. Title I) | | - | - | - | - | - | | |
| Other Purchased / Professional / Consulting | | 57,915 | 3,218 | - | 3,218 | 64,350 | | Consultant Services, Educational Services, Educational Programs, and Security Services |
| TOTAL CONTRACTED SERVICES | | 57,915 | 3,218 | 448,800 | - | 56,868 | 566,800 | |
| SCHOOL OPERATIONS | | | | | | | | |
| Board Expenses | | - | - | - | 3,300 | 3,300 | | |
| Classroom / Teaching Supplies & Materials | | 190,000 | 10,000 | | | 200,000 | | Instructionals supplies and materials |
| Special Ed Supplies & Materials | | | | | | - | | |
| Textbooks / Workbooks | | 62,700 | 3,300 | | | 66,000 | | Textbooks for new standarts for related subjects |
| Supplies & Materials other | | | | | | - | | |
| Equipment / Furniture | | | | | | - | | |
| Telephone | | | | | | - | | |
| Technology | | 116,820 | 6,490 | | 6,490 | 129,800 | | Classroom Technology such as chromebook, elmo, TI Calculators, desktops |
| Student Testing & Assessment | | | | | | - | | |
| Field Trips | | 36,575 | 1,925 | | | 38,500 | | Field Trips for Colleges, Universities, local organizations and field trips |
| Transportation (student) | | 22,000 | | | | 22,000 | | |
| Student Services - other | | 98,800 | 5,200 | | | 104,000 | | |
| Office Expense | | 23,850 | 1,325 | | 1,325 | 26,500 | | Office supplies and materials |
| Staff Development | | 51,750 | 2,875 | | 2,875 | 57,500 | | Tuition Assistance and professional development in house and external PDs |
| Staff Recruitment | | 27,000 | 1,500 | | 1,500 | 30,000 | | Staff Hiring, Referral, Newspaper and Online Job Posting Expenses |
| Student Recruitment / Marketing | | 19,000 | 1,000 | | | 20,000 | | |
| School Meals / Lunch | | | | 6,600 | | 6,600 | | |
| Travel (Staff) | | 9,900 | 550 | | 550 | 11,000 | | Staff reimbursement in between schools and district office. |
| Fundraising | | | | | | - | | |
| Other | | 72,630 | 4,035 | | 4,035 | 80,700 | | Operational expenses other than instructional expenses. |

Utica Academy of Science Charter School

| 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 | 7,422,044 | 589,275 | 449,790 | - | - | 8,461,109 | |
| Total Expenses | 6,157,837 | 478,501 | 455,400 | - | 1,037,907 | 8,129,645 | |
| Net Income | 1,264,208 | 110,774 | (5,610) | - | (1,037,907) | 331,465 | |
| Actual Student Enrollment | 679 | 32 | | | | - | |
| Total Paid Student Enrollment | - | - | | | | - | |
| PROGRAM SERVICES | | | | | | | |
| | REGULAR EDUCATION | SPECIAL EDUCATION | OTHER | FUNDRAISING | MANAGEMENT & GENERAL | TOTAL | |
| TOTAL SCHOOL OPERATIONS | 731,025 | 38,200 | 6,600 | - | 20,075 | 795,900 | |
| FACILITY OPERATION & MAINTENANCE | | | | | | | |
| Insurance | | | | | 51,220 | 51,220 | General Insurance Cost |
| Janitorial | 44,550 | 2,475 | | | 2,475 | 49,500 | Janitorial Supplies per historic data |
| Building and Land Rent / Lease | 363,811 | 20,212 | | | 20,212 | 404,234 | Annual rent for buildings |
| Repairs & Maintenance | 81,450 | 4,525 | | | 4,525 | 90,500 | Annual maintenance, inside and outside:summer landscaping, winter snowplowing |
| Equipment / Furniture | 58,500 | 3,250 | | | 3,250 | 65,000 | New Elementary grades classroom furnitures |
| Security | | | | | 66,000 | 66,000 | |
| Utilities | 87,120 | 4,840 | | | 4,840 | 96,800 | Per Historic Data |
| TOTAL FACILITY OPERATION & MAINTENANCE | 635,431 | 35,302 | - | - | 152,522 | 823,254 | |
| DEPRECIATION & AMORTIZATION | 103,500 | 5,750 | - | - | 5,750 | 115,000 | |
| DISSOLUTION ESCROW & RESERVES / CONTIGENCY | - | - | - | - | - | - | |
| TOTAL EXPENSES | 6,157,837 | 478,501 | 455,400 | - | 1,037,907 | 8,129,645 | |
| NET INCOME | 1,264,208 | 110,774 | (5,610) | - | (1,037,907) | 331,465 | |
| ENROLLMENT - *School Districts Are Linked To Above Entries* | REGULAR EDUCATION | SPECIAL EDUCATION | TOTAL ENROLLED | | | | |
| Utica City School District | 679 | 32 | 711 | | | | |
| School District 2 (Enter Name) | | | - | | | | |
| School District 3 (Enter Name) | | | - | | | | |
| School District 4 (Enter Name) | | | - | | | | |
| School District 5 (Enter Name) | | | - | | | | |
| TOTAL ENROLLMENT | 679 | 32 | 711 | | | | |
| REVENUE PER PUPIL | 10,923 | 18,415 | 632 | | | | |
| EXPENSES PER PUPIL | 9,063 | 14,953 | 640 | | | | |