

GENESEE COMMUNITY CHARTER SCHOOL
657 East Avenue
Rochester, New York 14607

October 27, 2020

Heveron & Company CPAs
260 Plymouth Avenue South
Rochester, New York 14608

This representation letter is provided in connection with your audit of the financial statements of Genesee Community Charter School for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material regardless of size, if they involve an omission or misstatement of accounting information which, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of June 30, 2020 and 2019, the following representations made to you during your audits.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 14, 2020.
- The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles.
- We acknowledge our responsibility for 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- Guarantees, whether written or oral, under which the organization is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

We have implemented *ASU 2014-09 Revenue from Contracts with Customers, 2018-08 Contributions Received and Contributions Made, and ASU 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash*, during the audit period. We have implemented the new accounting standards in accordance with the transition guidance prescribed in the ASUs. We have sufficient and appropriate documentation supporting all estimates and judgments underlying the amounts recorded and disclosed in the financial statements.

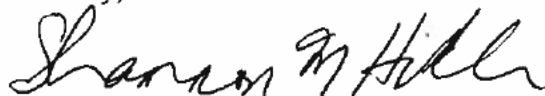
Information Provided

- We have provided you with:
 - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have no knowledge of any fraud or suspected fraud that affects the organization and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud or suspected fraud affecting the organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
- We have disclosed to you all known instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP and we have not consulted with a lawyer concerning litigation, claims, or assessments.
- We have disclosed to you the identity of the organization's related parties and all the related party relationships and transactions of which we are aware.

- The organization has satisfactory title to all owned assets, and there are no undisclosed liens or encumbrances on such assets nor any undisclosed asset that have been pledged as collateral.
- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- Genesee Community Charter School is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.

No events have occurred subsequent to the statement of financial position date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

Sincerely,

A handwritten signature in black ink that reads "Shannon M Hillman". The signature is written in a cursive style with a large initial 'S'.

Shannon Hillman
School Leader



Annual Financial Statement Audit Report

for Board of Regents Authorized Charter Schools

School Name:	Genesee Community Charter School
Date (Report is due Nov. 1):	November 1, 2020
Primary District of Location (If NYC select NYC DOE):	Rochester City School District
If located in NYC DOE select CSD:	-
School Fiscal Contact Name:	Shannon Hillman
School Fiscal Contact Email:	[REDACTED]
School Fiscal Contact Phone:	[REDACTED]
School Audit Firm Name:	Heveron & Company
School Audit Contact Name:	Jeanne Buetner
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	Uploaded with financials.
Management Letter Response	N/A - no findings.
Form 990	Approval of the 990 will be on November 11th, 2020 at the Board of Trustees M
Federal Single Audit (A-133)	N/A
Corrective Action Plan	N/A

Genesee Community Charter School
Statement of Financial Position
as of June 30

	<u>2020</u>	<u>2019</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 340,246	\$ 284,949
Grants and contracts receivable	54,706	20,885
Accounts receivables	76,847	137,404
Prepaid Expenses	68,454	115,118
Contributions and other receivables	-	-
Other current assets	-	-
TOTAL CURRENT ASSETS	<u>540,253</u>	<u>558,356</u>
<u>NON-CURRENT ASSETS</u>		
Property, Building and Equipment, net	\$ 684,276	\$ 821,943
Restricted Cash	100,066	75,887
Security Deposits	3,478	3,478
Other Non-Current Assets	1,094,833	1,016,839
TOTAL NON-CURRENT ASSETS	<u>1,882,653</u>	<u>1,918,147</u>
TOTAL ASSETS	<u>2,422,906</u>	<u>2,476,503</u>
<u>CURRENT LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 9,179	\$ 13,742
Accrued payroll, payroll taxes and benefits	217,842	228,706
Current Portion of Loan Payable	184,868	209,370
Due to Related Parties	-	-
Refundable Advances	-	-
Deferred Revenue	-	8,548
Other Current Liabilities	-	-
TOTAL CURRENT LIABILITIES	<u>411,889</u>	<u>460,366</u>
<u>LONG-TERM LIABILITIES</u>		
Loan Payable; Due in More than One Year	\$ -	\$ -
Deferred Rent	-	-
Due to Related Party	-	-
Other Long-Term Liabilities	-	-
TOTAL LONG-TERM LIABILITIES	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>411,889</u>	<u>460,366</u>
<u>NET ASSETS</u>		
Unrestricted	\$ 1,911,017	\$ 1,941,137
Temporarily restricted	100,000	75,000
Permanently restricted	-	-
TOTAL NET ASSETS	<u>2,011,017</u>	<u>2,016,137</u>
TOTAL LIABILITIES AND NET ASSETS	<u>2,422,906</u>	<u>2,476,503</u>

Genesee Community 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	\$ 3,007,233	\$ -	\$ 3,007,233	\$ 2,990,578
State and Local Per Pupil Revenue - SPED	-	-	-	60,052
State and Local Per Pupil Facilities Revenue	-	-	-	-
Federal Grants	69,884	-	69,884	239,340
State and City Grants	18,025	-	18,025	18,519
Other Operating Income	45,334	-	45,334	45,472
Food Service/Child Nutrition Program	63,824	-	63,824	74,896
TOTAL OPERATING REVENUE	3,204,300	-	3,204,300	3,428,857
EXPENSES				
Program Services				
Regular Education	\$ 2,714,903	\$ -	\$ 2,714,903	\$ 2,729,036
Special Education	88,679	-	88,679	86,180
Other Programs	85,888	-	85,888	84,956
Total Program Services	2,889,470	-	2,889,470	2,900,172
Management and general	432,749	-	432,749	506,485
Fundraising	-	-	-	-
TOTAL EXPENSES	3,322,219	-	3,322,219	3,406,657
SURPLUS / (DEFICIT) FROM OPERATIONS	(117,919)	-	(117,919)	22,200
SUPPORT AND OTHER REVENUE				
Interest and Other Income	\$ 25,386	\$ -	\$ 25,386	\$ 31,244
Contributions and Grants	34,685	-	34,685	13,212
Fundraising Support	-	-	-	-
Investments	52,728	-	52,728	41,272
Donated Services	-	-	-	-
Other Support and Revenue	-	-	-	-
TOTAL SUPPORT AND OTHER REVENUE	112,799	-	112,799	85,728
Net Assets Released from Restrictions / Loss on Disposal of Assets	\$ -	\$ -	\$ -	\$ -
CHANGE IN NET ASSETS	(5,120)	-	(5,120)	107,928
NET ASSETS - BEGINNING OF YEAR	\$ 2,016,137	\$ -	\$ 2,016,137	\$ 1,908,209
PRIOR YEAR/PERIOD ADJUSTMENTS	-	-	-	-
NET ASSETS - END OF YEAR	\$ 2,011,017	\$ -	\$ 2,011,017	\$ 2,016,137

**Genesee Community Charter School
Statement of Cash Flows**

as of June 30

	2020	2019
CASH FLOWS - OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ -	\$ -
Revenues from School Districts	2,980,158	3,033,717
Accounts Receivable	-	-
Due from School Districts	-	-
Depreciation	-	-
Grants Receivable	-	-
Due from NYS	-	-
Grant revenues	150,730	298,017
Prepaid Expenses	-	-
Accounts Payable	-	-
Accrued Expenses	-	-
Accrued Liabilities	-	-
Contributions and fund-raising activities	141,538	182,006
Miscellaneous sources	-	-
Deferred Revenue	-	-
Interest payments	-	-
Payments to Vendors for Goods and Services Rendered	(630,974)	(809,667)
Payments to Charter School Personnel for Services Rendered	(2,536,714)	(2,465,691)
NET CASH PROVIDED FROM OPERATING ACTIVITIES	\$ 104,738	\$ 238,382
CASH FLOWS - INVESTING ACTIVITIES		
Purchase of equipment	-	(7,612)
Other	(25,262)	(31,141)
NET CASH PROVIDED FROM INVESTING ACTIVITIES	\$ (25,262)	\$ (38,753)
CASH FLOWS - FINANCING ACTIVITIES		
Principal payments on long-term debt	-	-
Other	-	-
NET CASH PROVIDED FROM FINANCING ACTIVITIES	\$ -	\$ -
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	\$ 79,476	\$ 199,629
Cash at beginning of year	360,836	161,207
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 440,312	\$ 360,836

**Genesee Community Charter School
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	5.00	\$ 1,508,729	\$ 59,031	\$ -	\$ 1,567,760	\$ -	\$ 213,866	\$ 213,866	\$ 1,781,626	\$ 1,491,815
Instructional Personnel	36.00	81,255	-	-	81,255	-	-	-	81,255	373,610
Non-Instructional Personnel	3.00	43,867	-	9,992	53,859	-	-	-	53,859	28,721
Total Salaries and Staff	44.00	1,633,851	59,031	9,992	1,702,874	-	213,866	213,866	1,916,740	1,894,146
Fringe Benefits & Payroll Taxes		345,458	10,626	764	356,848	-	69,241	69,241	426,089	412,803
Retirement		134,118	-	-	134,118	-	24,400	24,400	158,518	191,805
Management Company Fees		-	-	-	-	-	-	-	-	-
Legal Service		-	-	-	-	-	9,688	9,688	9,688	9,592
Accounting / Audit Services		-	-	-	-	-	22,802	22,802	22,802	29,348
Other Purchased / Professional / Consulting Services		39,601	-	-	39,601	-	50,262	50,262	89,863	100,725
Building and Land Rent / Lease		150,726	4,028	3,633	158,387	-	13,754	13,754	172,141	172,453
Repairs & Maintenance		10,066	-	-	10,066	-	-	-	10,066	6,815
Insurance		25,328	2,010	804	28,142	-	12,061	12,061	40,203	34,351
Utilities		-	-	-	-	-	-	-	-	-
Supplies / Materials		44,330	-	-	44,330	-	-	-	44,330	40,899
Equipment / Furnishings		10,601	-	-	10,601	-	-	-	10,601	12,639
Staff Development		54,233	8,854	-	63,087	-	3,560	3,560	66,647	104,929
Marketing / Recruitment		-	-	-	-	-	-	-	-	-
Technology		9,577	-	-	9,577	-	480	480	10,057	31,395
Food Service		-	-	70,695	70,695	-	-	-	70,695	76,948
Student Services		91,611	-	-	91,611	-	-	-	91,611	95,368
Office Expense		31,867	-	-	31,867	-	12,635	12,635	44,502	50,022
Depreciation		133,536	4,130	-	137,666	-	-	-	137,666	142,419
OTHER		-	-	-	-	-	-	-	-	-
Total Expenses		\$ 2,714,903	\$ 88,679	\$ 85,888	\$ 2,889,470	\$ -	\$ 432,749	\$ 432,749	\$ 3,322,219	\$ 3,406,657

		2020-2021
Size	Number of Students	215
Revenue	Per Pupil Allocation (RCSD)	\$ 13,787
	Per Pupil Allocation (Other Districts)	\$ 13,044
	Federal, State & Local Revenue	\$ 2,938,200
	Grants & Donations	\$ 75,000
	Parent Field Study Contributions	\$ -
	Food Service	\$ 70,602
	Total Revenue	\$ 3,083,802
Administration		
	School Leader Salary	\$ 97,850
	Coordinator of School Ops Salary	\$ 66,438
	Administrative Benefits	\$ 53,000
	Curriculum Specialist	\$ 81,255
	Special Education Coordinator	\$ 59,031
	Social Worker*	\$ 87,436
	ESOL+ Math Intervention*	\$ 56,320
	Teacher on Special Assignment	\$ 83,038
	IT Support	\$ 20,049
	Food Service Assistant	\$ 9,352
	#REF!	\$ 48,257
	River Room/SW/Other Benefits	\$ 61,821
	Subtotal	\$ 723,847
Instruction		
	Teacher Salaries	\$ 1,065,449
	Teaching Assistant Salary	\$ 240,888
	Teacher & Assistant Benefits	\$ 518,446
	403-B Contribution	\$ -
	Substitutes*	\$ 41,616
	Professional Development	\$ 47,400
	Summer PD + Fringe	\$ 78,018
	Field Studies*	\$ 25,026
	Subtotal	\$ 2,016,843
Supplies		
	Classroom Supplies	\$ 7,500
	Technology & Computers	\$ 23,000
	Library/Reference	\$ 3,000
	Office Supplies*	\$ 24,618
	Texts & Materials	\$ 600
	Grant-related Materials	\$ -
	Subtotal	\$ 58,718
Operations		

	Audit	\$ 11,593
	Legal	\$ 8,742
	Student Testing	\$ 19,669
	Insurance	\$ 32,000
	Equipment maintenance	\$ 2,122
	Transportation	\$ -
	Postage	\$ 6,010
	Printing/Copying	\$ 20,101
	Business Services	\$ 45,000
	Marketing/Recruitment	\$ 10,000
	Food Service*	\$ 70,602
	Web site maintenance	\$ 1,092
	Dissemination Activities	\$ -
	Contingency Covid Expense	\$ 3,000
	Janitorial	\$ 21,035
	Subtotal	\$ 250,966
Capital/Facilities		
	Rent	\$ 178,753
	Equipment/Furniture Purchase	\$ 2,609
	Renovation	\$ -
	Subtotal	\$ 181,362
Summary	Grand Total Expenses	\$ 3,231,736
	Other Revenue Sources	\$ 10,000
	Covid -19 / Rainy Day 3.5%	\$ 107,933
	Investment Income	\$ 30,000
	Total Revenue	\$ 3,231,735
	Revenues Minus Expenses	\$ (0)

Coach Position

FOR INQUIRIES CALL: EAST WINTON OFFICE
(585) 442-1821

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GENESEE COMMUNITY CHARTER SCHO
THE DISSOLUTION ACCOUNT
657 EAST AVE
ROCHESTER NY 14607



ACCOUNT TYPE	
COMMERCIAL MONEY MARKET SAVINGS	

ACCOUNT NUMBER	STATEMENT PERIOD
[REDACTED]	SEP.01-SEP.30,2020

BEGINNING BALANCE	\$100,082.48
DEPOSITS & CREDITS	0.00
LESS CHECKS & DEBITS	0.00
INTEREST	4.11
LESS SERVICE CHARGES	0.00
ENDING BALANCE	\$100,086.59

[Signature]
10/16/20

INTEREST PAID YEAR TO DATE \$70.31

ACCOUNT ACTIVITY

POSTING DATE	TRANSACTION DESCRIPTION	DEPOSITS & OTHER CREDITS (+)	WITHDRAWALS & OTHER DEBITS (-)	DAILY BALANCE
09/01/2020	BEGINNING BALANCE			\$100,082.48
09/30/2020	INTEREST PAYMENT	\$4.11		100,086.59
	ENDING BALANCE			\$100,086.59

INTEREST RATE HISTORY

INTEREST RATE	BEGINNING DATE	ENDING DATE
0.05%	08/31/2020	09/30/2020

*10/19/2020
mm ✓*