

Ivy Hill Preparatory Charter School

Financial Statements

June 30, 2020



Independent Auditors' Report

**Board of Trustees
Ivy Hill Preparatory Charter School**

Report on the Financial Statements

We have audited the accompanying financial statements of Ivy Hill Preparatory Charter School (the "School"), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the period from June 12, 2018 (inception) to 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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.

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 the School as of June 30, 2020, and the changes in its net assets and its cash flows for the period from June 12, 2018 (inception) to June 30, 2020 in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2020, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Harrison, New York
October 5, 2020

Ivy Hill Preparatory Charter School

Statement of Financial Position June 30, 2020

ASSETS

Current Assets

Cash	\$ 744,349
Grants and contracts receivable	183,357
Prepaid expenses and other current assets	<u>7,383</u>
Total Current Assets	935,089

Property and equipment, net	358,472
Security deposit	93,750
Restricted cash	<u>20,000</u>

\$ 1,407,311

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable and accrued expenses	\$ 176,242
Accrued payroll and payroll taxes	62,849
Deferred rent, current portion	<u>701,938</u>
Total Current Liabilities	941,029

Deferred rent	<u>224,000</u>
Total Liabilities	1,165,029

Net assets, without donor restrictions	<u>242,282</u>
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\$ 1,407,311

Ivy Hill Preparatory Charter School

Statement of Activities
Period from June 12, 2018 (Inception) to June 30, 2020

REVENUE AND SUPPORT

State and local per pupil operating revenue	\$ 2,075,770
State and local per pupil facilities funding	521,828
Federal grants	905,916
Contributions and grants	381,422
Other revenue	<u>2,364</u>
Total Revenue and Support	<u>3,887,300</u>

EXPENSES

Program Services	
Regular education	2,139,006
Special education	<u>908,900</u>
Total Program Services	3,047,906
Supporting Services	
Management and general	563,324
Fundraising	<u>33,788</u>
Total Expenses	<u>3,645,018</u>

Change in Net Assets 242,282

NET ASSETS

Beginning of period	<u>-</u>
End of period	<u>\$ 242,282</u>

Ivy Hill Preparatory Charter School

Statement of Functional Expenses
 Period from June 12, 2018 (Inception) to June 30, 2020

	No. of Positions	Program Services			Management and General	Fundraising	Total
		Regular Education	Special Education	Total			
Personnel Services Costs							
Administrative staff personnel	4	\$ 95,048	\$ 108,245	\$ 203,293	\$ 281,012	\$ 12,383	\$ 496,688
Instructional personnel	10	426,918	164,190	591,108	-	-	591,108
Non-instructional personnel	2	19,807	26,057	45,864	-	-	45,864
Total Salaries and Staff	<u>16</u>	<u>541,773</u>	<u>298,492</u>	<u>840,265</u>	<u>281,012</u>	<u>12,383</u>	<u>1,133,660</u>
Fringe benefits and payroll taxes		103,222	56,871	160,093	53,540	2,359	215,992
Legal fees		-	-	-	1,104	-	1,104
Accounting/audit services		-	-	-	118,107	-	118,107
Other Purchased/professional/consulting services		33,236	15,393	48,629	6,885	578	56,092
Facility expense		941,048	405,375	1,346,423	86,866	14,478	1,447,767
Repairs and maintenance		109,197	47,039	156,236	10,080	1,680	167,996
Insurance		20,423	8,798	29,221	1,885	314	31,420
Supplies and materials		62,066	10,507	72,573	-	-	72,573
Equipment/furnishings		32,572	5,514	38,086	-	-	38,086
Staff development		43,645	8,769	52,414	487	81	52,982
Marketing/recruitment		47,433	8,030	55,463	-	-	55,463
Technology		90,870	15,383	106,253	-	-	106,253
Student services		35,509	6,011	41,520	-	-	41,520
Office expense		40,588	6,871	47,459	-	-	47,459
Depreciation		25,422	10,951	36,373	2,347	391	39,111
Other		12,002	4,896	16,898	1,011	1,524	19,433
Total Expenses		<u>\$ 2,139,006</u>	<u>\$ 908,900</u>	<u>\$ 3,047,906</u>	<u>\$ 563,324</u>	<u>\$ 33,788</u>	<u>\$ 3,645,018</u>

Ivy Hill Preparatory Charter School

Statement of Cash Flows Period from June 12, 2018 (Inception) to June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 242,282
Adjustments to reconcile change in net assets to net cash from operating activities	
Depreciation	39,111
Deferred rent	925,938
Changes in operating assets and liabilities	
Grants and contracts receivable	(183,357)
Prepaid expenses and other current assets	(7,383)
Security deposit	(93,750)
Accounts payable and accrued expenses	176,242
Accrued payroll and payroll taxes	62,849
Net Cash from Operating Activities	<u>1,161,932</u>

CASH FLOWS FROM INVESTING ACTIVITY

Purchases of property and equipment	<u>(397,583)</u>
Net Change in Cash and Restricted Cash	764,349

CASH AND RESTRICTED CASH

Beginning of period	<u>-</u>
End of period	<u>\$ 764,349</u>

The following table provides a reconciliation of cash and restricted cash within the statement of financial position:

Cash	\$ 744,349
Restricted cash	<u>20,000</u>
	<u>\$ 764,349</u>

Ivy Hill Preparatory Charter School

Notes to Financial Statements
June 30, 2020

1. Organization and Tax Status

Ivy Hill Preparatory Charter School (the "School") is a New York State, not-for-profit educational corporation that was incorporated on June 12, 2018 to operate a charter school pursuant to Article 56 of the Education Law of the State of New York. The School was granted a provisional charter on June 12, 2018 valid for a term of five years and renewable upon expiration by the Board of Regents of the University of the State of New York. The charter expires on June 30, 2023. The School's mission is to educate kindergarten through fifth grade scholars to thrive in middle and high schools, graduate from the college of their choice, and access lives of promise and opportunity through high quality curriculum and instruction, intentional leadership development, and a commitment to excellence. The School provided education to approximately 113 students in kindergarten through first grade during the 2019-2020 academic year.

The New York City Department of Education provides free lunches directly to the School's students. Such costs are not included in these financial statements. The Office of Pupil Transportation provides free transportation to students during the district's school days.

Except for taxes that may be due for unrelated business income, the School is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state and local income taxes under comparable laws.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Net Assets Presentation

Resources for various purposes are classified for accounting and reporting purposes into net asset categories established according to nature and purpose as follows:

Net assets without donor restrictions - consist of resources available for the general support of the School's operations. Net assets without donor restrictions may be used at the discretion of the School's management and/or the Board of Trustees.

Net assets with donor restrictions – represents amounts restricted by donors for specific activities of the School or to be used at a future date. The School records contributions as net assets with donor restrictions if they are received with donor stipulations that limit their use either through purpose or time restrictions. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are classified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. The School had no net assets with donor restrictions as of June 30, 2020.

Ivy Hill Preparatory Charter School

Notes to Financial Statements
June 30, 2020

2. Summary of Significant Accounting Policies *(continued)*

Restricted Cash

Under the provisions of its charter, the School established an escrow account to pay for legal and audit expenses that would be associated with a dissolution, should it occur.

Property and Equipment

The School follows the practice of capitalizing all expenditures for property and equipment with costs in excess of \$5,000 and a useful life in excess of one year. Leasehold improvements are amortized over the shorter of the term of the lease, inclusive of all renewal periods, which are reasonably assured, or the estimated useful life of the asset. Purchased property and equipment are recorded at cost at the date of acquisition. Minor costs of maintenance and repairs are expensed as incurred. All property and equipment purchased with government funding is capitalized, unless the government agency retains legal title to such assets, in which case it is expensed as incurred.

Depreciation and amortization is recognized on the straight-line method over the estimated useful lives of such assets as follows:

Furniture and fixtures	7 years
Computers and equipment	3 years

Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is identified. If the carrying amount for the asset is not recoverable, the asset is written down to its fair value. There were no asset impairments for the period from June 12, 2018 (inception) to June 30, 2020.

Deferred Rent

The School records its rent in accordance with U.S. GAAP guidance whereby all rental payments, including fixed rent increases, are recognized on a straight-line basis as an offset to rent expense. The difference between the straight-line rent expense and the required lease payments, as well as any unamortized lease incentives, is reflected in deferred rent in the accompanying statement of financial position.

Revenue and support

Revenue from the state and local governments resulting from the School's charter status and based on the number of students enrolled is recorded when services are performed in accordance with the charter agreement. Federal and other state and local funds are recorded when expenditures are incurred and billable to the government agency.

Contributions are recognized when the donor makes a promise to give to the School that is, in substance, unconditional. Grants and other contributions of cash are reported as net assets with donor restrictions support if they are received with donor stipulations. Contributions and grants that are made to support the School's current year activities are recorded as net assets without donor restrictions. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation.

Ivy Hill Preparatory Charter School

Notes to Financial Statements
June 30, 2020

2. Summary of Significant Accounting Policies (*continued*)

Marketing and Recruitment

Marketing and recruitment costs are expensed as incurred for staff and student recruitment. Marketing and recruitment expense for the period from June 12, 2018 (inception) to June 30, 2020 was \$55,463.

Functional Expense Allocation

The majority of expenses can generally be directly identified with the program or supporting service to which they relate and are charged accordingly. Other expenses by function have been allocated among program and supporting services classifications on the basis of periodic time and expense studies and other basis as determined by management of the School to be appropriate.

Accounting for Uncertainty in Income Taxes

The School recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the School had no uncertain tax positions that would require financial statement recognition or disclosure. All Forms 990 filed by the School are subject to examination.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is October 5, 2020.

3. Grants and Contracts Receivable

Grants and contracts receivable consist of federal, state, city entitlements and grants. The School expects to collect these receivables within one year and has not provided an allowance for doubtful accounts.

4. Property and Equipment

Property and equipment consisted of the following at June 30, 2020:

Furniture and fixtures	\$	105,714
Computers and equipment		132,869
Construction in progress		<u>159,000</u>
		397,583
Accumulated depreciation		<u>(39,111)</u>
	\$	<u><u>358,472</u></u>

Ivy Hill Preparatory Charter School

Notes to Financial Statements
June 30, 2020

4. Property and Equipment (*continued*)

Construction in progress at June 30, 2020 is comprised of costs related to the School renovating a floor in the building.

5. Liquidity and Availability of Financial Assets

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of the statement of financial position date, are comprised of the following at June 30, 2020:

Cash	\$	744,349
Grants and contracts receivable		<u>181,766</u>
	\$	<u>926,115</u>

As part of the School's liquidity management plan, the status of grants and contracts receivable is monitored regularly and any excess cash is held in liquid instruments until it is required for operational use.

6. Concentration of Credit Risk

Financial instruments that potentially subject the School to concentrations of credit and market risk consist principally of cash on deposit with financial institutions, which from time to time may exceed the Federal Deposit Insurance Corporation ("FDIC") limit. The School does not believe that a significant risk of loss due to the failure of a financial institution presently exists. As of June 30, 2020, approximately \$513,000 of cash was maintained with an institution in excess of FDIC limits.

7. Concentration of Revenue and Support

The School receives a substantial portion of its revenue and support from the New York City Department of Education. For the period from June 12, 2018 (inception) to June 30, 2020, the School received approximately 67% of its total revenue and support from the New York City Department of Education. If the charter school laws were modified, reducing or eliminating these revenues, the School's finances could be materially adversely affected.

8. Commitment

On March 22, 2019, the School signed a lease agreement with Nazareth Regional High School to lease office and classroom space under a non-cancelable lease expiring June 30, 2034 and paid a security deposit in the amount of \$93,750. The School moved into this space on July 1, 2019.

Ivy Hill Preparatory Charter School

Notes to Financial Statements
June 30, 2020

8. Commitment (*continued*)

The future minimum lease payments under this lease is as follows for the years ending June 30:

2021	\$ 750,000
2022	1,000,000
2023	1,250,000
2024	1,500,000
2025	1,530,000
Thereafter	<u>15,223,073</u>
	<u>\$ 21,253,073</u>

Rent expense is recognized on the straight-line basis. The differences between cash payments under the lease agreement and the straight-line rent have been recognized as deferred rent in the accompanying statement of financial position from inception of the lease. The difference between rent cash payments and straight-line rent recorded in the statement of financial position amounted to \$925,938 at June 30, 2020. Facility expense for the period from June 12, 2018 (inception) to June 30, 2020 was \$1,447,767.

9. Contingency

Certain grants and contracts may be subject to audit by the funding sources. Such audits might result in disallowances of costs submitted for reimbursement. Management is of the opinion that such cost disallowances, if any, will not have a material effect on the accompanying financial statements. Accordingly, no amounts have been provided in the accompanying financial statements for such potential claims.

10. Risk and Uncertainties

The School's operations and financial performance may be affected by the recent COVID-19 outbreak which has spread globally and is expected to adversely affect economic conditions throughout the world. If the outbreak continues and conditions worsen, the School may experience a disruption in operations as well as a decline in revenue activities. Economic uncertainty is related to the potential reduction and/or delays in state and local per pupil operating revenue, shortfalls and variations in enrollment, and operational and other changes that could increase expenses. The outbreak may adversely affect the School's activities, financial condition, results of operations, and cash flows. Management is closely monitoring the impact of COVID-19 and believes the School is taking appropriate actions to mitigate the negative impact. However, management is unable to estimate the financial impact, if any, related to this matter.

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

**Board of Trustees
Ivy Hill Preparatory Charter School**

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 Ivy Hill Preparatory Charter School (the "School"), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the period from June 12, 2018 (inception) to June 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated October 5, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's 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 the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's 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 the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 School'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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

Harrison, New York
October 5, 2020



Annual Financial Statement Audit Report

for Board of Regents Authorized Charter Schools

School Name:	Ivy Hill Preparatory Charter School
Date (Report is due Nov. 1):	November 1, 2020
Primary District of Location (If NYC select NYC DOE):	New York City Department of Education
If located in NYC DOE select CSD:	NYCSD #18
School Fiscal Contact Name:	Ambrosia Johnson
School Fiscal Contact Email:	[REDACTED]
School Fiscal Contact Phone:	[REDACTED]
School Audit Firm Name:	PKF O'Connor Davies
School Audit Contact Name:	Joseph X. Ciorciari
School Audit Contact Email:	[REDACTED]
School Audit Contact Phone:	[REDACTED]
Audit Period:	2019-20
Prior Year:	-

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	No Management Letter Issued
Management Letter Response	N/A
Form 990	An extension has been filed
Federal Single Audit (A-133)	N/A
Corrective Action Plan	N/A

Ivy Hill Preparatory Charter School
Statement of Financial Position
as of June 30

	<u>2020</u>	<u>-</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 744,349	\$ -
Grants and contracts receivable	181,766	-
Accounts receivables	-	-
Prepaid Expenses	8,974	-
Contributions and other receivables	-	-
Other current assets	-	-
TOTAL CURRENT ASSETS	935,089	-
<u>NON-CURRENT ASSETS</u>		
Property, Building and Equipment, net	\$ 358,472	\$ -
Restricted Cash	20,000	-
Security Deposits	93,750	-
Other Non-Current Assets	-	-
TOTAL NON-CURRENT ASSETS	472,222	-
TOTAL ASSETS	<u>1,407,311</u>	<u>-</u>
<u>CURRENT LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 176,242	\$ -
Accrued payroll, payroll taxes and benefits	62,849	-
Current Portion of Loan Payable	-	-
Due to Related Parties	-	-
Refundable Advances	-	-
Deferred Revenue	-	-
Other Current Liabilities	701,938	-
TOTAL CURRENT LIABILITIES	941,029	-
<u>LONG-TERM LIABILITIES</u>		
Loan Payable; Due in More than One Year	\$ -	\$ -
Deferred Rent	224,000	-
Due to Related Party	-	-
Other Long-Term Liabilities	-	-
TOTAL LONG-TERM LIABILITIES	224,000	-
TOTAL LIABILITIES	<u>1,165,029</u>	<u>-</u>
<u>NET ASSETS</u>		
Unrestricted	\$ 242,282	\$ -
Temporarily restricted	-	-
Permanently restricted	-	-
TOTAL NET ASSETS	<u>242,282</u>	<u>-</u>
TOTAL LIABILITIES AND NET ASSETS	<u>1,407,311</u>	<u>-</u>

**Ivy Hill Preparatory Charter School
Statement of Activities
as of June 30**

	2020			-
	Unrestricted	Temporarily Restricted	Total	Total
OPERATING REVENUE				
State and Local Per Pupil Revenue - Reg. Ed	\$ 1,829,391	\$ -	\$ 1,829,391	\$ -
State and Local Per Pupil Revenue - SPED	217,548	-	217,548	-
State and Local Per Pupil Facilities Revenue	521,828	-	521,828	-
Federal Grants	905,916	-	905,916	-
State and City Grants	28,831	-	28,831	-
Other Operating Income	2,364	-	2,364	-
Food Service/Child Nutrition Program	-	-	-	-
TOTAL OPERATING REVENUE	3,505,878	-	3,505,878	-
EXPENSES				
Program Services				
Regular Education	\$ 2,139,006	\$ -	\$ 2,139,006	\$ -
Special Education	908,900	-	908,900	-
Other Programs	-	-	-	-
Total Program Services	3,047,906	-	3,047,906	-
Management and general	563,324	-	563,324	-
Fundraising	33,788	-	33,788	-
TOTAL EXPENSES	3,645,018	-	3,645,018	-
SURPLUS / (DEFICIT) FROM OPERATIONS	(139,140)	-	(139,140)	-
SUPPORT AND OTHER REVENUE				
Interest and Other Income	\$ -	\$ -	\$ -	\$ -
Contributions and Grants	381,422	-	381,422	-
Fundraising Support	-	-	-	-
Investments	-	-	-	-
Donated Services	-	-	-	-
Other Support and Revenue	-	-	-	-
TOTAL SUPPORT AND OTHER REVENUE	381,422	-	381,422	-
Net Assets Released from Restrictions / Loss on Disposal of Assets	\$ -	\$ -	\$ -	\$ -
CHANGE IN NET ASSETS	242,282	-	242,282	-
NET ASSETS - BEGINNING OF YEAR	\$ -	\$ -	\$ -	\$ -
PRIOR YEAR/PERIOD ADJUSTMENTS	-	-	-	-
NET ASSETS - END OF YEAR	\$ 242,282	\$ -	\$ 242,282	\$ -

**Ivy Hill Preparatory Charter School
Statement of Cash Flows**

as of June 30

	<u>2020</u>	<u>-</u>
CASH FLOWS - OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 242,282	\$ -
Revenues from School Districts	-	-
Accounts Receivable	-	-
Due from School Districts	-	-
Depreciation	39,111	-
Grants Receivable	(181,766)	-
Due from NYS	-	-
Grant revenues	-	-
Prepaid Expenses	(8,974)	-
Accounts Payable	-	-
Accrued Expenses	176,242	-
Accrued Liabilities	62,849	-
Contributions and fund-raising activities	-	-
Miscellaneous sources	-	-
Deferred Revenue	-	-
Interest payments	-	-
Deferred rent	925,938	-
Security deposit	(93,750)	-
NET CASH PROVIDED FROM OPERATING ACTIVITIES	\$ 1,161,932	\$ -
CASH FLOWS - INVESTING ACTIVITIES		
Purchase of equipment	(397,583)	-
Other	-	-
NET CASH PROVIDED FROM INVESTING ACTIVITIES	\$ (397,583)	\$ -
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	\$ 764,349	\$ -
Cash at beginning of year	-	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 764,349	\$ -

**Ivy Hill Preparatory Charter School
Statement of Functional Expenses
as of June 30**

		2020								-
No. of Positions	Program Services				Supporting Services			Total	Total	
	Regular Education	Special Education	Other Education	Total	Fundraising	Management and General	Total			
Personnel Services Costs		\$	\$	\$	\$	\$	\$	\$	\$	\$
Administrative Staff Personnel	4.00	95,048	108,245	-	203,293	12,383	281,012	293,395	496,688	-
Instructional Personnel	10.00	426,918	164,190	-	591,108	-	-	-	591,108	-
Non-Instructional Personnel	2.00	19,807	26,057	-	45,864	-	-	-	45,864	-
Total Salaries and Staff	16.00	541,773	298,492	-	840,265	12,383	281,012	293,395	1,133,660	-
Fringe Benefits & Payroll Taxes		103,222	56,871	-	160,093	2,359	53,540	55,899	215,992	-
Retirement		-	-	-	-	-	-	-	-	-
Management Company Fees		-	-	-	-	-	-	-	-	-
Legal Service		-	-	-	-	-	1,104	1,104	1,104	-
Accounting / Audit Services		-	-	-	-	-	118,197	118,197	118,197	-
Other Purchased / Professional / Consulting Services		33,236	15,393	-	48,629	578	6,885	7,463	56,092	-
Building and Land Rent / Lease		941,048	405,375	-	1,346,423	14,478	86,866	101,344	1,447,767	-
Repairs & Maintenance		109,197	47,039	-	156,236	1,680	10,080	11,760	167,996	-
Insurance		20,423	8,798	-	29,221	314	1,885	2,199	31,420	-
Utilities		-	-	-	-	-	-	-	-	-
Supplies / Materials		62,066	10,507	-	72,573	-	-	-	72,573	-
Equipment / Furnishings		32,572	5,514	-	38,086	-	-	-	38,086	-
Staff Development		43,645	8,769	-	52,414	81	487	568	52,982	-
Marketing / Recruitment		47,433	8,030	-	55,463	-	-	-	55,463	-
Technology		90,870	15,383	-	106,253	-	-	-	106,253	-
Food Service		-	-	-	-	-	-	-	-	-
Student Services		35,509	6,011	-	41,520	-	-	-	41,520	-
Office Expense		40,588	6,871	-	47,459	-	-	-	47,459	-
Depreciation		25,422	10,951	-	36,373	391	2,347	2,738	39,111	-
OTHER		12,002	4,896	-	16,898	1,524	1,011	2,535	19,433	-
Total Expenses		\$ 2,139,006	\$ 908,900	\$ -	\$ 3,047,906	\$ 33,788	\$ 563,414	\$ 597,202	\$ 3,645,108	\$ -

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 accommodate additional districts if necessary.
5	The Assumptions column should be completed for all revenue and expense items unless the item is self-explanatory. Where applicable, please reference the page number or section in the application narrative that indicates the assumption being made. For instance, student enrollment would reference the applicable page number in Section I, C of the application narrative.

Ivy Hill Preparatory Charter School

PROJECTED BUDGET FOR 2020-2021

July 1, 2020 to June 30, 2021

Assumptions

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	2,857,942	1,057,951	-	180	1,260	3,917,333
Total Expenses	2,414,488	943,953	-	29,008	461,481	3,848,931
Net Income	443,454	113,997	-	(28,828)	(460,221)	68,402
Actual Student Enrollment	162	27	-	-	-	-
Total Paid Student Enrollment	-	-	-	-	-	-

PROGRAM SERVICES SUPPORT SERVICES

REGULAR EDUCATION SPECIAL EDUCATION OTHER FUNDRAISING MANAGEMENT & GENERAL TOTAL

Specialty Teachers	-	-	-	-	-	-		
Aides	-	-	-	-	-	-		
Therapists & Counselors	1.00	49,800	10,200	-	-	60,000	One Social Worker	
Other	-	-	-	-	-	-		
TOTAL INSTRUCTIONAL	17	824,950	228,966	-	-	1,053,916		
NON-INSTRUCTIONAL PERSONNEL COSTS								
Nurse	-	-	-	-	-	-		
Librarian	-	-	-	-	-	-		
Custodian	-	-	-	-	-	-		
Security	-	-	-	-	-	-		
Other	4.00	18,260	3,740	-	-	22,000	Four Bus Matrons at \$5,500/annaul for each	
TOTAL NON-INSTRUCTIONAL	4	18,260	3,740	-	-	22,000		
SUBTOTAL PERSONNEL SERVICE COSTS	25	898,203	321,879	-	6,695	1,430,948		
PAYROLL TAXES AND BENEFITS								
Payroll Taxes	-	76,926	27,567	-	573	17,486	122,553	Based on budgeted salaies for FY 2020-21
Fringe / Employee Benefits	-	115,347	41,336	-	860	26,220	183,762	Based on FY 2019-20 Actuals
Retirement / Pension	-	-	-	-	-	-	-	
TOTAL PAYROLL TAXES AND BENEFITS		192,273	68,903	-	1,433	43,706	306,315	
TOTAL PERSONNEL SERVICE COSTS		1,090,477	390,781	-	8,128	247,877	1,737,263	
CONTRACTED SERVICES								
Accounting / Audit	-	-	-	-	90,000	90,000	90,000	Estimated outsourced Accounting and Independent Audit Fee for FY 2020-21
Legal	-	-	-	-	10,000	10,000	10,000	Based on FY 2019-20 actuals
Management Company Fee	-	-	-	-	-	-	-	
Nurse Services	-	-	-	-	-	-	-	
Food Service / School Lunch	-	-	-	-	-	-	-	
Payroll Services	-	19,772	7,086	-	147	4,494	31,500	Estimated cost based on FY 2020-21 Salaries
Special Ed Services	-	-	4,950	-	-	-	4,950	Estimated cost based on FY 2019-20 actuals
Titlment Services (i.e. Title I)	-	-	10,500	-	-	-	10,500	Estimated cost based on FY 2019-20 actuals
Other Purchased / Professional / Consulting	-	4,980	1,020	-	-	-	6,000	E-rate consultant fee for FY 2020-21
TOTAL CONTRACTED SERVICES		24,752	23,556	-	147	104,494	152,950	
SCHOOL OPERATIONS								
Board Expenses	-	3,965	1,708	-	61	366	6,100	Estimated cost for Board Development and Meetings in FY 2020-21
Classroom / Teaching Supplies & Materials	-	38,220	7,828	-	-	-	46,048	Estimated classroom and materials cost for FY 2020-21 based on FY 2019-20 actuals
Special Ed Supplies & Materials	-	-	2,700	-	-	-	2,700	Based on FY 2019-20 actuals
Textbooks / Workbooks	-	21,904	4,486	-	-	-	26,390	Estimated cost for Textbooks and Library books for FY 2020-21
Supplies & Materials other	-	7,470	1,530	-	-	-	9,000	Based on FY 2019-20 actuals
Equipment / Furniture	-	17,428	3,570	-	-	-	20,998	Estimated cost for Classroom equipment and Copy Machine Lease
Telephone	-	3,322	1,431	-	51	307	5,110	Based on FY 2019-20 actuals
Technology	-	32,566	14,028	-	501	3,006	50,101	Based on FY 2019-20 actuals
Student Testing & Assessment	-	16,453	3,370	-	-	-	19,823	Estimated FY 2020-21 cost for student tests and assessments
Field Trips	-	872	179	-	-	-	1,050	Based on FY 2019-20 actuals
Transportation (student)	-	-	-	-	-	-	-	
Student Services - other	-	-	-	-	-	-	-	
Office Expense	-	14,295	6,158	-	220	1,320	21,992	Based on FY 2019-20 actuals
Staff Development	-	24,070	4,930	-	-	-	29,000	Estimated FY 2020-21 cost for Staff Development
Staff Recruitment	-	8,286	2,969	-	62	1,883	13,200	Estimated staff recruitment cost FY 2020-21

Ivy Hill Preparatory Charter School

PROJECTED BUDGET FOR 2020-2021

July 1, 2020 to June 30, 2021

Assumptions

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	2,857,942	1,057,951	-	180	1,260	3,917,333
Total Expenses	2,414,488	943,953	-	29,008	461,481	3,848,931
Net Income	443,454	113,997	-	(28,828)	(460,221)	68,402
Actual Student Enrollment	162	27	-	-	-	-
Total Paid Student Enrollment	-	-	-	-	-	-

PROGRAM SERVICES

SUPPORT SERVICES

	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL
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Student Recruitment / Marketing	9,960	2,040	-	-	-	12,000	Estimated student recruitment cost FY 2020-21
School Meals / Lunch	3,735	765	-	-	-	4,500	Estimated cost for snacks for kids
Travel (Staff)	2,080	896	-	32	192	3,200	Based on FY 2019-20 actuals
Fundraising	-	-	-	3,000	-	3,000	Based on FY 2019-20 actuals
Other	2,241	459	-	-	1,200	3,900	Estimated student uniform cost plus bank fees for FY 2020-21
TOTAL SCHOOL OPERATIONS	206,865	59,047	-	3,927	8,274	278,112	

FACILITY OPERATION & MAINTENANCE

Insurance	28,222	12,157	-	434	2,605	43,418	Estimated FY 2020-21 Insurance Cost
Janitorial	48,913	21,070	-	753	4,515	75,250	Estimated Janitorial and Pest Control cost for FY 2020-21
Building and Land Rent / Lease	943,760	406,543	-	14,519	87,116	1,451,938	FY 2020-21 rent expense including straight lining of the lease
Repairs & Maintenance	9,750	4,200	-	150	900	15,000	Estimated cost for FY 2020-21 based on FY 2019-20 actuals
Equipment / Furniture	-	-	-	-	-	-	
Security	35,750	15,400	-	550	3,300	55,000	Estimated cost for FY 2020-21 based on FY 2019-20 actuals
Utilities	-	-	-	-	-	-	
TOTAL FACILITY OPERATION & MAINTENANCE	1,066,394	459,370	-	16,406	98,436	1,640,606	

DEPRECIATION & AMORTIZATION

	26,000	11,200	-	400	2,400	40,000	Estimated depreciation expense for FY 2020-21
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DISSOLUTION ESCROW & RESERVES / CONTINGENCY

	-	-	-	-	-	-	
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TOTAL EXPENSES

	2,414,488	943,953	-	29,008	461,481	3,848,931	
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NET INCOME

	443,454	113,997	-	(28,828)	(460,221)	68,402	
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ENROLLMENT - *School Districts Are Linked To Above Entries*

	REGULAR EDUCATION	SPECIAL EDUCATION	TOTAL ENROLLED
District of Location	162	27	-
School District 2 (Enter Name)			-
School District 3 (Enter Name)			-
School District 4 (Enter Name)			-
School District 5 (Enter Name)			-
TOTAL ENROLLMENT	162	27	-
REVENUE PER PUPIL	17,642	39,183	-
EXPENSES PER PUPIL	14,904	34,961	-



JPMorgan Chase Bank, N.A.
P O Box 182051
Columbus, OH 43218 - 2051

Primary Account: [REDACTED]
For the Period 9/1/20 to 9/30/20

J.P. Morgan Team

Jpms Banking Service Team (877) 576-2818
Jpms Banking Service Team
For assistance after business hours, 7 days a week. (800) 576-6209
Deaf and Hard of Hearing (800) 242-7383
Online access: www.jpmorganonline.com

00063722 DPB 802 211 27520 NNNNNNNNNN 1 000000000 D1 0000
IVY HILL PREPARATORY CHARTER SCHOOL
ESCROW ACCOUNT
475 E 57TH ST
BROOKLYN NY 11203-6010

JPMorgan Classic Business Checking

Checking Account Summary	Instances	Amount
Beginning Balance		40,000.00
Ending Balance	0	\$40,000.00

We're discontinuing the Visa Benefits Package on Chase business debit cards



[REDACTED]

IVY HILL PREPARATORY CHARTER SCHOOL
ESCROW ACCOUNT

Primary Account: [REDACTED]

For the Period 9/1/20 to 9/30/20

Effective December 1, 2020, we'll no longer offer the Visa Benefits Package (such as Purchase Security and Warranty Manager) on eligible Chase business debit cards. Benefits you may have with this package will remain in effect for eligible purchases made prior to December 1. This doesn't affect any benefit packages on Chase business credit cards.

Please note this account had no activity during this statement period. The date of last activity for this account was 08/18/20.

Fees and Charges for Deposit Accounts

Fees

Description	Volume	Allowed	Excess	Unit Price	Fees
[REDACTED] Monthly Service Fee	1.00	0	1	0.00	0.00
Total Fees					\$0.00



Primary Account: [REDACTED]

For the Period 9/1/20 to 9/30/20

Important Information About Your Statement

In Case of Errors or Questions About Your Electronic Funds Transfers

Call us at 1-866-564-2262 or write us at the address on the front of this statement (non-consumers, use your J.P. Morgan Team contact information) immediately if you think your statement or receipt is incorrect or if you need more information about a transfer listed on the statement or receipt.

For personal accounts only: We must hear from you no later than 60 days after we sent you the FIRST statement on which the problem or error appeared. Be prepared to give us the following information:

- Your name and account number
- The dollar amount of the suspected error
- A description of the error or transfer you are unsure of, why you believe it is an error, or why you need more information.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days (or 20 business days for new accounts) to do this, we will credit your account for the amount you think is in error so that you will have use of the money during the time it takes us to complete our investigation.

In Case of Errors or Questions About Non-Electronic Transactions:

Contact the bank immediately if your statement is incorrect or if you need more information about any non-electronic transactions (checks or deposits) on this statement. If any such error appears, you must notify the bank in writing no later than 30 days after the statement was made available to you. For more complete details, see the Account Rules and Regulations or other applicable account agreement that governs your account. Deposit products and services are offered by JPMorgan Chase Bank, N.A. Member FDIC

Bank products and services are offered by JPMorgan Chase Bank, N.A. and its affiliates. Securities are offered by J.P. Morgan Securities LLC, member FINRA and SIPC.

Investment Products: Not FDIC insured • No bank guarantee • May lose value



Primary Account: [REDACTED]
For the Period 9/1/20 to 9/30/20

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