



October 19, 2020

PKF O'Connor Davies, LLP  
500 Mamaroneck Avenue, Suite 301  
Harrison, NY 10528

This representation letter is provided in connection with your audit of the financial statements of OnTECH Charter High School (the "Organization"), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the year ended June 30, 2020 and for the period from December 13, 2016 (inception) to June 30, 2019, and the related notes to the financial statements, 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 of America (US 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 that, 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.

Expenditures of federal awards were below the \$750,000 threshold for the years then ended June 30, 2020 and 2019 and we were not required to have an audit in accordance with *Title 2 U.S. Code of Federal Regulations ("CFR") Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards ("Uniform Guidance")*, *Audits of States, Local Governments and Non-Profit Organizations and Government Auditing Standards*.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter, the following representations made to you during your audits:

### **Our Responsibilities**

- We acknowledge that we have fulfilled our responsibilities for:
  - The preparation and fair presentation of the financial statements in accordance with US GAAP;
  - 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; and

- The design, implementation, and maintenance of internal control to prevent and detect fraud.
- We understand that the term “fraud” refers to intentional acts by one or more individuals among management, those charged with governance, employees, or third parties, involving the use of deception that results in a misstatement in financial statements. Two types of intentional misstatements are relevant to your audits – misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets. Fraudulent financial reporting involves intentional misstatements, including omissions of amounts or disclosures in financial statements to deceive financial statement users. Misappropriation of assets involves the theft of an entity’s assets.
- In regard to the assistance with preparation of financial statements and with tax preparation non-attest services performed by you, we have:
  - Assumed all management responsibilities;
  - Designated members of management who have suitable skill, knowledge, or experience to oversee the services;
  - Evaluated the adequacy and results of the services performed; and
  - Accepted responsibility for the results of the services.

## **Financial Statements**

- The financial statements referred to above are fairly presented in conformity with US GAAP and include all disclosures necessary for such fair presentation. In that connection, we specifically confirm that:
  - The Organization’s accounting policies, and the practices and methods followed in applying them, are appropriate and are as disclosed in the financial statements.
  - Except as disclosed in the financial statements, there have been no changes during the period audited in the Organization’s accounting policies and practices.
  - All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- The following, where they exist, have been appropriately disclosed to you and accounted for and/or disclosed in the financial statements in accordance with the requirements of US GAAP:
  - The identity of all related parties and related party relationships and transactions.
  - Material concentrations. We understand that concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which it is reasonably possible that events could occur which would significantly disrupt normal finances within the next year.
  - Guarantees, whether written or oral, under which the Organization is contingently liable, including guarantee contracts and indemnification agreements.
  - The effects of all known actual, possible, pending or threatened litigation, claims, and assessments.
- The Organization does not have any uncertain tax positions that require disclosure or

recognition in the financial statements.

- We have evaluated events subsequent to the date of the financial statements through the date of this letter, and no such events have occurred which would require adjustment or disclosure 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.
  - Access to all minutes of the meetings of trustees, or summaries of actions of recent meetings for which minutes were not yet prepared.
  - Communications from regulatory agencies concerning noncompliance with or deficiencies in, financial reporting practices.
  - Additional information that you have requested from us for the purpose of the audit.
  - Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
- There are no deficiencies in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the Organization's ability to initiate, authorize, record, process, and report financial data reliably in accordance with US GAAP.
- 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, regulators, or others.
- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

- The Organization 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.
- We have a reasonable basis for the allocation of functional expenses.
- With respect to contributions:
  - Adequate controls are in place over the receipt and recording of contributions.
  - There were no unrecorded contributions or pledges at June 30, 2020 and 2019 that could materially affect the financial statements. In addition, we are unaware of any assets for which the School may be beneficiary as prescribed by probated wills or held in trusts by independent trustees at June 30, 2020 and 2019 which should be recorded in the financial statements.
- We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor restrictions to maintain an appropriate composition of assets needed to satisfy their restrictions.

## Hosting Services

We acknowledge that electronic portals used during the audit are only a method of transferring data and the data may be deleted by you at any time.

We are responsible for maintaining our financial and non-financial information, licensing and hosting of any applications, and downloading and retaining anything you uploaded to such portal in a timely manner.



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*Ellen K. Eagen, President of the Board of Trustees*



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*Beth Gavenda, Chief Financial Officer*

# **OnTECH Charter High School**

Financial Statements

June 30, 2020 and 2019



## Independent Auditors' Report

**Board of Trustees  
OnTECH Charter High School**

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of OnTECH Charter High School (the "School"), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the year ended June 30, 2020 and for the period from December 13, 2016 (inception) to June 30, 2019, 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 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 2019, and the changes in its net assets and its cash flows for the year ended June 30, 2020 and for the period from December 13, 2016 (inception) to June 30, 2019 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 19, 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 19, 2020

## OnTECH Charter High School

### Statements of Financial Position

	June 30,	
	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Current Assets		
Cash	\$ 1,284,143	\$ 116,149
Grants and contracts receivable	88,363	693,413
Prepaid expenses and other current assets	<u>15,479</u>	<u>19,706</u>
Total Current Assets	1,387,985	829,268
Property and equipment, net	600,833	482,534
Restricted cash	25,003	-
Security deposit	<u>25,000</u>	<u>25,000</u>
	<u>\$ 2,038,821</u>	<u>\$ 1,336,802</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 57,407	\$ 429,367
Refundable advances	6,210	44,758
Deferred rent, current portion	<u>304,439</u>	<u>274,095</u>
Total Current Liabilities	368,056	748,220
Paycheck Protection Program loan payable	190,860	-
Deferred rent	<u>334,432</u>	<u>116,464</u>
Total Liabilities	893,348	864,684
Net assets, without donor restrictions	<u>1,145,473</u>	<u>472,118</u>
	<u>\$ 2,038,821</u>	<u>\$ 1,336,802</u>

See notes to financial statements



# OnTECH Charter High School

## Statements of Activities

	Year ended June 30, 2020	Period from December 13, 2016 (inception) to June 30, 2019
<b>REVENUE AND SUPPORT</b>		
State and local per pupil operating revenue	\$ 2,583,405	\$ 1,148,097
Federal grants	65,468	849,688
State grants	206,266	-
Contributions and grants	4,814	18,000
Total Revenue and Support	<u>2,859,953</u>	<u>2,015,785</u>
<b>EXPENSES</b>		
Program Services		
Regular education	1,607,227	1,068,249
Special education	367,198	320,409
Total Program Services	<u>1,974,425</u>	<u>1,388,658</u>
Supporting Services		
Management and general	212,173	155,009
Total Expenses	<u>2,186,598</u>	<u>1,543,667</u>
Change in Net Assets	673,355	472,118
<b>NET ASSETS</b>		
Beginning of period	<u>472,118</u>	<u>-</u>
End of period	<u>\$ 1,145,473</u>	<u>\$ 472,118</u>

**OnTECH Charter High School**

Statement of Functional Expenses  
Year Ended June 30, 2020

	No. of Positions	Program Services			Management and General	Total
		Regular Education	Special Education	Total		
Personnel Services Cost						
Administrative staff personnel	10	\$ 188,213	\$ 27,077	\$ 215,290	\$ 85,899	\$ 301,189
Instructional personnel	27	468,156	132,057	600,213	-	600,213
Non-Instructional personnel	4	47,481	8,224	55,705	419	56,124
Total Salaries and Staff	<u>41</u>	<u>703,850</u>	<u>167,358</u>	<u>871,208</u>	<u>86,318</u>	<u>957,526</u>
Fringe benefits and payroll taxes		88,563	9,427	97,990	6,828	104,818
Retirement		2,542	604	3,146	312	3,458
Legal fees		-	-	-	1,400	1,400
Accounting/audit services		-	-	-	25,000	25,000
Other Purchased/professional/consulting services		160,614	37,129	197,743	17,371	215,114
Facility expense		347,005	82,509	429,514	42,556	472,070
Repairs and maintenance		34,548	8,215	42,763	4,237	47,000
Insurance		13,063	3,106	16,169	1,602	17,771
Utilities		17,170	4,083	21,253	2,106	23,359
Supplies and materials		32,330	5,879	38,209	-	38,209
Equipment/furnishings		8,310	1,976	10,286	1,019	11,305
Staff development		3,743	890	4,633	459	5,092
Marketing/recruitment		38,742	9,212	47,954	4,751	52,705
Technology		24,335	5,786	30,121	2,984	33,105
Student services		8,208	1,492	9,700	-	9,700
Office expense		11,621	2,763	14,384	1,425	15,809
Depreciation and amortization		112,359	26,716	139,075	13,780	152,855
Other		224	53	277	25	302
Total Expenses		<u>\$ 1,607,227</u>	<u>\$ 367,198</u>	<u>\$ 1,974,425</u>	<u>\$ 212,173</u>	<u>\$ 2,186,598</u>

## OnTECH Charter High School

Statement of Functional Expenses  
 Period from December 13, 2016 (inception) to June 30, 2019

	No. of Positions	Program Services			Management and General	Total
		Regular Education	Special Education	Total		
Personnel Services Cost						
Administrative staff personnel	5	\$ 84,673	\$ 12,181	\$ 96,854	\$ 38,644	\$ 135,498
Instructional personnel	21	201,895	79,653	281,548	-	281,548
Non-Instructional personnel	2	18,563	3,703	22,266	-	22,266
Total Salaries and Staff	<u>28</u>	<u>305,131</u>	<u>95,537</u>	<u>400,668</u>	<u>38,644</u>	<u>439,312</u>
Fringe benefits and payroll taxes		48,232	5,134	53,366	3,719	57,085
Legal fees		-	-	-	8,174	8,174
Accounting/audit services		-	-	-	18,500	18,500
Other Purchased/professional/consulting services		166,823	52,083	218,906	20,960	239,866
Facility expense		311,409	97,503	408,912	39,439	448,351
Repairs and maintenance		24,879	7,790	32,669	3,151	35,820
Insurance		5,523	1,729	7,252	699	7,951
Utilities		25,972	8,132	34,104	3,289	37,393
Supplies and materials		32,375	6,459	38,834	-	38,834
Equipment/furnishings		17,765	5,562	23,327	2,250	25,577
Staff development		5,674	1,776	7,450	719	8,169
Marketing/recruitment		67,536	21,146	88,682	8,553	97,235
Technology		19,617	6,142	25,759	2,484	28,243
Student services		2,347	468	2,815	-	2,815
Office expense		8,856	2,773	11,629	1,121	12,750
Depreciation and amortization		26,110	8,175	34,285	3,307	37,592
Total Expenses		<u>\$ 1,068,249</u>	<u>\$ 320,409</u>	<u>\$ 1,388,658</u>	<u>\$ 155,009</u>	<u>\$ 1,543,667</u>

See notes to financial statements

## OnTECH Charter High School

### Statements of Cash Flows

	Year ended June 30, 2020	Period from December 13, 2016 (inception) to June 30, 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 673,355	\$ 472,118
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	152,855	37,592
Deferred rent	248,312	390,559
Changes in operating assets and liabilities		(693,413)
Grants and contracts receivable	605,050	(19,706)
Prepaid expenses and other current assets	4,227	(25,000)
Accounts payable and accrued expenses	(371,960)	429,367
Refundable advances	(38,548)	44,758
Net Cash from Operating Activities	1,273,291	636,275
 <b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Purchases of property and equipment	(271,154)	(520,126)
 <b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Proceeds from Paycheck Protection Program loan	190,860	-
 Net Change in Cash and Restricted Cash	1,192,997	116,149
 <b>CASH AND RESTRICTED CASH</b>		
Beginning of period	116,149	-
 End of period	\$ 1,309,146	\$ 116,149
 The following table provides a reconciliation of cash and restricted cash within the statements of financial position:		
 Cash	\$ 1,284,143	\$ 116,149
Restricted cash	25,003	-
	\$ 1,309,146	\$ 116,149

See notes to financial statements

# OnTECH Charter High School

Notes to Financial Statements  
June 30, 2020 and 2019

## 1. Organization and Tax Status

OnTECH Charter High School (the "School") is a New York State, not-for-profit educational corporation that was incorporated on December 13, 2016 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 December 13, 2016 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, 2021. The School's mission is to identify, reach and teach students who thrive in non-traditional school settings, provide meaningful instruction for at-risk students including the new American populations, to help students integrate effectively into a school environment and community, and to provide students skill-based and project-based instruction, graduating them with meaningful, job-related skills. The School provided education to approximately 164 students in ninth and tenth grades during the 2019-2020 academic year.

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.

### ***Adoption of New Accounting Policies***

#### *Recognition of Contributions*

Effective July 1, 2019, the School adopted Accounting Standards Update ("ASU") 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This guidance provides a framework for evaluating whether contributions and grants should be accounted for as exchange transactions or as nonexchange transactions. Analysis of various provisions of this standard resulted in no significant changes in the way the School recognizes contributions and grants, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis.

## OnTECH Charter High School

Notes to Financial Statements  
June 30, 2020 and 2019

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

#### ***Adoption of New Accounting Policies (continued)***

##### ***Restricted Cash***

In November 2016, the Financial Accounting Standards Board issued ASU 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash. ASU 2016-18 requires significant changes regarding how restricted cash is classified and presented on the statement of cash flows. On January 1, 2019, the School adopted the new guidance regarding the presentation and classification of restricted cash. The guidance requires the School to 1) include restricted cash and restricted cash equivalents in the cash and cash equivalent balances on the statements of cash flows, 2) provide a reconciliation between the statements of financial position and the statements of cash flows when more than one line item for cash, cash equivalents, restricted cash, and restricted cash equivalents is presented on the statements of financial position, 3) eliminate the presentation of transfers between restricted cash and cash, and 4) include disclosures about the nature of the restrictions for material balances. Adoption of the ASU resulted in a change in the accounting for restricted cash on the statements of cash flows.

##### ***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 at June 30, 2020 and 2019.

##### ***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.

## OnTECH Charter High School

Notes to Financial Statements  
June 30, 2020 and 2019

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

#### ***Property and Equipment***

The School follows the practice of capitalizing all expenditures for property and equipment with costs in excess of \$2,500 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 which is five years. 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 and 5 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 year ended June 30, 2020 and for the period from December 13, 2016 (inception) to June 30, 2019.

#### ***Refundable Advances***

The School records certain government operating revenue as refundable advances until related services are performed, at which time they are recognized as revenue.

#### ***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 statements 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.

## **OnTECH Charter High School**

Notes to Financial Statements  
June 30, 2020 and 2019

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

#### ***Revenue and support (continued)***

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.

#### ***Marketing and Recruitment***

Marketing and recruiting costs are expensed as incurred for staff and student recruitment. Marketing and recruiting costs for the year ended June 30, 2020 and for the period from December 13, 2016 (inception) to June 30, 2019 were \$52,705 and \$97,235.

#### ***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 19, 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.



## OnTECH Charter High School

Notes to Financial Statements  
June 30, 2020 and 2019

### 4. Property and Equipment

Property and equipment consisted of the following at June 30:

	2020	2019
Furniture and fixtures	\$ 248,685	\$ 256,746
Computers and equipment	365,999	212,912
Leasehold improvements	176,596	50,468
	<u>791,280</u>	<u>520,126</u>
Accumulated depreciation and amortization	(190,447)	(37,592)
	<u>\$ 600,833</u>	<u>\$ 482,534</u>

### 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	2019
Cash	\$ 1,284,143	\$ 116,149
Grants and contracts receivable	88,363	693,413
	<u>\$ 1,372,506</u>	<u>\$ 809,562</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 money market accounts and other 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 and 2019, approximately \$1,060,000 and \$0 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 Syracuse City School district and four other nearby school districts. For the year ended June 30, 2020 the School received approximately 90% of its total revenue and support from these school districts and for the period from December 13, 2016 (inception) to June 30, 2020, the School received approximately 57% of its total revenue and support from these school districts. If the charter school laws were modified, reducing or eliminating these revenues, the School's finances could be materially adversely affected.

## OnTECH Charter High School

Notes to Financial Statements  
June 30, 2020 and 2019

### 8. Commitment

On July 8, 2018, the School signed a lease agreement with Building Hope Herkimer Street, Inc. to lease office and classroom space under a non-cancelable lease expiring June 30, 2038 and paid a security deposit in the amount of \$25,000. The School moved into this space on September 1, 2018. The school has an option of two five year extensions. The School has the option to purchase the building during the third and fifth year of the lease at 105% of the landlord's cost in the amount of \$2,805,290. If the acquisition is not closed during the third and fifth year of the lease the purchase price will increase starting the sixth year of the lease by 1% annually until the tenth year. After the tenth year of the lease the option to purchase the building automatically terminates. The lease requires the School to maintain two financial covenants which the School satisfied at June 30, 2020 and 2019.

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

2021	\$	275,205
2022		290,909
2023		304,935
2024		332,988
2025		375,067
Thereafter		<u>6,931,714</u>
	\$	<u>8,510,818</u>

Facility expense for the year ended June 30, 2020 was \$472,070 and for the period from December 13, 2016 (inception) to June 30, 2019 was \$448,351.

### 9. Paycheck Protection Program Loan Payable

On April 8, 2020, the School qualified for and received a loan pursuant to the Paycheck Protection Program ("PPP"), a program implemented by the U.S. Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act, from a qualified PPP lender, for an aggregate principal amount of \$190,860 (the "PPP Loan"). The PPP Loan bears interest at a fixed rate of 1.0% per annum, with the first six months of interest deferred, has a term of five years, and is unsecured and guaranteed by the U.S. Small Business Administration. The principal amount of the PPP Loan is subject to forgiveness under the PPP upon the School's request to the extent that the PPP Loan proceeds are used to pay expenses permitted by the PPP, including payroll costs, covered rent and mortgage obligations, and covered utility payments incurred by the School. The School intends to apply for forgiveness of the PPP Loan with respect to these covered expenses. The School believes that most, if not all, of the PPP Loan will meet the requirements for debt forgiveness. To the extent that all or part of the PPP Loan is not forgiven, the School will be required to pay interest on the PPP Loan through the date principal is repaid in full or maturity date.

## **OnTECH Charter High School**

Notes to Financial Statements  
June 30, 2020 and 2019

### **10. 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.

### **11. Risks 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**  
**OnTECH Charter High 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 OnTECH Charter High 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 year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 19, 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and responses as item 2020-001 that we consider to be a significant deficiency.

### **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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and is described in the accompanying schedule of findings and responses as 2020-001.

#### ***The School's Response to the Finding***

The School's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The School's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

#### **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 19, 2020

## **Ontech Charter High School**

### **Schedule of Findings and Responses Year Ended June 30, 2020**

#### **Section I - Compliance Findings (Repeat Finding)**

##### **2020-001- Escrow Account for Dissolution**

###### ***Criteria***

The School should comply with all requirements of its charter agreement.

###### ***Condition***

Under the provisions of its charter, the School is required to establish an escrow account of no less than \$75,000 to pay for legal and audit expenses that would be associated with a dissolution should it occur. The School may provide for the full amount, in its first-year budget, or provide for a minimum of \$25,000 per year for the first three years of its charter term. Though the School had established a separate escrow account as of June 30, 2020, we note that the balance was less than the required \$50,000 by the end its second year of the charter agreement. The School has subsequently funded the escrow account to cover the first two years of its charter agreement.

###### ***Cause***

This was an oversight by management in monitoring of the School's policies and procedures manual.

###### ***Effect***

The School is not in compliance with its charter agreement and its financial policies and procedures manual.

###### ***Recommendation***

In an effort to ensure that the School is in compliance with the provisions of its charter, we recommend that the School fully fund the escrow account for dissolution in the amount of \$75,000 to be in compliance with its charter agreement for the year ended June 30, 2021.

###### ***Views of Responsible Officials***

See management corrective action plan in Exhibit A.



CHARTER HIGH SCHOOL

October 19, 2020

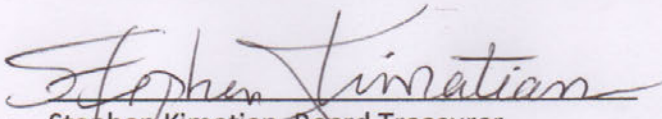
The State Education Department of the State University of New York

**Exhibit A: Management Corrective Action Taken**

2020-01 Escrow Account for Dissolution

Management agrees with the auditor's finding. By the end of the second year, the school was required to have an escrow of \$50,000 and by the end of the third year, which would be June 30, 2021, the school is required to have an escrow of at least \$75,000.

By the end of the second year, June 30, 2020, the school had an amount of \$25,000 in escrow. The deficiency was remedied by depositing an additional \$50,000 in escrow on August 31, 2020 to bring the total escrow up to \$75,000, well in advance of the June 30, 2021 date.

  
Stephen Kimatian, Board Treasurer



## Annual Financial Statement Audit Report

for Board of Regents Authorized Charter Schools

School Name:	OnTECH Charter High School
Date (Report is due Nov. 1):	November 1, 2020
Primary District of Location (If NYC select NYC DOE):	Onondaga Central School District
If located in NYC DOE select CSD:	-
School Fiscal Contact Name:	Ellen Eagen
School Fiscal Contact Email:	[REDACTED]
School Fiscal Contact Phone:	[REDACTED]
School Audit Firm Name:	PKF O'Conner Davies, LLP
School Audit Contact Name:	Gus Saliba
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	
Form 990	
Federal Single Audit (A-133)	
Corrective Action Plan	



**OnTECH Charter High School**  
**Statement of Financial Position**  
**as of June 30**

	<u>2020</u>	<u>2019</u>
<b><u>CURRENT ASSETS</u></b>		
Cash and cash equivalents	\$ 1,284,143	\$ 116,149
Grants and contracts receivable	88,363	693,413
Accounts receivables	-	-
Prepaid Expenses	15,479	19,706
Contributions and other receivables	-	-
Other current assets	-	-
<b>TOTAL CURRENT ASSETS</b>	<u>1,387,985</u>	<u>829,268</u>
<b><u>NON-CURRENT ASSETS</u></b>		
Property, Building and Equipment, net	\$ 600,833	\$ 482,534
Restricted Cash	25,003	-
Security Deposits	25,000	25,000
Other Non-Current Assets	-	-
<b>TOTAL NON-CURRENT ASSETS</b>	<u>650,836</u>	<u>507,534</u>
<b>TOTAL ASSETS</b>	<u><b>2,038,821</b></u>	<u><b>1,336,802</b></u>
<b><u>CURRENT LIABILITIES</u></b>		
Accounts payable and accrued expenses	\$ 57,407	\$ 429,367
Accrued payroll, payroll taxes and benefits	-	-
Current Portion of Loan Payable	-	-
Due to Related Parties	-	-
Refundable Advances	6,210	44,758
Deferred Revenue	-	-
Other Current Liabilities	304,439	274,095
<b>TOTAL CURRENT LIABILITIES</b>	<u>368,056</u>	<u>748,220</u>
<b><u>LONG-TERM LIABILITIES</u></b>		
Loan Payable; Due in More than One Year	\$ 190,860	\$ -
Deferred Rent	334,432	116,464
Due to Related Party	-	-
Other Long-Term Liabilities	-	-
<b>TOTAL LONG-TERM LIABILITIES</b>	<u>525,292</u>	<u>116,464</u>
<b>TOTAL LIABILITIES</b>	<u>893,348</u>	<u>864,684</u>
<b><u>NET ASSETS</u></b>		
Unrestricted	\$ 1,145,473	\$ 472,118
Temporarily restricted	-	-
Permanently restricted	-	-
<b>TOTAL NET ASSETS</b>	<u>1,145,473</u>	<u>472,118</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>2,038,821</b></u>	<u><b>1,336,802</b></u>

**OnTECH Charter High School**  
**Statement of Activities**  
**as of June 30**

	2020			2019
	Unrestricted	Temporarily Restricted	Total	Total
<b>OPERATING REVENUE</b>				
State and Local Per Pupil Revenue - Reg. Ed	\$ 2,583,405	\$ -	\$ 2,583,405	\$ -
State and Local Per Pupil Revenue - SPED	-	-	-	-
State and Local Per Pupil Facilities Revenue	-	-	-	-
Federal Grants	65,468	-	65,468	-
State and City Grants	206,266	-	206,266	-
Other Operating Income	-	-	-	-
Food Service/Child Nutrition Program	-	-	-	-
<b>TOTAL OPERATING REVENUE</b>	2,855,139	-	2,855,139	-
<b>EXPENSES</b>				
Program Services				
Regular Education	\$ 1,607,227	\$ -	\$ 1,607,227	\$ -
Special Education	367,198	-	367,198	-
Other Programs	-	-	-	-
Total Program Services	1,974,425	-	1,974,425	-
Management and general	212,173	-	212,173	-
Fundraising	-	-	-	-
<b>TOTAL EXPENSES</b>	2,186,598	-	2,186,598	-
<b>SURPLUS / (DEFICIT) FROM OPERATIONS</b>	668,541	-	668,541	-
<b>SUPPORT AND OTHER REVENUE</b>				
Interest and Other Income	\$ -	\$ -	\$ -	\$ -
Contributions and Grants	4,814	-	4,814	-
Fundraising Support	-	-	-	-
Investments	-	-	-	-
Donated Services	-	-	-	-
Other Support and Revenue	-	-	-	-
<b>TOTAL SUPPORT AND OTHER REVENUE</b>	4,814	-	4,814	-
<b>Net Assets Released from Restrictions / Loss on Disposal of Assets</b>	\$ -	\$ -	\$ -	\$ -
<b>CHANGE IN NET ASSETS</b>	673,355	-	673,355	-
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ -	\$ -	\$ -	\$ -
<b>PRIOR YEAR/PERIOD ADJUSTMENTS</b>	-	-	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ 673,355	\$ -	\$ 673,355	\$ -

**OnTECH Charter High School  
Statement of Cash Flows**

**as of June 30**

	<b>2020</b>	<b>2019</b>
<b>CASH FLOWS - OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ 673,355	\$ 472,118
Revenues from School Districts	-	-
Accounts Receivable	-	-
Due from School Districts	-	-
Depreciation	152,855	37,592
Grants Receivable	-	(693,413)
Due from NYS	-	-
Grant revenues	-	-
Prepaid Expenses	605,050	(19,706)
Accounts Payable	(371,960)	429,367
Accrued Expenses	-	-
Accrued Liabilities	248,312	390,559
Contributions and fund-raising activities	-	-
Miscellaneous sources	-	-
Deferred Revenue	-	-
Interest payments	-	-
Other	4,227	(25,000)
Other	(38,548)	44,758
<b>NET CASH PROVIDED FROM OPERATING ACTIVITIES</b>	<b>\$ 1,273,291</b>	<b>\$ 636,275</b>
<b>CASH FLOWS - INVESTING ACTIVITIES</b>		
Purchase of equipment	(271,154)	(520,126)
Other	-	-
<b>NET CASH PROVIDED FROM INVESTING ACTIVITIES</b>	<b>\$ (271,154)</b>	<b>\$ (520,126)</b>
<b>CASH FLOWS - FINANCING ACTIVITIES</b>		
Principal payments on long-term debt	-	-
Other	190,860	-
<b>NET CASH PROVIDED FROM FINANCING ACTIVITIES</b>	<b>\$ 190,860</b>	<b>\$ -</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>\$ 1,192,997</b>	<b>\$ 116,149</b>
Cash at beginning of year	-	-
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 1,192,997</b>	<b>\$ 116,149</b>

**OnTECH Charter High 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	10.00	\$ 188,213	\$ 27,077	\$ -	\$ 215,290	\$ -	\$ 85,899	\$ 85,899	\$ 301,189
Instructional Personnel	27.00	468,156	132,057	-	600,213	-	-	-	600,213
Non-Instructional Personnel	4.00	47,481	8,224	-	55,705	-	419	419	56,124
Total Salaries and Staff	41.00	703,850	167,358	-	871,208	-	86,318	86,318	957,526
Fringe Benefits & Payroll Taxes		88,563	9,427	-	97,990	-	6,828	6,828	104,818
Retirement		2,542	604	-	3,146	-	312	312	3,458
Management Company Fees		-	-	-	-	-	-	-	-
Legal Service		-	-	-	-	-	1,400	1,400	1,400
Accounting / Audit Services		-	-	-	-	-	25,000	25,000	25,000
Other Purchased / Professional / Consulting Services		160,614	37,129	-	197,743	-	17,371	17,371	215,114
Building and Land Rent / Lease		347,005	82,509	-	429,514	-	42,556	42,556	472,070
Repairs & Maintenance		34,548	8,215	-	42,763	-	4,237	4,237	47,000
Insurance		13,063	3,106	-	16,169	-	1,602	1,602	17,771
Utilities		17,170	4,083	-	21,253	-	2,106	2,106	23,359
Supplies / Materials		32,330	5,879	-	38,209	-	-	-	38,209
Equipment / Furnishings		8,310	1,976	-	10,286	-	1,019	1,019	11,305
Staff Development		3,743	890	-	4,633	-	459	459	5,092
Marketing / Recruitment		38,742	9,212	-	47,954	-	4,751	4,751	52,705
Technology		24,335	5,786	-	30,121	-	2,984	2,984	33,105
Food Service		-	-	-	-	-	-	-	-
Student Services		8,208	1,492	-	9,700	-	-	-	9,700
Office Expense		11,621	2,763	-	14,384	-	1,425	1,425	15,809
Depreciation		112,359	26,716	-	139,075	-	13,780	13,780	152,855
OTHER		224	53	-	277	-	25	25	302
<b>Total Expenses</b>		<b>\$ 1,607,227</b>	<b>\$ 367,198</b>	<b>\$ -</b>	<b>\$ 1,974,425</b>	<b>\$ -</b>	<b>\$ 212,173</b>	<b>\$ 212,173</b>	<b>\$ 2,186,598</b>



CHARTER HIGH SCHOOL

October 19, 2020

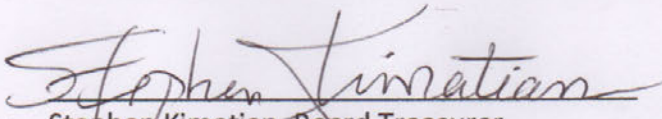
The State Education Department of the State University of New York

**Exhibit A: Management Corrective Action Taken**

2020-01 Escrow Account for Dissolution

Management agrees with the auditor's finding. By the end of the second year, the school was required to have an escrow of \$50,000 and by the end of the third year, which would be June 30, 2021, the school is required to have an escrow of at least \$75,000.

By the end of the second year, June 30, 2020, the school had an amount of \$25,000 in escrow. The deficiency was remedied by depositing an additional \$50,000 in escrow on August 31, 2020 to bring the total escrow up to \$75,000, well in advance of the June 30, 2021 date.

  
Stephen Kimatian, Board Treasurer

**OnTech Charter High 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	2,133,321	639,833	-	5,000	496,023	3,274,178	
Total Expenses	2,084,467	300,067	-	-	476,460	2,860,994	
Net Income	48,855	339,767	-	5,000	19,563	413,184	
Actual Student Enrollment	210	41	-	-	-	-	
Total Paid Student Enrollment	-	-	-	-	-	-	
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
<b>REVENUE</b>							
<b>REVENUES FROM STATE SOURCES</b>							
Per Pupil Revenue	CY Per Pupil Rate						
Syracuse City School District	\$13,158.00	1,924,358	179,607	-	-	461,846	2,565,810
Baldwinsville Central School District	\$12,213.00	18,320	1,710	-	-	4,397	24,426
Liverpool Central School District	\$13,990.00	62,955	5,876	-	-	15,109	83,940
North Syracuse Central Schools	\$12,149.00	18,224	1,701	-	-	4,374	24,298
Westhill Central School District	\$11,442.00	42,908	4,005	-	-	10,298	57,210
		2,066,763	192,898	-	-	496,023	2,755,684
Special Education Revenue		-	430,296	-	-	-	430,296
Grants		-	-	-	-	-	-
Stimulus		-	-	-	-	-	-
Other		-	-	-	-	-	-
Other State Revenue		-	-	-	-	-	-
<b>TOTAL REVENUE FROM STATE SOURCES</b>		2,066,763	623,194	-	-	496,023	3,185,980
<b>REVENUE FROM FEDERAL FUNDING</b>							
IDEA Special Needs		-	-	-	-	-	-
Title I		29,658	7,414	-	-	-	37,072
Title Funding - Other		9,120	2,280	-	-	-	11,400
School Food Service (Free Lunch)		-	-	-	-	-	-
Grants		-	-	-	-	-	-
Charter School Program (CSP) Planning & Implementation		-	-	-	-	-	-
Other		-	-	-	-	-	-
Other Federal Revenue		-	-	-	-	-	-
<b>TOTAL REVENUE FROM FEDERAL SOURCES</b>		38,778	9,694	-	-	-	48,472
<b>LOCAL and OTHER REVENUE</b>							
Contributions and Donations, Fundraising		-	-	-	5,000	-	5,000
Erate Reimbursement		27,781	6,945	-	-	-	34,726
Interest Income, Earnings on Investments,		-	-	-	-	-	-
NYC-DYCD (Department of Youth and Community Developmt.)		-	-	-	-	-	-
Food Service (Income from meals)		-	-	-	-	-	-
Text Book		-	-	-	-	-	-
Other Local Revenue		-	-	-	-	-	-
<b>TOTAL REVENUE FROM LOCAL and OTHER SOURCES</b>		27,781	6,945	-	5,000	-	39,726
<b>TOTAL REVENUE</b>		2,133,321	639,833	-	5,000	496,023	3,274,178
<b>EXPENSES</b>							
<b>ADMINISTRATIVE STAFF PERSONNEL COSTS</b>							
	No. of Positions						List exact titles and staff FTE's ( Full time equivalent)
Executive Management	1.00	56,000	14,000	-	-	-	Head of School/Principal
Instructional Management	-	-	-	-	-	-	
Deans, Directors & Coordinators	4.00	153,880	38,470	-	-	-	Head of Academics/Head of Culture and Community/ Academic Dean/Dean, Family Support
CFO / Director of Finance	1.00	-	-	-	-	70,000	
Operation / Business Manager	1.00	-	-	-	-	51,500	Director Operations
Administrative Staff	1.00	-	-	-	-	35,000	Office Administrator
<b>TOTAL ADMINISTRATIVE STAFF</b>	<b>8</b>	<b>209,880</b>	<b>52,470</b>	<b>-</b>	<b>-</b>	<b>156,500</b>	<b>418,850</b>
<b>INSTRUCTIONAL PERSONNEL COSTS</b>							
Teachers - Regular	16.00	728,400	-	-	-	-	728,400
Teachers - SPED	1.00	-	57,741	-	-	-	57,741
Substitute Teachers	1.00	26,000	6,500	-	-	-	32,500
Teaching Assistants	-	-	-	-	-	-	-
Specialty Teachers	1.00	34,400	8,600	-	-	-	43,000
Aides	-	-	-	-	-	-	-
Therapists & Counselors	1.00	24,000	6,000	-	-	-	30,000
Other	-	-	-	-	-	-	-
<b>TOTAL INSTRUCTIONAL</b>	<b>20</b>	<b>812,800</b>	<b>78,841</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>891,641</b>

**NON-INSTRUCTIONAL PERSONNEL COSTS**

Nurse	-	-	-	-	-	-
Librarian	-	-	-	-	-	-
Custodian	-	-	-	-	-	-
Security	-	-	-	-	-	-
Other	5,000	36,740	8,435	-	64,815	109,990
<b>TOTAL NON-INSTRUCTIONAL</b>	<b>5</b>	<b>36,740</b>	<b>8,435</b>	<b>-</b>	<b>64,815</b>	<b>109,990</b>

<b>SUBTOTAL PERSONNEL SERVICE COSTS</b>	<b>33</b>	<b>1,059,420</b>	<b>139,746</b>	<b>-</b>	<b>221,315</b>	<b>1,420,481</b>
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**PAYROLL TAXES AND BENEFITS**

Payroll Taxes	104,287	13,756	-	-	21,786	139,829
Fringe / Employee Benefits	38,812	5,120	-	-	8,108	52,040
Retirement / Pension	4,475	590	-	-	935	6,000
<b>TOTAL PAYROLL TAXES AND BENEFITS</b>	<b>147,574</b>	<b>19,466</b>	<b>-</b>	<b>-</b>	<b>30,829</b>	<b>197,869</b>

<b>TOTAL PERSONNEL SERVICE COSTS</b>	<b>1,206,994</b>	<b>159,212</b>	<b>-</b>	<b>-</b>	<b>252,144</b>	<b>1,618,350</b>
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**CONTRACTED SERVICES**

Accounting / Audit	-	-	-	-	50,000	50,000
Legal	-	-	-	-	10,000	10,000
Management Company Fee	-	-	-	-	-	-
Nurse Services	-	-	-	-	-	-
Food Service / School Lunch	-	-	-	-	-	-
Payroll Services	-	-	-	-	20,428	20,428
Special Ed Services	-	-	-	-	-	-
Titelment Services (i.e. Title I)	-	-	-	-	-	-
Other Purchased / Professional / Consulting	100,000	25,000	-	-	-	125,000
<b>TOTAL CONTRACTED SERVICES</b>	<b>100,000</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>80,428</b>	<b>205,428</b>

**SCHOOL OPERATIONS**

Board Expenses	-	-	-	-	5,000	5,000
Classroom / Teaching Supplies & Materials	32,622	8,155	-	-	-	40,777
Special Ed Supplies & Materials	-	-	-	-	-	-
Textbooks / Workbooks	8,000	2,000	-	-	-	10,000
Supplies & Materials other	-	-	-	-	-	-
Equipment / Furniture	12,679	1,672	-	-	2,649	17,000
Telephone	3,729	492	-	-	779	5,000
Technology	49,224	6,493	-	-	10,283	66,000
Student Testing & Assessment	8,000	2,000	-	-	-	10,000
Field Trips	12,000	3,000	-	-	-	15,000
Transportation (student)	4,000	1,000	-	-	-	5,000
Student Services - other	16,000	4,000	-	-	-	20,000
Office Expense	16,408	2,164	-	-	3,428	22,000
Staff Development	8,204	1,082	-	-	1,714	11,000
Staff Recruitment	8,204	1,082	-	-	1,714	11,000
Student Recruitment / Marketing	37,291	4,919	-	-	7,790	50,000
School Meals / Lunch	-	-	-	-	-	-
Travel (Staff)	3,729	492	-	-	779	5,000
Fundraising	-	-	-	-	-	-
Other	32,000	8,000	-	-	-	40,000
<b>TOTAL SCHOOL OPERATIONS</b>	<b>252,090</b>	<b>46,552</b>	<b>-</b>	<b>-</b>	<b>34,135</b>	<b>332,777</b>

**FACILITY OPERATION & MAINTENANCE**

Insurance	22,375	2,951	-	-	4,674	30,000
Janitorial	26,104	3,443	-	-	5,453	35,000
Building and Land Rent / Lease	227,056	29,951	-	-	47,432	304,439
Repairs & Maintenance	26,104	3,443	-	-	5,453	35,000
Equipment / Furniture	-	-	-	-	-	-
Security	37,291	4,919	-	-	7,790	50,000
Utilities	29,833	3,935	-	-	6,232	40,000
<b>TOTAL FACILITY OPERATION &amp; MAINTENANCE</b>	<b>368,761</b>	<b>48,643</b>	<b>-</b>	<b>-</b>	<b>77,035</b>	<b>494,439</b>

**DEPRECIATION & AMORTIZATION**

	119,331	15,741	-	-	24,928	160,000
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<b>DISSOLUTION ESCROW &amp; RESERVES / CONTIGENCY</b>	<b>37,291</b>	<b>4,919</b>	<b>-</b>	<b>-</b>	<b>7,790</b>	<b>50,000</b>
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<b>TOTAL EXPENSES</b>	<b>2,084,467</b>	<b>300,067</b>	<b>-</b>	<b>-</b>	<b>476,460</b>	<b>2,860,994</b>
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<b>NET INCOME</b>	<b>48,855</b>	<b>339,767</b>	<b>-</b>	<b>5,000</b>	<b>19,563</b>	<b>413,184</b>
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**ENROLLMENT - \*School Districts Are Linked To Above Entries\***

	REGULAR EDUCATION	SPECIAL EDUCATION	TOTAL ENROLLED
Syracuse City School District	195	38	233
Baldwinsville Central School District	2	1	3
Liverpool Central School District	6	1	7
North Syracuse Central Schools	2	1	3
Westhill Central School District	5	-	5
<b>TOTAL ENROLLMENT</b>	<b>210</b>	<b>41</b>	<b>251</b>

<b>REVENUE PER PUPIL</b>	<b>10,159</b>	<b>15,606</b>	<b>-</b>
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<b>EXPENSES PER PUPIL</b>	<b>9,926</b>	<b>7,319</b>	<b>-</b>
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# CHASE BUSINESS PREMIER SAVINGS

ONTECH CHARTER HIGH SCHOOL

Account Number [REDACTED]

## SAVINGS SUMMARY

	INSTANCES	AMOUNT
<b>Beginning Balance</b>		<b>\$25,003.12</b>
Deposits and Additions	2	50,000.47
<b>Ending Balance</b>	<b>2</b>	<b>\$75,003.59</b>
Annual Percentage Yield Earned This Period		0.02%
Interest Paid This Period		\$0.47
Interest Paid Year-to-Date		\$3.47

Your monthly service fee was waived because you maintained an average savings balance of \$25,000 or more during the statement period.

## TRANSACTION DETAIL

DATE	DESCRIPTION	AMOUNT	BALANCE
	<b>Beginning Balance</b>		<b>\$25,003.12</b>
08/31	Online Transfer From Chk ...0837 Transaction# [REDACTED]	50,000.00	75,003.12
08/31	Interest Payment	0.47	75,003.59
	<b>Ending Balance</b>		<b>\$75,003.59</b>

30 deposited items are provided with your account each month. There is a \$0.40 fee for each additional deposited item.