

**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED UPON PROCEDURES**

To the Board of Trustees of  
Urban Dove Team Charter School II

We have performed the procedures enumerated below, which were agreed to by the management of Urban Dove Team Charter School II and the New York State Education Department solely to assist the specified parties in evaluating the School's assertion to New York State Education Department that it has maintained compliance with the requirements of the CSP grant and Federal and NYSED guidelines in managing the CSP grant for the year ended June 30, 2020. The school's management is responsible for these procedures. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which the report has been requested or for any other purpose.

The procedures we performed, and our results are as follows:

**Procedure #1:** We will obtain the detail of expenditures incurred for the period under review relating to the CSP grant from the Charter School's accounting software and reconcile to the grant revenue recorded by the Charter School. If the CSP grant revenue does not equal the grant expenditures, we will investigate the differences.

**Results:** We obtained the detail of expenditures incurred for the year ended June 30, 2020 relating to the CSP grant. The expenses from the detail of expenditures agreed to the CSP grant revenue recorded in the books.

**Procedure #2:** We will obtain the NYSED approved CSP grant award information, including the budget and any amendments, to determine if the revenue and expenditures recorded for the period appear reasonable.

**Results:** Based on the NYSED approved CSP grant award information reviewed, the revenue and expenditures recorded for the period appeared reasonable.

**Procedure #3:** We will select a sample of expenditures from the detail obtained in Procedure #1.

- a. Payroll – We will select 10 items or 10% of the total number of payroll items charged to the grant, whichever is less.
- b. Other expenses – We will select 10 items or 10% of the total number of other expense items charged to the grant, whichever is less.
- c. Using the above selected items, we will:
  - i. Determine if the expenditure was in accordance with the purpose of the grant and that pre-opening expenditures are charged to pre-opening periods. (See non-regulatory guidance on the CSP grant at <http://www.p12.nysed.gov/psc/grants.html>).
  - ii. Determine if the expenditure falls into an approved budget category.
  - iii. Determine if the expenditure was charged to the appropriate fiscal period.

**Results:** There were 42 payroll items and 5 other expenses related to the CSP grant during the year ended June 30, 2020. Therefore, we selected 5 payroll items and 1 other expense items charged to the grant and determined that:

- a. The expenditures were in accordance with the purpose of the grant.
- b. The expenditures fell into approved budget categories.
- c. The expenditures were charged to the appropriate fiscal period.

**Procedure #4:** We obtained FS-25 form(s) submitted to NYSED during the period under review and performed the following:

- a. Traced expenditures selected in Procedure #3 to requests for reimbursement. Determined that items requested for reimbursement had previously been expended or were expended within a month following the request for reimbursement. If items have not yet been requested for reimbursement, inquire of responsible charter school officials as to the plan for requesting reimbursement, and determine if a receivable is recorded, if appropriate.
- b. If FS-25 forms included amounts on Line 4 (Cash Expenditures Anticipated During Next Month), we selected one FS-25 and determined if funds were expended within 1 month following the date of the request.

**Result:**

- a. We traced the expenditures selected in Procedure #3 to their corresponding FS-25 form submitted and determined that they all were spent prior to the request for reimbursement.
- b. We selected one FS-25 and noted that it did not include an amount on Line 4.



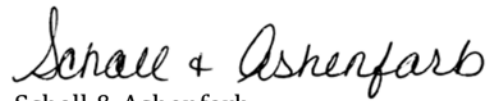
**Procedure #5:** For schools with a weighted lottery during the period under review we will:

- a. Obtain documentation that the school received permission from the NYSED Charter School Office for the weighted lottery.
- b. Obtain the results of the weighted lottery.
  - Note that weighted lotteries must be conducted using the NYSED Weighted Lottery Generator (WLG). When the WLG is used, a copy of the “lottery PDF” should be observed. (This PDF is generated after the WLG has conducted the lottery.)

**Result:** Urban Dove Team Charter School II did not use a weighted lottery during the period under review.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct an examination, or review, the objective of which would be the expression of an opinion or conclusion, on these procedures. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures; other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of Urban Dove Team Charter School II and the New York State Education Department, and it is not intended to be and should not be used by anyone other than the specified parties.



Schall & Ashenfarb  
Certified Public Accountants, LLC

October 29, 2020



## **URBAN DOVE TEAM CHARTER SCHOOL**

Audited Financial Statements In Accordance  
With Government Auditing Standards

June 30, 2020

# URBAN DOVE TEAM CHARTER SCHOOL

## Table of Contents

	<b><u>Page</u></b>
Independent Auditor's Report	1 – 2
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7 – 14
Schedule of Financial Position	15
Schedule of Activities	16
Schedule of Functional Expenses	17
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	18 – 19
Schedule of Findings and Questioned Costs	20

## **Independent Auditor's Report**

To the Board of Trustees of  
Urban Dove Team Charter School

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

We have audited the accompanying financial statements of Urban Dove Team 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 year then ended, 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.

### ***Auditor's 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization'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 organization'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 Urban Dove Team Charter School as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Report on Summarized Comparative Information***

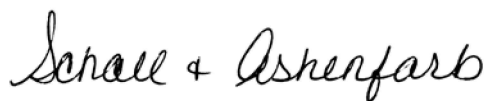
We have previously audited the School's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 22, 2019. In our opinion, the summarized comparative information presented herein as of and for the year-ended June 30, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

## ***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The additional information shown on pages 15-17 is presented for the purpose of additional analysis of the financial statements rather than to present the financial position, activities, and cash flows of the individual schools, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

## ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 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 to solely 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.



Schall & Ashenfarb  
Certified Public Accountants, LLC

October 27, 2020

**URBAN DOVE TEAM CHARTER SCHOOL**  
**STATEMENT OF FINANCIAL POSITION**  
**AT JUNE 30, 2020**  
(With comparative totals at June 30, 2019)

	<u>6/30/20</u>	<u>6/30/19</u>
<b>Assets</b>		
Cash and cash equivalents	\$4,244,162	\$2,058,603
Government grants receivable	175,834	277,275
Government grants receivable - per pupil (Note 3)	171,465	0
Other receivables	20,145	7,679
Prepaid expenses	105,560	1,750
Security deposit	76,589	24,851
Restricted cash (Note 4)	150,458	100,301
Fixed assets, net (Note 5)	<u>175,683</u>	<u>162,615</u>
 Total assets	 <u><u>\$5,119,896</u></u>	 <u><u>\$2,633,074</u></u>
 <b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses	\$108,129	\$111,551
Accrued payroll and related liabilities	952,378	723,502
Government grant advances - per pupil (Note 3)	85,900	73,068
Due to DOE - rent subsidy (Note 3)	225,212	5,740
Due to affiliates (Note 6)	113,599	145,848
Paycheck Protection Program loan (Note 7)	1,500,000	0
Deferred rent	278,906	0
Total liabilities	<u><u>3,264,124</u></u>	<u><u>1,059,709</u></u>
Net assets:		
Without donor restrictions	<u>1,855,772</u>	<u>1,573,365</u>
Total net assets	<u><u>1,855,772</u></u>	<u><u>1,573,365</u></u>
 Total liabilities and net assets	 <u><u>\$5,119,896</u></u>	 <u><u>\$2,633,074</u></u>

*The attached notes and auditor's report are an integral part of these financial statements.*

**URBAN DOVE TEAM CHARTER SCHOOL**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
(With comparative totals for the year ended June 30, 2019)

	<u>6/30/20</u>	<u>6/30/19*</u>
<b>Without donor restrictions:</b>		
Public support and revenue:		
Public school district revenue:		
Resident student enrollment	\$8,054,667	\$6,154,562
Students with special education services	<u>3,568,542</u>	<u>2,911,290</u>
Subtotal public school district revenue	11,623,209	9,065,852
Rent subsidy (Note 3)	1,190,013	899,594
Government grants	645,168	1,149,821
Contributions	38,336	350,560
In-kind contributions	46,428	0
Other income	<u>193</u>	<u>273</u>
Total public support and revenue	<u>13,543,347</u>	<u>11,466,100</u>
 Expenses:		
Program services:		
Regular education	7,274,569	6,141,875
Special education	<u>3,263,841</u>	<u>2,266,945</u>
Total program services	10,538,410	8,408,820
Supporting services:		
Management and general	2,547,544	1,890,147
Fundraising	<u>174,986</u>	<u>144,499</u>
Total expenses	<u>13,260,940</u>	<u>10,443,466</u>
 Change in net assets	282,407	1,022,634
 Net assets - beginning of year	<u>1,573,365</u>	<u>550,731</u>
 Net assets - end of year	<u><u>\$1,855,772</u></u>	<u><u>\$1,573,365</u></u>

\* Reclassified for comparative purpose

*The attached notes and auditor's report are an integral part of these financial statements.*

**URBAN DOVE TEAM CHARTER SCHOOL  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2020**

(With comparative totals for the year ended June 30, 2019)

	Program Services			Supporting Services			Total Expenses 6/30/19*
	Regular Education	Special Education	Total Program Services	Management and General	Fundraising	Total Expenses 6/30/20	
Personnel service costs:							
Salaries	\$4,394,368	\$1,658,614	\$6,052,982	\$940,228		\$6,993,210	\$5,566,473
Payroll taxes and employee benefits	917,520	346,432	1,263,952	239,244		1,503,196	1,133,787
Total personnel service costs	5,311,888	2,005,046	7,316,934	1,179,472	0	8,496,406	6,700,260
Professional development							
Legal fees (including in-kind of \$46,428)	428,974	338,268	767,242	403,811	174,986	1,346,039	1,111,527
Management company fees - institutional partner (Note 6)	63,341	17,550	80,891	153,296		234,187	190,528
Student and staff recruitment			0	17,286		17,286	32,636
Supplies and materials	90,151		90,151			90,151	102,624
Office expenses	34,414	27,739	62,153	46,243		108,396	95,479
Food services	17,428	13,733	31,161	17,065		48,226	39,295
Student services	185,831		185,831			185,831	237,914
Insurance	24,195	19,193	43,388	10,847		54,235	42,085
Technology	13,106	10,263	23,369	5,844		29,213	22,051
Equipment and furniture	37,945	30,383	68,328	17,082		85,410	67,606
Repairs and maintenance	89,415	69,712	159,127	39,783		198,910	249,371
Occupancy and facility costs	886,145	659,712	1,545,857	367,928		1,913,785	1,109,749
Utilities	55,902	43,655	99,557	24,891		124,448	119,555
Depreciation	35,834	28,587	64,421	16,106		80,527	155,504
Other			0	55,988		55,988	20,599
Total expenses	\$7,274,569	\$3,263,841	\$10,538,410	\$2,547,544	\$174,986	\$13,260,940	\$10,443,466

\* Reclassified for comparative purposes

The attached notes and auditor's report are an integral part of these financial statements.



**URBAN DOVE TEAM CHARTER SCHOOL**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
(With comparative totals for the year ended June 30, 2019)

	<u>6/30/20</u>	<u>6/30/19*</u>
Cash flows from operating activities:		
Change in net assets	\$282,407	\$1,022,634
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	80,527	155,504
Changes in assets and liabilities:		
Government grants receivable	101,441	(121,614)
Government grants receivable - per pupil	(171,465)	0
Other receivables	(12,466)	48,709
Prepaid expenses	(103,810)	206,917
Due from affiliates	0	20,165
Security deposit	(51,738)	175,149
Accounts payable and accrued expenses	(3,422)	(21,495)
Accrued payroll and related liabilities	228,876	209,886
Government grant advances - per pupil	12,832	37,828
Deferred revenue	219,472	(53,790)
Due to affiliates	(32,249)	145,848
Paycheck Protection Program loan	1,500,000	0
Deferred rent	278,906	0
Total adjustments	<u>2,046,904</u>	<u>803,107</u>
Net cash provided by operating activities	<u>2,329,311</u>	<u>1,825,741</u>
Cash flows from investing activities:		
Purchase of fixed assets	(93,595)	(125,022)
Net cash used for investing activities	<u>(93,595)</u>	<u>(125,022)</u>
Net increase in cash and cash equivalents	2,235,716	1,700,719
Cash, cash equivalents and restricted cash - beginning of year	<u>2,158,904</u>	<u>458,185</u>
Cash, cash equivalents and restricted cash - end of year	<u>\$4,394,620</u>	<u>\$2,158,904</u>
Supplemental disclosures:		
Reconciliation of cash and restricted cash to the statement of financial position:		
Cash and cash equivalents	\$4,244,162	\$2,058,603
Restricted cash	150,458	100,301
Total	<u>\$4,394,620</u>	<u>\$2,158,904</u>
Interest and taxes paid	<u>\$0</u>	<u>\$0</u>

\* Reclassified for comparative purposes

*The attached notes and auditor's report are an integral part of these financial statements.*

**URBAN DOVE TEAM CHARTER SCHOOL**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2020**

**Note 1 - Organization and Nature of Activities**

Urban Dove Team Charter School (“UDTCS”) located in Brooklyn, New York, is a not-for-profit education corporation chartered by the University of the State of New York Education Department. Beginning its initial school year in September 2012, UDTCS was launched to help the vulnerable, growing population of transfer students and is the first-ever alternative high school for over-aged, under-credited youth in New York City. Through a sports, health, and fitness curriculum, layered with a career and technical program, UDTCS is expanding its reach to energize, educate and empower youth. UDTCS completed the 2019-2020 fiscal year with an average enrollment of approximately 500 students. UDTCS is a publicly funded, privately managed school, which is independent of the New York City Department of Education (“NYCDOE”).

On June 13, 2017, the Board of Regents of the State of New York, for and on behalf of the State Education Department, extended the provisional charter of UDTCS up through and including June 30, 2022 in accordance with the provisions of Article 56 of the Education Law.

On November 3, 2017, a new charter school was approved, Urban Dove Charter School II (“UDTCS II”). The financial statements reflect activity of both UDTCS and UDTCS II that operate as one legal entity, hereinafter referred to as the “School”.

The School has been notified by the Internal Revenue Service that it is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements. They have not been designated as a private foundation.

**Note 2 - Significant Accounting Policies**

a. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred rather than received or paid.

Effective July 1, 2019 the School adopted the requirements of the Financial Accounting Standards Board’s (“FASB”) Accounting Standards Update (“ASU”) No. 2014-09, *Revenue from Contracts with Customers* and all subsequent amendments to the ASU (collectively, “Topic 606”). This provides the framework for recognizing revenue by highlighting the identification of performance obligations of a contract, determining the price and then allocating the price to each of the performance obligations so that revenue is recognized as each of those performance obligations are satisfied.

Also, effective July 1, 2019, the School adopted ASU No. 2018-08 *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* ("Topic 605"). Key provisions of this guidance include clarification regarding the accounting for grants and contracts as exchange transactions or contributions, and improved guidance for conditional versus unconditional contributions. In accordance with this new standard, the Organization evaluates whether a transfer of assets is an exchange transaction in which a resource provider is receiving a commensurate value in return for the transfer of resources or whether it is non-reciprocal. If the transaction is determined to be an exchange transaction, the School applies guidance under Topic 606. If the transaction is determined to be non-reciprocal, it is treated as a contribution under Topic 605.

The School evaluates whether contributions are conditional or unconditional. Contributions are conditional when both a barrier must be overcome for the Foundation to be entitled to the revenue and a right of return of the asset or right of release from the obligation exists.

Analysis of the various provisions of both of these standards resulted in no significant changes in the way the School recognizes revenue.

b. Basis of Presentation

The School reports information regarding their financial position and activities according to the following classes of net assets:

- *Net Assets Without Donor Restrictions* – represent those resources for which there are no restrictions by donors as to their use.
- *Net Assets With Donor Restrictions* – represent those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact, in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor. The School did not have any net assets with donor restrictions at June 30, 2020 or June 30, 2019.

c. Cash and Cash Equivalents

Checking and money market accounts with local banks and highly liquid debt instruments purchased with an initial maturity of three months or less are considered to be cash and cash equivalents.

d. Concentration of Credit Risk

Financial instruments that potentially subject the School to concentration of credit risk consist of cash and money market accounts, which have been placed with a financial institution that management deems to be creditworthy. At year end and at various times throughout the year, material cash balances were in excess of FDIC insurance levels; however, the School has not experienced any losses from the failure of any financial institution.

e. Fixed Assets and Capitalization Policy

Furniture, equipment and leasehold improvements are stated at cost or at fair value on the date of the gift, if donated. The School capitalizes fixed assets in excess of pre-defined amounts that have a useful life of more than one year. Depreciation is computed using the straight-line method over the estimated useful life of the respective asset, as follows:

Office equipment – *5 years*

Computer equipment – *3 years*

Furniture and fixtures – *7 years*

Leasehold improvements – *Life of lease*

f. Revenue Recognition

Contributions are recognized at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions are recorded in the net asset classes referred to above depending on the existence and/or nature of any donor-imposed restriction. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they were received, they are classified as without donor restrictions.

The School's public-school district revenue and other government grants are primarily conditional, non-exchange transactions and fall under Topic 605. Revenue from these transactions is recognized based on rates established by the School's funding sources and when performance related outcomes are achieved as well as other conditions under the agreements are met.

Contributions and grants that are due within one year are recorded at net realizable value. Long-term pledges are recorded at fair value, using risk-adjusted present value techniques.

Management assesses the collectability of all outstanding receivables based upon historical trends and experience with donors and grantors. Based on that review, management has concluded that all receivables are expected to be collected within one year. As such, no allowance for uncollectible accounts was deemed necessary at June 30, 2020 and 2019.

g. In-Kind Contributions

Donated services that create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would be purchased if not provided by donation, are recorded at fair value. During the year ended June 30, 2020, the School received donated legal services in the amount of \$46,428. There were no in-kind services contributed during 2019.

Although many board members contribute a significant amount of their time, these services have not been recorded because they do not meet the criteria outlined above.



h. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries	Time and effort
Payroll taxes and employee benefits	Time and effort
Management company fees – institutional partner	Time and effort, Student Full-Time Equivalent (“FTE”)
Professional fees	Space usage, Student FTE
Office expenses	Space usage, Student FTE
Food services	Space usage, Student FTE
Insurance	Space usage, Student FTE
Technology	Space usage, Student FTE
Equipment and furniture	Space usage, Student FTE
Repairs and maintenance	Space usage, Student FTE
Occupancy and facility costs	Space usage, Student FTE
Utilities	Space usage, Student FTE
Depreciation	Space usage, Student FTE

All other expenses have been charged directly to the applicable program or supporting services.

i. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

j. Accounting for Uncertainty in Income Taxes

The School does not believe its financial statements include any material, uncertain tax positions. Tax returns for periods ending June 30, 2017 and later are subject to examination by applicable taxing authorities.

k. Comparative Financial Information

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

l. New Accounting Pronouncement

FASB issued ASU No. 2016-02, *Leases*. The ASU, which becomes effective for the June 30, 2023 year, requires the full obligation of long-term leases to be recorded as a liability with a corresponding “right to use asset” on the statement of financial position.

FASB issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which becomes effective for the June 30, 2022 year with early adoption permitted. This ASU focuses on improving transparency in the reporting of contributed nonfinancial assets and requires a separate line item presentation on the statement of activities and additional disclosures.

Management is in the process of evaluating the impact these standards will have on future financial statements.

**Note 3 - Government Grants Receivable/(Advances) - Per Pupil**

	<u>6/30/20</u>	<u>6/30/19</u>
Beginning grant advances	(\$73,068)	(\$35,240)
Funding based on allowable FTEs	11,623,209	9,065,852
Advances received	<u>(11,464,576)</u>	<u>(9,103,680)</u>
Ending grant receivable	<u>\$85,565</u>	<u>(\$73,068)</u>

In addition to per pupil funding, the School was entitled to receive a rent subsidy, that is calculated at the lower of 30 percent of the per pupil amount or actual lease costs as approved by DOE. During the year ended June 30, 2020, the School recognized \$1,190,013 as a rent subsidy. Of that amount, rent expense related to a lease with Brooklyn Tabernacle Deliverance Center in the amount of \$212,824 and to The Urban Dove, Inc., a related party, under the license agreement referred to in Note 6 in the amount of \$977,189.

The School received funds from DOE in excess of amounts earned. A liability of \$225,212 and \$5,740 has been established as of June 30, 2020 and 2019, respectively.

**Note 4 - Restricted Cash**

An escrow account has been established to meet the requirement of NYCDOE. The purpose of this account is to ensure sufficient funds are available for an orderly dissolution or transition process in the event of termination of the charter or school closure.

**Note 5 - Fixed Assets**

At year end, fixed assets consisted of the following:

	<u>6/30/20</u>	<u>6/30/19</u>
Furniture and equipment	\$647,511	\$553,916
Leasehold improvements	<u>223,467</u>	<u>223,467</u>
	870,978	777,383
Less: accumulated depreciation	<u>(695,295)</u>	<u>(614,768)</u>
Fixed assets, net	<u>\$175,683</u>	<u>\$162,615</u>

**Note 6 - Related Party Transactions**

In October 2013, UDTCS signed an institutional partnership agreement (“IPA”) with The Urban Dove, Inc. (“UD”), which is a related party by nature of a common board member and a contractual relationship. Neither of these entities exercise common control over the other, and consolidation is not permitted.

The IPA, and now the charter management agreements between UD and each of UDTCS and UDTCS II (the “CMO Agreements”), serves as the foundation of the governance relationship between UDTCS and UD. During the year ended June 30, 2018 the IPA was replaced by the CMO Agreements. Among other terms, the management fee structure was revised to 10% of UDTCS’s annual entitlement revenue.

Service fees charged by UD to the School amounted to \$1,346,039 and \$1,111,527 for the years ended June 30, 2020 and 2019, respectively. Of that amount, \$113,599 and \$145,848 was owed by the School at June 30, 2020 and June 30, 2019, respectively.

In addition to the management fee, the School has license agreements for rent with UD for both UDTCS and UDTCS II.

In May 2018, the School entered into a license agreement with UD that includes the lease for UDTCS II classroom space and administrative offices. That agreement expired June 30, 2019 and was extended for 1 year on a month to month basis. In 2020, the base rent charged by UD was \$990,004, which included related facility expenses. Of the \$990,004 charged by UD, the School excluded \$12,815 in the requests for rent subsidy. In 2019, the rent charged by UD was \$514,862. There were no outstanding amounts due to UD for rent as of either June 30, 2020 or June 30, 2019.

On October 25, 2019, the School entered into a license agreement with UD that includes a six-year lease for UDTCS classroom space and administrative offices that ends on June 30, 2025. Rent charged by UD was \$382,943, which consists entirely of base rent. All amounts at year end were paid in full.

**Note 7 - Paycheck Protection Program Loan**

During the year ended June 30, 2020, the School obtained a loan from the SBA through the Paycheck Protection Program. Terms of the loan indicate that if certain conditions are met, which include maintaining average work forces during periods subsequent to receipt of the loan funds that are greater than pre-determined historical periods, that the loan, or a portion thereof, will be forgiven. Portions that are not forgiven will be payable over a five-year period, with a six-month deferral of payments and interest will accrue at 1%. The loan forgiveness amount has not been determined as of the date of these financial statements.

The School expects to recognize revenue from this loan consistent with ASU 2018-08, as it is considered to have traits similar to a conditional contribution, however will continue to review whether any new accounting pronouncements may be issued that will provide more definitive guidance.

**Note 8 - Significant Concentrations**

The School is dependent upon grants from NYCDOE to carry out its operations. Approximately 95% and 87%, of the School’s total public support and revenue was realized from NYCDOE in 2020 and 2019, respectively. If NYCDOE were to discontinue funding, it would have a severe economic impact on the School’s ability to operate.

**Note 9 - Defined Contribution Plan**

The School offers a voluntary 401(k) plan for its employees. Employees who have completed six months of service and have attained age 21 are eligible to participate in voluntary salary deferrals. Employees can make pretax contributions up to a maximum as set by law, subject to IRS restrictions. The School may make a discretionary matching contribution equal to a uniform percentage of eligible salary deferrals. Employees who are employed on the last day of the plan year and who have completed one year of service are eligible to participate in the School's discretionary matching contribution. There were no discretionary matching contributions for the years ended June 30, 2020 and 2019.

**Note 10 - Availability and Liquidity**

The School maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for on-going operations. As part of its liquidity management plan, the School operates its programs within a board approved budget and relies on earned income and government grants to fund its operations and program activities.

Financial assets available to meet cash needs for general expenditures within one year are as follows:

Cash and cash equivalents	\$4,244,162
Government grants receivable	175,834
Government grants receivable - per pupil	171,465
Other receivables	<u>20,145</u>
Total	<u>\$4,611,606</u>

**Note 11 - Commitments and Contingencies**

Government contracts are subject to audit by the grantor. Management does not believe that any audits, if they were to occur, would result in material disallowed costs, and has not established any reserves. Any disallowed costs would be recorded in the period notified.

The School entered into an operating lease for UDTCS classroom space and administrative offices and extended the lease agreement through June 30, 2019. On May 29, 2019, the lease was re-assigned to a different landlord and the terms were renegotiated extending the lease through June 30, 2022.

During 2019 the School entered into a rental agreement with UD for UDTCS classroom space and administrative offices for the total amount of \$4,709,531. The lease is payable on a monthly basis in the amount of \$38,294 for the first year and \$70,833 starting July 1, 2020 and ending June 30, 2025

Future minimum lease payments are as follows:

	<u>Amount</u>
Year ending:	
June 30, 2021	\$850,000
June 30, 2022	850,000
June 30, 2023	850,000
June 30, 2024	850,000
June 30, 2025	<u>850,000</u>
Total	<u>\$4,250,000</u>



**Note 12 - Subsequent Events**

Management has evaluated for potential recognition and disclosure events subsequent to the date of the statement of financial position through October 27, 2020, the date the financial statements were available to be issued. All events that have occurred subsequent to the statement of financial position date through our evaluation date that would require adjustment to or disclosure in the financial statements have been made.

**Note 13 - Other Matters**

The COVID-19 pandemic caused all New York City schools to close in Mid-March 2020, including Urban Dove Team Charter School and Urban Dove Team Charter School II. At that time, both schools went to a fully remote instructional model, providing all elements of our educational model, with some modifications. Students remained engaged, earning credits and receiving services from the time of closure to the end of the school year in late June. Finances were not affected as all revenue streams continued throughout the closure.

In the 2020-2021 school year, Urban Dove has elected to employ a hybrid model of instruction for both schools in which students attend school in person and receive remote instruction from home. This model and plan, submitted to the New York State Education Department as well as the New York State Department of Health, allows Urban Dove to provide critical in person instruction while maintaining and following all safety and healthcare guidelines. Urban Dove will receive full per pupil and other entitlement funding in this model, and to date has not experienced any financial impact. We will continue to monitor the guidance and directives from all state and local governments and will make any adjustments necessary.

**URBAN DOVE TEAM CHARTER SCHOOL**  
**SCHEDULE OF FINANCIAL POSITION**  
**AT JUNE 30, 2020**

	Urban Dove Team Charter School	Urban Dove Team Charter School II	Total	Eliminations	Total
<b>Assets</b>					
Cash and cash equivalents	\$229,842	\$4,014,320	\$4,244,162		\$4,244,162
Government grants receivable	97,549	78,285	175,834		175,834
Government grants receivable - per pupil (Note 6)		171,465	171,465		171,465
Other receivables	20,145		20,145		20,145
Prepaid expenses	73,449	32,111	105,560		105,560
Due from affiliates (Note 3)	2,410,786		2,410,786	(\$2,410,786)	0
Security deposit	76,589		76,589		76,589
Restricted cash (Note 4)	75,287	75,171	150,458		150,458
Fixed assets, net (Note 5)	53,936	121,747	175,683		175,683
<b>Total assets</b>	<b>\$3,037,583</b>	<b>\$4,493,099</b>	<b>\$7,530,682</b>	<b>(\$2,410,786)</b>	<b>\$5,119,896</b>
<b>Liabilities and Net Assets</b>					
<b>Liabilities:</b>					
Accounts payable and accrued expenses	\$76,698	\$31,431	\$108,129		\$108,129
Accrued payroll and related liabilities	588,849	363,529	952,378		952,378
Government grant advances - per pupil (Note 3)	85,900	0	85,900		85,900
Due to DOE - rent subsidy (Note 3)	223,226	1,986	225,212		225,212
Due to affiliates (Note 6)	50,527	2,473,858	2,524,385	(\$2,410,786)	113,599
Paycheck Protection Program loan (Note 7)	1,050,000	450,000	1,500,000		1,500,000
Deferred rent	278,906	0	278,906		278,906
<b>Total liabilities</b>	<b>2,354,106</b>	<b>3,320,804</b>	<b>5,674,910</b>	<b>(2,410,786)</b>	<b>3,264,124</b>
<b>Net assets:</b>					
Without donor restrictions	683,477	1,172,295	1,855,772		1,855,772
<b>Total net assets</b>	<b>683,477</b>	<b>1,172,295</b>	<b>1,855,772</b>	<b>0</b>	<b>1,855,772</b>
<b>Total liabilities and net assets</b>	<b>\$3,037,583</b>	<b>\$4,493,099</b>	<b>\$7,530,682</b>	<b>(\$2,410,786)</b>	<b>\$5,119,896</b>

**URBAN DOVE TEAM CHARTER SCHOOL  
SCHEDULE OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Urban Dove Team Charter School I</u>	<u>Urban Dove Team Charter School II</u>	<u>Total</u>
<b>Without donor restrictions:</b>			
Public support and revenue:			
Public school district revenue:			
Resident student enrollment	\$4,797,374	\$3,257,293	\$8,054,667
Students with special education services	2,074,239	1,494,303	3,568,542
Subtotal public school district revenue	<u>6,871,613</u>	<u>4,751,596</u>	<u>11,623,209</u>
Rent subsidy (Note 3)	212,824	977,189	1,190,013
Government grants	322,942	322,226	645,168
Contributions	18,336	20,000	38,336
In-kind contributions	0	46,428	46,428
Other income	57	136	193
	<u>7,425,772</u>	<u>6,117,575</u>	<u>13,543,347</u>
Total public support and revenue			
Expenses:			
Program services:			
Regular education	4,284,508	2,990,061	7,274,569
Special education	1,921,759	1,342,082	3,263,841
Total program services	<u>6,206,267</u>	<u>4,332,143</u>	<u>10,538,410</u>
Supporting services:			
Management and general	1,470,767	1,076,777	2,547,544
Fundraising	96,297	78,689	174,986
	<u>7,773,331</u>	<u>5,487,609</u>	<u>13,260,940</u>
Total expenses			
Change in net assets	(347,559)	629,966	282,407
Net assets - beginning of year	<u>1,031,036</u>	<u>542,329</u>	<u>1,573,365</u>
Net assets - end of year	<u><u>\$683,477</u></u>	<u><u>\$1,172,295</u></u>	<u><u>\$1,855,772</u></u>

**URBAN DOVE TEAM CHARTER SCHOOL  
SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2020**

	Urban Dove Team Charter School I					Urban Dove Team Charter School II						
	Program Services		Supporting Services			Program Services		Supporting Services				
	Regular Education	Special Education	Total Program Services	Management and General	Fundraising Expenses	Regular Education	Special Education	Total Program Services	Management and General	Fundraising Expenses		
Personnel service costs:												
Salaries	\$2,675,048	\$1,063,614	\$3,738,662	\$605,634	\$4,344,296	\$1,719,320	\$595,000	\$2,314,320	\$334,594	\$2,648,914	\$6,993,210	
Payroll taxes and employee benefits	560,937	223,031	783,968	156,106	940,074	356,583	123,401	479,984	83,138	563,122	1,503,196	
Total personnel service costs	3,235,985	1,286,645	4,522,630	761,740	5,284,370	2,075,903	718,401	2,794,304	417,732	3,212,036	8,496,406	
Professional development				27,272	27,272				77,565	77,565	104,837	
Legal fees (including in-kind of \$46,428)				30,731	30,731				56,334	56,334	87,065	
Management company fees -												
institutional partner (Note 6)	244,444	177,777	422,221	222,221	740,739	184,530	160,491	345,021	181,590	78,689	1,346,039	
Professional fees	27,915	9,382	37,297	77,201	114,498	35,426	8,168	43,594	76,095	119,689	234,187	
Student and staff recruitment				7,971	7,971				9,315	9,315	17,286	
Supplies and materials	38,302		38,302		38,302	51,849		51,849		51,849	90,151	
Office expenses	19,697	14,938	34,635	38,819	73,454	14,717	12,801	27,518	7,424	34,942	108,396	
Food services	11,901	8,926	20,827	9,854	30,681	5,527	4,807	10,334	7,211	17,545	48,226	
Student services	83,001		83,001		83,001	102,830		102,830		102,830	185,831	
Insurance	15,454	11,590	27,044	6,761	33,805	8,741	7,603	16,344	4,086	20,430	54,235	
Technology	9,495	7,122	16,617	4,155	20,772	3,611	3,141	6,752	1,689	8,441	29,213	
Equipment and furniture	21,863	16,396	38,259	9,564	47,823	16,082	13,987	30,069	7,518	37,587	85,410	
Repairs and maintenance	67,270	50,452	117,722	29,432	147,154	22,145	19,260	41,405	10,351	51,756	198,910	
Occupancy and facility costs	446,203	291,300	737,503	169,927	907,430	439,942	368,412	808,354	198,001	1,006,355	1,913,785	
Utilities	41,449	31,085	72,534	18,135	90,669	14,453	12,570	27,023	6,756	33,779	124,448	
Depreciation	21,529	16,146	37,675	9,420	47,095	14,305	12,441	26,746	6,686	33,432	80,527	
Other				47,564	47,564				8,424	8,424	55,988	
Total expenses	\$4,284,508	\$1,921,759	\$6,206,267	\$1,470,767	\$7,773,331	\$2,990,061	\$1,342,082	\$4,332,143	\$1,076,777	\$78,689	\$5,487,609	
											\$13,260,940	

**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 Auditor's Report**

To the Board of Trustees of  
Urban Dove Team 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 Urban Dove Team 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 year then ended and the related notes to the financial statements, and have issued our report thereon dated October 27, 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 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 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.

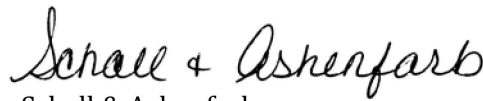
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 of 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



---

Schall & Ashenfarb  
Certified Public Accountants, LLC

October 27, 2020

**URBAN DOVE TEAM CHARTER SCHOOL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2020**

Current Year:

**None**

Prior Year Follow-Up:

**None**



## Annual Financial Statement Audit Report

<b>School Name:</b>	<b>Urban Dove Team Charter School II</b>
<b>Date (Report is due Nov. 1):</b>	November 1, 2020
<b>Primary District of Location (If NYC select NYC DOE):</b>	New York City Department of Education
<b>If located in NYC DOE select CSD:</b>	NYCSD #7
<b>School Fiscal Contact Name:</b>	Rose Temba
<b>School Fiscal Contact Email:</b>	[REDACTED]
<b>School Fiscal Contact Phone:</b>	[REDACTED]
<b>School Audit Firm Name:</b>	Schall and Ashenfarb
<b>School Audit Contact Name:</b>	David Ashenfarb
<b>School Audit Contact Email:</b>	[REDACTED]
<b>School Audit Contact Phone:</b>	[REDACTED]
<b>Audit Period:</b>	2019-20
<b>Prior Year:</b>	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	included in submission
Management Letter Response	not required
Federal Single Audit (A-133)	Report not required as federal spending did not exceed threshold
Corrective Action Plan	none required



**Urban Dove Team Charter School II**  
**Statement of Financial Position**  
**as of June 30**

	<u>2020</u>	<u>2019</u>
<b><u>CURRENT ASSETS</u></b>		
Cash and cash equivalents	\$ 4,244,162	\$ 2,058,603
Grants and contracts receivable	347,299	277,275
Accounts receivables	20,145	7,679
Prepaid Expenses	105,560	1,750
Contributions and other receivables	-	-
Other current assets	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>4,717,166</b>	<b>2,345,307</b>
<b><u>NON-CURRENT ASSETS</u></b>		
Property, Building and Equipment, net	\$ 175,683	\$ 162,615
Restricted Cash	150,458	100,301
Security Deposits	76,589	24,851
Other Non-Current Assets	-	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>402,730</b>	<b>287,767</b>
<b>TOTAL ASSETS</b>	<b><u>5,119,896</u></b>	<b><u>2,633,074</u></b>
<b><u>CURRENT LIABILITIES</u></b>		
Accounts payable and accrued expenses	\$ 108,129	\$ 111,551
Accrued payroll, payroll taxes and benefits	952,378	723,502
Current Portion of Loan Payable	-	-
Due to Related Parties	113,599	145,848
Refundable Advances	311,112	-
Deferred Revenue	-	5,740
Other Current Liabilities	-	73,068
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,485,218</b>	<b>1,059,709</b>
<b><u>LONG-TERM LIABILITIES</u></b>		
Loan Payable; Due in More than One Year	\$ 1,500,000	\$ -
Deferred Rent	278,906	-
Due to Related Party	-	-
Other Long-Term Liabilities	-	-
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>1,778,906</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b><u>3,264,124</u></b>	<b><u>1,059,709</u></b>
<b><u>NET ASSETS</u></b>		
Unrestricted	\$ 1,855,772	\$ 1,573,365
Temporarily restricted	-	-
Permanently restricted	-	-
<b>TOTAL NET ASSETS</b>	<b><u>1,855,772</u></b>	<b><u>1,573,365</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>5,119,896</u></b>	<b><u>2,633,074</u></b>

**Urban Dove Team Charter School II**  
**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	\$ 8,054,667	\$ -	\$ 8,054,667	\$ 6,154,562
State and Local Per Pupil Revenue - SPED	3,568,542	-	3,568,542	2,911,290
State and Local Per Pupil Facilities Revenue	1,190,013	-	1,190,013	903,336
Federal Grants	546,466	-	546,466	755,216
State and City Grants	98,702	-	98,702	390,863
Other Operating Income	38,336	-	38,336	-
Food Service/Child Nutrition Program	-	-	-	-
<b>TOTAL OPERATING REVENUE</b>	13,496,726	-	13,496,726	11,115,267
<b>EXPENSES</b>				
Program Services				
Regular Education	\$ 7,274,569	\$ -	\$ 7,274,569	\$ 6,141,875
Special Education	3,263,841	-	3,263,841	2,266,945
Other Programs	-	-	-	-
Total Program Services	10,538,410	-	10,538,410	8,408,820
Management and general	2,547,544	-	2,547,544	1,890,147
Fundraising	174,986	-	174,986	144,499
<b>TOTAL EXPENSES</b>	13,260,940	-	13,260,940	10,443,466
<b>SURPLUS / (DEFICIT) FROM OPERATIONS</b>	235,786	-	235,786	671,801
<b>SUPPORT AND OTHER REVENUE</b>				
Interest and Other Income	\$ 193	\$ -	\$ 193	\$ 273
Contributions and Grants	-	-	-	350,560
Fundraising Support	-	-	-	-
Investments	-	-	-	-
Donated Services	46,428	-	46,428	-
Other Support and Revenue	-	-	-	-
<b>TOTAL SUPPORT AND OTHER REVENUE</b>	46,621	-	46,621	350,833
<b>Net Assets Released from Restrictions / Loss on Disposal of Assets</b>	\$ -	\$ -	\$ -	\$ -
<b>CHANGE IN NET ASSETS</b>	282,407	-	282,407	1,022,634
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 1,573,365	\$ -	\$ 1,573,365	\$ 550,731
<b>PRIOR YEAR/PERIOD ADJUSTMENTS</b>	-	-	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ 1,855,772	\$ -	\$ 1,855,772	\$ 1,573,365

**Urban Dove Team Charter School II**  
**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	\$ 282,407	\$ 1,022,634
Revenues from School Districts	-	-
Accounts Receivable	(12,466)	48,709
Due from School Districts	-	-
Depreciation	80,527	155,504
Grants Receivable	(70,024)	(121,614)
Due from NYS	-	-
Grant revenues	-	-
Prepaid Expenses	(103,810)	206,917
Accounts Payable	(3,422)	(21,495)
Accrued Expenses	-	-
Accrued Liabilities	241,708	247,714
Contributions and fund-raising activities	-	-
Miscellaneous sources	1,500,000	-
Deferred Revenue	219,472	(53,790)
Interest payments	-	-
Other	(32,249)	166,013
Other	227,168	150,076
<b>NET CASH PROVIDED FROM OPERATING ACTIVITIES</b>	<b>\$ 2,329,311</b>	<b>\$ 1,800,668</b>
<b>CASH FLOWS - INVESTING ACTIVITIES</b>		
Purchase of equipment	(93,595)	(125,022)
Other	-	-
<b>NET CASH PROVIDED FROM INVESTING ACTIVITIES</b>	<b>\$ (93,595)</b>	<b>\$ (125,022)</b>
<b>CASH FLOWS - FINANCING ACTIVITIES</b>		
Principal payments on long-term debt	-	-
Other	-	-
<b>NET CASH PROVIDED FROM FINANCING ACTIVITIES</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>\$ 2,235,716</b>	<b>\$ 1,675,646</b>
Cash at beginning of year	2,158,904	382,957
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$ 4,394,620</b>	<b>\$ 2,058,603</b>

**Urban Dove Team Charter School II**  
**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	27.00	-	-	-	-	940,228	940,228	940,228	671,912	
Instructional Personnel	70.00	3,793,196	1,658,614	-	5,451,810	-	-	5,451,810	4,427,317	
Non-Instructional Personnel	11.00	601,172	-	-	601,172	-	-	601,172	467,244	
Total Salaries and Staff	108.00	4,394,368	1,658,614	-	6,052,982	-	940,228	940,228	6,993,210	
Fringe Benefits & Payroll Taxes		917,520	346,432	-	1,263,952	-	239,244	239,244	1,503,196	
Retirement		-	-	-	-	-	-	-	-	
Management Company Fees		428,974	338,268	-	767,242	174,986	403,811	578,797	1,346,039	
Legal Service		-	-	-	-	-	87,065	87,065	36,349	
Accounting / Audit Services		-	-	-	-	-	-	-	-	
Other Purchased / Professional / Consulting Services		63,341	17,550	-	80,891	-	153,296	153,296	234,187	
Building and Land Rent / Lease		886,145	659,712	-	1,545,857	-	367,928	367,928	1,913,785	
Repairs & Maintenance		89,415	69,712	-	159,127	-	39,783	39,783	198,910	
Insurance		24,195	19,193	-	43,388	-	10,847	10,847	54,235	
Utilities		55,902	43,655	-	99,557	-	24,891	24,891	124,448	
Supplies / Materials		90,151	-	-	90,151	-	-	-	90,151	
Equipment / Furnishings		37,945	30,383	-	68,328	-	17,082	17,082	85,410	
Staff Development		-	-	-	-	-	104,837	104,837	110,334	
Marketing / Recruitment		-	-	-	-	-	17,286	17,286	32,636	
Technology		13,106	10,263	-	23,369	-	5,844	5,844	29,213	
Food Service		17,428	13,733	-	31,161	-	17,065	17,065	48,226	
Student Services		185,831	-	-	185,831	-	-	-	185,831	
Office Expense		34,414	27,739	-	62,153	-	46,243	46,243	108,396	
Depreciation		35,834	28,587	-	64,421	-	16,105	16,105	80,526	
OTHER		-	-	-	-	-	55,989	55,989	20,599	
<b>Total Expenses</b>		<b>\$ 7,274,569</b>	<b>\$ 3,263,841</b>	<b>\$ -</b>	<b>\$ 10,538,410</b>	<b>\$ 174,986</b>	<b>\$ 2,547,544</b>	<b>\$ 2,722,530</b>	<b>\$ 13,260,940</b>	<b>\$ 10,443,466</b>

## Urban Dove Team Charter School II 2020 - 2021 Annual Budget - Projected

<u>Line No.</u>			
1	Revenue		
2	4000 State Grants		
3	4001 Per Pupil General Education	\$	4,272,595.00
4	4002 Per Pupil Special Education	\$	1,949,922.00
5	4005 State Grants-NYSTL	\$	3,750.00
6	4009 Facilities Funding	\$	1,281,778.50
7	4010 State Budget Allocation	\$	115,000.00
8	<b>Total 4000 State Grants</b>	<b>\$</b>	<b>7,623,045.50</b>
9	4100 Federal Grants		
10	4101 IDEA Special Needs	\$	60,000.00
11	4102 Federal Grants-Title I	\$	70,000.00
12	4103 Federal Grants-Title IIA	\$	10,000.00
13	4104 Federal Grants-Title IV	\$	10,000.00
14	4105 Federal Grants-Cares Act	\$	500,000.00
	4106 Federal Grants-E-Rate	\$	25,000.00
15	<b>Total 4100 Federal Grants</b>	<b>\$</b>	<b>675,000.00</b>
16	4200 Contributions & Donations		
17	4202 Unrestricted Contributions	\$	25,000.00
18	<b>Total 4200 Contributions &amp; Donations</b>	<b>\$</b>	<b>25,000.00</b>
19	<b>Total Revenue</b>	<b>\$</b>	<b>8,323,045.50</b>
20	Expenses		
21	5000.1 Compensation and Related Expenses		
22	5000 Administrative Personnel Costs		
23	5001 Executive Management	\$	139,050.00
24	5003 Directors	\$	286,752.00
25	<b>Total 5000 Administrative Personnel Costs</b>	<b>\$</b>	<b>425,802.00</b>
26	5100 Instructional Personnel Cost		
27	5101 Teachers- Regular	\$	948,005.00
28	5102 Teachers- Special Ed	\$	922,632.31
29	5107 Coaches	\$	806,371.00
30	5107.1 Coaches - Per Session	\$	5,000.00
	5110 Summer School Staff	\$	10,000.00
31	<b>Total 5100 Instructional Personnel Cost</b>	<b>\$</b>	<b>2,692,008.31</b>

32	5200 Non-Instructional Staff Personn		
33	5207 Social Workers and Councelors	\$	333,478.63
34	5204 Operations	\$	435,081.28
35	<b>Total 5200 Non-Instructional Staff Personn</b>	<b>\$</b>	<b>768,559.91</b>
36	5230 Salaries and Wages - Other		
37	5231 Vacation Expense	\$	15,000.00
38	5233 Per Session - Other	\$	25,000.00
39	<b>Total 5230 Salaries and Wages - Other</b>	<b>\$</b>	<b>40,000.00</b>
40	5300 Payroll Taxes		
41	5302 FICA - Employer Expense	\$	325,000.00
42	5304 NY DIS	\$	12,500.00
43	5305 NYS SUI	\$	62,500.00
44	5308 Local Tax	\$	2,250.00
45	5309 FUTA	\$	750.00
46	<b>Total 5300 Payroll Taxes</b>	<b>\$</b>	<b>403,000.00</b>
47	5400 Employee Benefits		
48	5401 Health	\$	300,000.00
49	5402 Dental & vision	\$	36,000.00
50	5403 Workers Compensation	\$	27,500.00
51	5404 Life, Disability	\$	7,125.00
52	5405 Transit Check Fees	\$	-
53	5409 Other Fringe Benefits	\$	1,125.00
54	<b>Total 5400 Employee Benefits</b>	<b>\$</b>	<b>371,750.00</b>
55	5500 Retirement & Pension		
56	5503 401(k) Fees		6,500.00
57	<b>Total 5500 Retirement &amp; Pension</b>	<b>\$</b>	<b>6,500.00</b>
58	<b>Total 5000.1 Compensation and Related Expenses</b>	<b>\$</b>	<b>4,707,620.22</b>
59	6000 Professional Services/Contract		
60	6001 Accounting & Audit Fees	\$	15,000.00
61	6002 Legal - Paid	\$	15,000.00
62	6005 Payroll Service Fees	\$	50,000.00
63	6006 Academic Consultants	\$	1,500.00
64	6008 Fingerprinting & Background Svc	\$	1,000.00
65	6009 Substitute Services	\$	25,000.00
66	6010 Prof/Contracted Svcs-Other	\$	67,500.00
67	6017 Contracted Services - IPA	\$	770,000.00
68	<b>Total 6000 Professional Services/Contract</b>	<b>\$</b>	<b>945,000.00</b>
	6100 Board Expenses		

69	6101 Board Meeting Expenses	\$	250.00
70	Total 6100 Board Expenses	\$	<b>250.00</b>
71	6200 Classroom & Teaching Supplies		
72	6201 Classroom Supplies & Materials	\$	55,000.00
73	6207 Classroom Libraries		
74	Total 6200 Classroom & Teaching Supplies	\$	<b>55,000.00</b>
75	6400 Textbooks & Workbooks		
76	6402 NYSSTL	\$	3,750.00
77	Total 6400 Textbooks & Workbooks	\$	<b>3,750.00</b>
78	6500 Supplies & Materials Other		
79	6502 Library Supplies/Books	\$	50.00
80	Total 6500 Supplies & Materials Other	\$	<b>50.00</b>
81	6700 Field Trips & Enrichment Events		
82	6702 School Spirit	\$	15,000.00
83	Total 6700 Field Trips & Enrichment Events	\$	<b>15,000.00</b>
84	6800 Food		
85	6802 School Meals Other	\$	27,500.00
86	6803 Cafeteria Supplies	\$	6,000.00
87	Total 6800 Food	\$	<b>33,500.00</b>
88	6900 Student Services		
89	6901 Trimester Awards	\$	20,000.00
90	6903 Parent Outreach & Education Programs	\$	5,500.00
91	6904 Transportation	\$	10,000.00
92	6905 Facility Rentals	\$	2,500.00
93	6906 Student Stipend	\$	7,500.00
94	6907 UD Cup and TLC	\$	20,000.00
95	6909 Processing Fees & Dues		
	6912 League One Activities	\$	5,000.00
96	6912A League Two Activities	\$	5,000.00
	6910 League Three Activities	\$	15,000.00
97	6913 Attendance and Punctuality Incentives	\$	30,000.00
98	Total 6900 Student Services	\$	<b>120,500.00</b>
99	6950 Sports Based Youth Development (SBYD)		
100	6951 Contracted Srvc - SBYD		
101	6952 Uniforms - SBYD	\$	15,000.00
102	6953 Supplies and Materials - SBYD	\$	15,000.00
103	6954 Transportation - SBYD	\$	10,000.00
104	6955 Facilities Rentals - SBYD	\$	20,000.00

105	Total 6950 Sports Based Youth Development	\$	<b>60,000.00</b>
106	6970 Inter Scholastic Athletics		
107	6972 Uniforms - ISA	\$	-
108	6975 Transportation - ISA	\$	1,500.00
109	6976 Fees & Dues - ISA	\$	35,000.00
110	6977 Referees - ISA	\$	1,500.00
111	Total 6970 Inter Scholastic Athletics	\$	<b>38,000.00</b>
112	7000 Office Expenses		
113	7001 Office Supplies	\$	27,500.00
114	7002 Printing & Copying	\$	7,500.00
115	7003 Postage & Shipping	\$	5,000.00
116	Total 7000 Office Expenses	\$	<b>40,000.00</b>
117	7100 Equip. & Furniture (non-capitalized)		
118	7101 Leased Equipment	\$	25,000.00
119	7102 Equipment Purchases	\$	25,000.00
120	7103 Furniture Purchases	\$	5,000.00
121	7104 Equip. Repairs & Maintenance	\$	5,000.00
122	Total 7100 Equip. & Furniture (non-capitalized)	\$	<b>60,000.00</b>
123	7200 Telephone		
124	7201 Telephone & Fax	\$	3,500.00
125	7202 Cellular Phones	\$	22,500.00
126	Total 7200 Telephone	\$	<b>26,000.00</b>
127	7300 Technology		
128	7301 Internet	\$	2,500.00
129	7302 Technology Services	\$	7,500.00
130	7303 Equipment (non-capital)	\$	7,500.00
131	Total 7300 Technology	\$	<b>17,500.00</b>
132	7400 Staff Development		
133	7401 Administrative Staff	\$	2,500.00
134	7402 Instructional Staff	\$	75,000.00
135	Total 7400 Staff Development	\$	<b>77,500.00</b>
136	7500 Staff Recruitment		
137	7501 Advertising & Job Fairs	\$	1,500.00
138	Total 7500 Staff Recruitment	\$	<b>1,500.00</b>
139	7600 Student Recruitment/Marketing		
140	7601 Printing & Advertising/Mailing	\$	7,500.00
141	Total 7600 Student Recruitment/Marketing	\$	<b>7,500.00</b>
142	7650 Staff Services		
143	7651 Travel - Staff Services		



144	7652 Staff Spirit	\$	30,000.00
145	7655 Staff Pantry	\$	7,500.00
146	Total 7650 Staff Sevices	\$	<b>37,500.00</b>
147	7900 Other Fees		
148	7902 Interest/Late Charges		
149	7903 Dues & Memberships	\$	2,500.00
150	7904 Miscellaneous		
151	Total 7900 Other Fees	\$	<b>2,500.00</b>
152	8000 Insurance Commercial		
153	8001 General Liability, Umbrella, D&O	\$	29,000.00
154	Total 8000 Insurance Commercial	\$	<b>29,000.00</b>
155	8100 Facility Operations & Maintenance		
156	8101 Rent	\$	1,475,000.00
157	8102 Utilities Facility	\$	85,000.00
158	8103 Repairs & Maintenance Facility	\$	15,000.00
159	8104 Janitorial Services	\$	75,000.00
160	Total 8100 Facility Operations & Maintenance	\$	<b>1,650,000.00</b>
161	8200 Depreciation & Amortization		
162	8201 Depreciation	\$	30,000.00
163	Total 8200 Depreciation & Amortization	\$	<b>30,000.00</b>
164	Total Expenses	\$	<b>7,957,670.22</b>
165	Total Revenue over Expenses SURPLUS (DEFICIT)	\$	<b>365,375.28</b>
166			
167	Capital Budget		
168	1501 Office Furniture	\$	15,000.00
169	1502 Classroom Furniture	\$	65,000.00
170	1503 Computer Equipment	\$	25,000.00
171	1504 Classroom Equipment	\$	5,000.00
172	1505 Software (capitalized)		
173	1507 Leasehold Improvements	\$	35,000.00
174	1509 Office Equipment	\$	35,000.00
175	1510 Lockers		
176	1511 Gym Upgrades	\$	50,000.00
177	1512 Cafeteria Upgrade	\$	15,000.00
178	Total Capital Expenses	\$	<b>245,000.00</b>
179			
180	1004 Escrow	\$	25,000.00
181	1901 Security Deposit		

182	Contigency		
183	Total Expenses & Capital Purchases		<u>8,227,670.22</u>
184	Revenue after Capital Expenditures & Expenses	\$	<u>95,375.28</u>



**SIGNATURE BANK**  
 565 Fifth Avenue, 12<sup>th</sup> Floor  
 New York, NY 10017

Statement Period  
 From September 01, 2020  
 To September 30, 2020  
 Page 1 of 2

PRIVATE CLIENT GROUP 181  
 565 FIFTH AVENUE  
 NEW YORK, NY 10017

URBAN DOVE TEAM CHARTER SCHOOL                      8-181  
 ESCROW  
 600 LAFAYETTE AVE 3RD FL  
 BROOKLYN NY 11216

See Back for Important Information

Primary Account: [REDACTED] 0

AVOID BUSINESS E-MAIL FINANCIAL FRAUD! PLEASE VISIT THE "PRIVACY & SECURITY"  
 SECTION LOCATED UNDER THE "ABOUT US" HEADING AT WWW.SIGNATURENY.COM. SELECT  
 "BUSINESS E-MAIL COMPROMISE" TO READ THE RECENT NEWS FROM THE FEDERAL  
 BUREAU OF INVESTIGATION REGARDING FRAUD TARGETING BUSINESSES, INCLUDING  
 GUIDANCE ON WHAT YOU CAN DO TO REDUCE YOUR RISK OF BECOMING A VICTIM.  
 SIGNATURE BANK BELIEVES THAT THIS IS IMPORTANT NEWS TO SHARE WITH OUR  
 CLIENTS. WE ARE MAKING IT AVAILABLE TO YOU FOR YOUR INFORMATION AND ANY  
 ACTION THAT YOU MAY CONSIDER APPROPRIATE.

Signature Relationship Summary		Opening Bal.	Closing Bal.
BANK DEPOSIT ACCOUNTS			
1503489364	MONOGRAM INSURED MMA	75,196.97	75,209.33
RELATIONSHIP TOTAL			75,209.33



SIGNATURE BANK

Statement Period
From September 01, 2020
To September 30, 2020
Page 2 of 2

PRIVATE CLIENT GROUP 181
565 FIFTH AVENUE
NEW YORK, NY 10017

URBAN DOVE TEAM CHARTER SCHOOL 8-181
ESCROW
600 LAFAYETTE AVE 3RD FL
BROOKLYN NY 11216

See Back for Important Information

Primary Account: [REDACTED] 0

MONOGRAM INSURED MMA [REDACTED]

Summary

Previous Balance as of September 01, 2020 75,196.97
1 Credits 12.36
Ending Balance as of September 30, 2020 75,209.33

Deposits and Other Credits
Sep 30 Interest Paid

12.36

Daily Balances

Aug 31 75,196.97 Sep 30 75,209.33

\*===== Interest Summary =====\*
\* Year-To-Date Interest 124.36 \*
\* Interest Paid This Period 12.36 Annual Percentage Yield Earned 0.20 % \*
\* Avg. Balance this Period 75,196.97 Days in Period 30 \*
\*=====\*