

October 29, 2020

The Board of Trustees
REACH Academy Charter School

In planning and performing our audit of the financial statements of REACH Academy Charter School for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the School's internal control over financial reporting internal control as a basis for designing our auditing procedures 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 implementation of the control does not allow 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 School's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of the inherent limitations in internal control, including the possibility of management override of controls, misstatements due to errors or fraud may occur and not be detected by such controls. 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.

Our audit was also not designed to identify deficiencies in internal control that might be significant deficiencies. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We communicated the significant deficiencies identified during our audit in a separate communication dated October 29, 2020.

This information is intended solely for the use of the Board of Trustees and management of the school and is not intended to be distributed and should not be used by anyone other than these specified parties.





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Sumudu G.M. Perera

	2020	2019
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 1,073,852	\$ 553,6
Grants and contracts receivable	299,021	149,821
Accounts receivables	-	-
Prepaid Expenses	80,307	53,0
Contributions and other receivables	-	-
Other current assets	-	-
TOTAL CURRENT ASSETS	1,453,180	756,4
<u>NON-CURRENT ASSETS</u>		
Property, Building and Equipment, net	\$ 372,374	\$ 338,4
Restricted Cash	75,000	50,0
Security Deposits	-	-
Other Non-Current Assets	-	-
TOTAL NON-CURRENT ASSETS	447,374	388,4
TOTAL ASSETS	1,900,554	1,144,881

CURRENT LIABILITIES

Accounts payable 0.6 -4.1 (,ued exR)-4.33 (s)1.5 (t ue0 (a)-5.5 e /P <<>>BDC -0.005 Tc 0.012 .95 0 0 10.95 48

	Unrestricted	Temporarily Restricted	Total	2019 Total
OPERATING REVENUE				
State and Local Per Pupil Revenue - Reg. Ed	\$ 4,568,068	\$ -	\$ 4,568,068	\$ 3,248,150
State and Local Per Pupil Revenue - SPED	361,445	-	361,445	286,170
State and Local Per Pupil Facilities Revenue	-	-	-	-
Federal Grants	270,224	-	270,224	190,900
State and City Grants	-	-	-	66,300
Other Operating Income	31,544	-	31,544	40,200
Food Service/Child Nutrition Program	-	-	-	-
TOTAL OPERATING REVENUE	5,231,281	-	5,231,281	3,831,870
EXPENSES				
Program Services				
Regular Education	\$ 3,815,967	\$ -	\$ 3,815,967	\$ 2,454,540
Special Education	411,904	-	411,904	386,500
Other Programs	397,280	-	397,280	390,100
Total Program Services	4,625,151	-	4,625,151	3,231,200
Management and general	651,700	-	651,700	740,600

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Reach Academy Charter School
Statement of Functional Expenses
as of June 30

		2020							2019	
No. of Positions	Program Services				Supporting Services			Total	Total	
	Regular Education	Special Education	Other Education	Total	Fundraising	Management and General	Total			
Personnel Services Costs										
Administrative Staff Personnel	5.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 388,785	\$ 388,785	\$ 388,785	\$ 474,59
Instructional Personnel	56.00	2,242,990	269,159	-	2,512,149	-	-	-	2,512,149	1,574,80
Non-Instructional Personnel	4.00	-	-	89,720	89,720	-	-	-	89,720	107,86
Total Salaries and Staff	65.00	2,242,990	269,159	89,720	2,601,869	-	388,785	388,785	2,990,654	2,157,26
Fringe Benefits & Payroll Taxes		554,216	66,506	22,169	642,891	-	96,064	96,064	738,955	524,41
Retirement		-	-	-	-	-	-	-	-	-
Management Company Fees		-	-	-	-	-	-	-	-	-
Legal Service		-	-	-	-	-	-	-	-	1,24
Accounting / Audit Services		-	-	-	-	-	-	-	-	19,89
Other Purchased / Professional / Consulting Services		-	-	-	-	-	-	-	-	8,66
Building and Land Rent / Lease		360,864	22,554	22,554	405,972	-	45,108	45,108	451,080	451,08
Repairs & Maintenance		30,148	1,884	1,884	33,916	-	3,768	3,768	37,684	36,96
Insurance		15,069	942	942	16,953	-	1,884	1,884	18,837	31,63
Utilities		59,494	3,718	3,718	66,930	-	7,437	7,437	74,367	74,76
Supplies / Materials		132,627	16,392	-	149,019	-	-	-	149,019	110,05
Equipment / Furnishings		-	-	-	-	-	-	-	-	-
Staff Development		94,491	5,906	5,906	106,303	-	11,811	11,811	118,114	70,39
Marketing / Recruitment		-	-	-	-	-	-	-	-	20,83
Technology		104,294	6,519	6,519	117,332	-	13,038	13,038	130,370	25,01
Food Service		-	-	-	-	-	-	-	-	-
Student Services		21,155	2,615	-	23,770	-	-	-	23,770	22,76
Office Expense		5,648	353	353	6,354	-	706	706	7,060	44,72
Depreciation		123,962	7,748	7,748	139,458	-	15,495	15,495	154,953	97,25
OTHER		71,009	7,608	235,767	314,384	-	67,604	67,604	381,988	274,94
Total Expenses		\$ 3,815,967	\$ 411,904	\$ 397,280	\$ 4,625,151	\$ -	\$ 651,700	\$ 651,700	\$ 5,276,851	\$ 3,971,93



Insurance	\$32,000	General and Professional Liability, Student Accident, Property and Property Loss, Directors and Officers
Janitorial	\$135,156	Janitorial Contract, Custodial Supplies
Building and Land Rent / Lease	\$424,800	Rent and Lease to Own Maintenance Contract, Plowing, Landscaping, Lawn cutting, Irrigation System, HVAC, Inspections (Fire, Safety, Health, HVAC, Elevator and Plumbina/Backflow Preventer)
Repairs & Maintenance	\$70,000	

Equipment / Furniture	\$5,000	Lawn equipment, snow blower for sidewalks and other power equipment
Security	\$1,000	Monitoring System (Fire Burglar Alarm System)
Utilities	\$70,000	Gas, Electric, Water and Sewer, Internet
		\$0

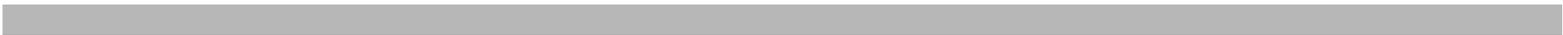
Capital Improvement	\$60,000	Balance Sheet Account* (Taken out of Budget)
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\$797,956

Represents current year depreciation expense on capital asset pur.8 (n)JTJ E44 620asepo rm

\$100,000



FOR INQUIRIES CALL: (716) 848-3300

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REACH ACADEMY CHARTER SCHOOL
 115 NICHOLS ST
 BUFFALO NY 14204

ACCOUNT TYPE	
COMMERCIAL	
ACCOUNT NUMBER	STATEMENT PERIOD
	JUL 01 2020
DEPOSITS & CREDITS	DEBITS
	0.00
LESS CHECKS & DEBITS	DEBITS
	0.00
INTEREST	
	4.21
LESS SERVICE CHARGES	
ENDING BALANCE	
	\$75,093.26

INTEREST PAID PER YEAR TO DATE \$20.33 \$26.22

ACCOUNT ACTIVITY

POSTING DATE	TRANSACTION DESCRIPTION	DEPOSITS & OTHER CREDITS (+)	OTHER DEBITS (-)	DEBITS	BALANCE	BALANCE
07/01/2020	BEGINNING BALANCE				\$50,083.05	
07/02/2020	WEB XFER FROM X					
07/31/2020	INTEREST PAYMENT	4.21			75.09	
	ENDING BALANCE				\$75,093.26	

INTEREST RATE HISTORY

INTEREST RATE	BEGINNING DATE	ENDING DATE
0.08%	07/30/2020	07/23/2020
0.05%	07/23/2020	07/31/2020

AS OF JULY 1, 2020 FUNDS FROM CHECK DEPOSITS IN EXCESS OF \$5,000 (OR \$10,000 PREVIOUSLY) MAY BE HELD UNAVAILABLE. PLEASE REFER TO THE AVAILABILITY DISCLOSURE FOR COMMERCIAL DEPOSIT ACCOUNTS. DISCLOSURE ALSO DETERMINING THE AVAILABILITY OF YOUR DEPOSITS. IF YOU ARE AN EMPLOYEE, OUR BUSINESS DAYS OF OPERATION WILL BE MOSTLY FROM 9:00 AM TO 5:00 PM. BUSINESS DAYS THAT WE ARE OPEN. MOBILE BANKING CHECK DEPOSITS HAVE A CUTOFF TIME OF 10:00 PM.

HOW TO BALANCE YOUR M&T BANK ACCOUNT

