BRONX GLOBAL LEARNING INSTITUTE FOR GIRLS, THE SHIRLEY RODRIGUEZ-REMENESKI SCHOOL

Financial Statements

For the years ended June 30, 2020 and 2019

BRONX GLOBAL LEARNING INSTITUTE FOR GIRLS,
THE SHIRLEY RODRIGUEZ-REMENESKI SCHOOL
Financial statements
June 30, 2020 and 2019

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NCheng LLP
accountants and advisors

40 Wall Street, 32nd Floor
New York, NY 10005
T 212 785 0100
F 212 785 9168
www.ncheng.com

Independent Auditors' Report

To the Board of Trustees of
Bronx Global Learning Institute for Girls,
The Shirley Rodriguez-Remeneski School

Report on the financial statements

We have audited the accompanying financial statements of Bronx Global Learning Institute for Girls, The Shirley Rodriguez-Remeneski 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 years 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.

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 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 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.

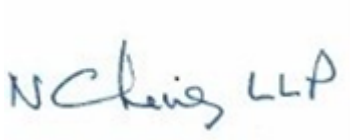
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bronx Global Learning Institute for Girls, The Shirley Rodriguez-Remeneski School as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended 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 26, 2020, on our consideration of Bronx Global Learning Institute for Girls, The Shirley Rodriguez-Remeneski School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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 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 Bronx Global Learning Institute for Girls, The Shirley Rodriguez-Remeneski School's internal control over financial reporting and compliance.



New York, New York
October 26, 2020

BRONX GLOBAL LEARNING INSTITUTE FOR GIRLS,
THE SHIRLEY RODRIGUEZ-REMENESKI SCHOOL
Statements of Financial Position
As of June 30,

	2020	2019
Assets		
Current assets		
Cash and cash equivalents	$ 13,255,556	$ 11,909,893
Grants and contracts receivable	239,165	91,790
Total current assets	13,494,721	12,001,683
Property and equipment, net	149,299	43,181
Other assets		
Reserve - contingency	75,603	75,572
Total assets	$ 13,719,623	$ 12,120,436
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	$ 102,028	$ 82,949
Accrued salaries and other payroll-related expenses	614,121	565,255
Refundable advances	2,067	31,233
Total current liabilities	718,216	679,437
Net assets without donor restrictions		
Undesignated	12,925,804	11,365,427
Reserve - contingency	75,603	75,572
Total net assets without donor restrictions	13,001,407	11,440,999
Total liabilities and net assets without donor restrictions	$ 13,719,623	$ 12,120,436

The accompanying notes are an integral part of these financial statements.

BRONX GLOBAL LEARNING INSTITUTE FOR GIRLS,
THE SHIRLEY RODRIGUEZ-REMENESKI SCHOOL
Statements of Activities
For the years ended June 30,

	2020	2019
Operating revenue and other support		
State and local per pupil operating revenue		
General education	$ 7,067,434	$ 6,622,196
Special education	182,209	120,524
Total state and local per pupil operating revenue	7,249,643	6,742,720
Grants, contracts and other support		
Federal	326,587	393,351
State and local	134,582	239,520
Interest and other income	6,031	10,376
Total grants and contracts	467,200	643,247
Total operating revenue and other support	7,716,843	7,385,967
Expenses		
Program expenses		
Regular education	4,832,932	4,449,313
Special education	628,807	570,414
Total program expenses	5,461,739	5,019,727
Supporting Services		
Management and general	694,696	398,437
Total program and supporting services expenses	6,156,435	5,418,164
Change in net assets	1,560,408	1,967,803
Net assets without donor restrictions - beginning of year	11,440,999	9,473,196
Net assets without donor restrictions - end of year	$ 13,001,407	$ 11,440,999

The accompanying notes are an integral part of these financial statements.

BRONX GLOBAL LEARNING INSTITUTE FOR GIRLS,
THE SHIRLEY RODRIGUEZ-REMENESKI SCHOOL
Statement of Functional Expenses
For the year ended June 30, 2020

	Program expenses			Supporting services	Total Program and Supporting services
	Regular education	Special education	Total programs	Management/ general	
Salaries					
Instructional personnel	$ 2,744,558	$ 357,091	$ 3,101,649	$ -	$ 3,101,649
Administrative staff personnel	536,049	69,744	605,793	-	605,793
Non instructional personnel	-	-	-	221,918	221,918
Total salaries	3,280,607	426,835	3,707,442	221,918	3,929,360
Operating expenses					
Fringe benefits and payroll taxes	832,150	108,270	940,420	56,292	996,712
Retirement	53,518	6,963	60,481	3,621	64,102
Professional services	155,420	20,222	175,642	295,956	471,598
Office expenses	108,786	14,154	122,940	7,358	130,298
Marketing and recruitment	17,121	2,227	19,348	1,159	20,507
Insurance	43,660	5,680	49,340	47,735	97,075
Repairs and maintenance	3,134	408	3,542	211	3,753
Staff development	74,583	9,704	84,287	5,045	89,332
Student services	20,646	2,687	23,333	1,396	24,729
Supplies and materials	141,294	18,384	159,678	9,557	169,235
Equipment and furnishings	32,093	4,176	36,269	2,171	38,440
Technology	10,729	1,396	12,125	726	12,851
Depreciation expense	47,181	6,139	53,320	3,191	56,511
Other expenses	12,010	1,562	13,572	38,360	51,932
Total operating expense	1,552,325	201,972	1,754,297	472,778	2,227,075
Total expenses	$ 4,832,932	$ 628,807	$ 5,461,739	$ 694,696	$ 6,156,435

The accompanying notes are an integral part of these financial statements.

BRONX GLOBAL LEARNING INSTITUTE FOR GIRLS,
THE SHIRLEY RODRIGUEZ-REMENESKI SCHOOL
Statement of Functional Expenses
For the year ended June 30, 2019

	Program expenses			Supporting services	Total Program and Supporting services
	Regular education	Special education	Total programs	Management/ general	
Salaries					
Instructional personnel	$ 2,570,672	$ 321,098	$ 2,891,770	$ -	$ 2,891,770
Administrative staff personnel	421,041	52,591	473,632	-	473,632
Non instructional personnel	1,649	10,068	11,717	163,788	175,505
Total salaries	2,993,362	383,757	3,377,119	163,788	3,540,907
Operating expenses					
Fringe benefits and payroll taxes	852,000	109,229	961,229	46,619	1,007,848
Retirement	50,939	6,530	57,469	2,787	60,256
Professional services	89,713	11,501	101,214	123,325	224,539
Office expenses	99,184	12,716	111,900	5,427	117,327
Marketing and recruitment	2,293	294	2,587	125	2,712
Insurance	38,336	4,915	43,251	38,670	81,921
Repairs and maintenance	5,436	697	6,133	297	6,430
Staff development	99,118	12,707	111,825	5,424	117,249
Student services	39,737	5,095	44,832	2,174	47,006
Supplies and materials	101,881	13,061	114,942	5,575	120,517
Equipment and furnishings	36,707	4,706	41,413	2,009	43,422
Technology	19,459	2,495	21,954	1,064	23,018
Depreciation expense	13,651	1,750	15,401	747	16,148
Other expenses	7,497	961	8,458	406	8,864
Total operating expense	1,455,951	186,657	1,642,608	234,649	1,877,257
Total expenses	$ 4,449,313	$ 570,414	$ 5,019,727	$ 398,437	$ 5,418,164

The accompanying notes are an integral part of these financial statements.

BRONX GLOBAL LEARNING INSTITUTE FOR GIRLS,
THE SHIRLEY RODRIGUEZ-REMENESKI SCHOOL
Statements of Cash Flows
For the years ended June 30,

	2020	2019
Cash flows from operating activities		
Change in net assets	$ 1,560,408	$ 1,967,803
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	56,511	16,148
Bad debt	37,547	-
Changes in operating assets and liabilities		
Grants and contracts receivable	(184,922)	179,035
Prepaid expenses	-	1,600
Accounts payable and accrued expenses	19,079	16,900
Accrued salaries and other payroll-related expenses	48,866	(134,664)
Refundable advances	(29,166)	3,658
Net cash provided by operating activities	1,508,323	2,050,480
Cash flows from investing activities		
Reserve - contingency	(31)	(94)
Acquisition of fixed assets	(162,629)	(27,036)
Net cash used in investing activities	(162,660)	(27,130)
Net increase in cash and cash equivalents	1,345,663	2,023,350
Cash and cash equivalents		
Beginning of year	11,909,893	9,886,543
End of year	$ 13,255,556	$ 11,909,893

The accompanying notes are an integral part of these financial statements.

Note 1 Organization

Bronx Global Learning Institute for Girls, The Shirley Rodriguez-Remeneski School (the "School"), a 501(c) (3) tax-exempt organization, is a Kindergarten through eighth grade charter school, located in Bronx, New York. The School was first chartered in February 2008, and was renewed in 2018 for another 3 years term through June 30, 2021. The School educates children in a completely nondiscriminatory and secular basis. The founders and supporters of the School believe that access to a public education of high quality for all children is the foremost issue.

Note 2 Summary of significant accounting policies

Basis of presentation and use of estimates. The financial statements have been prepared in conformity 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. Actual results could differ from those estimates.

Basis of presentation. The financial statements of the School have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the School to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions. Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the School.

Net assets with donor restrictions. Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the School or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Cash and cash equivalents. The School considers all short-term, highly liquid investments, such as money market funds to be cash equivalents.

Note 2 Summary of significant accounting policies (continued)

Grants receivable. Grants receivable are recorded at net realizable value. The allowance for doubtful accounts is the School's best estimate of the amount of probable credit losses in existing receivables. Management determines the allowance based on historical write-off experience and reviews its allowance for doubtful accounts periodically. Past due balances are reviewed individually for collectability. Grant receivables are $239,165 and $91,790 as of June 30, 2020 and 2019, respectively. No allowance was recorded at June 30, 2020 and 2019 as management believes all amounts are collectible.

Donated goods and services. The School is located in a New York City Department of Education facility. The School utilizes approximately 19,000 square feet of classrooms and approximately 8,700 square feet of common areas at no charge. In addition, the School received donated maintenance/security, utilities, and food services from the local school district. For the years ended June 30, 2020 and 2019, the School was unable to determine a value for these services.

Reserve - contingency. Under the provisions of its charter, the School is required to establish an escrow account to pay for legal and audit expenses that would be associated with a dissolution, should such event occur.

Revenue recognition. The School recognizes revenue from the state and local governments based on the School's charter status and the number of students enrolled. Such revenue is recorded when services are performed, in accordance with the charter agreement. The New York State Department of Education mandates the rate per pupil. Such revenue is recognized ratably over the related school year in which it is earned.

Grants and contracts revenue is recognized when qualifying expenditures are incurred and/or services are provided to the students during the applicable school year. Funds received in advance or any unspent funds for which qualifying expenditures have not been incurred are recorded as refundable advances. Any unspent amounts might be returned to the granting agency or the granting agency can approve that those amounts be applied to a future grant period.

Functional expenses. The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services, administrative and fund raising. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Salaries	Time and effort
Fringe benefits and payroll taxes	Time and effort
Professional services	Time and effort
Insurance	Square footage

Note 2 Summary of significant accounting policies (continued)

Property and equipment. Property and equipment are recorded at cost. Donated assets are capitalized at the estimated fair value at date of receipt. The cost of maintenance and repairs is charged to expense as incurred; significant improvements are capitalized. The School capitalizes additions and significant improvements in excess of $1,000. Depreciation is computed using the straight-line method over estimated useful lives of the respective asset. The estimated depreciable lives of the different classes of property are as follows:

Asset	Useful life
Furniture and fixtures	7 years
Computer, software and office equipment	3 years

Income taxes. The School filed and received approval of its application for tax exempt status from the Internal Revenue Service under section 501(c)(3) of the Internal Revenue code to be classified as a publicly supported organization as described in Internal Revenue Code section 509 (A)(1) and 170(B)(1)(A)(II).

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken and recognize a tax liability (or asset) if the School has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. Management has analyzed the tax positions taken and has concluded that as of June 30, 2020, there are no uncertain positions taken or expected to be taken that would require recognition or disclosure in the financial statements.

The School is no longer subject to income tax examination by tax authorities for years before June 30, 2017.

Reclassification. Certain prior year information was reclassified to conform to the current year presentation.

Recently adopted accounting pronouncements. On August 18, 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-14, *Not-for-Profit Entities* (Topic 958) – *Presentation of Financial Statements of Not-for Profit Entities*. The update addresses the complexity and understandability of net asset classification, efficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. We have implemented ASU 2016-14 and have adjusted the presentation in these financial statements accordingly.

Note 2 Summary of significant accounting policies (continued)

In November 2016, FASB issued ASU 2016-18, *Statement of Cash Flows* (Topic 230): *Restricted Cash*, which requires restricted cash to be included within cash and cash equivalents when explaining the total change in cash for the period within the statement of cash flows. The standard requires retrospective application and represents a change in accounting principal. The adoption of ASU 2016-18 did not have an impact on the School's financial statements.

In June 2018, FASB issued ASU 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional or unconditional. The School implemented the provisions of ASU 2018-08 applicable to contributions received in the accompanying financial statements under a modified prospective basis. Accordingly, there is no effect on net assets in connection with the implementation of ASU 2018-08.

Note 3 Retirement plan

The School offers a 401(k) plan (the "Plan") for all employees. Employees are eligible for the Plan immediately following their first payroll and participation in the Plan is voluntary. Employees can make pretax contributions up to 100% of their annual compensation, up to IRS limits for each calendar year. The School matches the employee contribution up to 4% of the employee's annual compensation. For the years ended June 30, 2020 and 2019, the School's matching contribution was $64,102 and $60,256, respectively. The Plan assets are held in a separate trust and are not included in the accompanying financial statements. All Plan assets are held for the exclusive benefit of the Plan's participants and beneficiaries.

Note 4 Liquidity and availability

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of June 30, are:

Financial assets:	2020	2019
Cash and cash equivalents	$ 13,255,556	$ 11,909,893
Grants and contracts receivable	239,165	91,790
Amount available for general expenditures within one	$ 13,494,721	$ 12,001,683

Note 5 Property and equipment

Property and equipment consist of the following as of June 30:

	2020	2019
Furniture and fixtures	$ 66,136	$ 66,136
Computer equipment	559,933	397,304
Computer software	25,107	25,107
Office equipment	26,901	26,901
	678,077	515,448
Less: accumulated depreciation	(528,778)	(472,267)
	$ 149,299	$ 43,181

Note 6 Accrued salaries and other payroll-related expenses

Accrued payroll and benefits consist of amounts due to staff for payroll earned during the school year but paid over the summer months. As of June 30, 2020 and 2019, total accrued salaries and other payroll-related expenses amounted to $614,121 and $565,255, respectively.

Note 7 Concentration of risk

The School maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The School has not experienced any losses in such accounts. The School believes it is not exposed to significant credit risk on cash and cash equivalents.

The School received approximately 94% and 91% of its operating revenue, which is subject to specific requirements, from per pupil funding from the New York State Department of Education during the years ended June 30, 2020 and 2019, respectively. Additionally, the School's grants receivable consists of 100% from the New York State Department of Education as of June 30, 2020 and 2019.

Note 8 Support services

Subject to annual renewal, the School entered into an agreement (the "Agreement") with a third party to provide assistance with accounting and bookkeeping, financial reporting and budgeting and grant financial management. As of June 30, 2020 and 2019, fees under the agreement amounted to $57,288 and $62,963, respectively.

Note 9 Contingency

The School participates in a number of federal and state programs. These programs require that the School comply with certain laws, regulations, contracts, and agreements applicable to the programs in which it participates. All funds expended in connection with government grants and contracts are subject to audit by government agencies. While the ultimate liability, if any, from such audits of government grants and contracts by government agencies is presently not determinable, it should not, in the opinion of the management, have a material effect on the financial position or results of operations. Accordingly, no provision for any such liability that may result has been made in the accompanying financial statements.

Note 10 Potential impact of the pandemic

In December 2019, an outbreak of a novel strain of coronavirus ("COVID-19") originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. As a result of the pandemic, the School will begin the 2020-2021 school year with a completely remote learning. Parents are only offered to register their daughters for distance learning. The ultimate effect of COVID-19 on the School and its future operations cannot presently be determined.

Note 11 Subsequent events

Management has evaluated subsequent events through October 26, 2020, the date that the financial statements were available to be issued. Based on this evaluation, management has determined that no subsequent events have occurred which require disclosure in the financial statements.

NCheng LLP
accountants and advisors

40 Wall Street, 32nd Floor
New York, NY 10005
T 212 785 0100
F 212 785 9168
www.ncheng.com

Independent Auditors' 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

To the Board of Trustees of
Bronx Global Learning Institute for Girls,
The Shirley Rodriguez-Remeneski 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 Bronx Global Learning Institute for Girls, The Shirley Rodriguez-Remeneski 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 26, 2020.

Internal control over financial reporting

In planning and performing our audit of the financial statements, we considered Bronx Global Learning Institute for Girls, The Shirley Rodriguez-Remeneski 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 Bronx Global Learning Institute for Girls, The Shirley Rodriguez-Remeneski School's internal control. Accordingly, we do not express an opinion on the effectiveness of Bronx Global Learning Institute for Girls, The Shirley Rodriguez-Remeneski School's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

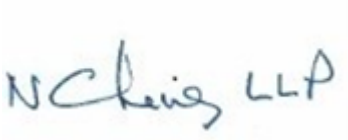
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and other matters

As part of obtaining reasonable assurance about whether Bronx Global Learning Institute for Girls, The Shirley Rodriguez-Remeneski School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



New York, New York
October 26, 2020