

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

BROOKLYN, NEW YORK

AUDITED FINANCIAL STATEMENTS

OTHER FINANCIAL INFORMATION

AND

INDEPENDENT AUDITOR'S REPORTS

JUNE 30, 2024

(With Comparative Totals for 2023)



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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Uncommon New York City Charter Schools

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Uncommon New York City Charter Schools, which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Uncommon New York City Charter Schools as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Uncommon New York City Charter Schools, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Uncommon New York City Charter Schools ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Uncommon New York City Charter Schools internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Uncommon New York City Charter Schools ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Uncommon New York City Charter Schools' June 30, 2023 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated October 25, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the financial statements from which it has been derived.

Other Report Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2024 on our consideration of Uncommon New York City Charter Schools 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 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 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 Uncommon New York City Charter Schools internal control over financial reporting and compliance.

Mengel, Metzger, Barz & Co. LLP

Rochester, New York
October 24, 2024

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2024

(With Comparative Totals for 2023)

<u>ASSETS</u>	June 30,	
	<u>2024</u>	<u>2023</u>
<u>CURRENT ASSETS</u>		
Cash	\$ 5,375,611	\$ 3,700,416
Investments	106,277,646	105,625,431
Grants and contracts receivables	5,755,651	15,173,304
Accounts receivable	1,328,569	70,630
Prepaid expenses	<u>2,222,489</u>	<u>1,306,579</u>
TOTAL CURRENT ASSETS	120,959,966	125,876,360
<u>PROPERTY AND EQUIPMENT, net</u>	19,486,263	13,002,973
<u>NON-CURRENT ASSETS</u>		
Cash in escrow	418,175	397,061
Right-of-use assets - operating	<u>12,021,852</u>	<u>5,199,993</u>
TOTAL NON-CURRENT ASSETS	<u>12,440,027</u>	<u>5,597,054</u>
TOTAL ASSETS	<u>\$ 152,886,256</u>	<u>\$ 144,476,387</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 5,476,911	\$ 5,343,059
Current portion of lease liabilities - operating	<u>158,634</u>	<u>-</u>
TOTAL CURRENT LIABILITIES	5,635,545	5,343,059
<u>LONG-TERM LIABILITIES</u>		
Long-term lease liabilities - operating	<u>\$ 7,499,421</u>	<u>\$ -</u>
TOTAL LIABILITIES	13,134,966	5,343,059
<u>NET ASSETS</u>		
Without donor restrictions:		
Undesignated	101,149,242	92,074,328
Designated for stability fund	<u>38,602,048</u>	<u>47,059,000</u>
TOTAL NET ASSETS	<u>139,751,290</u>	<u>139,133,328</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 152,886,256</u>	<u>\$ 144,476,387</u>

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

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2024
(With Comparative Totals for 2023)

	Year ended June 30,	
	2024	2023
Revenue, gains and other support:		
Public school district:		
Resident student enrollment	\$ 127,524,409	\$ 129,018,354
Students with disabilities	10,170,852	9,014,572
Grants and contracts:		
Federal - Title and IDEA	5,285,429	5,203,434
Federal - ESSER	11,877,371	13,241,202
Federal - Other	1,078,018	874,680
Other support:		
NYC DoE Rental Assistance	472,622	-
In-kind donations	<u>39,228,326</u>	<u>39,248,280</u>
TOTAL REVENUE, GAINS AND OTHER SUPPORT	195,637,027	196,600,522
Expenses:		
Program services		
Regular education	174,662,946	171,181,037
Special education	<u>14,301,874</u>	<u>8,919,270</u>
TOTAL PROGRAM SERVICES EXPENSES	188,964,820	180,100,307
Management and general	<u>14,416,522</u>	<u>13,757,927</u>
TOTAL OPERATING EXPENSES	<u>203,381,342</u>	<u>193,858,234</u>
(DEFICIT) SURPLUS FROM SCHOOL OPERATIONS	(7,744,315)	2,742,288
Support and other revenue:		
Contributions:		
Foundations	1,579,765	265,598
Interest income	5,852,215	3,918,041
Miscellaneous income	<u>930,297</u>	<u>243,744</u>
TOTAL SUPPORT AND OTHER REVENUE	<u>8,362,277</u>	<u>4,427,383</u>
CHANGE IN NET ASSETS	617,962	7,169,671
Net assets at beginning of year	<u>139,133,328</u>	<u>131,963,657</u>
NET ASSETS AT END OF YEAR	<u>\$ 139,751,290</u>	<u>\$ 139,133,328</u>

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

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024
(With Comparative Totals for 2023)

		Year ended June 30,					
		2024				2023	
	No. of positions	Program Services			Support Services		
		Regular education	Special education	Total	Management and General	Total	Total
Personnel services costs:							
Administrative staff personnel	327	\$ 17,821,932	\$ 1,522,592	\$ 19,344,524	\$5,414,935	\$ 24,759,459	\$ 24,034,305
Instructional personnel	1,058	55,246,742	4,532,936	59,779,678	-	59,779,678	57,106,424
Total salaries and staff	1,385	73,068,674	6,055,528	79,124,202	5,414,935	84,539,137	81,140,729
Fringe benefits and payroll taxes		12,799,970	1,057,309	13,857,279	457,684	14,314,963	13,672,809
Retirement		1,083,079	84,344	1,167,423	132,932	1,300,355	1,222,762
Management company fees		16,975,833	1,335,512	18,311,345	3,041,785	21,353,130	20,524,206
Legal services		-	-	-	150,256	150,256	145,740
Accounting and audit services		-	-	-	199,400	199,400	193,600
Other professional and consulting services		1,651,962	153,450	1,805,412	985	1,806,397	1,507,376
Building rent		1,358,418	149,556	1,507,974	-	1,507,974	95,883
In-kind rent		35,920,044	2,861,362	38,781,406	-	38,781,406	38,840,317
Repairs and maintenance		2,334,884	225,906	2,560,790	-	2,560,790	2,164,701
Insurance		-	-	-	1,763,448	1,763,448	1,333,056
Utilities		556,218	61,127	617,345	283,520	900,865	1,073,195
Supplies and materials		3,105,796	232,833	3,338,629	83,093	3,421,722	2,978,452
Equipment/Furnishings		512,983	40,051	553,034	389,895	942,929	1,031,606
Staff development		3,373,107	275,696	3,648,803	-	3,648,803	2,957,783
Marketing and recruitment		65,873	4,627	70,500	-	70,500	628,004
Technology		7,017,263	586,836	7,604,099	568,896	8,172,995	7,354,304
Food service		3,817	353	4,170	-	4,170	75,028
Student services		8,294,126	691,393	8,985,519	-	8,985,519	7,913,404
Office expense		1,771,538	146,046	1,917,584	1,311,111	3,228,695	3,828,156
Depreciation and amortization		3,821,838	308,648	4,130,486	592,351	4,722,837	4,663,950
Other		947,523	31,297	978,820	26,231	1,005,051	513,173
		<u>\$ 174,662,946</u>	<u>\$ 14,301,874</u>	<u>\$ 188,964,820</u>	<u>\$ 14,416,522</u>	<u>\$ 203,381,342</u>	<u>\$ 193,858,234</u>

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

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2024
(With Comparative Totals for 2023)

	Year ended June 30,	
	2024	2023
<u>CASH FLOWS - OPERATING ACTIVITIES</u>		
Change in net assets	\$ 617,962	\$ 7,169,671
Adjustments to reconcile change in net assets to net cash provided from (used for) operating activities:		
Depreciation and amortization	4,722,837	4,663,950
Changes in certain assets and liabilities affecting operations:		
Grants and contracts receivable	9,417,653	(9,830,119)
Accounts receivable	(1,257,939)	86,156
Prepaid expenses and other current assets	(915,910)	30,614
Accounts payable and accrued expenses	(378,598)	(4,326,941)
Deferred revenue	-	(1,823,536)
Operating lease liabilities, net of right-of-use assets	836,196	61,195
NET CASH PROVIDED FROM (USED FOR) OPERATING ACTIVITIES	13,042,201	(3,969,010)
<u>CASH FLOWS - INVESTING ACTIVITIES</u>		
Purchases of property and equipment	(11,228,653)	(2,893,831)
Loss on the disposal of property and equipment	534,976	-
(Purchases) sales of investments	(652,215)	7,582,031
NET CASH (USED FOR) PROVIDED FROM INVESTING ACTIVITIES	(11,345,892)	4,688,200
NET INCREASE IN CASH AND RESTRICTED CASH	1,696,309	719,190
Cash and restricted cash at beginning of year	4,097,477	3,378,287
CASH AND RESTRICTED CASH AT END OF YEAR	\$ 5,793,786	\$ 4,097,477

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF CASH FLOWS, Cont'd

YEAR ENDED JUNE 30, 2024
(With Comparative Totals for 2023)

	Year ended June 30,	
	2024	2023
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</u>		
Purchases of property and equipment included in accounts payable	\$ 512,450	\$ -
Reconciliation of cash and restricted cash reported within the statement of financial position that sum to the total amounts shown in the statement of cash flows:		
Cash	\$ 5,375,611	\$ 3,700,416
Cash in escrow	418,175	397,061
Total cash and restricted cash shown in the statement of cash flows	<u>\$ 5,793,786</u>	<u>\$ 4,097,477</u>
<u>NON-CASH INVESTING AND FINANCING ACTIVITIES</u>		
Right-of-use assets obtained in exchange for operating lease liabilities	<u>\$ 7,531,773</u>	<u>\$ -</u>

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

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE A: THE CHARTER SCHOOL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Charter School

Uncommon New York City Charter Schools (the “Charter School”), is an educational corporation operating as a group of charter schools in the borough of Brooklyn, New York City. The Charter School’s mission is to ensure academic success for children in grades K through 12. The Charter School prepares students to excel in demanding high schools and colleges and to contribute to their communities as leaders. Through educational success, students earn opportunities in life for themselves and their communities. During the year ended June 30, 2024, Brooklyn East Collegiate Charter School closed. Brownsville Collegiate Charter School also closed and the charter was transferred to Williamsburg Elementary School effective July 1, 2023.

Financial Statement presentation

The financial statements of the Charter School have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP). The Charter School reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

These classes of net assets are defined as follows:

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. There were no net assets with donor restrictions at June 30, 2024 and 2023.

Net Assets Without Donor Restrictions – The net assets over which the Governing Board has discretionary control to use in carrying on the Charter School’s operations in accordance with the guidelines established by the Charter School. The Board may designate portions of the current net assets without donor restrictions for specific purposes, projects or investment.

Revenue recognition

Revenue from Exchange Transactions: The Charter School recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. The Charter School’s public school district resident student enrollment and student with disabilities revenue qualifies as exchange transactions and the revenues are recognized over time.

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE A: THE CHARTER SCHOOL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Cont'd

Public school district revenue

The Charter School recognizes revenue as educational programming is provided to students throughout the year. The Charter School earns public school district revenue based on the approved per pupil tuition rate of the public school district in which the pupil resides. The amount received each year from the resident district is the product of the approved per pupil tuition rate and the full-time equivalent student enrollment of the School. Each NYS school district has a fixed per pupil tuition rate which is calculated annually by NYSED in accordance with NYS Education Law. Amounts are billed in advance every other month and payments are typically received in six installments during the year. At the end of each school year, a reconciliation of actual enrollment to billed enrollment is performed and any additional amounts due or excess funds received are agreed upon between the Charter School and the district(s) and are paid or recouped. Additional funding is available for students requiring special education services. The amount of additional funding is dependent upon the length of time and types of services provided by the Charter School to each student, subject to a maximum amount based upon a set rate for each district as calculated by NYSED.

Rental assistance

Facilities rental assistance funding is provided by New York City Dept. of Education (NYCDOE) to qualifying charter schools located in the five boroughs of NYC. In order to receive rental assistance funding, a charter school must have commenced instruction or added grade levels in the 2014-15 school year or thereafter, and go through a space request process with the NYCDOE. If NYCDOE is not able to provide adequate space, the charter school can become eligible for rental assistance. Rental assistance is calculated as the lesser of 30% of the per-pupil tuition rate for NYC times the number of students enrolled, or actual total rental costs. As rental assistance is based on the number of students enrolled, revenue is recognized throughout the year as educational programming is provided to students.

The following table summarizes contract balances at their respective statement of financial position dates:

	June 30,		
	2024	2023	2022
Accounts receivable	\$ 223,928	\$ -	\$ 91,900

Contributions

The Charter School recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Contributions received are recorded in the appropriate class of net assets depending on the existence of any donor restrictions. A contribution that is received and expended in the same year for a specific purpose is classified as revenue without donor restrictions.

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE A: THE CHARTER SCHOOL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Cont'd

Contributions are recorded as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions.

Cash

Cash balances are maintained at financial institutions located in New York and are insured by the Federal Deposits Insurance Corporation up to \$250,000 at each institution. In the normal course of business, the cash account balances at any given time may exceed insured limits. However, the Charter School has not experienced any losses in such accounts and does not believe it is exposed to significant risk in cash.

Grant revenue

Some of the Charter School's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Charter School has incurred expenditures in compliance with specific contract or grant provisions. Certain grants are subject to audit and retroactive adjustments by its funders. Any changes resulting from these audits are recognized in the year they become known. Qualifying expenditures that have been incurred but are yet to be reimbursed are reported as grants receivable in the accompanying statement of financial position. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the accompanying statement of financial position. The Charter School had no deferred revenue at June 30, 2024 and 2023. The Charter School received cost-reimbursement grants of approximately \$39,000 and \$40,000 that have not been recognized at June 30, 2024 and 2023, respectively.

Investments

Investments are maintained in accordance with the Charter School's Cash Management and Investment Policy. The goals of this policy are the preservation of principal, the maintenance of liquidity, and to obtain a competitive return on investment subject to prevailing market conditions and safe and sound investment practices. The policy was adopted by the Board in March 2019 and, as of June 30, 2024 and 2023, all funds are held in money market funds. As the policy is put into place, the funds will be separated into the following three portfolios:

- The operating portfolio will be invested in short-term instruments to fund the daily operating needs of the Charter School and fund any capital outlays anticipated in the next 2 months. This portfolio will consist of no less than two months' worth of operating expenses and shall be continuously invested in readily available funds such as money market funds or bank deposits.
- The reserve portfolio, if sufficient funds are available, will be invested in short-term instruments to fund daily operating needs and capital outlays within the next twelve months. Assets within this portfolio will be permitted to have investments maturing in one year or less.
- The strategic portfolio, if sufficient funds are available, will be invested to fund operating needs anticipated over the next three years. This portfolio allows for investments with stated maturities of up to three years from the purchase date. Maturities are to be ladderred to ensure flexibility of and access to funds in this portfolio.

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE A: THE CHARTER SCHOOL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Cont'd

Grants and other receivables and accounts receivable

Grants and other receivables and accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts based on its assessment of the current status of individual receivables from grants, agencies and others. Balances that are still outstanding after management has used reasonable collection efforts are written off against the allowance for credit losses. There was no allowance for credit losses at June 30, 2024 or 2023.

Property and equipment

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method on a basis considered adequate to depreciate the assets over their estimated useful lives, which range from three to ten years.

Major renewals and betterments are capitalized, while repairs and maintenance are charged to operations as incurred. Upon sale or retirement, the related cost and allowances for depreciation are removed from the accounts and the related gain or loss is reflected in operations.

Cash in escrow

Cash is held by the Charter School as an escrow account in accordance with the terms of their charter agreement. The amount in escrow as of June 30, 2024 and 2023 was \$418,175 and \$397,061, respectively. The escrow account is restricted to fund legal and other costs should the Charter School cease operations and dissolve.

Leases

The Charter School leases buildings and determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, current liabilities, and non-current operating lease liabilities on the accompanying statement of financial position, as applicable. Finance leases are included in property and equipment, current liabilities, and other non-current liabilities on the accompanying statement of financial position. There were no finance leases at June 30, 2024 and 2023.

ROU assets represent the Charter School's right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the Charter School uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Charter School will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term, and for finance leases, as amortization expense and interest expense.

The Charter School's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE A: THE CHARTER SCHOOL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Cont'd

Tax exempt status

The Charter School files tax returns in various jurisdictions and is subject to potential examination by taxing authorities. The Charter School's current and prior three years tax returns remain subject to review by taxing authorities.

Management of the Charter School believes it has no material uncertain tax positions and, accordingly, it has not recognized any liability for unrecognized tax benefits.

Contributed services

The Charter School receives contributed services from volunteers to develop its academic program and to serve on the board of trustees. These services are not valued in the financial statements because they do not require "specialized skills" and would typically not be purchased if they were not contributed.

Use of estimates in the preparation of financial statements

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Functional allocation of expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. All expenses that are allocated to more than one program or supporting function are allocated on the basis of estimates of time and effort.

Adoption of new accounting standard – current expected credit losses

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that are not measured at fair value through changes in net assets. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Charter School that are subject to the guidance in FASB ASC 326 were receivables.

The Charter School adopted the standard effective July 1, 2023. The impact of adoption was not considered material to the financial statements and primarily resulted in new disclosures only.

Subsequent events

The Charter School has conducted an evaluation of potential subsequent events occurring after the statement of financial position date through October 24, 2024 which is the date the financial statements are available to be issued. See Notes C and L.

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE B: IN-KIND CONTRIBUTIONS

The following table outlines the breakout of the different types of gifts-in-kind recognized, the programs that benefited from the gift-in kind, any donor restrictions associated with the gift, and the valuation technique(s) used to arrive at the fair value measurement:

June 30, 2024

<u>Contributed Nonfinancial Assets</u>	<u>Revenue Recognized</u>	<u>Utilization in Programs / Activities</u>	<u>Donor Restrictions</u>	<u>Valuation Techniques and Inputs</u>
School Building. Value of contributed space	\$ 38,781,406	Regular education, special education	No associated donor restrictions	In valuing the contributed space in the school buildings, which are located in the borough of Brooklyn, NY, the Charter School estimated the fair value on the basis of the rental assistance cap at 30% of per pupil funding.
Textbooks	<u>446,920</u>	Regular education, special education	No associated donor restrictions	Contributed textbooks from FAMIS are valued at the estimated fair value.
Total Value of Contributed Nonfinancial Assets	<u>\$ 39,228,326</u>			

<u>Program or Supporting Service</u>	<u>Donated Space</u>	<u>Donated Services</u>	<u>Total</u>
Regular education	\$ 35,920,044	\$ 415,636	\$ 36,335,680
Special education	<u>2,861,362</u>	<u>31,284</u>	<u>2,892,646</u>
Total	<u>\$ 38,781,406</u>	<u>\$ 446,920</u>	<u>\$ 39,228,326</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE B: IN-KIND CONTRIBUTIONS, Cont'd

June 30, 2023

<u>Contributed Nonfinancial Assets</u>	<u>Revenue Recognized</u>	<u>Utilization in Programs / Activities</u>	<u>Donor Restrictions</u>	<u>Valuation Techniques and Inputs</u>
				In valuing the contributed space in the school buildings, which are located in the borough of Brooklyn, NY, the Charter School estimated the fair value on the basis of the rental assistance cap at 30% of per pupil funding.
School Building. Value of contributed space	\$ 38,840,317	Regular education, special education	No associated donor restrictions	
Textbooks	<u>407,963</u>	Regular education, special education	No associated donor restrictions	Contributed textbooks from FAMIS are valued at the estimated fair value.
Total Value of Contributed Nonfinancial Assets	<u>\$ 39,248,280</u>			

<u>Program or Supporting Service</u>	<u>Donated Space</u>	<u>Donated Services</u>	<u>Total</u>
Regular education	\$ 36,997,694	\$ 379,406	\$ 37,377,100
Special education	<u>1,842,623</u>	<u>28,557</u>	<u>1,871,180</u>
Total	<u>\$ 38,840,317</u>	<u>\$ 407,963</u>	<u>\$ 39,248,280</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE C: COMMITMENTS AND RELATED PARTY TRANSACTIONS

Uncommon Schools, Inc. (“USI”), a not-for-profit organization dedicated to helping start and run charter schools, provides management and other administrative support services to the Charter School. In July 2019, the Charter School entered into a new five-year agreement with USI terminating on June 30, 2024. Under this agreement the Charter School pays USI a service fee which is calculated as 13.5% of the sum of recurring public revenue less facilities expenses. Recurring public revenue is defined as annual public entitlement aid including core and tuition which includes general, SPED and State special funding and all ESSA funding which includes Title I, Title IIA, IID, III, IV, V and IDEA funding. Facilities expense includes building expenses (leases, taxes), utilities, maintenance and furniture and fixtures, and excludes building related expenditures which are capitalized and amortized/depreciated. The agreement was renewed as of July 1, 2024 for a five-year term. The fee incurred for the years ended June 30, 2024 and 2023 was approximately \$21,353,100 and \$20,524,200. At June 30, 2024 approximately \$1,330,000 was included in accounts receivable relating to USI, primarily from grants passed through USI. At June 30, 2023 no amounts of accounts receivable was due from USI. Included in accounts payable and accrued expenses at June 30, 2024 and 2023 was approximately \$4,154,000 and \$959,000, respectively, related to this fee and other expenses incurred by USI on behalf of the Charter School, due to USI.

USI applied for and was awarded a multi-year grant from the Department of Education for the replication and expansion of high-quality charter schools. USI passed through no funding during the year ended June 30, 2024. USI passed through funding of \$44,660 related to this federal program to the Charter School during the year ended June 30, 2023.

In November 2013, a wholly-owned subsidiary of USI was created, Uncommon Crown Heights, LLC (“Crown Heights”), to manage a high school facility shared between an unrelated charter school and the Charter School. All schools located in the shared high school entered into an administrative costs management agreement and advanced Crown Heights funds to operate the location. The Schools will be charged an annual service fee of 0.5% of the combined facility budget by Crown Heights. The Charter School was charged approximately \$7,500 and \$6,500, respectively, related to this fee for the years ended June 30, 2024 and 2023. Actual expenses are tracked and allocated to each party based on metrics developed by management. Depending on the actual expenses incurred, a prepaid balance or payable could exist at any given time. At June 30, 2024 and 2023, there was no outstanding balance to or from Crown Heights.

NOTE D: LIQUIDITY AND AVAILABILITY

The Charter School regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Charter School’s main source of liquidity is its cash accounts.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Charter School considers all expenditures related to its ongoing activities of teaching, and public service, as well as the conduct of services undertaken to support those activities, to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Charter School operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the statement of cash flows which identifies the sources and uses of the Charter School’s cash and shows positive cash generated by operations for fiscal year 2024.

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE D: LIQUIDITY AND AVAILABILITY, Cont'd

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

	<u>June 30,</u>	
	<u>2024</u>	<u>2023</u>
Cash	\$ 5,375,611	\$ 3,700,416
Investments	106,277,646	105,625,431
Grants and contracts receivables	5,755,651	15,173,304
Accounts receivable	<u>1,328,569</u>	<u>70,630</u>
	118,737,477	124,569,781
Less amounts designated by the Board for the Stability Fund	<u>(38,602,048)</u>	<u>(47,059,000)</u>
	<u>\$ 80,135,429</u>	<u>\$ 77,510,781</u>

NOTE E: LEASES

The Charter School is located in various New York City Department of Education (“NYCDOE”) facilities. The Charter School occupies approximately 415,000 square feet of space within these facilities. At June 30, 2024 and 2023, the Board of Trustees has designated \$38,602,000 and 47,059,000, respectively, as a stability fund to meet future needs of the Charter School. Total lease expense for the years ended June 30, 2024 and 2023 was approximately \$1,508,000 and \$96,000, respectively.

The Company has operating leases for buildings. The leases have various remaining lease terms ranging from 9 years to 95 years, through June 30, 2119.

In June 2019, the Board approved approximately \$4,200,000 to be paid to NYCDOE on behalf of Excellence Academies Foundation, Inc. in October of 2019, for the extension of a lease to June 2105. The Charter School prepaid the entirety of the future lease payments in October 2019. Approximately \$49,000 is included in building rent expense for the years ended June 30, 2024 and 2023, and the remaining amount is included in right-of-use assets – operating as of June 30, 2024 and 2023.

In July 2020, the Board approved \$1,200,000 to be paid to NYCDOE on behalf of Excellence Academies Foundation, Inc. for a lease agreement effective July 1, 2020 through June 30, 2119. The Charter School prepaid the entirety of the future lease payments in August 2020. Approximately \$12,000 is included in building rent expense for the years ended June 30, 2024 and 2023 and the remaining amount is included in right-of-use assets – operating as of June 30, 2024 and 2023.

In July 2023, the Board approved up to \$10,000,000 to be paid to UNYC 140 Montrose, LLC on behalf of Williamsburg Elementary School for a lease agreement effective July 1, 2023 through June 30, 2033, with a monthly rent of approximately \$17,000 at June 30, 2024. The Charter School paid approximately \$7,300,000 for leasehold improvements. Approximately \$1,442,000 is included in building rent expense for the year ended June 30, 2024. The remaining base rent payments are included in right-of-use assets – operating as of June 30, 2024.

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE E: LEASES, Cont'd

A summary of lease right-of-use assets are as follows:

		<u>Year Ended June 30,</u>	
		<u>2024</u>	<u>2023</u>
<u>Statement of Financial Position Classification</u>			
<u>Assets</u>			
Non-current assets	Right-of-use assets - operating	\$ 12,021,852	\$ 5,199,993
<u>Liabilities</u>			
	Current portion of lease liabilities - operating	\$ 158,634	\$ -
Other liabilities	Long-term lease liabilities - operating	7,499,421	-
		<u>\$ 7,658,055</u>	<u>\$ -</u>

The components of lease expense were as follows:

	<u>Year ended June 30,</u>	
	<u>2024</u>	<u>2023</u>
Operating lease cost:	<u>\$ 1,002,861</u>	<u>\$ 61,195</u>

As of June 30, 2024, minimum payments due for lease liabilities for each of the five succeeding fiscal years and thereafter are as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2025	\$ 450,000
2026	600,000
2027	1,100,000
2028	1,100,000
2029	1,200,000
Thereafter	<u>4,800,000</u>
Total lease payments	9,250,000
Less: present value discount	<u>(1,591,945)</u>
Present value of lease liabilities	<u>\$ 7,658,055</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE E: LEASES, Cont'd

Supplemental information

	Year ended June 30,	
	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	\$ 227,861	\$ -
Right-of-use assets obtained in exchange for new lease liabilities (non-cash):		
Operating leases	\$ 7,531,773	\$ -
Weighted-average remaining lease term:		
Operating leases	35.80 years	85.13 years
Weighted-average discount rate:		
Operating leases	2.48%	0.00%

The Charter School's high school occupies space with a related charter school per a verbal agreement with a third party at no charge. At June 30, 2024 and 2023, the Charter School paid certain utility and maintenance services on a square footage basis amounting to approximately \$901,000 and \$1,073,000, respectively.

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE F: FAIR VALUE MEASUREMENTS

Accounting principles establishes a frame work for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are actively traded open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to report their daily net asset value and to transact at that price.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE F: FAIR VALUE MEASUREMENTS, Cont'd

The following table sets forth by level, within the fair value hierarchy, the Charter School's assets at fair value as of June 30, 2024 and 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>June 30, 2024</u>				
Mutual funds:				
Money market funds	\$ 106,277,646	\$ -	\$ -	\$ 106,277,646
Total assets at fair value	<u>\$ 106,277,646</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,277,646</u>
 <u>June 30, 2023</u>				
Mutual funds:				
Money market funds	\$ 105,625,431	\$ -	\$ -	\$ 105,625,431
Total assets at fair value	<u>\$ 105,625,431</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 105,625,431</u>

NOTE G: PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	<u>June 30,</u>	
	<u>2024</u>	<u>2023</u>
Furniture and fixtures	\$ 4,260,859	\$ 3,352,225
Computer software	23,995,640	22,070,652
Construction in progress	131,550	470,064
Leasehold improvements	<u>31,989,873</u>	<u>24,164,052</u>
	60,377,922	50,056,993
Less accumulated depreciation and amortization	<u>40,891,659</u>	<u>37,054,020</u>
	<u>\$ 19,486,263</u>	<u>\$ 13,002,973</u>

Construction in progress relates to improvements to school facilities. No provision for depreciation is made on construction in progress until such time as the relevant asset are completed put into use. There are no substantial future construction commitments related to these improvements.

NOTE H: RETIREMENT PLAN

The Charter School participates in a defined contribution 403(b) plan covering most employees through a USI plan. For all employees, the Charter School matches employees' contributions up to \$3,500. The Charter School's total contribution to the Plan for the years ended June 30, 2024 and 2023 approximated \$1,300,000 and \$1,223,000, respectively.

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

NOTES TO FINANCIAL STATEMENTS, Cont'd

JUNE 30, 2024

(With Comparative Totals for 2023)

NOTE I: CONTINGENCY

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

NOTE J: CONCENTRATIONS

At June 30, 2024 and 2023, approximately 96% and 100%, respectively, of total grants and accounts receivables are due from New York State.

During the years ended June 30, 2024 and 2023, approximately 68% and 70%, respectively, of total revenue, gains and other support came from per-pupil funding provided by New York State. The per-pupil rate is set annually by the State based on the school district in which the Charter School is located.

NOTE K: ACCOUNTING IMPACT OF COVID-19 OUTBREAK

In response to the COVID-19 outbreak, the Federal Government passed several COVID relief acts which include funding for elementary and secondary education. The Elementary and Secondary School Emergency Relief Fund (ESSER Fund) was established to award grants to state and local educational agencies. The Charter School has recognized approximately \$11,877,000 and \$13,241,000 of revenue relative to ESSER grants during the years ended June 30, 2024 and 2023, respectively. The Charter School has no ESSER grants still available through September 30, 2024 as of June 30, 2024.

NOTE L: NAME CHANGE AND SCHOOL CHANGE

On August 23, 2023 the Charter School began the process of changing the names of all charters. The name change became effective July 1, 2024. The charter, Bedford Stuyvesant Collegiate changed to Uncommon Bed-Stuy East School. The charter, Williamsburg Collegiate changed to Uncommon Williamsburg School. The charter, Ocean Hill Collegiate changed to Uncommon Crown Heights. The charter, King's Collegiate changed to Uncommon King's School. The charter, Excellence Boys changed to Uncommon Excellence Boys School. The charter, Excellence Girls changed to Uncommon Excellence Girls School. The charter, Leadership Prep Bedford Stuyvesant changed to Uncommon Bed-Stuy West. The charter, Leadership Preparatory Brownsville changed to Uncommon Brownsville South. The charter, Leadership Preparatory Ocean Hill changed to Uncommon Brownsville North School. The charter, Leadership Preparatory Canarsie changed to Uncommon Canarsie.

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

OTHER FINANCIAL INFORMATION



BUSINESS
ADVISORS
AND CPAS

INDEPENDENT AUDITOR'S REPORT ON OTHER FINANCIAL INFORMATION

Board of Trustees
Uncommon New York City Charter Schools

We have audited the financial statements of Uncommon New York City Charter Schools as of and for the year ended June 30, 2024, and we have issued our report thereon dated October 24, 2024, which expressed an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the 2024 financial statements as a whole. The 2024 financial information hereinafter is presented for purposes of additional analysis and is not a required part of the 2024 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 2024 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2024 financial statements or to the 2024 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements for the year ended June 30, 2024, as a whole.

We have also audited the financial statements of Uncommon New York City Charter Schools as of and for the year ended June 30, 2023, and our report thereon dated October 25, 2023, expressed an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the 2023 financial statements as a whole. The 2023 financial information hereinafter is presented for purposes of additional analysis and is not a required part of the 2023 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 2023 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 2023 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements for the year ended June 30, 2023, as a whole.

Mengel, Metzger, Baw & Co. LLP

Rochester, New York
October 24, 2024

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UNCOMMON NEW YORK CITY CHARTER SCHOOLS

COMBINING STATEMENT OF ACTIVITIES AND NET ASSETS BY CHARTER

YEAR ENDED JUNE 30, 2024

	Bedford Stuyvesant Collegiate Middle School	Brooklyn East Collegiate Middle School	* Williamsburg Elementary School	Williamsburg Collegiate Middle School	Ocean Hill Collegiate			King's Collegiate			
					Elementary School	Middle School	Total	Elementary School	Middle School	Uncommon Leadership Charter High School	Total
Revenue, gains and other support:											
Public school district:											
Resident student enrollment	\$ 5,582,721	\$ 7,491	\$ 1,582,742	\$ 3,959,753	\$ 2,790,304	\$ 3,506,950	\$ 6,297,254	\$ 6,216,673	\$ 6,439,633	\$ 8,652,013	\$ 21,308,319
Students with disabilities	925,602	-	178,448	637,058	143,122	293,256	436,378	144,649	239,381	553,326	937,356
Grants and contracts:											
Federal - Title and IDEA	274,411	-	189,569	223,256	173,546	70,347	243,893	254,293	132,779	363,167	750,239
Federal- ESSER	701,948	-	769,099	495,288	185,313	366,498	551,811	314,832	869,208	723,551	1,907,591
Federal - Other	91,689	-	13,063	25,636	25,045	25,045	50,090	56,096	67,036	25,995	149,127
Other support:											
NYC DoE Rental Assistance	-	-	472,622	-	-	-	-	-	-	-	-
In-kind donations	1,967,968	-	5,805	1,388,633	882,743	1,166,044	2,048,787	1,930,133	2,028,453	2,829,207	6,787,793
TOTAL REVENUE, GAINS AND OTHER SUPPORT	9,544,339	7,491	3,211,348	6,729,624	4,200,073	5,428,140	9,628,213	8,916,676	9,776,490	13,147,259	31,840,425
Personnel services costs:											
Administrative staff personnel	1,064,398	-	847,848	1,077,772	768,733	954,394	1,723,127	890,700	964,106	1,678,607	3,533,413
Instructional personnel	2,957,462	-	1,077,369	2,180,713	1,702,682	2,024,581	3,727,263	2,673,103	2,696,344	3,755,917	9,125,364
TOTAL STAFF AND SALARIES	4,021,860	-	1,925,217	3,258,485	2,471,415	2,978,975	5,450,390	3,563,803	3,660,450	5,434,524	12,658,777
Fringe benefits and payroll taxes	702,289	-	352,057	519,816	445,459	462,953	908,412	618,092	676,434	895,091	2,189,617
Retirement	67,542	-	30,303	50,080	31,633	40,698	72,331	60,715	76,595	96,775	234,085
Management company fees	995,416	-	263,007	709,383	1,508,632	571,872	2,080,504	926,291	1,029,767	1,375,609	3,331,667
Legal services	6,520	-	6,528	6,528	6,528	6,528	13,056	6,528	6,528	6,528	19,584
Accounting and audit services	8,661	-	8,669	8,670	8,670	8,670	17,340	8,670	8,670	8,670	26,010
Other professional and consulting services	54,155	-	34,255	77,366	30,960	44,817	75,777	60,383	96,047	76,902	233,332
Building rent	3,219	-	1,442,287	527	527	527	1,054	527	527	696	1,750
In-kind rent	1,949,456	-	-	1,374,056	873,326	1,153,337	2,026,663	1,908,397	2,005,685	2,798,892	6,712,974
Repairs and maintenance	69,913	-	73,373	19,176	21,045	25,694	46,739	47,949	41,021	71,269	160,239
Insurance	71,528	-	131,359	71,530	71,530	71,530	143,060	71,530	71,530	71,530	214,590
Utilities	15,971	-	7,947	10,855	8,255	9,722	17,977	31,791	7,688	10,569	50,048
Supplies and materials	132,659	-	124,995	70,803	95,867	87,085	182,952	217,319	116,721	227,430	561,470
Equipment/Furnishings	37,207	-	105,081	25,573	37,565	12,905	50,470	27,850	24,396	24,580	76,826
Staff development	220,424	-	102,406	124,292	108,839	118,380	227,219	170,218	163,393	243,033	576,644
Marketing and recruitment	484	-	478	2,478	478	478	956	4,978	3,978	1,978	10,934
Technology	387,550	-	482,234	292,113	275,333	318,303	593,636	356,027	370,633	439,436	1,166,096
Food service	-	-	-	-	-	3,220	3,220	-	-	-	-
Student services	439,907	-	212,144	251,419	266,563	369,087	635,650	313,983	451,737	767,839	1,533,559
Office expense	207,908	-	94,039	93,357	122,427	138,478	260,905	196,869	99,781	163,953	460,603
Depreciation and amortization	171,120	-	666,637	107,177	195,310	97,103	292,413	378,677	157,994	337,843	874,514
Other	22,251	456,106	89,647	16,049	5,981	6,559	12,540	3,181	1,964	5,743	10,888
TOTAL EXPENSES	9,586,040	456,106	6,152,663	7,089,733	6,586,343	6,526,921	13,113,264	8,973,778	9,071,539	13,058,890	31,104,207
SURPLUS / (DEFICIT) FROM SCHOOL OPERATIONS	(41,701)	(448,615)	(2,941,315)	(360,109)	(2,386,270)	(1,098,781)	(3,485,051)	(57,102)	704,951	88,369	736,218
Support and other revenue:											
Contributions:											
Foundations	3,977	-	64,191	3,977	3,977	13,662	17,639	3,977	5,977	201,955	211,909
Interest income	254,444	-	254,444	254,444	254,444	254,444	508,888	254,444	254,444	254,444	763,332
Miscellaneous income	25,711	-	77,665	50,442	75,222	9,622	84,844	48,355	47,804	31,934	128,093
TOTAL SUPPORT AND OTHER REVENUE	284,132	-	396,300	308,863	333,643	277,728	611,371	306,776	308,225	488,333	1,103,334
CHANGE IN NET ASSETS	\$ 242,431	\$ (448,615)	\$ (2,545,015)	\$ (51,246)	\$ (2,052,627)	\$ (821,053)	\$ (2,873,680)	\$ 249,674	\$ 1,013,176	\$ 576,702	\$ 1,839,552

* Includes Brownsville Collegiate

*

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

COMBINING STATEMENT OF ACTIVITIES AND NET ASSETS BY CHARTER, Cont'd

YEAR ENDED JUNE 30, 2024

	Excellence Boys			Excellence Girls				Leadership Preparatory Bedford Stuyvesant			
	Elementary School	Middle School	Total	Elementary School	Middle School	Uncommon Charter High School	Total	Elementary School	Middle School	Uncommon Collegiate Charter High School	Total
Revenue, gains and other support:											
Public school district:											
Resident student enrollment	\$ 2,868,328	\$ 4,173,267	\$ 7,041,595	\$ 3,239,000	\$ 3,231,967	\$ 7,928,224	\$ 14,399,191	\$ 5,352,988	\$ 5,947,184	\$ 8,580,953	\$ 19,881,125
Students with disabilities	225,415	406,253	631,668	887,710	155,590	976,640	2,019,940	268,062	504,842	869,215	1,642,119
Grants and contracts:											
Federal - Title and IDEA	254,901	132,972	387,873	436,870	110,694	211,081	758,645	311,603	256,363	208,185	776,151
Federal- ESSER	115,944	928,217	1,044,161	236,969	672,334	730,755	1,640,058	180,672	216,342	673,423	1,070,437
Federal - Other	61,487	51,586	113,073	51,319	53,707	69,232	174,258	43,573	38,918	32,403	114,894
Other support:											
NYC DoE Rental Assistance	-	-	-	-	-	-	-	-	-	-	-
In-kind donations	11,288	13,352	24,640	1,250,203	1,027,232	2,929,052	5,206,487	1,704,762	1,929,277	2,920,596	6,554,635
TOTAL REVENUE, GAINS AND OTHER SUPPORT	3,537,363	5,705,647	9,243,010	6,102,071	5,251,524	12,844,984	24,198,579	7,861,660	8,892,926	13,284,775	30,039,361
Personnel services costs:											
Administrative staff personnel	976,838	1,217,320	2,194,158	909,567	923,312	1,699,678	3,532,557	878,461	922,406	1,626,725	3,427,592
Instructional personnel	1,978,926	2,490,128	4,469,054	1,921,848	1,937,035	3,906,588	7,765,471	2,594,860	2,402,102	3,418,146	8,415,108
TOTAL STAFF AND SALARIES	2,955,764	3,707,448	6,663,212	2,831,415	2,860,347	5,606,266	11,298,028	3,473,321	3,324,508	5,044,871	11,842,700
Fringe benefits and payroll taxes	490,937	597,314	1,088,251	468,791	480,635	952,285	1,901,711	535,883	556,775	836,164	1,928,822
Retirement	44,191	67,581	111,772	20,277	45,905	103,129	169,311	37,495	43,802	66,642	147,939
Management company fees	368,988	672,377	1,041,365	603,592	554,237	1,219,964	2,377,793	815,524	920,147	1,395,204	3,130,875
Legal services	6,528	6,528	13,056	6,528	6,528	6,648	19,704	6,528	6,528	6,528	19,584
Accounting and audit services	8,670	8,670	17,340	8,670	8,670	8,670	26,010	8,670	8,670	8,670	26,010
Other professional and consulting services	118,370	111,006	229,376	34,550	44,051	538,452	617,053	31,165	29,960	45,046	106,171
Building rent	25,064	25,064	50,128	527	2,377	527	3,431	527	527	527	1,581
In-kind rent	-	-	-	1,238,013	1,016,267	2,900,349	5,154,629	1,686,315	1,908,056	2,890,410	6,484,781
Repairs and maintenance	522,909	495,246	1,018,155	20,839	43,845	821,124	885,808	23,993	16,926	24,559	65,478
Insurance	71,530	71,530	143,060	71,530	71,530	129,961	273,021	71,530	71,530	71,530	214,590
Utilities	143,440	103,675	247,115	11,587	17,152	418,765	447,504	8,832	7,091	8,218	24,141
Supplies and materials	82,243	115,818	198,061	72,386	114,513	201,911	388,810	164,363	120,868	168,405	453,636
Equipment/Furnishings	21,639	48,877	70,516	13,552	25,379	53,849	92,780	39,179	21,500	38,761	99,440
Staff development	138,816	172,649	311,465	91,844	131,643	222,602	446,089	120,003	137,624	209,198	466,825
Marketing and recruitment	478	3,478	3,956	478	4,978	3,478	8,934	16,478	3,478	5,478	25,434
Technology	212,430	332,090	544,520	308,150	321,982	407,771	1,037,903	311,148	330,519	416,133	1,057,800
Food service	-	-	-	-	-	-	-	-	-	-	-
Student services	278,103	404,789	682,892	268,405	352,690	699,065	1,320,160	289,706	312,968	737,633	1,340,307
Office expense	162,489	137,648	300,137	115,669	135,233	163,018	413,920	101,725	118,752	189,005	409,482
Depreciation and amortization	197,128	135,602	332,730	82,023	229,869	278,874	590,766	117,428	158,726	192,540	468,694
Other	10,089	19,356	29,445	2,839	5,666	10,273	18,778	7,588	1,883	5,703	15,174
TOTAL EXPENSES	5,859,806	7,236,746	13,096,552	6,271,665	6,473,497	14,746,981	27,492,143	7,867,401	8,100,838	12,361,225	28,329,464
SURPLUS / (DEFICIT) FROM SCHOOL OPERATIONS	(2,322,443)	(1,531,099)	(3,853,542)	(169,594)	(1,221,973)	(1,901,997)	(3,293,564)	(5,741)	792,088	923,550	1,709,897
Support and other revenue:											
Contributions:											
Foundations	4,283	3,977	8,260	3,977	3,977	194,061	202,015	21,728	3,977	124,054	149,759
Interest income	254,444	254,444	508,888	254,444	254,444	254,446	763,334	254,444	254,444	254,444	763,332
Miscellaneous income	33,459	31,305	64,764	28,903	11,958	63,408	104,269	65,283	34,453	35,518	135,254
TOTAL SUPPORT AND OTHER REVENUE	292,186	289,726	581,912	287,324	270,379	511,915	1,069,618	341,455	292,874	414,016	1,048,345
CHANGE IN NET ASSETS	\$ (2,030,257)	\$ (1,241,373)	\$ (3,271,630)	\$ 117,730	\$ (951,594)	\$ (1,390,082)	\$ (2,223,946)	\$ 335,714	\$ 1,084,962	\$ 1,337,566	\$ 2,758,242

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

COMBINING STATEMENT OF ACTIVITIES AND NET ASSETS BY CHARTER, Cont'd

YEAR ENDED JUNE 30, 2024

	Leadership Preparatory Brownsville			Leadership Preparatory Ocean Hill				Leadership Preparatory Canarsie			
	Elementary School	Middle School	Total	Elementary School	Middle School	Uncommon Preparatory Charter High School	Total	Elementary School	Middle School	Total	Total
Revenue, gains and other support:											
Public school district:											
Resident student enrollment	\$ 6,650,484	\$ 5,039,385	\$ 11,689,869	\$ 6,403,868	\$ 6,670,399	\$ 8,423,827	\$ 21,498,094	\$ 7,653,222	\$ 6,623,033	\$ 14,276,255	\$ 127,524,409
Students with disabilities	378,675	567,955	946,630	415,444	394,028	413,432	1,222,904	338,454	254,295	592,749	10,170,852
Grants and contracts:											
Federal - Title and IDEA	370,802	112,245	483,047	466,820	140,575	152,068	759,463	398,674	40,208	438,882	5,285,429
Federal- ESSER	432,367	664,801	1,097,168	315,291	388,437	854,046	1,557,774	348,491	693,545	1,042,036	11,877,371
Federal - Other	71,813	56,288	128,101	35,213	37,845	25,045	98,103	62,310	57,674	119,984	1,078,018
Other support:											
NYC DoE Rental Assistance	-	-	-	-	-	-	-	-	-	-	472,622
In-kind donations	2,120,163	1,722,854	3,843,017	2,087,434	1,945,677	2,857,600	6,890,711	2,423,625	2,086,225	4,509,850	39,228,326
TOTAL REVENUE, GAINS AND OTHER SUPPORT	10,024,304	8,163,528	18,187,832	9,724,070	9,576,961	12,726,018	32,027,049	11,224,776	9,754,980	20,979,756	195,637,027
Personnel services costs:											
Administrative staff personnel	964,803	1,125,039	2,089,842	984,864	955,166	1,512,461	3,452,491	911,052	905,209	1,816,261	24,759,459
Instructional personnel	2,807,881	2,690,826	5,498,707	2,548,598	2,327,589	4,123,752	8,999,939	3,189,277	2,373,951	5,563,228	59,779,678
TOTAL STAFF AND SALARIES	3,772,684	3,815,865	7,588,549	3,533,462	3,282,755	5,636,213	12,452,430	4,100,329	3,279,160	7,379,489	84,539,137
Fringe benefits and payroll taxes	647,473	654,712	1,302,185	601,373	547,625	1,006,720	2,155,718	663,691	602,394	1,266,085	14,314,963
Retirement	56,360	74,238	130,598	44,360	32,922	97,899	175,181	63,609	47,604	111,213	1,300,355
Management company fees	1,046,268	858,000	1,904,268	1,001,708	1,014,350	1,311,365	3,327,423	1,167,633	1,023,796	2,191,429	21,353,130
Legal services	6,528	6,528	13,056	6,528	6,528	6,528	19,584	6,528	6,528	13,056	150,256
Accounting and audit services	8,670	8,670	17,340	8,670	8,670	8,670	26,010	8,670	8,670	17,340	199,400
Other professional and consulting services	39,438	42,680	82,118	90,702	53,362	66,496	210,560	33,079	53,155	86,234	1,806,397
Building rent	527	835	1,362	527	527	527	1,581	527	527	1,054	1,507,974
In-kind rent	2,096,750	1,705,181	3,801,931	2,065,634	1,924,586	2,825,995	6,816,215	2,397,503	2,063,198	4,460,701	38,781,406
Repairs and maintenance	30,171	48,470	78,641	31,469	31,389	32,717	95,575	30,742	16,951	47,693	2,560,790
Insurance	71,530	71,530	143,060	71,530	71,530	71,530	214,590	71,530	71,530	143,060	1,763,448
Utilities	5,886	8,357	14,243	15,330	19,105	9,038	43,473	7,321	14,270	21,591	900,865
Supplies and materials	219,137	126,468	345,605	150,281	123,023	420,502	693,806	149,302	119,623	268,925	3,421,722
Equipment/Furnishings	20,401	8,845	29,246	143,761	39,143	96,148	279,052	62,738	14,000	76,738	942,929
Staff development	159,193	148,521	307,714	134,287	150,019	249,555	533,861	170,955	160,909	331,864	3,648,803
Marketing and recruitment	1,978	4,978	6,956	478	478	3,478	4,434	4,978	478	5,456	70,500
Technology	382,163	344,123	726,286	328,601	325,450	534,212	1,188,263	351,559	345,035	696,594	8,172,995
Food service	-	950	950	-	-	-	-	-	-	-	4,170
Student services	274,259	323,257	597,516	277,007	366,548	696,444	1,339,999	296,038	335,928	631,966	8,985,519
Office expense	139,875	201,182	341,057	161,414	103,499	179,010	443,923	77,730	125,634	203,364	3,228,695
Depreciation and amortization	170,087	180,896	350,983	79,257	123,156	390,881	593,294	162,669	111,840	274,509	4,722,837
Other	4,571	5,034	9,605	270,599	11,985	19,107	301,691	14,133	8,744	22,877	1,005,051
TOTAL EXPENSES	9,153,949	8,639,320	17,793,269	9,016,978	8,236,650	13,663,035	30,916,663	9,841,264	8,409,974	18,251,238	203,381,342
SURPLUS / (DEFICIT) FROM SCHOOL OPERATIONS	870,355	(475,792)	394,563	707,092	1,340,311	(937,017)	1,110,386	1,383,512	1,345,006	2,728,518	(7,744,315)
Support and other revenue:											
Contributions:											
Foundations	24,435	3,977	28,412	69,951	3,977	663,223	737,151	18,967	133,508	152,475	1,579,765
Interest income	254,444	254,444	508,888	254,445	254,444	254,444	763,333	254,444	254,444	508,888	5,852,215
Miscellaneous income	50,650	32,816	83,466	14,365	44,215	35,821	94,401	34,650	46,738	81,388	930,297
TOTAL SUPPORT AND OTHER REVENUE	329,529	291,237	620,766	338,761	302,636	953,488	1,594,885	308,061	434,690	742,751	8,362,277
CHANGE IN NET ASSETS	\$ 1,199,884	\$ (184,555)	\$ 1,015,329	\$ 1,045,853	\$ 1,642,947	\$ 16,471	\$ 2,705,271	\$ 1,691,573	\$ 1,779,696	\$ 3,471,269	\$ 617,962

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES – BEDFORD STUYVESANT COLLEGIATE

YEAR ENDED JUNE 30, 2024

	No. of positions	Program Services			Support Services	Total
		Regular education	Special education	Total	Management and General	
Personnel services costs:						
Administrative staff personnel	12.00	\$ 663,538	\$ 108,018	\$ 771,556	\$292,842	\$ 1,064,398
Instructional personnel	45.00	2,543,417	414,045	2,957,462	-	2,957,462
Non-instructional personnel	-	-	-	-	-	-
Total salaries and staff	57.00	3,206,955	522,063	3,729,018	292,842	4,021,860
Fringe benefits and payroll taxes		583,844	95,044	678,888	23,401	702,289
Retirement		53,857	8,767	62,624	4,918	67,542
Management company fees		727,648	118,455	846,103	149,313	995,416
Legal services		-	-	-	6,520	6,520
Accounting and audit services		-	-	-	8,661	8,661
Other professional and consulting services		46,573	7,582	54,155	-	54,155
Building rent		2,768	451	3,219	-	3,219
In-kind rent		1,676,532	272,924	1,949,456	-	1,949,456
Repairs and maintenance		60,125	9,788	69,913	-	69,913
Insurance		-	-	-	71,528	71,528
Utilities		264	43	307	15,664	15,971
Supplies and materials		104,799	17,061	121,860	10,799	132,659
Equipment/Furnishings		20,180	3,285	23,465	13,742	37,207
Staff development		189,564	30,860	220,424	-	220,424
Marketing and recruitment		417	67	484	-	484
Technology		309,361	50,361	359,722	27,828	387,550
Food service		-	-	-	-	-
Student services		378,321	61,586	439,907	-	439,907
Office expense		76,000	12,372	88,372	119,536	207,908
Depreciation and amortization		125,089	20,363	145,452	25,668	171,120
Other		11,516	1,873	13,389	8,862	22,251
		<u>\$ 7,573,813</u>	<u>\$ 1,232,945</u>	<u>\$ 8,806,758</u>	<u>\$ 779,282</u>	<u>\$ 9,586,040</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES – BROOKLYN EAST COLLEGIATE

YEAR ENDED JUNE 30, 2024

	No. of positions	Program Services			Support Services	
		Regular education	Special education	Total	Management and General	Total
Personnel services costs:						
Administrative staff personnel	-	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional personnel	-	-	-	-	-	-
Non-instructional personnel	-	-	-	-	-	-
Total salaries and staff	-	-	-	-	-	-
Fringe benefits and payroll taxes		-	-	-	-	-
Retirement		-	-	-	-	-
Management company fees		-	-	-	-	-
Legal services		-	-	-	-	-
Accounting and audit services		-	-	-	-	-
Other professional and consulting services		-	-	-	-	-
Building rent		-	-	-	-	-
In-kind rent		-	-	-	-	-
Repairs and maintenance		-	-	-	-	-
Insurance		-	-	-	-	-
Utilities		-	-	-	-	-
Supplies and materials		-	-	-	-	-
Equipment/Furnishings		-	-	-	-	-
Staff development		-	-	-	-	-
Marketing and recruitment		-	-	-	-	-
Technology		-	-	-	-	-
Food service		-	-	-	-	-
Student services		-	-	-	-	-
Office expense		-	-	-	-	-
Depreciation and amortization		-	-	-	-	-
Other		456,106	-	456,106	-	456,106
		<u>\$ 456,106</u>	<u>\$ -</u>	<u>\$ 456,106</u>	<u>\$ -</u>	<u>\$ 456,106</u>

*School Closed in Fiscal Year 2024

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES – WILLIAMSBURG ELEMENTARY SCHOOL

YEAR ENDED JUNE 30, 2024

		Program Services			Support Services	
	No. of	Regular	Special		Management	
	positions	education	education	Total	and General	Total
Personnel services costs:						
Administrative staff personnel	10.00	\$ 577,026	\$ 64,091	\$ 641,117	\$ 206,731	\$ 847,848
Instructional personnel	27.00	969,879	107,490	1,077,369	-	1,077,369
Non-instructional personnel	-	-	-	-	-	-
Total salaries and staff	37.00	1,546,905	171,581	1,718,486	206,731	1,925,217
Fringe benefits and payroll taxes		303,759	33,689	337,448	14,609	352,057
Retirement		24,721	2,747	27,468	2,835	30,303
Management company fees		201,200	22,356	223,556	39,451	263,007
Legal services		-	-	-	6,528	6,528
Accounting and audit services		-	-	-	8,669	8,669
Other professional and consulting services		30,802	3,338	34,140	115	34,255
Building rent		1,298,058	144,229	1,442,287	-	1,442,287
In-kind rent		-	-	-	-	-
Repairs and maintenance		66,636	6,737	73,373	-	73,373
Insurance		-	-	-	131,359	131,359
Utilities		275	31	306	7,641	7,947
Supplies and materials		97,420	10,794	108,214	16,781	124,995
Equipment/Furnishings		32,620	3,625	36,245	68,836	105,081
Staff development		92,394	10,012	102,406	-	102,406
Marketing and recruitment		430	48	478	-	478
Technology		423,920	46,219	470,139	12,095	482,234
Food service		-	-	-	-	-
Student services		190,951	21,193	212,144	-	212,144
Office expense		27,136	2,966	30,102	63,937	94,039
Depreciation and amortization		599,973	66,664	666,637	-	666,637
Other		87,680	1,767	89,447	200	89,647
		<u>\$ 5,024,880</u>	<u>\$ 547,996</u>	<u>\$ 5,572,876</u>	<u>\$ 579,787</u>	<u>\$ 6,152,663</u>

* Includes Brownsville Collegiate Charter School

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES – WILLIAMSBURG COLLEGIATE

YEAR ENDED JUNE 30, 2024

	No. of positions	Program Services			Support Services	Total
		Regular education	Special education	Total	Management and General	
Personnel services costs:						
Administrative staff personnel	12.00	\$ 692,733	\$ 112,770	\$ 805,503	\$ 272,269	\$ 1,077,772
Instructional personnel	39.00	1,875,413	305,300	2,180,713	-	2,180,713
Non-instructional personnel	-	-	-	-	-	-
Total salaries and staff	51.00	2,568,146	418,070	2,986,216	272,269	3,258,485
Fringe benefits and payroll taxes		425,513	69,269	494,782	25,034	519,816
Retirement		-	-	-	50,080	50,080
Management company fees		518,559	84,417	602,976	106,407	709,383
Legal services		-	-	-	6,528	6,528
Accounting and audit services		-	-	-	8,670	8,670
Other professional and consulting services		66,432	10,814	77,246	120	77,366
Building rent		453	74	527	-	527
In-kind rent		1,181,688	192,368	1,374,056	-	1,374,056
Repairs and maintenance		16,491	2,685	19,176	-	19,176
Insurance		-	-	-	71,530	71,530
Utilities		263	43	306	10,549	10,855
Supplies and materials		53,124	8,648	61,772	9,031	70,803
Equipment/Furnishings		10,696	1,741	12,437	13,136	25,573
Staff development		106,891	17,401	124,292	-	124,292
Marketing and recruitment		2,131	347	2,478	-	2,478
Technology		229,279	37,325	266,604	25,509	292,113
Food service		-	-	-	-	-
Student services		216,220	35,199	251,419	-	251,419
Office expense		41,668	6,783	48,451	44,906	93,357
Depreciation and amortization		92,172	15,005	107,177	-	107,177
Other		13,641	2,221	15,862	187	16,049
		<u>\$ 5,543,367</u>	<u>\$ 902,410</u>	<u>\$ 6,445,777</u>	<u>\$ 643,956</u>	<u>\$ 7,089,733</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES – OCEAN HILL COLLEGIATE

YEAR ENDED JUNE 30, 2024

	No. of positions	Program Services			Support Services	Total
		Regular education	Special education	Total	Management and General	
Personnel services costs:						
Administrative staff personnel	22.00	\$ 1,192,247	\$ 83,684	1,275,931	\$ 447,196	\$ 1,723,127
Instructional personnel	75.00	3,480,163	247,100	3,727,263	-	3,727,263
Non-instructional personnel	-	-	-	-	-	-
Total salaries and staff	97.00	4,672,410	330,784	5,003,194	447,196	5,450,390
Fringe benefits and payroll taxes		811,932	56,535	868,467	39,945	908,412
Retirement		61,306	4,373	65,679	6,652	72,331
Management company fees		1,818,550	111,063	1,929,613	150,891	2,080,504
Legal services		-	-	-	13,056	13,056
Accounting and audit services		-	-	-	17,340	17,340
Other professional and consulting services		70,485	5,122	75,607	170	75,777
Building rent		986	68	1,054	-	1,054
In-kind rent		1,890,730	135,933	2,026,663	-	2,026,663
Repairs and maintenance		43,631	3,108	46,739	-	46,739
Insurance		-	-	-	143,060	143,060
Utilities		573	39	612	17,365	17,977
Supplies and materials		166,811	11,513	178,324	4,628	182,952
Equipment/Furnishings		29,986	1,857	31,843	18,627	50,470
Staff development		212,307	14,912	227,219	-	227,219
Marketing and recruitment		894	62	956	-	956
Technology		504,500	35,799	540,299	53,337	593,636
Food service		2,962	258	3,220	-	3,220
Student services		592,795	42,855	635,650	-	635,650
Office expense		152,270	10,691	162,961	97,944	260,905
Depreciation and amortization		233,647	14,904	248,551	43,862	292,413
Other		11,557	813	12,370	170	12,540
		<u>\$ 11,278,332</u>	<u>\$ 780,689</u>	<u>\$ 12,059,021</u>	<u>\$ 1,054,243</u>	<u>\$ 13,113,264</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES – KING’S COLLEGIATE

YEAR ENDED JUNE 30, 2024

	No. of positions	Program Services			Support Services	Total
		Regular education	Special education	Total	Management and General	
Personnel services costs:						
Administrative staff personnel	48.00	\$ 2,621,738	\$ 124,794	\$ 2,746,532	\$ 786,881	\$ 3,533,413
Instructional personnel	156.00	8,738,693	386,671	9,125,364	-	9,125,364
Non-instructional personnel	-	-	-	-	-	-
Total salaries and staff	204.00	11,360,431	511,465	11,871,896	786,881	12,658,777
Fringe benefits and payroll taxes		2,028,980	90,198	2,119,178	70,439	2,189,617
Retirement		208,178	9,395	217,573	16,512	234,085
Management company fees		2,711,002	120,915	2,831,917	499,750	3,331,667
Legal services		-	-	-	19,584	19,584
Accounting and audit services		-	-	-	26,010	26,010
Other professional and consulting services		223,395	9,652	233,047	285	233,332
Building rent		1,676	74	1,750	-	1,750
In-kind rent		6,426,645	286,329	6,712,974	-	6,712,974
Repairs and maintenance		153,363	6,876	160,239	-	160,239
Insurance		-	-	-	214,590	214,590
Utilities		882	36	918	49,130	50,048
Supplies and materials		537,151	22,622	559,773	1,697	561,470
Equipment/Furnishings		33,995	1,231	35,226	41,600	76,826
Staff development		552,122	24,522	576,644	-	576,644
Marketing and recruitment		10,556	378	10,934	-	10,934
Technology		1,012,453	44,458	1,056,911	109,185	1,166,096
Food service		-	-	-	-	-
Student services		1,463,140	70,419	1,533,559	-	1,533,559
Office expense		248,597	9,879	258,476	202,127	460,603
Depreciation and amortization		714,297	29,040	743,337	131,177	874,514
Other		9,437	431	9,868	1,020	10,888
		<u>\$ 27,696,300</u>	<u>\$ 1,237,920</u>	<u>\$ 28,934,220</u>	<u>\$ 2,169,987</u>	<u>\$ 31,104,207</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES – EXCELLENCE BOYS

YEAR ENDED JUNE 30, 2024

	No. of positions	Program Services			Support Services	Total
		Regular education	Special education	Total	Management and General	
Personnel services costs:						
Administrative staff personnel	27.00	\$ 1,659,464	\$ 144,710	\$ 1,804,174	\$ 389,984	\$ 2,194,158
Instructional personnel	70.00	4,106,417	362,637	4,469,054	-	4,469,054
Non-instructional personnel	-	-	-	-	-	-
Total salaries and staff	97.00	5,765,881	507,347	6,273,228	389,984	6,663,212
Fringe benefits and payroll taxes		968,467	85,141	1,053,608	34,643	1,088,251
Retirement		95,647	8,516	104,163	7,609	111,772
Management company fees		811,768	73,392	885,160	156,205	1,041,365
Legal services		-	-	-	13,056	13,056
Accounting and audit services		-	-	-	17,340	17,340
Other professional and consulting services		211,031	18,270	229,301	75	229,376
Building rent		46,118	4,010	50,128	-	50,128
In-kind rent		-	-	-	-	-
Repairs and maintenance		936,979	81,176	1,018,155	-	1,018,155
Insurance		-	-	-	143,060	143,060
Utilities		186,878	15,811	202,689	44,426	247,115
Supplies and materials		168,438	15,029	183,467	14,594	198,061
Equipment/Furnishings		53,016	4,812	57,828	12,688	70,516
Staff development		286,210	25,255	311,465	-	311,465
Marketing and recruitment		3,610	346	3,956	-	3,956
Technology		476,286	42,730	519,016	25,504	544,520
Food service		-	-	-	-	-
Student services		626,994	55,898	682,892	-	682,892
Office expense		177,796	15,183	192,979	107,158	300,137
Depreciation and amortization		260,718	22,103	282,821	49,909	332,730
Other		26,841	2,434	29,275	170	29,445
		<u>\$ 11,102,678</u>	<u>\$ 977,453</u>	<u>\$ 12,080,131</u>	<u>\$ 1,016,421</u>	<u>\$ 13,096,552</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES – EXCELLENCE GIRLS

YEAR ENDED JUNE 30, 2024

	No. of positions	Program Services			Support Services	Total
		Regular education	Special education	Total	Management and General	
Personnel services costs:						
Administrative staff personnel	45.00	\$ 2,439,697	\$ 338,135	\$ 2,777,832	\$ 754,725	\$ 3,532,557
Instructional personnel	151.00	6,816,087	949,384	7,765,471	-	7,765,471
Non-instructional personnel	-	-	-	-	-	-
Total salaries and staff	196.00	9,255,784	1,287,519	10,543,303	754,725	11,298,028
Fringe benefits and payroll taxes		1,618,904	224,963	1,843,867	57,844	1,901,711
Retirement		142,140	17,096	159,236	10,075	169,311
Management company fees		1,770,630	250,494	2,021,124	356,669	2,377,793
Legal services		-	-	-	19,704	19,704
Accounting and audit services		-	-	-	26,010	26,010
Other professional and consulting services		547,828	69,005	616,833	220	617,053
Building rent		3,138	293	3,431	-	3,431
In-kind rent		4,512,415	642,214	5,154,629	-	5,154,629
Repairs and maintenance		788,707	97,101	885,808	-	885,808
Insurance		-	-	-	273,021	273,021
Utilities		359,035	44,392	403,427	44,077	447,504
Supplies and materials		342,830	43,570	386,400	2,410	388,810
Equipment/Furnishings		62,622	7,346	69,968	22,812	92,780
Staff development		394,815	51,274	446,089	-	446,089
Marketing and recruitment		8,197	737	8,934	-	8,934
Technology		836,224	117,884	954,108	83,795	1,037,903
Food service		-	-	-	-	-
Student services		1,166,579	153,581	1,320,160	-	1,320,160
Office expense		209,286	28,380	237,666	176,254	413,920
Depreciation and amortization		450,970	51,182	502,152	88,614	590,766
Other		15,448	1,873	17,321	1,457	18,778
		<u>\$ 22,485,552</u>	<u>\$ 3,088,904</u>	<u>\$ 25,574,456</u>	<u>\$ 1,917,687</u>	<u>\$ 27,492,143</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES – LEADERSHIP PREPARATORY BEDFORD STUYVESANT

YEAR ENDED JUNE 30, 2024

	No. of positions	Program Services			Support Services	Total
		Regular education	Special education	Total	Management and General	
Personnel services costs:						
Administrative staff personnel	53.00	\$ 2,532,592	\$ 213,542	\$ 2,746,134	\$ 681,458	\$ 3,427,592
Instructional personnel	157.00	7,785,564	629,544	8,415,108	-	8,415,108
Non-instructional personnel	-	-	-	-	-	-
Total salaries and staff	210.00	10,318,156	843,086	11,161,242	681,458	11,842,700
Fringe benefits and payroll taxes		1,731,983	142,575	1,874,558	54,264	1,928,822
Retirement		128,798	10,742	139,540	8,399	147,939
Management company fees		2,457,280	203,963	2,661,243	469,632	3,130,875
Legal services		-	-	-	19,584	19,584
Accounting and audit services		-	-	-	26,010	26,010
Other professional and consulting services		98,162	8,009	106,171	-	106,171
Building rent		1,466	115	1,581	-	1,581
In-kind rent		5,987,684	497,097	6,484,781	-	6,484,781
Repairs and maintenance		60,714	4,764	65,478	-	65,478
Insurance		-	-	-	214,590	214,590
Utilities		6,893	662	7,555	16,586	24,141
Supplies and materials		417,372	32,831	450,203	3,433	453,636
Equipment/Furnishings		31,640	2,755	34,395	65,045	99,440
Staff development		430,987	35,838	466,825	-	466,825
Marketing and recruitment		23,839	1,595	25,434	-	25,434
Technology		916,575	74,230	990,805	66,995	1,057,800
Food service		-	-	-	-	-
Student services		1,234,398	105,909	1,340,307	-	1,340,307
Office expense		230,266	19,946	250,212	159,270	409,482
Depreciation and amortization		367,877	30,513	398,390	70,304	468,694
Other		13,939	1,028	14,967	207	15,174
		<u>\$ 24,458,029</u>	<u>\$ 2,015,658</u>	<u>\$ 26,473,687</u>	<u>\$ 1,855,777</u>	<u>\$ 28,329,464</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES – LEADERSHIP PREPARATORY BROWNSVILLE

YEAR ENDED JUNE 30, 2024

	No. of positions	Program Services			Support Services	Total
		Regular education	Special education	Total	Management and General	
Personnel services costs:						
Administrative staff personnel	27.00	\$ 1,474,520	\$ 124,056	\$ 1,598,576	\$ 491,266	\$ 2,089,842
Instructional personnel	90.00	5,089,230	409,477	5,498,707	-	5,498,707
Non-instructional personnel	-	-	-	-	-	-
Total salaries and staff	117.00	6,563,750	533,533	7,097,283	491,266	7,588,549
Fringe benefits and payroll taxes		1,167,789	94,895	1,262,684	39,501	1,302,185
Retirement		112,579	9,584	122,163	8,435	130,598
Management company fees		1,501,232	117,396	1,618,628	285,640	1,904,268
Legal services		-	-	-	13,056	13,056
Accounting and audit services		-	-	-	17,340	17,340
Other professional and consulting services		75,878	6,240	82,118	-	82,118
Building rent		1,252	110	1,362	-	1,362
In-kind rent		3,526,575	275,356	3,801,931	-	3,801,931
Repairs and maintenance		72,285	6,356	78,641	-	78,641
Insurance		-	-	-	143,060	143,060
Utilities		567	46	613	13,630	14,243
Supplies and materials		320,431	23,521	343,952	1,653	345,605
Equipment/Furnishings		13,426	1,050	14,476	14,770	29,246
Staff development		284,902	22,812	307,714	-	307,714
Marketing and recruitment		6,359	597	6,956	-	6,956
Technology		619,196	49,115	668,311	57,975	726,286
Food service		855	95	950	-	950
Student services		551,477	46,039	597,516	-	597,516
Office expense		189,847	17,807	207,654	133,403	341,057
Depreciation and amortization		275,731	22,605	298,336	52,647	350,983
Other		8,745	722	9,467	138	9,605
		<u>\$ 15,292,876</u>	<u>\$ 1,227,879</u>	<u>\$ 16,520,755</u>	<u>\$ 1,272,514</u>	<u>\$ 17,793,269</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES – LEADERSHIP PREPARATORY OCEAN HILL

YEAR ENDED JUNE 30, 2024

	No. of positions	Program Services			Support Services	Total
		Regular education	Special education	Total	Management and General	
Personnel services costs:						
Administrative staff personnel	49.00	\$ 2,548,957	\$ 149,650	\$ 2,698,607	\$ 753,884	\$ 3,452,491
Instructional personnel	154.00	8,501,180	498,759	8,999,939	-	8,999,939
Non-instructional personnel	-	-	-	-	-	-
Total salaries and staff	203.00	11,050,137	648,409	11,698,546	753,884	12,452,430
Fringe benefits and payroll taxes		1,977,502	115,779	2,093,281	62,437	2,155,718
Retirement		155,497	8,942	164,439	10,742	175,181
Management company fees		2,669,758	158,552	2,828,310	499,113	3,327,423
Legal services		-	-	-	19,584	19,584
Accounting and audit services		-	-	-	26,010	26,010
Other professional and consulting services		198,591	11,969	210,560	-	210,560
Building rent		1,491	90	1,581	-	1,581
In-kind rent		6,435,502	380,713	6,816,215	-	6,816,215
Repairs and maintenance		90,168	5,407	95,575	-	95,575
Insurance		-	-	-	214,590	214,590
Utilities		-	-	-	43,473	43,473
Supplies and materials		639,958	36,516	676,474	17,332	693,806
Equipment/Furnishings		176,953	10,356	187,309	91,743	279,052
Staff development		504,325	29,536	533,861	-	533,861
Marketing and recruitment		4,202	232	4,434	-	4,434
Technology		1,069,716	62,892	1,132,608	55,655	1,188,263
Food service		-	-	-	-	-
Student services		1,266,564	73,435	1,339,999	-	1,339,999
Office expense		280,846	16,296	297,142	146,781	443,923
Depreciation and amortization		477,365	26,935	504,300	88,994	593,294
Other		270,784	17,225	288,009	13,682	301,691
		<u>\$ 27,269,359</u>	<u>\$ 1,603,284</u>	<u>\$ 28,872,643</u>	<u>\$ 2,044,020</u>	<u>\$ 30,916,663</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

STATEMENT OF FUNCTIONAL EXPENSES – LEADERSHIP PREPARATORY CANARSIE

YEAR ENDED JUNE 30, 2024

	No. of positions	Program Services			Support Services Management and General	Total
		Regular education	Special education	Total		
Personnel services costs:						
Administrative staff personnel	22.00	\$ 1,419,420	\$ 59,142	\$ 1,478,562	\$ 337,699	\$ 1,816,261
Instructional personnel	94.00	5,340,699	222,529	5,563,228	-	5,563,228
Non-instructional personnel	-	-	-	-	-	-
Total salaries and staff	116.00	6,760,119	281,671	7,041,790	337,699	7,379,489
Fringe benefits and payroll taxes		1,181,297	49,221	1,230,518	35,567	1,266,085
Retirement		100,356	4,182	104,538	6,675	111,213
Management company fees		1,788,206	74,509	1,862,715	328,714	2,191,429
Legal services		-	-	-	13,056	13,056
Accounting and audit services		-	-	-	17,340	17,340
Other professional and consulting services		82,785	3,449	86,234	-	86,234
Building rent		1,012	42	1,054	-	1,054
In-kind rent		4,282,273	178,428	4,460,701	-	4,460,701
Repairs and maintenance		45,785	1,908	47,693	-	47,693
Insurance		-	-	-	143,060	143,060
Utilities		588	24	612	20,979	21,591
Supplies and materials		257,462	10,728	268,190	735	268,925
Equipment/Furnishings		47,849	1,993	49,842	26,896	76,738
Staff development		318,590	13,274	331,864	-	331,864
Marketing and recruitment		5,238	218	5,456	-	5,456
Technology		619,753	25,823	645,576	51,018	696,594
Food service		-	-	-	-	-
Student services		606,687	25,279	631,966	-	631,966
Office expense		137,826	5,743	143,569	59,795	203,364
Depreciation and amortization		223,999	9,334	233,333	41,176	274,509
Other		21,829	910	22,739	138	22,877
		<u>\$ 16,481,654</u>	<u>\$ 686,736</u>	<u>\$ 17,168,390</u>	<u>\$ 1,082,848</u>	<u>\$ 18,251,238</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

REPORT TO THE AUDIT COMMITTEE

JUNE 30, 2024





BUSINESS
ADVISORS
AND CPAS

October 24, 2024

The Audit Committee
Uncommon New York City Charter Schools

We have audited the financial statements of Uncommon New York City Charter Schools as of and for the year ended June 30, 2024, and have issued our report thereon dated October 24, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated April 24, 2024, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America and *Government Auditing Standards*. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of Uncommon New York City Charter Schools solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence. Safeguards in place to eliminate or reduce threats to independence to an acceptable level include a skilled, knowledgeable and experienced Director of Accounting and CFO who review draft financial statements prior to issuance and accepts responsibility for them.

Significant Potential Risks Identified

We have identified the following potential significant risks:

- Management override
- Improper revenue recognition
- Improper allocation of expenses to grants
- Misappropriation of assets

Professional auditing standards require that we identify and assess risks and design and perform our audit procedures to address those risks. The identification of a risk does not mean it has occurred but rather it has the potential to impact the financial statements. There were no issues found with these risks impacting the financial statements.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Uncommon New York City Charter Schools is included in Note A to the financial statements. As described in Note A to the financial statements, during the year, the Charter School adopted new guidance regarding current expected credit losses (ASC 326). No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are the collectability of accounts receivable and grants and other receivables, as well as the allocation of costs for the statement of functional expenses. We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Uncommon New York City Charter Schools' financial statements relate to revenue and support recognition and lease commitments, which is referred to in the notes of the financial statements.

Significant Difficulties Encountered during the Audit

We are pleased to report we encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were no corrected or uncorrected misstatements identified during our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Uncommon New York City Charter Schools' financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with Uncommon New York City Charter Schools, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the entity, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Uncommon New York City Charter Schools' auditors.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

* * * * *

Should you desire further information concerning these matters, Shelby Stenson or Blake Sanderson will be happy to meet with you at your convenience.

This report is intended solely for the information and use of the Finance Committee, the Board of Trustees, and management of Uncommon New York City Charter Schools and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Mengel, Metzger, Barr & Co. LLP

MENGEL, METZGER, BARR & CO. LLP

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

BROOKLYN, NEW YORK

SCHEDULES REQUIRED BY
GOVERNMENT AUDITING STANDARDS
AND THE UNIFORM GUIDANCE

AND

INDEPENDENT AUDITOR'S REPORTS

JUNE 30, 2024



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BUSINESS
ADVISORS
AND CPAS

INDEPENDENT AUDITOR'S 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*

Board of Trustees
Uncommon New York City Charter Schools

We have audited, 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, the financial statements of Uncommon New York City Charter Schools, which comprise the statement of financial position as of June 30, 2024 and the related statements of activities and changes in net assets, 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 24, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Uncommon New York City Charter Schools' internal control over financial reporting (internal control) as a basis for designing 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 Uncommon New York City Charter Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of Uncommon New York City Charter Schools' 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 Uncommon New York City Charter Schools' 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 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 matter 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.

Mengel, Metzger, Baw & Co. LLP

Rochester, New York
October 24, 2024



BUSINESS
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INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Board of Trustees
Uncommon New York City Charter Schools

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Uncommon New York City Charter Schools’ compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Uncommon New York City Charter Schools’ major federal programs for the year ended June 30, 2024. Uncommon New York City Charter Schools’ major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, Uncommon New York City Charter Schools complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Uncommon New York City Charter Schools and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Uncommon New York City Charter Schools’ compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Uncommon New York City Charter Schools' federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Uncommon New York City Charter Schools' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Uncommon New York City Charter Schools' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Uncommon New York City Charter Schools' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Uncommon New York City Charter Schools' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Uncommon New York City Charter Schools' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Uncommon New York City Charter Schools as of and for the year ended June 30, 2024, and have issued our report thereon dated October 24, 2024 which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Mengel, Metzger, Barw & Co. LLP

Rochester, New York
October 24, 2024

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2024

	<u>Federal AL Number</u>	<u>Pass-through Grantor's Number</u>	<u>Total Federal Expenditures</u>
U.S. Department of Education:			
<u>Passed through NYS Department of Education</u>			
Title I - Grants to Local Educational Agencies	84.010	0021	\$ 3,311,203
Title IIA - Improving Teacher Quality	84.367	0147	368,536
Title IV - Student Support and Academic Enrichment Program	84.424	0204	262,673
Expanding Access and Opportunity Through Culturally Responsive Computer Science	84.411C	S411C210094	950
 <u>Education Stabilization Funds -</u>			
American Rescue Plan - Elementary and Secondary Emergency Relief Fund	84.425U	5880	<u>11,877,371</u>
<i>Total Education Stabilization Funds</i>			<u>11,877,371</u>
 TOTAL DEPARTMENT OF EDUCATION			<u>15,820,733</u>
 TOTAL ALL PROGRAMS			<u>\$ 15,820,733</u>

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, Cont'd

YEAR ENDED JUNE 30, 2024

NOTE A: BASIS OF PRESENTATION

The above schedule of expenditures of federal awards includes the federal grant activity of Uncommon New York City Charter Schools and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Uncommon New York City Charter Schools has elected not to use the 10 percent de minimus indirect cost rate allowed under the Uniform Guidance.

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2024

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified		
Internal control over financial reporting:			
• Material weakness (es) identified?	_____	yes	<u> x </u> no
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____	yes	<u> x </u> none reported
Noncompliance material to financial statements noted?	_____	yes	<u> x </u> no

Federal Awards

Internal control over major programs:			
• Material weakness (es) identified?	_____	yes	<u> x </u> no
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____	yes	<u> x </u> none reported
Type of auditor's report issued on compliance for major programs:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____	yes	<u> x </u> no

Identification of major program:

AL Number:

84.425

Name of Federal Program or Cluster:

American Rescue Plan - Elementary and
Secondary Emergency Relief Fund

Dollar threshold used to distinguish between
type A and type B programs:

 \$750,000

Auditee qualified as low-risk auditee?

 x yes _____ no

UNCOMMON NEW YORK CITY CHARTER SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS, Cont'd

YEAR ENDED JUNE 30, 2024

FINDINGS – FINANCIAL STATEMENT AUDIT

None.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None.

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

None.