

**VERTUS CHARTER SCHOOL**

**ADVISORY COMMENT LETTER**

**JUNE 30, 2020**



*Status of matters included in our letter as of June 30, 2019, dated October 29, 2019*

**Material Audit Adjustment**

*Status of matters included in our letter as of June 30, 2016, dated October 24, 2016:*

**Birth Certificates**

**Recommendation**

**Status at June 30, 2016**

**Status at June 30, 2017**

**Status at June 30, 2018**

**Status at June 30, 2019**

**Status at June 30, 2020**

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**VERTUS CHARTER SCHOOL**

**ROCHESTER, NEW YORK**

**AUDITED FINANCIAL STATEMENTS**

**REPORT REQUIRED BY**  
**GOVERNMENT AUDITING STANDARDS**

**AND**

**INDEPENDENT AUDITOR'S REPORTS**

**JUNE 30, 2020**

**(With Comparative Totals for 2019)**









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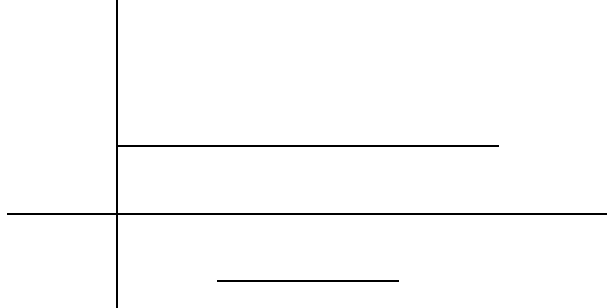
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**VERTUS CHARTER SCHOOL**

**REPORT REQUIRED BY GOVERNMENT AUDITING STANDARDS**

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*GOVERNMENT AUDITING STANDARDS*

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**Compliance and Other Matters**

*Government Auditing Standards*

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**Charter School's Response to Finding**

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**Finding 2020-001**

Statement of condition

Criteria and effect of conditions

Recommendation

Management response

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**Finding 2019-001**

Statement of condition

Criteria and effect of conditions

Recommendation

Management response

Current status



## Annual Financial Statement Audit Report

for Board of Regents Authorized Intermediate School Districts

School Name:	Vertus Charter School
Date (Report is due Nov. 1):	November 1, 2020
Primary District (select one):	
(If NYC select NYU, YSU, or CUNY)	
If located in NYC select CSB:	
School Fiscal Contact Name:	Jason Iszariak
School Fiscal Contact Email:	
School Fiscal Contact Phone:	
School Auditor Name:	Michael McGee, CPA & Co., LLC
School Audit Contact Name:	Michelle Cain
School Audit Contact Email:	
School Audit Contact Phone:	
Audit Period:	2019-20
Prior Year:	2018-19

The following items are required to be included:

- 1.) The independent auditor's report on financial statements
- 2.) Exceptional items (include the controlling worksheet)
- 3.) Reports on internal controls over financial reporting and compliance

The additional items listed below should be included if applicable. Please explain the reason(s) if the items are not included. If the amount of the items is less than \$750,000 and does not exceed the Single Audit Threshold of \$750,000, the management letter response will be submitted (should have been submitted) from the submission of the report.

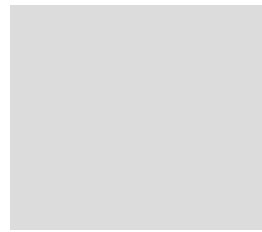
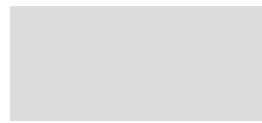
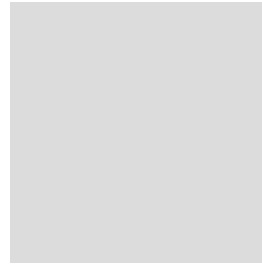
Item	If not included, include the reasons below, if not applicable, N/A
Management Letter	
Management Letter Response	
Form 990	Not complete
Federal Single Audit (A-133)	N/A
Corrective Action Plan	N/A



	2020	2019
<b><u>CURRENT ASSETS</u></b>		
Cash and cash equivalents	\$ 920,691	\$ -
Grants and contracts receivable	71,238	34,727
Accounts receivables	-	-
Prepaid Expenses	2,135	256
Contributions and other receivables	-	-
Other current assets	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>994,064</b>	<b>34,983</b>
<b><u>NON-CURRENT ASSETS</u></b>		
Property, Building and Equipment, net	\$ 430,548	\$ 537,251
Restricted Cash	75,000	75,000
Security Deposits	-	-
Other Non-Current Assets	-	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>505,548</b>	<b>612,251</b>
<b>TOTAL ASSETS</b>	<b>1,499,612</b>	<b>647,234</b>
<b><u>CURRENT LIABILITIES</u></b>		
Accounts payable and accrued expenses	\$ 203,929	\$ 141,558
Accrued payroll, payroll taxes and benefits	143,268	121,314
Current Portion of Loan Payable	314,078	62,953
Due to Related Parties	-	125,000
Refundable Advances	-	-
Deferred Revenue	50,000	-
Other Current Liabilities	20,604	150,000
<b>TOTAL CURRENT LIABILITIES</b>	<b>731,879</b>	<b>600,825</b>
<b><u>LONG-TERM LIABILITIES</u></b>		
Loan Payable; Due in More than One Year	\$ -	\$ -
Deferred Rent	219,897	213,560
Due to Related Party	-	-
Other Long-Term Liabilities	324,080	54,605
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>543,977</b>	<b>268,165</b>
<b>TOTAL LIABILITIES</b>	<b>1,275,856</b>	<b>868,990</b>
<b><u>NET ASSETS</u></b>		
Unrestricted	\$ 222,155	\$ (250,676)
Temporarily restricted	-	-
Permanently restricted	-	-

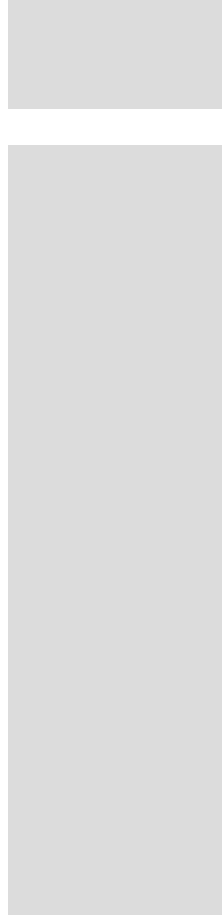
Unrestricted

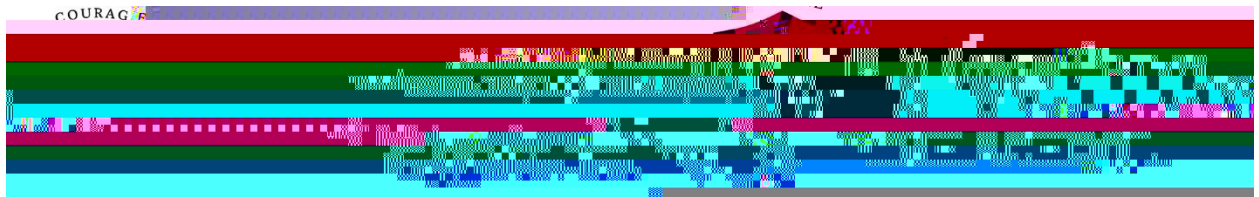
Temporarily



	2020	2019
<b>CASH FLOWS - OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ 445,512	

No. of Positions	Regular Education	Special Education	Other Education	Total
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## Findings t 2020



# Vertus Charter Sc [( 4400 F)-fs612

2020-21  
Approved

Notes - 2020-21

Total Number of Students	300	RCSD - 271 - Outside - 25
Number of Special Ed Students	60	Assume 20% (current estimate is closer to 70)
<b>Revenue</b>		
4100 State Grants		
4101 Per Pupil General Education	4,136,100	Based on guidance from NYCSA
4102 Per Pupil Special Education	990,000	Assumes 95% paid at full 60% rate
4103 SSF Grant	0	
Total 4100 State Grants	5,126,100	
4200 Federal Grants		
4201 IDEA Special Needs	70,000	2019-20 Actual \$73,433
4202 Title I	170,000	2019-20 Actual \$174,234
4203 Title IIA	20,000	2019-20 Actual \$20,940
4204 Title IVA	10,000	2019-20 Actual \$10,939
4205 CSP	0	
4206 E-Rate	28,000	Project 2020-21 budget
4207 School Food		
Total 4200 Federal Grants	298,000	
4300 Contributions & Donations		
4301 Restricted Contributions	50,000	McGowan Foundation
4302 Unrestricted Contributions	0	
4303 NGLC Grant	0	
4304 Farash Foundation	0	
4305 Fundraising	125,000	\$100K Summers Foundation - Additional \$25K needed
Total 4300 Contributions & Donations	175,000	
4400 Fundraising		
4401 Fundraising Events	25,000	Basketball Tournament
Total 4400 Fundraising	25,000	
4500 Interest Income		
4501 Interest Income	0	
Total 4500 Interest Income	0	
Total Revenue	5,624,100	
<b>Expenditures</b>		
2200 Misc. Payables		
2201 Loan Payable	51,000	Remaining balance due



Vertus Charter School Budget

CONFIDENTIAL

2020-21  
Approved

Notes - 2020-21



Vertus Charter School Budget  
**CONFIDENTIAL**

2020-21  
Approved

Notes - 2020-21

Total 6200 Insurance	65,000	
6300 Professional Services		
6301 Accounting/Audit	26,000	MMB audit fees plus DKB audit preparation
6302 Payroll Services	8,000	
6303 Financial Management Services	36,000	

Vertus Charter School Budget

CONFIDENTIAL

2020-21  
Approved

Notes - 2020-21



Vertus Charter School Budget

**CONFIDENTIAL**

2020-21  
Approved

Notes - 2020-21



# HOW TO BALANCE YOUR M&T BANK ACCOUNT

