



Entry 1 School Information and Cover Page

Last updated: 07/25/2018

Please be advised that you will need to complete this cover page (including signatures) before all of the other tasks assigned to you by your authorizer are visible on your task page. While completing this task, please ensure that you select the correct authorizer (**as of June 30, 2018**) or you may not be assigned the correct tasks.

a. SCHOOL NAME CULTURAL ARTS ACAD CS AT SPRING CREEK (NYC CHANCELLOR)
(Select name from the drop down menu)

b. CHARTER AUTHORIZER (As of June 30th, 2018) NYCDOE-Authorized Charter School

(For technical reasons, please re-select authorizer name from the drop down menu).

c. DISTRICT / CSD OF LOCATION NYC CSD 18

d1. SCHOOL INFORMATION

	PRIMARY ADDRESS	PHONE NUMBER	FAX NUMBER	EMAIL ADDRESS
	1400 Linden Boulevard Brooklyn, New York 11212	718-683-3301	718-272-1330	lmidgette@caa-ny.org

d2. PHONE CONTACT NUMBER FOR AFTER HOURS EMERGENCIES

Contact Name	Dr. Laurie B. Midgette
Title	Founding Principal
Emergency Phone Number (###-###-####)	646-895-0770

e. SCHOOL WEB ADDRESS (URL) <https://www.culturalartsacademy.org/>

f. DATE OF INITIAL CHARTER 08/2010

h1. APPROVED SCHOOL MISSION (Regents, NYCDOE, and Buffalo BOE authorized schools only)

MISSION STATEMENT

MISSION - "Where Leaders Grow Up."

Cultural Arts Academy Charter School's mission is to provide a college preparatory education with exemplary cultural arts proficiency to young leaders who will profoundly impact the human condition.

h2. KEY DESIGN ELEMENTS (Regents, NYCDOE, and Buffalo BOE authorized schools only)

KEY DESIGN ELEMENTS (Brief heading followed by a description of each Key Design Elements (KDE). KDEs are those general aspects of the school that are innovative or unique to the school's mission and goals, are core to the school's overall design, and are critical to its success. The design elements may include a specific content area focus; unique student populations to be served; specific educational programs or pedagogical approaches; unique calendar, schedule, or configurations of students and staff; and/or innovative organizational structures and systems.

Variable 1	Collegiate Model Cultural Arts Academy Charter School at Spring Creek has a collegiate design model in which each class, beginning in kindergarten, is named after nationally renowned college or university. The teachers are referred to as "Professors", all administrative staff are called "Deans" and each class is adorned with their university paraphernalia.
Variable 2	International Baccalaureate Candidate School – Primary Years Programme Cultural Arts Academy Charter School at Spring Creek is an International Baccalaureate Candidate School. All teachers and administrators have access to the IB online curriculum centre (OCC), a website rich with IB publications and teacher support materials, as well as online forums that engage IB teachers from around the world. CAACS is becoming authorized to offer the Primary Years Programme (PYP). CAACS receives the support of the IB, its relevant IB regional office, and an assigned consultant from the IB educator network (IBEN), who has been fully trained according to global IB policies. A crucial element of the candidate phase is the consultation process, which includes a fixed number of hours of remote consultation per year of candidacy as well as an on-site visit. Throughout the candidate phase, our consultant will customize support and advice based on information provided in the current IB publications and his or her professional knowledge of the appropriate program. Each

	<p>report summarizes the progress made by the school towards meeting the requirements for authorization and provides feedback on the school's readiness to apply for authorization. Each year, the IB gathers educational leaders, decision makers and practitioners from schools, universities and governments, as well as students, to discuss and develop ideas on international education.</p>
Variable 3	<p>The Leader In Me Lighthouse School</p> <p>The Leadership Model Program here at CAACS integrates Dr. Covey's philosophies into every class, co-curricular activity, and the school culture. Our goal is to help students develop a skill set to succeed in the 21st century based on the mastery of the 7 Habits. These are put into action through such practices as "Synergizing through community service projects" (Your Turn To Lead Scholar-Leaders) and "Seeking First To Understand in peer conflict mediation" within our student support services. Along with internalizing the 7 Habits, the leadership model empowers students to take ownership over their development and growth. Additionally CAACS offers a variety of co-curricular activities spanning tennis, the arts, fencing, chess, track, basketball and martial arts through which students may further pursue leadership development. The school's instructional practices are specially tailored to deliver the leadership model while aligning with the Common Core. Students are taught through a combination of arts and technology infused project-based learning (PBL). Examples of projects include using LEGO Academy where students are able to build local, national and international structures to show the development of our international-minded approach toward viewing ourselves as global citizens.</p>
Variable 4	<p>The Arts</p> <p>Cultural Arts Academy Charter School at Spring Creek provides students with high-quality arts-infused learning opportunities and classroom partnerships between teachers and artists that lead to high student engagement. Teaching artists and teachers work together to design and enhance content area curricula and the delivery of instruction. Professional development seminars and workshops provide teachers with the pedagogical skills to design and implement art-infused curricula that are driven by NYS learning standards. Classroom observations, on-going professional development and access to cultural resources build our quality instruction. Students and teachers interact with arts institutions and organizations that exhibit and perform the arts, offer advanced study or provide internships or employment in arts-related businesses. CAACS uses the NYC's Blueprint for Teaching and Learning in the Arts: Pre-K-12 which outlines what students should know and be able to do in the arts at key grades and levels in their growth and</p>

	development.
Variable 5	<p>Technology</p> <p>Designed on the National Educational Technology Standards for Students (NETS*S) and the work of the Partnership for 21st Century Skills, the CAACS curriculum is embedded in the K-8 technology literacy standards. Students engage in real world applications where they learn new technology skills as they work through meaningful mathematics, science, language arts, and social studies activities. Instructional delivery includes the power of touch, motion, and sound. Assignments can be sketched, scored, charted, coded, or performed. Learning activities include an assessment rubric tied to the technology literacy standards.</p>
Variable 6	(No response)
Variable 7	(No response)
Variable 8	(No response)
Variable 9	(No response)
Variable 10	(No response)

i. TOTAL ENROLLMENT ON JUNE 30, 2018 292

j. GRADES SERVED IN SCHOOL YEAR 2017-18

Check all that apply

Grades Served	K, 1, 2, 3, 4, 5, 6
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k1. DOES THE SCHOOL CONTRACT WITH A CHARTER OR EDUCATIONAL MANAGEMENT ORGANIZATION? No

l1. FACILITIES

Does the school maintain or operate multiple sites?

	No, just one site.
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12. SCHOOL SITES

Please list the sites where the school will operate for the upcoming school year.

	Physical Address	Phone Number	District/CSD	Grades Served at Site (K-5, 6-9, etc.)	Receives Rental Assistance	Rental Assistance for Which Grades (write N/A if applicable)
Site 1 (same as primary site)	1400 Linden Boulevard Brooklyn, NY 11212	718-683-3301	NYC CSD 18	K-5	N/A	N/A
Site 2						
Site 3						

12a. Please provide the contact information for Site 1.

	Name	Work Phone	Alternate Phone	Email Address
School Leader	Dr. Laurie B. Midgette	718-683-3301	646-895-0770	lmidgette@caa-ny.org
Operational Leader	Joy Thompson	718-638-3334	718-683-3300	jthompson@caa-ny.org
Compliance Contact	Gray N. Stewart	718-683-3322	718-683-3300	gstewart@caa-ny.org
Complaint Contact	Shirley A. Glasgow	718-257-2911	917-613-7405	sglasgow@cccinfo.org
DASA Coordinator	Rachel Charles-Pierre	718-683-3308	718-683-3300	rcharlespierre@caa-ny.org

m1. Are any sites in co-located space? If yes, please proceed to the next question. No

IF LOCATED IN PRIVATE SPACE IN NYC OR DISTRICTS OUTSIDE NYC

m3. Upload a current Certificate of Occupancy (COO) for each school site that is located in private space in NYC or located outside of NYC. Except for schools in district space (co-location space), school must provide a copy of the annual fire inspection report.

Site 1 Certificate of Occupancy (COO)

<https://nysed-cso-reports.fluidreview.com/resp/17866496/yFPTXS6fVy/>

Site 1 Fire Inspection Report

<https://nysed-cso-reports.fluidreview.com/resp/17866496/nBjtmqxAKU/>

Site 2 Certificate of Occupancy

(No response)

Site 2 Fire Inspection Report

(No response)

Site 3 Certificate of Occupancy

(No response)

Site 3 Fire Inspection Report

(No response)

n1. Were there any revisions to the school's charter during the 2017-18 school year? (Please include approved or pending material and non-material charter revisions).

No

o. Name and Position of Individual(s) Who Completed the 2016-17 Annual Report.

Dr. Laurie B. Midgette

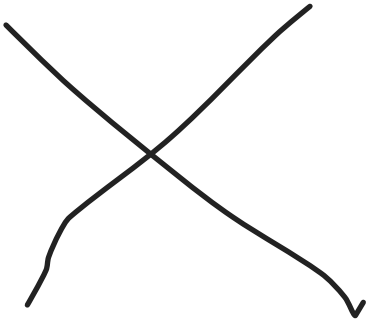
p. Our signatures (Head of School and Board President) below attest that all of the information contained herein is truthful and accurate and that this charter school is in compliance with all aspects of its charter, and with all pertinent Federal, State, and local laws, regulations, and rules. We understand that if any information in any part of this report is found to have been deliberately misrepresented, that will constitute grounds for the revocation of our charter. Check **YES** if you agree and then use the mouse on your PC or the stylist on your mobile device to sign your name).

Yes

Signature, Head of Charter School

A handwritten signature in black ink that reads "Laurie B. Midgette". The signature is fluid and cursive, with the first name "Laurie" written in a larger, more prominent script than the last name "Midgette".

Signature, President of the Board of Trustees

A handwritten signature in black ink that appears to be a stylized "X" or a very abstract representation of a name. It consists of two main intersecting lines with some additional strokes at the ends.

Date

2018/07/25

Thank you.



Entry 2 NYS School Report Card Link

Last updated: 07/27/2018

CULTURAL ARTS ACAD CS AT SPRING CREEK (NYC CHANCELLOR)

1. CHARTER AUTHORIZER (As of June 30th, 2018)

NYCDOE-Authorized Charter School

(For technical reasons, please re-select authorizer name from the drop down menu).

2. NEW YORK STATE REPORT CARD

<https://data.nysed.gov/profile.php?instid=800000067494>

Provide a direct URL or web link to the most recent New York State School Report Card for the charter school (See <https://reportcards.nysed.gov/>).

(Charter schools completing year one will not yet have a School Report Card or link to one. Please type "URL is not available" in the space provided).



Entry 3 Progress Toward Goals

Created: 07/27/2018 • Last updated: 10/31/2018

PROGRESS TOWARD CHARTER GOALS

Board of Regents-authorized and NYCDOE-authorized charter schools only. Complete the tables provided. List each goal and measure as contained in the school's currently approved charter, and indicate whether the school has met or not met the goal. Please provide information for all goals by November 1st.

1. ACADEMIC STUDENT PERFORMANCE GOALS

If performance data is not available by August 1st, please state this in the last column and update by November 1st.

2017-18 Progress Toward Attainment of Academic Goals

	Academic Student Performance Goal	Measure Used to Evaluate Progress Toward Attainment of Goal	Goal - Met or Not Met	Indicate if data is not available. If/when available, Describe Efforts School Will Take If Goal Is Not Met
Academic Goal 1	For each year of the school's renewal charter term, the percentage of the school's students who score at or above Level 3 on the New York State ELA examination must exceed such	New York State ELA Examination	Not Met	CAACS had 4% less Level 1 scholars than District 18. CAACS has 3% more Level 3 scholars than District 18. In order for CAACS to exceed the percentage of scholars who score a level 3 or above, compared to the Community School District, CAACS will make the following efforts to ensure this happens. Academic Intervention Services (AIS) will be provided to those scholars who qualify for the program. This is based on their State Exam from the previous year, baseline results and data/anecdotal notes from the professors.

percentage for the Community School District (CSD) in which the school is located. (Relevant for schools serving grades 3-8)

Scholars will receive ELA instruction, two days a week and Math instruction, two days a week for AIS. Every Friday will be devoted to test prep in the upper grades and the professors are to utilize the Ready program. Weekly grade team meetings will take place with the ELA Specialist, to ensure that the professors lesson plans are geared towards the Common Core Standards and provide the rigor that that is needed to move the scholars forward.

CAACS Grade 3 (44%) and Grade 6 (42%) only exceeded District 18. Overall, CAACS (28%) we are 2% behind District 18 (30%). To ensure we reach our goals of exceeding the Community School District (CSD) percentage, as it relates to proficiency in Math, we have devised the following action plan. We have increased the frequency and intensity of data tracking. Professors and instructional specialists are using unique data tracking software to target common core state standards. CAACS is

Academic Goal 2	For each year of the school's renewal charter term, the percentage of the school's students who score at or above Level 3 on the New York State Mathematics examination must exceed such percentage for the Community School District (CSD). (Relevant for schools serving grades 3-8)	New York State Mathematics Examination	Not Met	gathering this data by administering quizzes and other assessments more frequently than we have in the past. On Fridays students work in groups to improve upon standards they have not yet mastered. This is our new form of test prep. Previously, CAACS offered test prep on Saturdays. Our new Friday test prep allows all scholars the opportunity to review previously taught standards. In addition to improving data analysis, CAACS has also transitioned over to the EngageNY curriculum. Also, Math instructional specialists hold weekly grade meetings to review data, discuss strategies, and implement effective teaching techniques. Lastly, scholars who are performing below grade level receive academic intervention services (AIS) twice per week. These scholars are selected based upon test data.
				CAACS- 37% DIST 18 - 37% CAACS scholars had an overall 4% growth increase in Level 4 proficiency. CAACS had a 2% higher reduction rate of

Academic Goal 3	Based on the proficiency rates on the New York State ELA examination, the school will demonstrate positive academic growth in each year of the charter term. (Relevant for schools serving grades 3-8)	New York State ELA Examination	Met	Level 1 Scholars than NYS. CAACS African American male scholars increased their overall proficiency by 2% from the previous year, 2017. CAACS African American male scholars increased their Level 4 proficiency from 4% in 2017 to 9% in 2018, an increase of 5%. Our CAACS scholars with disabilities increased their Level 3 proficiency from 17% in 2017 to 36% in 2018, a 19% increase. Those CAACS scholars that qualify for free and reduced lunch achieved a 6% increase in Level 4 proficiency. There was a 4% decrease in Level 2 proficiency for our CAACS scholars that are economically disadvantaged. CAACS had 4% less Level 1 scholars than District 18. CAACS has 3% more Level 3 scholars than District 18.
Academic Goal	Based on the proficiency rates on the New York State Mathematics examination, the school will demonstrate positive	New York State Mathematics	Met	The overall math proficiency rate for CAACS in 2018 is 28%, an increase of 7% proficiency from the previous year. At CAACS African American boys show a proficiency rate of 32%. The state

4	academic growth in each year of the charter term. (Relevant for schools serving grades 3-8)	Examination		average for African American males is 27%. CAACS has a 5% higher achievement rate in mathematics for our African American male students than the state average.
Academic Goal 5	Where the school has an eligible subgroup population (deemed as six or more students) of students with disabilities, the school will demonstrate positive academic growth on New York State ELA examination proficiency rates for that applicable population in each year of the charter term. (Relevant for schools serving grades 3-8)	New York State ELA Examination	Met	Our CAACS scholars with disabilities increased their Level 3 proficiency from 17% in 2017 to 36% in 2018, a 19% increase.
Academic Goal 6	Where the school has an eligible subgroup population (deemed as six or more students) of students eligible for the free or reduced price lunch program, the school will demonstrate positive academic growth on New York State ELA examination proficiency rates for that applicable population in each year of the charter term. (Relevant for schools serving grades 3-8)	New York State ELA Examination	Met	Those CAACS scholars that qualify for free and reduced lunch achieved a 6% increase in Level 4 proficiency.
	Where the school has an eligible subgroup population (deemed			

Academic Goal 7	as six or more students) of students with disabilities, the school will demonstrate positive academic growth on New York State Math examination proficiency rates for that applicable population in each year of the charter term. (Relevant for schools serving grades 3-8)	New York State Mathematics Examination (NYSED.gov)	Met	
Academic Goal 8	Where the school has an eligible subgroup population (deemed as six or more students) of students eligible for the free or reduced price lunch program, the school will demonstrate positive academic growth on New York State Math examination proficiency rates for that applicable population in each year of the charter term. (Relevant for schools serving grades 3-8)	New York State Mathematics Examination (NYSED.gov)	Met	In 2018, economically disadvantaged scholars showed 29% proficiency, a 13% increase in proficiency for this sub group.

2. Do have more academic goals to add? No

3. Do have more academic goals to add? (No response)

4. ORGANIZATIONAL GOALS

2017-18 Progress Toward Attainment of Organizational Goals

	Organizational Goal	Measure Used to Evaluate Progress	Goal - Met or Not Met	If Not Met, Describe Efforts
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				School Will Take
Org Goal 1	Each year, the school self-reported average daily student attendance rate shall meet or exceed the average daily attendance for the Community School District (CSD) of location for elementary and middle schools and the citywide average for high schools.	Automate the Schools (ATS) Powerschool	Met	CAACS - 95% DISTRICT 18 - 92%
Org Goal 2	Each year, the percentage of students enrolled in ATS on 10/31 of a given school year that are enrolled in ATS on 10/31 the following school year will exceed the rate of the Community School District (CSD) of location for elementary and middle schools and the citywide average for high schools.	Automate the Schools (ATS)	Met	CAACS maintains a wait-list.
Org Goal 3	Each year, the school will meet or exceed any applicable student enrollment targets, as	Automate the Schools (ATS) Powerschool	Not Met	Our ELL enrollment increased by 1% in 2017-2018. CAACS is seeking to create a dual language program. CAACS believes that creating a dual language will help us meet state-mandated goals to improve the enrollment and education for non-

	prescribed by the Board of Regents, for English language learners.			English-speaking students. CAACS believes that creating a dual language will help us meet state-mandated goals to market and recruit for non-English-speaking students.
Org Goal 4	Each year, the school will meet or exceed any applicable student enrollment targets, as prescribed by the Board of Regents, for students with disabilities.	Automate the Schools (ATS) Powerschool	Not Met	10% of our student enrollment were classified as SWD. CAACS collaborates with our local Committee on Special Education for District 18. Since 2011-2012, we have been a member of the NYC Charter Center Special Education Collaborative and will continue to participate. This organization, the NYC Special Education Collaborative, focuses on assisting schools with starting and operating successful special education programs. . Brochures that describe our special education programming have been distributed throughout the community. In order to reach the families of special needs students, we utilize many networks that

				<p>already exist in the community. CAACS will continue to build relationships with support organizations to gain familiarity with the services they provide. We will continue to create a database of support services to the families so these organizations know about our school and its special education program and make recommendations to the families they serve.</p>
Org Goal 5	<p>Each year, the school will meet or exceed any applicable student enrollment targets, as prescribed by the Board of Regents, for students eligible for free and reduced price lunch.</p>	Automate the Schools (ATS) Powerschool	Not Met	<p>CAACS FRL enrollment rates increased by 7% from 57% (2017) to 64% by June (2018).</p>

5. Do you have more organizational goals to add?

No

6. FINANCIAL GOALS

2017-18 Progress Toward Attainment of Financial Goals

	Financial Goals	Measure Used to Evaluate Progress	Goal - Met or Not Met	If Not Met, Describe Efforts School Will Take
Financial Goal 1	Each year, the school will maintain a stable cash flow as evidenced by having 60 days of unrestricted cash on hand reported in their yearly independent fiscal audit.	Annual Independent Audit	Met	CAACS had sufficient cash flow to cover our liabilities through the end of the school year. CAACS received an E-rate grant to help fund a significant amount of our school's communications infrastructure, Title I, NYSTL grants, as well as smaller grants toward our healthy eating initiatives. CAACS has no long-term liabilities. We were current on all payables.
Financial Goal 2	Each year, the school will operate on a balanced budget. A budget will be considered "balanced" if revenues equal or exceed expenditures.	Annual Independent Audit	Met	CAACS' debt to assets ratio is less than 1.0. The aggregate assets to liabilities ratio is greater than 1.0.
Financial Goal 3				
Financial Goal 4				
Financial Goal 5				



Entry 4 Expenditures per Child

Last updated: 08/01/2018

CULTURAL ARTS ACAD CS AT SPRING CREEK (NYC CHANCELLOR)Section Heading

Financial Information

This information is required of ALL charter schools. Provide the following measures of fiscal performance of the charter school in Appendix B (Total Expenditures and Administrative Expenditures Per Child):

1. Total Expenditures Per Child

To calculate **'Total Expenditures per Child'** take total expenditures (from the unaudited 2017-18 Schedule of Functional Expenses) and divide by the year end FTE student enrollment. (Integers Only. No dollar signs or commas).

Note: *The information on the Schedule of Functional Expenses on pages 41-43 of the Audit Guide can help schools locate the amounts to use in the two per pupil calculations:* <http://www.p12.nysed.gov/psc/AuditGuide.html>

Line 1: Total Expenditures	5179127
Line 2: Year End FTE student enrollment	270
Line 3: Divide Line 1 by Line 2	19182

2. Administrative Expenditures per Child

To calculate **'Administrative Expenditures per Child'** To calculate "Administrative Expenditures per Child" first *add* together the following:

1. Take the relevant portion from the 'personnel services cost' row and the 'management and general' column (from the unaudited 2017-18 Schedule of Functional Expenses)
2. Any contracted administrative/management fee paid to other organizations or corporations
3. Take the total from above and divide it by the year-end FTE enrollment. The relevant portion that must be included in this calculation is defined as follows:

Administrative Expenditures: Administration and management of the charter school includes the activities and personnel of the offices of the chief school officer, the finance or business offices, school operations personnel, data management and reporting, human resources, technology, etc. It also includes those administrative and management services provided by other organizations or corporations on behalf of the charter school for which the charter school pays a fee or other compensation. Do not include the FTE of personnel whose role is to directly support the instructional program.

Notes:

The information on the Schedule of Functional Expenses on pages 41-43 of the Audit Guide can help schools locate the amounts to use in the two per pupil calculations:

<http://www.p12.nysed.gov/psc/AuditGuide.html>.

Employee benefit costs or expenditures should not be reported in the above calculations.

Line 1: Relevant Personnel Services Cost (Row)	1255889
Line 2: Management and General Cost (Column)	101625
Line 3: Sum of Line 1 and Line 2	1357514
Line 5: Divide Line 3 by the Year End FTE student enrollment	5028

Thank you.

**CULTURAL ARTS ACADEMY CHARTER SCHOOL
AT SPRING CREEK**

FINANCIAL STATEMENTS

JUNE 30, 2018

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR JUNE 30, 2017)

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Cultural Arts Academy Charter School At Spring Creek

Report on the Financial Statements

We have audited the accompanying financial statements of Cultural Arts Academy Charter School At Spring Creek (the "School"), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the School's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

An Independent Member of Baker Tilly International

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cultural Arts Academy Charter School At Spring Creek as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Cultural Arts Academy Charter School At Spring Creek's 2017 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 26, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2018, on our consideration of Cultural Arts Academy Charter School At Spring Creek's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cultural Arts Academy Charter School At Spring Creek's internal control over financial reporting and compliance.

MBAF CPAs, LLC

New York, NY
October 30, 2018

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2018

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR JUNE 30, 2017)

ASSETS	2018	2017
Cash	\$ 7,644	\$ 171,039
Cash - restricted	75,191	75,161
Grants receivable	325,229	213,089
Property and equipment, net	35,896	23,540
Prepaid expenses and other assets	20,000	44,780
	\$ 463,960	\$ 527,609
<u>LIABILITIES AND NET (DEFICIT) ASSETS</u>		
LIABILITIES		
Accounts payable and accrued expenses	\$ 161,734	\$ 98,266
Accrued salaries and other payroll related expenses	369,401	223,210
Deferred rent	-	13,238
Due to NYC Department of Education	23,963	43,870
	555,098	378,584
NET (DEFICIT) ASSETS		
Unrestricted	(91,138)	149,025
	\$ 463,960	\$ 527,609

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

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2018

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2017)

	2018	2017
OPERATING REVENUE		
State and local per pupil operating revenue	\$ 4,262,328	\$ 3,948,435
Government grants and contracts	389,556	267,519
	<u>4,651,884</u>	<u>4,215,954</u>
EXPENSES		
Program	4,414,553	3,679,753
Management and general	828,514	784,020
Fundraising	24,853	23,699
	<u>5,267,920</u>	<u>4,487,472</u>
DEFICIT FROM SCHOOL OPERATIONS	<u>(616,036)</u>	<u>(271,518)</u>
SUPPORT AND OTHER INCOME		
Contributions and other income	291,000	485,000
Interest income	199	82
Miscellaneous income	84,674	87,955
	<u>375,873</u>	<u>573,037</u>
CHANGE IN NET (DEFICIT) ASSETS	(240,163)	301,519
NET ASSETS (DEFICIT) - BEGINNING OF YEAR	<u>149,025</u>	<u>(152,494)</u>
NET (DEFICIT) ASSETS - END OF YEAR	<u>\$ (91,138)</u>	<u>\$ 149,025</u>

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

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED JUNE 30, 2018

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2017)

		Program Services			Supporting Services			2018	2017
		General Education	Special Education	Total Program	Management and General	Fundraising	Total		
Personnel services costs:	No. of Positions								
Instructional personnel	49	\$ 1,606,500	\$ 98,826	\$ 1,705,326	\$ 289,435	\$ 11,352	\$ 300,787	\$ 2,006,113	\$ 1,491,150
Non-instructional personnel	29	995,634	61,248	1,056,882	179,378	7,035	186,413	1,243,295	1,204,127
Total salaries and wages	78	2,602,134	160,074	2,762,208	468,813	18,387	487,200	3,249,408	2,695,277
Payroll taxes and employee benefits		628,344	38,653	666,997	113,208	4,440	117,648	784,645	643,178
Professional development		55,254	3,399	58,653	9,955	390	10,345	68,998	37,613
Legal fees		-	-	-	845	-	845	845	3,508
Audit and accounting fees		-	-	-	122,892	-	122,892	122,892	115,457
Professional fees		51,774	3,185	54,959	-	-	-	54,959	72,114
Curriculum and classroom expenses		74,049	4,555	78,604	-	-	-	78,604	78,265
Supplies and materials		40,457	2,489	42,946	7,289	286	7,575	50,521	50,387
Food services		-	-	-	-	-	-	-	23,729
Student services		128,324	7,894	136,218	9,579	376	9,955	146,173	124,063
Postage, printing, and copying		950	58	1,008	171	7	178	1,186	961
Insurance		55,875	3,437	59,312	10,067	395	10,462	69,774	60,360
Information technology		902	55	957	163	6	169	1,126	884
Non-capitalized equipment and furnishings		19,683	1,211	20,894	3,546	139	3,685	24,579	8,340
Occupancy and facility costs		440,543	27,101	467,644	51,960	-	51,960	519,604	499,672
Telephone		30,424	1,872	32,296	5,481	215	5,696	37,992	29,946
Depreciation		15,310	942	16,252	2,758	108	2,866	19,118	27,197
Bad debt expense		-	-	-	19,138	-	19,138	19,138	-
Office expense		14,701	904	15,605	2,649	104	2,753	18,358	16,521
		\$ 4,158,724	\$ 255,829	\$ 4,414,553	\$ 828,514	\$ 24,853	\$ 853,367	\$ 5,267,920	\$ 4,487,472

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2018

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2017)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from operating revenue and support	\$ 4,895,710	\$ 4,673,274
Cash paid to employees and suppliers	<u>(5,027,601)</u>	<u>(4,580,669)</u>
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(131,891)</u>	<u>92,605</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(31,474)</u>	<u>-</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(31,474)</u>	<u>-</u>
NET (DECREASE) INCREASE IN CASH	(163,365)	92,605
CASH AND CASH - RESTRICTED - BEGINNING OF YEAR	<u>246,200</u>	<u>153,595</u>
CASH AND CASH - RESTRICTED - END OF YEAR	<u>\$ 82,835</u>	<u>\$ 246,200</u>
Reconciliation of change in net (deficit) assets to net cash (used in) provided by operating activities:		
Change in net (deficit) assets	\$ (240,163)	\$ 301,519
Adjustments to reconcile change in net (deficit) assets to net cash (used in) provided by operating activities:		
Depreciation	19,118	27,197
Bad debt expense	19,138	-
Changes in operating assets and liabilities:		
Grants receivable	(131,278)	(159,587)
Prepaid expenses and other assets	24,780	(24,780)
Accounts payable and accrued expenses	63,468	(2,257)
Accrued salaries and other payroll related expenses	146,191	(93,487)
Deferred rent	(13,238)	130
Due to NYC Department of Education	<u>(19,907)</u>	<u>43,870</u>
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>\$ (131,891)</u>	<u>\$ 92,605</u>
Cash and cash - restricted consist of:		
Cash	\$ 7,644	\$ 171,039
Cash - restricted	<u>75,191</u>	<u>75,161</u>
Total	<u>\$ 82,835</u>	<u>\$ 246,200</u>

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

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2018

1. NATURE OF THE ORGANIZATION

Cultural Arts Academy Charter School At Spring Creek (the "School") is a public charter school, as defined by Article 56 of The New York State Education Law, which provides education based on an academically rigorous arts education program that promotes superior scholarship and strong cultural arts proficiency. On February 9, 2010, the Board of Regents of the University of the State of New York (the "State") granted the School a provisional charter valid for a term of five years and renewable upon expiration. On April 4, 2017, the charter was extended until June 30, 2020. The School operates under this charter and the State is responsible for oversight of the School's operations.

On November 10, 2010, the School, as determined by the Internal Revenue Service, was approved for Federal income tax exemption under section 501(a) of the Internal Revenue Code ("IRC") as an organization described in Section 501(c)(3) of the IRC. It is also currently exempt under a similar provision under New York State income tax laws. The School has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) of the IRC and qualifies for deductible contributions as provided in section 170(b)(1)(A)(ii) of the IRC. The School's primary sources of income are per pupil and other government funding.

In fiscal year 2018, the School operated classes for students in kindergarten through sixth grade. In fiscal year 2017, the School operated classes for students in kindergarten through fifth grade.

Enrollment of available classroom slots is open to all potential student candidates with preference given to children residing in the district of southeast Brooklyn. A lottery is held to award these available spots. If one child in a family is selected in the lottery then all eligible children in the family are accepted for enrollment.

2. SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The School's financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The classification of the School's net assets and its support, revenues and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the three classes of net assets – permanently restricted, temporarily restricted, and unrestricted – be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

Permanently Restricted – Net assets resulting from contributions and other inflows of assets whose use by the School is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the School.

Temporarily Restricted – Net assets resulting from contributions and other inflows of assets whose use by the School are limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the School pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities. However, if a restriction is fulfilled in the same period in which the contribution is received, the School reports the support as unrestricted.

Unrestricted – The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash - Restricted

Cash - restricted is an escrow account of \$75,191 at June 30, 2018, which is held aside for contingency purposes as required by the Education Department of the State University of New York.

Grants Receivable

Grants receivable represent amounts due from federal and state grants. Grants receivable are expected to be collected within one year, are recorded at net realizable value, and amount to \$325,229 and \$213,089 at June 30, 2018 and 2017, respectively. The School has determined that no allowance for uncollectible accounts for grants receivable is necessary as of June 30, 2017. Such estimate is based on management's assessments of the creditworthiness of its grantors, the aged basis of its receivables, as well as current economic conditions and historical information. For the year ended June 30, 2018, the School wrote off a receivable of \$19,138.

Revenue Recognition

Revenue from the state and local governments resulting from the School's charter status is based on the number of students enrolled and is recorded when services are performed in accordance with the charter agreement.

Revenue from federal, state and local government grants and contracts are recorded by the School when qualifying expenditures are incurred and billable. Funds received in advance for which qualifying expenditures have not been incurred would be reflected as refundable advances from state and local government grants in the accompanying statement of financial position.

Donated Goods and Services

The School receives contributed goods and services that are an integral part of its operations. Such goods and services are only recorded as contributions in-kind at their fair value, provided they meet the criteria for recognition. Donated goods are recognized if the goods provide a benefit to the School and would have otherwise been purchased. There were no donated goods and services for the years ended June 30, 2018 and 2017.

Property and Equipment

Property and equipment are stated at cost and are depreciated on the straight-line method over the estimated useful lives of the assets. The School has established a \$10,000 threshold above which assets are capitalized. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized.

Impairment

The School reviews long-lived assets to determine whether there has been any permanent impairment whenever events or circumstances indicate the carrying amount of an asset may not be recoverable. If the sum of the expected future undiscounted cash flows is less than the carrying amount of the assets, the School recognizes an impairment loss. No impairment losses were recognized for the years ended June 30, 2018 and 2017.

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Rent

In accordance with U.S. GAAP, rent expense is recognized on a straight-line basis over the life of the lease, including future escalations of rent, rather than in accordance with lease payments. Deferred rent represents the adjustment to future rents as a result of using the straight-line method.

Functional Allocation of Expenses

Expenses that can be directly identified with the program or supporting service to which they relate are charged accordingly. Other expenses by function have been allocated among program and supporting service classifications based upon benefits received.

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The School has evaluated events through October 30, 2018, which is the date the financial statements were available to be issued.

Comparative Financial Information

The June 30, 2018 financial statements include certain prior year summarized comparative information. In addition, only certain notes to the financial statements for June 30, 2017 are presented. As a result, the June 30, 2017 comparative information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such June 30, 2017 information should be read in conjunction with the School's financial statements as of and for the year ended June 30, 2017, from which the summarized information was derived.

Income Taxes

The School follows the accounting standard for uncertainty in income taxes. The standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in the financial statements. It also provides guidance for derecognition, classification, interest and penalties, disclosure, and transition.

The School files an informational return in the federal jurisdiction. With few exceptions, the School is no longer subject to federal, state, or local income tax examinations for fiscal years before 2015.

The School believes that it has appropriate support for the positions taken on its tax returns. Nonetheless, the amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts filed. Management believes that its nonprofit status would be sustained upon examination.

Should there be interest on underpayments of income tax, the School would classify it as "Interest Expense." The School would classify penalties in connection with underpayments of income tax as "Other Expense."

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of Accounting Pronouncement

In fiscal year 2018, the School adopted the accounting standards update which amends the cash flow statement presentation of restricted cash. The update requires amounts generally described as restricted cash and restricted cash equivalents be included with cash and cash equivalents when reconciling the beginning-of-year and end-of-year total amounts shown on the statement of cash flows. The School adopted the update retrospectively for fiscal year 2017. The adoption of this update had no effect on the School's change in net assets or cash flows.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued an accounting standards update which affects the revenue recognition of entities that enter into either (1) certain contracts to transfer goods or services to customers or (2) certain contracts for the transfer of nonfinancial assets. The update indicates an entity should recognize revenue in an amount that reflects the consideration the entity expects to be entitled to in exchange for the goods or services transferred by the entity. The update is to be applied to the beginning of the year of implementation or retrospectively and is effective for annual periods beginning after December 15, 2018 and in interim periods in annual periods beginning after December 15, 2019. Early application is permitted but no earlier than annual reporting periods beginning after December 31, 2016. The School is currently evaluating the effect the update will have on its financial statements.

In February 2016, the FASB issued an accounting standards update which amends existing lease guidance. The update requires lessees to recognize a right-of-use asset and related lease liability for many operating leases now currently off-balance sheet under current U.S. GAAP. Accounting by lessors remains largely unchanged from current U.S. GAAP. The update is effective using a modified retrospective approach for fiscal years beginning after December 15, 2019, and for interim periods within fiscal years beginning after December 15, 2020, with early application permitted. The School is currently evaluating the effect the update will have on its financial statements.

In August 2016, the FASB issued an accounting standards update which aims to improve information provided to creditors, donors, grantors, and others while also reducing complexity and costs. The update is the first phase of a project regarding not-for-profits which aims to improve and simplify net asset classification requirements and improve the information presented and disclosed in financial statements about liquidity, cash flows, and financial performance. The update is effective retrospectively for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018, with earlier application permitted. The School is currently evaluating the effect the update will have on its financial statements.

In June 2018, the FASB issued an accounting standards update in an effort to clarify and improve the scope and the accounting guidance for contributions received and contributions made. The FASB believes the update should assist entities in (1) evaluating whether transactions should be accounted for as contributions (non-reciprocal transactions) within the scope of not-for-profit guidance, or as an exchange (reciprocal) transaction subject to other guidance and (2) determining whether a contribution is conditional or not. The update is effective on a modified prospective basis for fiscal years beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019, with early adoption permitted. The School is currently evaluating the potential accounting, transition, and disclosure effects the update will have on its financial statements.

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2018

3. LIQUIDITY

At June 30, 2018, the School had a working capital deficit of approximately \$127,000 driven primarily by rent and facility costs owed to Christian Cultural Center ("CCC"), which is further explained in Note 5. The School had a loss of approximately \$240,000 for the year ending June 30, 2018, and a deteriorating cash position. CCC, a related party that shares board members with the School, is committed to provide financial support through November 1, 2019.

Management believes that the School will be able to continue operations through November 1, 2019.

4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30:

	2018	2017	Estimated Useful Lives
Furniture and fixtures	\$ 144,111	\$ 135,491	7 years
Computer hardware and software	105,038	82,184	5 years
	249,149	217,675	
Less: accumulated depreciation	(213,253)	(194,135)	
	<u>\$ 35,896</u>	<u>\$ 23,540</u>	

Depreciation expense for the years ended June 30, 2018 and 2017 was \$19,118 and \$27,197, respectively.

5. RELATED PARTY TRANSACTIONS

The School has an operating lease agreement with CCC, a not-for-profit organization, which commenced on July 1, 2010 and expires on June 30, 2021. The School pays a monthly rent in the amount of \$38,245 from July 1, 2018 through June 30, 2021. The chief executive officer of CCC is a founding member and board member of the School.

During the year ended June 30, 2018 and 2017, the CCC contributed \$280,000 and \$485,000, respectively.

6. PENSION PLAN

Effective September 1, 2011, the School adopted a 403(b) profit sharing plan (the "Plan") which covers most of the employees. The Plan is a defined contribution plan. Employees are eligible to enroll in the Plan on the first day of employment or the first day of the first, fourth, seventh, or tenth month of the Plan year, if they are at least 21 years in age. The Plan provides for the School to make discretionary contributions. The School contribution does not become vested until the participant's sixth year when it becomes fully vested. For the year ended June 30, 2018, the School contributed \$21,084. The School did not contribute to the Plan for the year ended June 30, 2017.

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2018

7. RISK MANAGEMENT

The School is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; injuries to employees; and natural disasters. The School maintains commercial insurance to help protect itself from such risks.

The School entered into contractual relationships with certain governmental funding sources. The governmental agencies may request return of funds as a result of noncompliance by the School. The accompanying financial statements make no provision for the possible disallowance or refund.

8. CONCENTRATIONS

Financial instruments that potentially subject the School to concentrations of credit risk consist principally of cash deposits at a major financial institution that, at times, exceeded the Federal Deposit Insurance Corporation insured limits of \$250,000.

The School received approximately 85% and 82% of its total revenue from per pupil funding from the New York City Department of Education during the years ended June 30, 2018 and 2017, respectively.

Two grantors accounted for 93% and 100% of grants receivable at June 30, 2018 and 2017, respectively.

Two vendors accounted for approximately 72% of accounts payable at June 30, 2018. Two vendors accounted for approximately 64% of accounts payable at June 30, 2017.



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

To the Board of Trustees
Cultural Arts Academy Charter School At Spring Creek

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 Cultural Arts Academy Charter School At Spring Creek (the "School"), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 30, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* exists when the design or 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 School's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and is described in the accompanying schedule of findings and questioned costs as finding 2018-01.

We noted certain other matters that we reported to management of the School in a separate letter dated October 30, 2018.

An Independent Member of Baker Tilly International

Cultural Arts Academy Charter School at Spring Creek's Response to Finding

The School's response to finding 2018-01 identified in our audit is described in the accompanying corrective action plan. The School's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 School'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 School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MBAF CPAs, LLC

New York, NY
October 30, 2018

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2018

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness (es) identified?

Yes _____

No √ _____

Significant deficiency (ies) identified that are not
considered to be material weaknesses?

Yes _____

No √ _____

Noncompliance material to financial statements noted?

Yes √ _____

No _____

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

SCHEDULE OF FINDINGS AND QUESTIONED COSTS JUNE 30, 2018

SECTION II – COMPLIANCE FINDING

Finding: 2018-01

Criteria and condition: The School is required to be in compliance with the New York State Education Department (“NYSED”) requirements. The teacher certification exemption allows Charter Schools to have up to 10 uncertified teachers and an additional 5 uncertified teachers if the teachers are teaching science, technology, engineering, and math (“STEM”) subjects. The School had 18 teachers that were uncertified, none of which taught STEM subjects.

Context: NYSED requires the School to have no more than 15 uncertified teachers, with the provision that five of these teachers be teaching math, science, computer science, technology, or career and technical education, with the remaining ten teachers not restricted.

Cause: Inadequate management oversight of NYSED requirements.

Effect: The School can be under additional scrutiny from the New York City Department of Education for not being in compliance with the NYSED requiring teachers to be qualified through certification.

Recommendation: We recommend the School be in compliance with the NYSED teacher qualification requirements.

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS JUNE 30, 2017

Section II - Financial Statement Findings

Finding: 2017-01

Criteria: The New York State Education Department ("NYSED") requires the School to maintain proof of fingerprinting clearance for all employees who are in contact with the children.

Condition and Context: In our 2016 audit, we determined that the School did not meet the requirement of fingerprinting clearance for 1 of the 25 employees files tested. This condition was identified during fiscal 2017.

Cause: The School had inadequate management oversight of NYSED requirements.

Effect: The School could be in a position where they could lose funding from NYSED for not being in compliance with the Charter School Audit Guide, which requires all employee files to maintain proof of fingerprinting clearance.

Recommendations: We recommend that the School be in compliance with the NYSED fingerprinting requirements.

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

CORRECTIVE ACTION PLAN JUNE 30, 2018

Views of responsible officials and corrective action:

Finding: 2018-01

Cultural Arts Academy Charter School at Spring Creek (the "School") is partnered with the NYC Department of Education NYC Men Teach initiative. CAACS has hired four teachers that are part of this special program that was approved for alternative certification. This initiative allows these teachers to be hired while they are working towards their teacher certification. They are permitted to enter the classroom to teach but do not have (1) a major in Education as an undergrad, (2) any (or little) teaching experience, and (3) no prior certification. The NYCDOE, as well as CAACS, provides rigorous instruction for them.

When the 2017-2018 audit season began, annual staff notifications and updates regarding teacher-licensing protocols were already in process as evidenced by our documentation. Additionally, effective March 14, 2017, the Board of Regents voted to extend the time validity of an expired Initial, Transitional or Provisional Pupil Personnel Services certificate for three years from the certificate's expiration date.

CAACS has made changes that we feel will prevent certain reoccurrences in the future; and, these changes are being implemented in the interim. In order to protect our school from risk and tighten our controls, our action plan moving forward includes the addition of a Talent Development Specialist as part of our Business, Accountability and Compliance team. The responsibilities will include helping all pedagogical staff remain current in the licensure and renewal process.



Entry 5c Additional Financial Docs

Last updated: 11/01/2018

The additional items listed below should be uploaded if applicable. Please explain the reason(s) if the items are not included. Examples might include: a written management letter was not issued; the school did not expend federal funds in excess of the Single Audit Threshold of \$750,000; the corrective action plan will be submitted by the following date (should be no later than 30 days from the submission of the report); etc.

Section Heading

1. Management Letter

<https://nysed-cso-reports.fluidreview.com/resp/20301450/8mMlunnVv3/>

Explanation for not uploading the Management Letter. (No response)

2. Form 990

(No response)

Explanation for not uploading the Form 990. (No response)

3. Federal Single Audit

Note: A copy of the Federal Single Audit must be filed with the Federal Audit Clearinghouse. Please refer to OMB Uniform Guidelines for the federal filing requirements.

(No response)

Explanation for not uploading the Federal Single Audit. a federal Single Audit was not required because the school did not expend federal funds in excess of the threshold of \$750,000.

4. CSP Agreed Upon Procedure Report

(No response)

Explanation for not uploading the procedure report. We have not applied for and therefore do not receive CSP Funds

5. Evidence of Required Escrow Account

<https://nysed-cso-reports.fluidreview.com/resp/20301450/pN6H0Nalce/>

Explanation for not uploading (No response)
the Escrow evidence.

6. Corrective Action Plan

A **Corrective Action Plan** for Audit Findings and Management Letter Recommendations, which must include:

- a. The person responsible
- b. The date action was taken, or will be taken
- c. Description of the action taken
- d. Evidence of implementation (if available)

<https://nysed-cso-reports.fluidreview.com/resp/20301450/JDKdnGTC4H/>

Explanation for not uploading (No response)
the Corrective Action Plan.



Entry 5d Financial Services Contact Information

Last updated: 10/30/2018

Regents, NYCDOE and Buffalo BOE authorized schools should enter the financial contact information requested and upload the independent auditor's report and internal controls reports as one combined file.

CULTURAL ARTS ACAD CS AT SPRING CREEK (NYC CHANCELLOR)Section Heading

1. School Based Fiscal Contact Information

	School Based Fiscal Contact Name	School Based Fiscal Contact Email	School Based Fiscal Contact Phone
	Stuart M. Sabal, CPA Sabal & Associates	ssabal@sabalcpas.com	973-422-1040

2. Audit Firm Contact Information

	School Audit Contact Name	School Audit Contact Email	School Audit Contact Phone	Years Working With This Audit Firm
	MBAF Certified Public Accountants and Advisors	mtaub@mbafcpa.com	646-403-8057	9

3. If applicable, please provide contact information for the school's outsourced financial services firm.

	Firm Name	Contact Person	Mailing Address	Email	Phone	Years with Firm

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

PROJECTED BUDGET FOR 2018-2019

July 1, 2018 to June 30, 2019

Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 155. This will populate the data in row 10.

Assumptions

DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable

	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL
Total Revenue	4,285,960	325,000	460,000	-	-	5,070,960
Total Expenses	3,898,398	339,938	-	24,541	805,197	5,068,074
Net Income	387,562	(14,938)	460,000	(24,541)	(805,197)	2,886
Actual Student Enrollment	-	-	-	-	-	-
Total Paid Student Enrollment	-	-	-	-	-	-

PROGRAM SERVICES

SUPPORT SERVICES

REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL
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REVENUE

REVENUES FROM STATE SOURCES

Per Pupil Revenue

CY Per Pupil Rate

District of Location

School District 2 (Enter Name)

School District 3 (Enter Name)

School District 4 (Enter Name)

School District 5 (Enter Name)

Special Education Revenue

Grants

Stimulus

Other

Other State Revenue

TOTAL REVENUE FROM STATE SOURCES

REVENUE FROM FEDERAL FUNDING

IDEA Special Needs

Title I

Title Funding - Other

School Food Service (Free Lunch)

Grants

Charter School Program (CSP) Planning & Implementation

Other

Other Federal Revenue

TOTAL REVENUE FROM FEDERAL SOURCES

LOCAL and OTHER REVENUE

Contributions and Donations, Fundraising

Erate Reimbursement

Interest Income, Earnings on Investments,

NYC-DYCD (Department of Youth and Community Developmt.)

Food Service (Income from meals)

Text Book

Other Local Revenue

TOTAL REVENUE FROM LOCAL and OTHER SOURCES

TOTAL REVENUE

List exact titles and staff FTE's (Full time equivalent)

EXPENSES

ADMINISTRATIVE STAFF PERSONNEL COSTS

No. of Positions

Executive Management

Instructional Management

Deans, Directors & Coordinators

CFO / Director of Finance

Operation / Business Manager

Administrative Staff

TOTAL ADMINISTRATIVE STAFF

INSTRUCTIONAL PERSONNEL COSTS

Teachers - Regular

Teachers - SPED

Substitute Teachers

Teaching Assistants

Specialty Teachers

Aides

Therapists & Counselors

Other

TOTAL INSTRUCTIONAL

NON-INSTRUCTIONAL PERSONNEL COSTS

Nurse

Librarian

Custodian

Security

Other

TOTAL NON-INSTRUCTIONAL

PROJECTED BUDGET FOR 2018-2019	
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3	4
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PROJECTED BUDGET FOR 2018-2019							Assumptions
July 1, 2018 to June 30, 2019							DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable
Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 155. This will populate the data in row 10.							
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Total Revenue	4,285,960	325,000	460,000	-	-	5,070,960	
Total Expenses	3,898,398	339,938	-	24,541	805,197	5,068,074	
Net Income	387,562	(14,938)	460,000	(24,541)	(805,197)	2,886	
Actual Student Enrollment	-	-	-	-	-	-	-
Total Paid Student Enrollment	-	-	-	-	-	-	-
PROGRAM SERVICES							
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
SUBTOTAL PERSONNEL SERVICE COSTS	61	2,520,480	174,318	-	17,847	465,267	3,167,912
PAYROLL TAXES AND BENEFITS							
Payroll Taxes		514,400	61,829	-	4,541	117,859	698,628
Fringe / Employee Benefits		-	-	-	-	-	-
Retirement / Pension		-	-	-	-	-	-
TOTAL PAYROLL TAXES AND BENEFITS		514,400	61,829	-	4,541	117,859	698,628
TOTAL PERSONNEL SERVICE COSTS							
		3,034,880	236,147	-	22,388	573,126	3,866,540
CONTRACTED SERVICES							
Accounting / Audit		-	-	-	-	121,642	121,642
Legal		-	-	-	-	845	845
Management Company Fee		-	-	-	-	-	-
Nurse Services		-	-	-	-	-	-
Food Service / School Lunch		-	-	-	-	-	-
Payroll Services		-	-	-	-	-	-
Special Ed Services		-	-	-	-	-	-
Titlement Services (i.e. Title I)		-	-	-	-	-	-
Other Purchased / Professional / Consulting		48,060	5,777	-	-	-	53,836
TOTAL CONTRACTED SERVICES		48,060	5,777	-	-	122,487	176,324
SCHOOL OPERATIONS							
Board Expenses		-	-	-	-	-	-
Classroom / Teaching Supplies & Materials		37,199	4,471	-	328	8,523	50,521
Special Ed Supplies & Materials		-	-	-	-	-	-
Textbooks / Workbooks		70,391	8,461	-	-	-	78,852
Supplies & Materials other		709	85	-	6	162	963
Equipment / Furniture		18,097	2,175	-	-	-	20,272
Telephone		25,496	3,065	-	225	5,842	34,628
Technology		756	91	-	7	173	1,027
Student Testing & Assessment		-	-	-	-	-	-
Field Trips		-	-	-	-	-	-
Transportation (student)		-	-	-	-	-	-
Student Services - other		110,297	13,257	-	346	8,991	132,891
Office Expense		-	-	-	-	-	-
Staff Development		50,840	6,111	-	449	11,648	69,048
Staff Recruitment		-	-	-	-	-	-
Student Recruitment / Marketing		-	-	-	-	-	-
School Meals / Lunch		-	-	-	-	-	-
Travel (Staff)		-	-	-	-	-	-
Fundraising		-	-	-	-	-	-
Other		10,204	1,226	-	90	2,338	13,858
TOTAL SCHOOL OPERATIONS		323,989	38,942	-	1,452	37,677	402,060
FACILITY OPERATION & MAINTENANCE							
Insurance		51,135	6,146	-	451	11,716	69,448
Janitorial		-	-	-	-	-	-
Building and Land Rent / Lease		431,493	51,864	-	-	53,706	537,063
Repairs & Maintenance		-	-	-	-	-	-
Equipment / Furniture		-	-	-	160	4,146	4,306
Security		-	-	-	-	-	-
Utilities		-	-	-	-	-	-
TOTAL FACILITY OPERATION & MAINTENANCE		482,628	58,010	-	611	69,569	610,817
DEPRECIATION & AMORTIZATION							
		8,841	1,063	-	90	2,338	12,332
DISSOLUTION ESCROW & RESERVES / CONTINGENCY							
		-	-	-	-	-	-
TOTAL EXPENSES							
		3,898,398	339,938	-	24,541	805,197	5,068,074
NET INCOME							
		387,562	(14,938)	460,000	(24,541)	(805,197)	2,886
ENROLLMENT - *School Districts Are Linked To Above Entries*							
	REGULAR EDUCATION	SPECIAL EDUCATION	TOTAL ENROLLED				
District of Location			-				
School District 2 (Enter Name)			-				
School District 3 (Enter Name)			-				
School District 4 (Enter Name)			-				
School District 5 (Enter Name)			-				
TOTAL ENROLLMENT		-	-				

CULTURAL ARTS ACADEMY CHARTER SCHOOL AT SPRING CREEK

PROJECTED BUDGET FOR 2018-2019							Assumptions
July 1, 2018 to June 30, 2019							DESCRIPTION OF ASSUMPTIONS - Please note assumptions when applicable
Please Note: The student enrollment data is entered below in the Enrollment Section beginning in row 155. This will populate the data in row 10.							
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
Total Revenue	4,285,960	325,000	460,000	-	-	5,070,960	
Total Expenses	3,898,398	339,938	-	24,541	805,197	5,068,074	
Net Income	387,562	(14,938)	460,000	(24,541)	(805,197)	2,886	
Actual Student Enrollment	-	-				-	
Total Paid Student Enrollment	-	-				-	
PROGRAM SERVICES							
	REGULAR EDUCATION	SPECIAL EDUCATION	OTHER	FUNDRAISING	MANAGEMENT & GENERAL	TOTAL	
REVENUE PER PUPIL	-	-	-				
EXPENSES PER PUPIL	-	-	-				

<p align="center">Disclosure of Financial Interest by a Current or Proposed Charter School Education Corporation Trustee</p>

Trustee Name:

Alfonso R. Bernard Sr.

Name of Charter School Education Corporation (for an unmerged school, this is the Charter School Name):

Cultural Arts Academy Spring Creek

1. List all positions held on the education corporation board (e.g., president, treasurer, parent representative).

Chairman

2. Is the trustee an employee of any school operated by the Education Corporation?
☐ Yes ☒ No

If **Yes**, for each school, please provide a description of the position(s) you hold, your responsibilities, your salary and your start date.

3. Is the trustee an employee or agent of the management company or institutional partner of the charter school(s) governed by the Education Corporation?

☐ Yes ☒ No

If **Yes**, for each school, please provide a description of the position(s) you hold, your responsibilities, your salary and your start date.

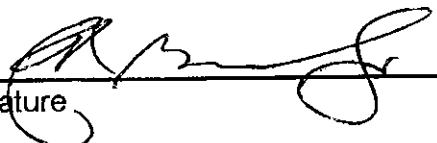
4. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school(s) governed by the Education Corporation during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None**. Please note that if you answered **Yes** to Questions 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself

Please write "None" if <i>None</i> applicable. Do not leave this space blank.

5. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school(s) governed by the Education Corporation and in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member(s) or person(s) living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school(s) that is/are doing business with the school(s) through a management or services agreement, please identify only the name of the organization, your position in the organization, and the relationship between such organization and the school(s). If there was no financial interest, write None.

Organization conducting business with the school(s)	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school(s) and the nature of the interest	Steps Taken to Avoid Conflict of Interest
Please write "None" if applicable. Do not leave this space blank. <i>None</i>				

Signature  Date 7/31/18

Please note that this document is considered a public record and as such, may be made available to members of the public upon request under the Freedom of Information Law. Personal contact information provided below will be redacted.

Business Telephone: 718-306-1060

Business Address: 12020 Flatlands Ave, Brooklyn NY 11207

E-mail Address: arb@arbernard.com

Home Telephone: 516-241-8008

Home Address: 20 Buckenham Ct, St James, NY 11780

**Disclosure of Financial Interest by a Current or Proposed Charter School
Education Corporation Trustee**

Trustee Name: Cheryl A. Pemberton-Graves

Name of Charter School Education Corporation (for an unmerged school, this is the Charter School Name):

Cultural Arts Academy @ Spring Creek

1. List all positions held on the education corporation board (e.g., president, treasurer, parent representative).

Vice President

2. Is the trustee an employee of any school operated by the Education Corporation?
☐ Yes ☒ No

If **Yes**, for each school, please provide a description of the position(s) you hold, your responsibilities, your salary and your start date.

3. Is the trustee an employee or agent of the management company or institutional partner of the charter school(s) governed by the Education Corporation?
☐ Yes ☒ No

If **Yes**, for each school, please provide a description of the position(s) you hold, your responsibilities, your salary and your start date.

4. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school(s) governed by the Education Corporation during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None**. Please note that if you answered **Yes** to Questions 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
<u>none</u>			

Please write "None" if applicable. Do not leave this space blank.			
none			

5. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school(s) governed by the Education Corporation and in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member(s) or person(s) living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school(s) that is/are doing business with the school(s) through a management or services agreement, please identify only the name of the organization, your position in the organization, and the relationship between such organization and the school(s). If there was no financial interest, write **None**.

Organization conducting business with the school(s)	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school(s) and the nature of the interest	Steps Taken to Avoid Conflict of Interest
Please write "None" if applicable. Do not leave this space blank.				
none				

Signature Cheryl Pemberton-Davis Date July 25, 2018

Please note that this document is considered a public record and as such, may be made available to members of the public upon request under the Freedom of Information Law. Personal contact information provided below will be redacted.

Business Telephone: 646-874-8544

Business Address: 250 West 64th St NY 10023

E-mail Address: Cpemberton@CAA-NY.org

Home Telephone: 212-831-3694

Home Address: 2042 MADISON AVE #1 NY 10035

<p align="center">Disclosure of Financial Interest by a Current or Proposed Charter School Education Corporation Trustee</p>

Trustee Name:

Henry Choudent

Name of Charter School Education Corporation (for an unmerged school, this is the Charter School Name):

CULTURAL ARTS ACADEMY CHARTER SCHOOL

1. List all positions held on the education corporation board (e.g., president, treasurer, parent representative). TREASURER

2. Is the trustee an employee of any school operated by the Education Corporation?
☐ Yes ☒ No

If **Yes**, for each school, please provide a description of the position(s) you hold, your responsibilities, your salary and your start date.

3. Is the trustee an employee or agent of the management company or institutional partner of the charter school(s) governed by the Education Corporation?
☐ Yes ☒ No

If **Yes**, for each school, please provide a description of the position(s) you hold, your responsibilities, your salary and your start date.

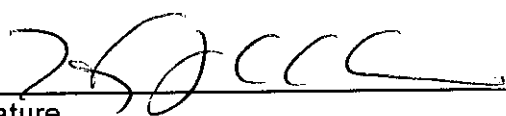
4. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school(s) governed by the Education Corporation during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None**. Please note that if you answered **Yes** to Questions 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>

<i>Please write "None" if applicable. Do not leave this space blank.</i>			
NONE	NONE	NONE	NONE

5. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school(s) governed by the Education Corporation and in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member(s) or person(s) living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school(s) that is/are doing business with the school(s) through a management or services agreement, please identify only the name of the organization, your position in the organization, and the relationship between such organization and the school(s). If there was no financial interest, write None.

Organization conducting business with the school(s)	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school(s) and the nature of the interest	Steps Taken to Avoid Conflict of Interest
<i>Please write "None" if applicable. Do not leave this space blank.</i>				
NONE	NONE	NONE	NONE	NONE


7/25/18
 Signature Date

Please note that this document is considered a public record and as such, may be made available to members of the public upon request under the Freedom of Information Law. Personal contact information provided below will be redacted.

Business Telephone: _____

Business Address: _____

E-mail Address: CLOUDEN@MSN.COM

Home Telephone: 718 451 2019

Home Address: 615 E 52 ST BRKLYN NY 11203

<p align="center">Disclosure of Financial Interest by a Current or Proposed Charter School Education Corporation Trustee</p>

Trustee Name:

Shirley Glasgow

Name of Charter School Education Corporation (for an unmerged school, this is the Charter School Name):

Cutural Arts Academy Charter School

1. List all positions held on the education corporation board (e.g., president, treasurer, parent representative).

2. ^{Parent Representative}
Is the trustee an employee of any school operated by the Education Corporation?
☐ Yes ☒ No

If **Yes**, for each school, please provide a description of the position(s) you hold, your responsibilities, your salary and your start date.

3. Is the trustee an employee or agent of the management company or institutional partner of the charter school(s) governed by the Education Corporation?
☐ Yes ☒ No

If **Yes**, for each school, please provide a description of the position(s) you hold, your responsibilities, your salary and your start date.

4. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school(s) governed by the Education Corporation during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None**. Please note that if you answered **Yes** to Questions 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself

Please write "None" if applicable. Do not leave this space blank.			
NONE			

5. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school(s) governed by the Education Corporation **and** in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member(s) or person(s) living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school(s) that is/are doing business with the school(s) through a management or services agreement, please identify only the name of the organization, your position in the organization, and the relationship between such organization and the school(s). If there was no financial interest, write **None**.

Organization conducting business with the school(s)	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school(s) and the nature of the interest	Steps Taken to Avoid Conflict of Interest
Please write "None" if applicable. Do not leave this space blank.				
	NONE			

Shirley Glasgow

Signature

7/25/2018

Date

Please note that this document is considered a public record and as such, may be made available to members of the public upon request under the Freedom of Information Law. Personal contact information provided below will be redacted.

Business Telephone: 718-306-1000

Business Address: 12020 Flatlands Avenue Brooklyn, NY 11207

E-mail Address: sglasgow@caa-ny.org

Home Telephone: 718-257-2911

Home Address: 12205 Flatlands Avenue, Brooklyn, NY 11207

**Disclosure of Financial Interest by a Current or Proposed Charter School
Education Corporation Trustee**

Trustee Name:

Chrysetta Patterson

Name of Charter School Education Corporation (for an unmerged school, this is the Charter School Name):

Cultural Arts Academy Charter School

1. List all positions held on the education corporation board (e.g., president, treasurer, parent representative).

N/A

2. Is the trustee an employee of any school operated by the Education Corporation?
☐ Yes ☒ No

If **Yes**, for each school, please provide a description of the position(s) you hold, your responsibilities, your salary and your start date.

3. Is the trustee an employee or agent of the management company or institutional partner of the charter school(s) governed by the Education Corporation?

☐ Yes ☒ No

If **Yes**, for each school, please provide a description of the position(s) you hold, your responsibilities, your salary and your start date.


4. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school(s) governed by the Education Corporation during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None**. Please note that if you answered **Yes** to Questions 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself
<u>N/A</u> <u>None</u>	<u>N/A</u> <u>None</u>		

Please write "None" if applicable. Do not leave this space blank.		NONE	NONE
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5. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school(s) governed by the Education Corporation and in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member(s) or person(s) living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school(s) that is/are doing business with the school(s) through a management or services agreement, please identify only the name of the organization, your position in the organization, and the relationship between such organization and the school(s). If there was no financial interest, write None.

Organization conducting business with the school(s)	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school(s) and the nature of the interest	Steps Taken to Avoid Conflict of Interest
Please write "None" if applicable. Do not leave this space blank.				
NONE	NONE	NONE	NONE	NONE


7/25/18
 Signature Date

Please note that this document is considered a public record and as such, may be made available to members of the public upon request under the Freedom of Information Law. Personal contact information provided below will be redacted.

Business Telephone: 917-774-9032

Business Address: 110 Williams St, NY

E-mail Address: prophet3000@gmail.com

Home Telephone: 917 774 9032

Home Address: 333 Lafayette Ave. Bklyn NY

<p align="center">Disclosure of Financial Interest by a Current or Proposed Charter School Education Corporation Trustee</p>

Trustee Name:

Stuart M. Sabal

Name of Charter School Education Corporation (for an unmerged school, this is the Charter School Name):

Cultural Arts Academy Charter School At Spring Creek

1. List all positions held on the education corporation board (e.g., president, treasurer, parent representative).

2. Is the trustee an employee of any school operated by the Education Corporation?
 ___ Yes ___ ☒ No

If **Yes**, for each school, please provide a description of the position(s) you hold, your responsibilities, your salary and your start date.

3. Is the trustee an employee or agent of the management company or institutional partner of the charter school(s) governed by the Education Corporation?
 ___ Yes ___ ☒ No

If **Yes**, for each school, please provide a description of the position(s) you hold, your responsibilities, your salary and your start date.

4. Identify each interest/transaction (and provide the requested information) that you or any of your immediate family members or any persons who live with you in your house have held or engaged in with the charter school(s) governed by the Education Corporation during the time you have served on the board, and in the six-month period prior to such service. If there has been no such financial interest or transaction, write **None**. Please note that if you answered **Yes** to Questions 2-4 above, you need not disclose again your employment status, salary, etc.

Date(s)	Nature of Financial Interest/Transaction	Steps taken to avoid a conflict of interest, (e.g., did not vote, did not participate in discussion)	Name of person holding interest or engaging in transaction and relationship to yourself

<i>Please write "None" if applicable. Do not leave this space blank.</i>			
Fiscal Yr 2018	Accounting services	Did not vote or participate	Stuart M. Sabal, CPA

5. Identify each individual, business, corporation, union association, firm, partnership, committee proprietorship, franchise holding company, joint stock company, business or real estate trust, non-profit organization, or other organization or group of people doing business with the school(s) governed by the Education Corporation and in which such entity, during the time of your tenure as a trustee, you and/or your immediate family member(s) or person(s) living in your house had a financial interest or other relationship. If you are a member, director, officer or employee of an organization formally partnered with the school(s) that is/are doing business with the school(s) through a management or services agreement, please identify only the name of the organization, your position in the organization, and the relationship between such organization and the school(s). If there was no financial interest, write None.

Organization conducting business with the school(s)	Nature of business conducted	Approximate value of the business conducted	Name of Trustee and/or immediate family member of household holding an interest in the organization conducting business with the school(s) and the nature of the interest	Steps Taken to Avoid Conflict of Interest
<i>Please write "None" if applicable. Do not leave this space blank.</i>				
Sabal & Associates	Accounting Services	\$90,000	Stuart M. Sabal	Did not vote or participate in discussions.

Signature

Date

Please note that this document is considered a public record and as such, may be made available to members of the public upon request under the Freedom of Information Law. Personal contact information provided below will be redacted.

Business Telephone: 973-422-1040

Business Address: 293 Eisenhower Pkwy, Ste 140, Livingston, NJ 07039

E-mail Address: sabalcpa@aol.com

Home Telephone: 908-230-4007

Home Address: 293 Eisenhower Pkwy, Ste 140, Livingston, NJ 07039



Entry 8 BOT Table

Created: 07/25/2018 • Last updated: 07/27/2018

1. Current Board Member Information (Enter info for each BOT member)

	Trustee Name and Email Address	Position on the Board	Committee Affiliations	Voting Member Per By-Laws (Y/N)	Number of Terms Served	Start Date of Current Term (MM/DD/YYYY)	End Date of Current Term (MM/DD/YYYY)	Board Meetings Attended During 2017-18
1	Dr. AR Bernard, Sr.	Chair	Finance	Yes	8	08/01/2017	08/01/2020	6
2	Cheryl Pemberton	Vice Chair	Fundraising	Yes	8	08/01/2017	08/01/2020	12
3	Henry J. Clouden	Treasurer	Finance	Yes	8	08/01/2017	08/01/2020	12
4	Chrysetta Patterson	Trustee/Member	Arts	Yes	8	08/01/2017	08/01/2020	12
5	Shirley Glasgow	Secretary	Parent Engagement	Yes	8	08/01/2017	08/01/2020	12
6	Dr. Laurie B. Midgette	Other	School Leader	No	8			12
7	Stuart Sabal	Other	Chief Financial Officer	No	8			
8	Larry Weiss	Other		No	8			
9								

1a. Are there more that 9 members of the Board of Trustees? No

2. Total number of members on June 30, 2018 5

3. Total number of members joining the Board during the 2017-18 school year	0
4. Total number of members departing the Board during the 2017-18 school year	0
5. Number of voting members in 2017-18, as set by the by-laws, resolution or minutes	5
6. Number of Board meetings conducted during the 2017-18 School Year	12
7. Number of Board meetings scheduled for the coming 2018-19 school year	12

Thank you.



Entry 9 - Board Meeting Minutes

Last updated: 08/01/2018

[Instructions for submitting minutes of the BOT monthly meetings](#)

Regents, NYCDOE, and Buffalo BOE authorized schools must either provide a link to a complete set of minutes that are posted on the charter school website, or upload a complete set of board meeting minutes from July 2017--June 2018, which should match the number of meetings held during the 2017-18 school year.

CULTURAL ARTS ACAD CS AT SPRING CREEK (NYC CHANCELLOR)

Are all monthly BOT meeting minutes posted, which should match the number of meetings held during 2017-18 school year, on the charter school's website?

the charter school's website.

A. Provide if posted on the charter school's website a URL link to the Monthly Board Meeting Minutes, which should match the number of meetings held during the 2017-18 school year.

Yes

<https://www.culturalartsacademy.org/about-us/our-vision/founding-board/meetings-agenda-s>



Entry 10 Enrollment and Retention of Special Populations

Created: 07/25/2018 • Last updated: 08/01/2018

Instructions for Reporting Enrollment and Retention Strategies

Describe the efforts the charter school has made in 2017-18 toward meeting targets to attract and retain enrollment of students with disabilities, English language learners, and students who are economically disadvantaged. In addition, describe the school’s plans for meeting or making progress toward meeting its enrollment and retention targets in 2018-19.

CULTURAL ARTS ACAD CS AT SPRING CREEK (NYC CHANCELLOR)Section Heading

Recruitment/Attraction Efforts Toward Meeting Targets

	Describe Recruitment Efforts in 2017-18	Describe Recruitment Plans in 2018-19)
Economically Disadvantaged		
English Language Learners		
Students with Disabilities		

Retention Efforts Toward Meeting Targets

	Describe Retention Efforts in 2017-18	Describe Retention Plans in 2018-19)
Econom ically Disadva ntaged		
English Langua ge Learner s		
Student s with Disabilit ies		



Entry 11 Classroom Teacher and Administrator Attrition

Last updated: 08/01/2018

Report changes in teacher and administrator staffing.

Instructions for completing the Classroom Teacher and Administrator Attrition Tables

Charter schools must complete the tables titled 2017-2018 Classroom Teacher and Administrator Attrition to report changes in teacher and administrator staffing during the 2017-2018 school year. Please provide the full time equivalent (FTE) of staff on June 30, 2017; the FTE for any departed staff from July 1, 2017 through June 30, 2018; the FTE for added staff from July 1, 2017 through June 30, 2018; and the FTE of staff added in newly created positions from July 1, 2017 through June 30, 2018 using the tables provided.

1. Classroom Teacher Attrition Table

	FTE Classroom Teachers on 6/30/17	FTE Classroom Teachers Departed 7/1/17 - 6/30/18	FTE Classroom Teachers Filling Vacant Positions 7/1/17 - 6/30/18	FTE Classroom Teachers Added in New Positions 7/1/17 - 6/30/18	FTE of Classroom Teachers on 6/30/18
	21	2	2	2	22

2. Administrator Position Attrition Table

	FTE Administrative Positions on 6/30/17	FTE Administrators Departed 7/1/17 - 6/30/18	FTE Administrators Filling Vacant Positions 7/1/17 - 6/30/18	FTE Administrators Added in New Positions 7/1/17 - 6/30/18	FTE Administrative Positions on 6/30/18
	10	1	2	2	11

3. Tell your school's story

Charter schools may provide additional information in this section of the Annual Report about their respective teacher and administrator attrition rates as some teacher or administrator departures do not reflect advancement or movement within the charter school networks. Schools may provide additional detail to reflect a teacher’s advancement up the ladder to a leadership position within the network or an administrator’s movement to lead a new network charter school.

(No response)

4. Charter schools must ensure that all prospective employees receive clearance through [the NYSED Office of School Personnel Review and Accountability](#) (OSPRA) prior to employment. After an employee has been cleared, schools are required to maintain proof of such clearance in the file of each employee. For the safety of all students, charter schools must take immediate steps to terminate the employment of individuals who have been denied clearance. Once the employees have been terminated, the school must terminate the request for clearance in the TEACH system.

Have all employees have been cleared through the NYSED TEACH system?

Yes

5. For perspective or current employees whose clearance has been denied, have you terminated their employment and removed them from the TEACH system?

	Yes
--	-----

Thank you



Entry 12 Uncertified Teachers

Last updated: 08/01/2018

FTE Count of All Teachers 22
(Certified and Uncertified) as of
6/30/18

FTE Count of All Certified 18
Teachers as of 6/30/18

Instructions for Reporting Percent of Uncertified Teachers

The table below is reflective of the information collected through the online portal for compliance with New York State Education Law 2854(3)(a-1) for teaching staff qualifications. Enter the relevant full time equivalent (FTE) count of teachers in each column. For example, a school with 20 full time teachers and 5 half time teachers would have an FTE count of 22.5. If more than one column applies to a particular teacher, please select one column for the FTE count. Please do not include paraprofessionals, such as teacher assistants.

FTE count of uncertified teachers on 6/30/18, and each uncertified teacher should be counted only once.

	FTE Count
1. Total FTE count of uncertified teachers (6-30-18)	4
2. FTE count of uncertified teachers with at least three years of elementary, middle or secondary classroom teaching experience (6-30-18)	3
3. FTE count of uncertified teachers who are tenured or tenure track college faculty (6-30-18)	0
4. FTE count of uncertified teachers with two years of Teach for America experience (6-30-18)	0
5. FTE count of uncertified teachers with exceptional business, professional, artistic, athletic, or military experience (6-30-18)	3
6. FTE count of uncertified teachers who do not fit into any of the prior four categories (6-30-18)	0

Thank you.



**An International Baccalaureate Candidate School
The First Franklin Covey Lighthouse Charter School in New York State**



Mission Statement

Cultural Arts Academy Charter School's mission is to provide a college preparatory education with exemplary cultural arts proficiency to young leaders who will profoundly impact the human.

TABLE OF ORGANIZATIONAL LEADERSHIP 2018-2019

The reflection of our scholars' faces in the mirror of the world is a reminder that the future, collectively, rests in our hands."

BOARD OF TRUSTEES

Responsible for the oversight of CAACS's fidelity to our Charter

FOUNDING PRINCIPAL

Responsible for the daily management and oversight of all school functions both academic and non-academic

STRATEGIC LEADERSHIP TEAM:

Leadership Team Appointed by the Principal

(Reports directly to the Principal)

Director of Accountability and Compliance

Oversight of all NYS, NYCDOE, TITLE I and other accountability areas

Director of Operations

Oversight of non-academic areas of management

Director of Curriculum and Instruction

Oversight of instruction, data management, student assessments and supervision of instructional staff

Director of Student Support

Oversight of Student Support Services

Director of the Arts

Oversight of all visual and performing arts instruction and initiatives

Technology Manager

Responsible for instructional technologies and assessment compliance

Business Manager

Responsible for human resource management

Food Services Manager

Oversight of all meals programs for students and special events

School Safety Manager

Responsible for safety and security

OPERATIONAL LEADERSHIP TEAM

Health Services – School Nurse

Food Services – School Foods

School Safety

Enrollment Planning

Transportation

Custodians

STUDENT SUPPORT TEAM

Guidance Counselor

Social Worker

External SPED Paraprofessionals

External SPED Service Providers

Dean of Students

Parent Engagement

INSTRUCTIONAL TEAM

Instructional Coaches (K-2, Math and ELA, Health and Physical Education)

Responsible for instructional coaching and talent development of emerging teachers

Teachers

Charged with delivery of curriculum and instruction and classroom management

Teaching Assistants**ARTS TEAM**

Teaching Artists

External Arts Programs

CAACS PARENT ASSOCIATION

President

Vice President

Treasurer

Secretary

University Representatives



**The First Franklin Covey Lighthouse Charter School in New York State
An International Baccalaureate Candidate School**

SCHOOL CALENDAR 2018-2019

(184 Instructional Days)

Mission Statement – “Where Leaders Grow Up.”

Cultural Arts Academy Charter School's mission is to provide a college preparatory education (*Curriculum and Instruction*) with exemplary cultural arts proficiency (*The Arts*) to young leaders (*Leader In Me*) who will profoundly impact the human condition (*International Baccalaureate*).

Summer 2018

June 29, 2018	Bridging-Graduation
June 30-July 27, 2018	Lighthouse Leadership/Facilities Vacation <i>First Day Back - 7/30/2018</i>
August 13, 2018	Lighthouse Operations Team Returns
August 13, 2018	Student Support Team Returns
August 17, 2018	Kindergarten and New Student Mixer
August 20-August 31, 2018	Professional Learning for New and Returning Staff (2 Weeks)

NEW ! First Day of School – September 4, 2018 (No busing)

Start Time - 7:30am – 4pm

(Scholars will be recorded late beginning at 7:45am)

September 5, 2018	First day of busing
QUARTER 1	September 4 – November 10
September 7, 2018 - PD (Staff Professional Development) Fridays begin – 2pm-4pm	Scholars are dismissed at K—5 - 1:30pm every Friday <i>Late fees will be assessed and strictly enforced.</i>
September 10-11, 2018	SCHOOL CLOSED – Rosh Hashanah
September 17, 2018	Curriculum Evening – 4:30pm-6pm (K-2

	Parents ONLY)
September 18, 2018	Curriculum Evening – 4:30pm-6pm (Grades 3-5 Parents ONLY)
September 19, 2018	SCHOOL CLOSED – Yom Kippur
September 24, 2018 - SPECIALIZED AFTERSCHOOL NOTE: Due to funding , Afterschool (4:15 – 5:15pm) is now limited to special programming only.	AIS* and/or – Homework Help* (M/W) Team Practices** (T-TH) Scouting*** (F) Arts Productions**** (Varying) * Pre-determined by Student Support ** Must be an official member of the team *** Must be officially registered in scouting **** Based on auditions
October 8, 2018	SCHOOL CLOSED - Columbus Day
November 6, 2018	SCHOOL CLOSED – <i>(for Scholars only)</i> - Election Day Staff Professional Learning Day (Mandatory)
November 12, 2018	SCHOOL CLOSED – Veterans Day
QUARTER 2	November 13 – January 18
November 16, 2018 – NO SCHOOL – Alternate Schedule* –Scholars must come with their parents at the scheduled time and bring their Leadership Notebooks to discuss their progress.	*Student-Led Parent-Teacher Conferences 8AM-12NOON – K-2ND GRADE 1PM-5PM—3-5TH GRADE
November 21, 2018 – HALF DAY	Early Dismissal – 12 NOON
November 22-23, 2018	SCHOOL CLOSED – Thanksgiving Recess
December 21, 2018 – HALF DAY	Early Dismissal – 12 NOON
December 24, 2018-January 1, 2019	SCHOOL CLOSED – Winter Recess -School is open January 2, 2018
January 7-January 11, 2019	Midterm Examinations
January 21, 2019	SCHOOL CLOSED – Dr. Martin Luther King, Jr. Day
January 24, 2019 - NO SCHOOL* - Alternate Schedule –Scholars must come with their parents at the scheduled time and bring their Leadership Notebooks to discuss their progress.	Student-Led Parent-Teacher Conferences 8AM-12NOON – K-2ND GRADE 1PM-5PM—3-5TH GRADE
January 26, 2019	SATURDAY ACADEMY (Test Prep) BEGINS
QUARTER 3	January 21 – April 5
February 5, 2019	SCHOOL CLOSED – Lunar New Year

February 15, 2019	Early Dismissal – 12 NOON
February 18-February 22, 2019	SCHOOL CLOSED – Midwinter Recess
QUARTER 4	April 8 - June 21
April 11, 2019 - NO SCHOOL* Alternate Schedule – Scholars must come with their parents at the scheduled time and bring their Leadership Notebooks to discuss their progress.	*Student-Led Conferences 8AM-12NOON – K-2ND GRADE 1PM-5PM—3-5TH GRADE
April 2 – April 4, 2019	NY State Assessment - ELA
April 18, 2019	Early Dismissal – 12 NOON
April 19-April 26, 2019	SCHOOL CLOSED – Spring Recess
May 1 – May 3, 2019	NY State Assessment - Mathematics
May, 27, 2019	SCHOOL CLOSED – Memorial Day
June 4, 2019	SCHOOL CLOSED – Eid al-Fitr
June 11, 2019	SCHOOL CLOSED – <i>(for Scholars only)</i> JUNE CLERICAL DAY- to allow staff time to complete various tasks related to closing out the school year and preparing for next year – <i>(Mandatory)</i>
June 17-June 21, 2019	Final Examinations
June 28, 2019	BRIDGING/GRADUATION - LAST DAY OF SCHOOL
July 1 – July 26, 2019	IB-PYP Lighthouse Leadership and Facilities Vacation*
July 29, 2019	IB PYP Lighthouse Leadership and Facilities Report*
IMPORTANT NOTES:	
1. EARLY DISMISSAL FOR STUDENTS EVERY IS EVERY FRIDAY by 1:30PM BEGINNING SEPTEMBER 7, 2018. NO AIS/HOMEWORK HELP/TEAM PRACTICE ON FRIDAYS. 2. BOY SCOUTS AND GIRL SCOUTS (FRIDAYS – DATES TBD) 3. FRIDAY PROFESSIONAL LEARNING FOR STAFF BEGINS SEPTEMBER 7, 2018 <ul style="list-style-type: none"> – 2PM – 3PM – SCHOOLWIDE - W/PRINCIPAL – 3PM – 4PM – IB-PYP PEDAGOGICAL AND LIGHTHOUSE TEAMS 	
NY STATE ASSESSMENTS:	
<ul style="list-style-type: none"> – ELA – April 2 – April 4, 2019 – MATHEMATICS – May 1 – May 3, 2019 – NYSESLAT – May 8 – May 17, 2019 (Speaking) – NYSESLAT – May 6 – May 17, 2019 (Writing) – SCIENCE – MAY 22 – MAY 31, 2019 (Grade 4) 	



"Where Children And Success Are Synonymous."

MBAF CPAs, LLC
440 Park Avenue South, 3rd Floor
New York, NY 10016

This representation letter is provided in connection with your audit of the financial statements of Cultural Arts Academy Charter School (the "School"), which comprise the statements of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief as of the date of this letter as signed below, the following representations made to you during your audit.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 4, 2018, including our responsibility for the preparation and fair presentation of the financial statements.
- The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- We acknowledge our responsibility 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- With regard to non audit services performed by you, we acknowledge our responsibility to:
 - Assume all management responsibilities;
 - Oversee the services by designating an individual who possesses suitable skill, knowledge, or experience;
 - Evaluate the adequacy and results of the services performed; and
 - Accept responsibility for the results of the services.
- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

- The School has no plans or intentions that may materially affect the carrying value or classifications of assets, liabilities, or net asset balances.
- The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
- Guarantees, whether written or oral, under which the School is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.
- We have included in the financial statements all assets and liabilities under the School's control.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the School and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud or suspected fraud affecting the School's financial statements communicated by employees, former employees, grantors, regulators, or others.
- We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- Contributed services are only recorded as contributions in kind, at their fair value, provided they meet the criteria for recognition. There were no donated services received for the year ended June 30, 2018.
- We have disclosed to you all known actual or possible litigation, claims, and assessment whose effects should be considered when preparing the financial statements.
- During the year ended June 30, 2018, the NYCDOE owed the School Title I, Title II, and Special Charter School Aide - Senate grant funds totaling \$302,369.
- We have approved the allocation of functional expense between program service performances, management and general and fundraising expenses. This allocation has been properly disclosed in the financial statements.
- We are aware and are in compliance with the Federal Funding Accountability and Transparency Act reporting requirements and reporting timeline for awards that fall within the tiered reporting requirements.
- We acknowledge that the School had 18 uncertified teachers for the fiscal year, which does not meet the New York City Charter School compliance requirement.
- We have disclosed to you the identity of the School's related parties and all the related party relationships and transactions of which we are aware.
- The School has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- Cultural Arts Academy Charter School is an exempt organization under Section 501 (c) (3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the School's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.

Information Provided (Continued)

- We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- We acknowledge our responsibility for presenting the financial statements in accordance with U.S. GAAP, and we believe the financial statements, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the financial statements have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- We have approved all standard, adjusting or correcting journal entries to our financial statements proposed to you.
- We have approved a draft of the financial statements.
- We acknowledge the communication to the board of trustees which includes your recommendations.
- We are aware that Marc Taub is the engagement partner and is responsible for supervising the engagement and signing the report.

Very truly yours,
Cultural Arts Academy Charter School


Henry J. Clowden, III
Treasurer

10/30/18
Date


Dr. Laurie B. Midgette
Founding Principal

10/30/18
Date



JPMorgan Chase Bank, N.A.
P O Box 182051
Columbus, OH 43218-2051

June 01, 2018 through June 29, 2018
Account Number: **000003039681832**

00150342 1 AV 00.378



00150342 DRE 802 143 18118 NNNNNNNNNN T 1 000000000 61 000084 P2347

LARRY H WEISS AS ESCROW AGENT FOR
CULTURAL ARTS ACADEMY CHARTER SCHOOL
LARRY H WEISS ESCROW AGENT
1900 HEMPSTEAD TPKE STE 200
EAST MEADOW NY 11554-1702

CUSTOMER SERVICE INFORMATION

Web site: www.Chase.com
Service Center: **1-877-425-8100**
Deaf and Hard of Hearing: **1-800-242-7383**
Para Espanol: **1-888-622-4273**
International Calls: **1-713-262-1679**



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SAVINGS SUMMARY

Chase Business Select High Yield Savings

	INSTANCES	AMOUNT
Beginning Balance		\$75,188.68
Deposits and Additions	1	2.38
Ending Balance	1	\$75,191.06
Annual Percentage Yield Earned This Period		0.04%
Interest Paid This Period		\$2.38
Interest Paid Year-to-Date		\$14.91

There has been no activity on your account during this statement period. You may not receive a statement through the mail in the future if there is no activity on your account. You can always view your account activity and statement by logging on to your account through chase.com. If you have questions, please call us at the number on this statement.

You could earn an even higher interest rate on your Chase Business Select High Yield Savings account if you link it to a qualifying checking account. Visit any of our branches for details or call us at the telephone number on your statement.

Your monthly service fee was waived because you maintained an average savings balance of \$10,000 or more during the statement period.

TRANSACTION DETAIL

DATE	DESCRIPTION	AMOUNT	BALANCE
	Beginning Balance		\$75,188.68
06/29	Interest Payment	2.38	75,191.06
	Ending Balance		\$75,191.06

30 deposited items are provided with your account each month. There is a \$0.20 fee for each additional deposited item.

CULTURAL ARTS ACADEMY CHARTER SCHOOL
AUDIT RESPONSE - 2018

Cultural Arts Academy Charter School at Spring Creek is partnered with the NYC Department of Education NYC Men Teach initiative. CAACS has hired four teachers that are part of this special program that was approved for alternative certification. This initiative allows these teachers to be hired while they are working towards their teacher certification. They are permitted to enter the classroom to teach but do not have (1) a major in Education as an undergrad, (2) any (or little) teaching experience, and (3) no prior certification. The NYCDOE, as well as CAACS, provides rigorous instruction for them.

When the 2017-2018-audit season began, annual staff notifications and updates regarding teacher-licensing protocols were already in process as evidenced by our documentation. Additionally, effective March 14, 2017, the Board of Regents voted to extend the time validity of an expired Initial, Transitional or Provisional Pupil Personnel Services certificate for three years from the certificate's expiration date.

CAACS has made changes that we feel will prevent certain reoccurrences in the future; and, these changes are being implemented in the interim. In order to protect our school from risk and tighten our controls, our action plan moving forward includes the addition of a Talent Development Specialist as part of our Business, Accountability and Compliance team. The responsibilities will include helping all pedagogical staff remain current in the licensure and renewal process.

Certificate of Occupancy

CO Number: 321172468F

This certifies that the premises described herein conforms substantially to the approved plans and specifications and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified. No change of use or occupancy shall be made unless a new Certificate of Occupancy is issued. *This document or a copy shall be available for inspection at the building at all reasonable times.*

A.	Borough: Brooklyn Address: 1400 LINDEN BOULEVARD Building Identification Number (BIN): 3083069	Block Number: 03642 Lot Number(s): 22 Building Type: Altered	Certificate Type: Final Effective Date: 09/14/2016
This building is subject to this Building Code: 1968 Code			
<i>For zoning lot metes & bounds, please see BISWeb.</i>			
B.	Construction classification: 1-D (1968 Code designation) Building Occupancy Group classification: E (2014/2008 Code) Multiple Dwelling Law Classification: None		
No. of stories: 1 Height in feet: 15 No. of dwelling units: 0			
C.	Fire Protection Equipment: None associated with this filing.		
D.	Type and number of open spaces: Parking spaces (15), Parking (23300 square feet)		
E.	This Certificate is issued with the following legal limitations: None		
Borough Comments: None			



Borough Commissioner



Commissioner

Certificate of Occupancy

CO Number: 321172468F

Permissible Use and Occupancy						
All Building Code occupancy group designations below are 2008 designations.						
Floor From To	Maximum persons permitted	Live load lbs per sq. ft.	Building Code occupancy group	Dwelling or Rooming Units	Zoning use group	Description of use
CEL	248	OG	A-3 E		4, 3	CLASS ROOMS, ACCESSORY OFFICES, ORDINARY USE, AND STORAGE
OS P			A-3		4, 3	ACCESSORY PARKING FOR USE OF CHURCH, 15 PARKING SPACES
001 001 258	100		A-3		3, 3	CHURCH/HALL
001 001 742	100		A-3		3	ACCESSORY CLASSROOMS
END OF SECTION						



Borough Commissioner



Commissioner

END OF DOCUMENT

321172468/000 9/14/2016 3:52:41 PM

BRISCOE PROTECTIVE SYSTEMS LLC
"WE ARE THE ALARM PROFESSIONALS"
NEW YORK, NEW YORK 10011
631-864-8666 * 718-692-1000 * 212-643-8833
FAX (631) 864-8444
WWW.BRISCOEPROTECTIVE.COM
NYS LICENSE #12000327349

CHRISTIAN LIFE CENTER
1400 Linden Blvd
Brooklyn, NY 11201

C E R T I F I C A T E O F F I T N E S S

NAME: CHRISTIAN LIFE CENTER

CUSTOMER #:2504

LOCATION: 1400 Linden Blvd

THIS IS TO CERTIFY THAT ON 12/18/17, THE ELECTRONIC INTERCONNECTED
FIRE ALARM AND SMOKE DETECTION SYSTEM AT THE ABOVE LOCATION HAS BEEN
INSPECTED. ALL DEVICES HAVE BEEN TESTED AND FOUND TO BE IN NORMAL
OPERATING CONDITION.

Inspection Report contains
Exceptions if initialed below

INSPECTION REPORT VERIFIED BY:

Thomas W. Manning

Inspection Report contains
Recommendations if initialed
Below

AUTHORIZED SIGNATURE
(Not valid unless signed)

New York State License #12000327349
N.Y.C. Fire Dept. Smoke Detector
Maint Acceptance ltr dated 1/27/18
Nassau County Fire Marshal #1045369

==== Please Retain this copy for your Site Audit ====

**This certificate does not confirm compliance of the system with the
requirements of any code or governing agency.**

