



Charter Schools Institute
The State University of New York

Summary of Fiscal Performance

ADDITION OF HIGH SCHOOL PROGRAM FOR ATMOSPHERE ACADEMY PUBLIC CHARTER SCHOOLS

REPORT DATE: April 26, 2021

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BACKGROUND INFORMATION

Atmosphere Academy Public Charter Schools

The State University of New York Board of Trustees (the “SUNY Trustees”) approved the charter for Atmosphere Academy Public Charter Schools (“Atmosphere”) on June 4, 2014. The school opened in the fall of 2015 in the Bronx initially chartered to serve 120 students in 6th grade. The school is currently chartered to serve 600 students in grades 6-8. In December 2019, the SUNY Trustees voted to renew Atmosphere’s charter for a full term of five years through July 31, 2025 with a final total enrollment of 600 students.

Atmosphere has faced facilities challenges and, as a start-up, did not have the funds available to purchase or rent one facility to accommodate its growing enrollment. As a result, Atmosphere is located at three privately leased spaces across the Kingsbridge neighborhood in the Bronx in New York City Community School District 10. The school’s 6th, 7th, and 8th grades are located at 22 Marble Hill Avenue, 5959 Broadway, and 3700 Independence Avenue, respectively.

FISCAL PERFORMANCE

At the time of the school’s initial renewal, the SUNY Charter Schools Institute (the “Institute”) found the school had faced a number of financial challenges during the initial charter term that resulted in operating losses. However, the Institute determined that the increased enrollment provided by the renewal, evidence of increased demand for the school, and the non-recurrent nature of some of the losses would result in improvement in the school’s finances over time.

One such challenge was the New York City Department of Education (“NYCDOE”) declassifying special education students that reduced revenue by approximately \$300,000 in the third year of the charter term. In addition, NYCDOE notified the school that it would claw back \$300,000 in payments made to the school for rental assistance due to overpayment of assistance and payments for security deposits. Both items were non-recurring, one-time financial hits to the school finances. Financial reporting requirements also created instances of non-cash expenses, such as deferred rent and depreciation, which caused the school to experience operating losses during the charter term. Nonetheless, the Institute determined the school was fiscally sound and continues to be fiscally sound with strong enrollment and demand.

The Institute monitors the financial condition of the school along with the enrollment on an on-going basis. The school’s actual enrollment is consistently in the 120% range of chartered enrollment as the demand for the school remains high. During the COVID pandemic, the actual enrollment has remained significantly strong at 99% of chartered enrollment. The Institute closely monitors the school’s financial condition as operating three facilities is costly.

The upward trajectory of the school’s financial condition should improve further with the increased grades and enrollment of the high school program. Atmosphere has engaged with new developers and property owners as well as its current landlords about future expansion possibilities. The discussions have resulted in three viable prospects for additional school space to house the high school. The combination of experience in successfully navigating facility expansions and ongoing fiscal monitoring and oversight on the part of the board further provides the Institute confidence in the school’s ability to provide more great seats for kids in a high school program.

ATMOSPHERE ACADEMY PUBLIC CHARTER SCHOOL

SCHOOL INFORMATION

BALANCE SHEET

Opened 2015-16

Assets

Current Assets

	2015-16	2016-17	2017-18	2018-19	2019-20
Cash and Cash Equivalents - GRAPH 1	57,773	44,444	85,081	218,065	9,934
Grants and Contracts Receivable	395,861	153,154	170,018	102,606	150,650
Accounts Receivable	-	-	-	4,673	14,784
Prepaid Expenses	20,271	22,325	50,309	25,592	61,795
Contributions and Other Receivables	13,245	2,168	860	50,000	-
Total Current Assets - GRAPH 1	487,150	222,091	306,268	400,936	237,163
Property, Building and Equipment, net	325,365	375,031	621,493	852,605	899,391
Other Assets	90,060	190,705	214,501	264,949	316,006
Total Assets - GRAPH 1	902,575	787,827	1,142,262	1,518,490	1,452,560

Liabilities and Net Assets

Current Liabilities

Accounts Payable and Accrued Expenses	248,015	241,205	485,988	549,924	323,603
Accrued Payroll and Benefits	-	163,838	-	-	-
Deferred Revenue	21,126	12,945	-	-	-
Current Maturities of Long-Term Debt	165,000	-	-	30,000	167,500
Short Term Debt - Bonds, Notes Payable	211,750	145,000	585,000	-	-
Other	-	-	-	300,027	130,818
Total Current Liabilities - GRAPH 1	645,891	562,988	1,070,988	879,951	621,921
Deferred Rent/Lease Liability	-	-	-	172,157	360,000
All other L-T debt and notes payable, net current maturities	51,077	-	-	510,000	254,048
Total Liabilities - GRAPH 1	696,968	562,988	1,070,988	1,562,108	1,235,969

Net Assets

Without Donor Restrictions	205,607	224,839	71,274	(43,618)	216,591
With Donor Restrictions	-	-	-	-	-
Total Net Assets	205,607	224,839	71,274	(43,618)	216,591
Total Liabilities and Net Assets	902,575	787,827	1,142,262	1,518,490	1,452,560

ACTIVITIES

Operating Revenue

Resident Student Enrollment	1,880,875	3,519,487	5,853,291	6,274,548	6,607,545
Students with Disabilities	504,604	897,780	813,926	996,952	911,447
Grants and Contracts					
State and local	339,536	122,378	169,517	209,621	112,261
Federal - Title and IDEA	117,732	172,352	389,224	394,266	378,423
Federal - Other	791,846	-	-	25,776	-
Other	351,551	36,828	-	-	-
NYC DoE Rental Assistance	-	703,744	1,217,747	1,564,581	1,859,200
Food Service/Child Nutrition Program	-	-	-	-	-
Total Operating Revenue	3,986,144	5,452,569	8,443,705	9,465,744	9,868,876

Expenses

Regular Education	1,607,379	2,665,260	5,156,622	6,072,263	5,987,745
SPED	922,306	1,590,311	2,187,219	2,189,106	2,118,370
Other	-	-	-	-	-
Total Program Services	2,529,685	4,255,571	7,343,841	8,261,369	8,106,115
Management and General	1,303,865	1,286,621	1,332,305	1,476,915	1,544,950
Fundraising	-	-	-	-	-
Total Expenses - GRAPHS 2, 3 & 4	3,833,550	5,542,192	8,676,146	9,738,284	9,651,065
Surplus / (Deficit) From School Operations	152,594	(89,623)	(232,441)	(272,540)	217,811

Support and Other Revenue

Contributions	53,013	86,193	38,441	101,766	773
Fundraising	-	3,335	28,386	37,031	20,855
Miscellaneous Income	-	19,327	12,049	18,851	20,770
Net assets released from restriction	-	-	-	-	-
Total Support and Other Revenue	53,013	108,855	78,876	157,648	42,398

Total Unrestricted Revenue	4,039,157	5,561,424	8,522,581	9,623,392	9,911,274
Total Temporarily Restricted Revenue	-	-	-	-	-
Total Revenue - GRAPHS 2 & 3	4,039,157	5,561,424	8,522,581	9,623,392	9,911,274

Change in Net Assets	205,607	19,232	(153,565)	(114,892)	260,209
Net Assets - Beginning of Year - GRAPH 2	-	205,607	224,839	71,274	(43,618)
Prior Year Adjustment(s)	-	-	-	-	-
Net Assets - End of Year - GRAPH 2	205,607	224,839	71,274	(43,618)	216,591

ATMOSPHERE ACADEMY PUBLIC CHARTER SCHOOL

SCHOOL INFORMATION - (Continued)

Functional Expense Breakdown

	2015-16	2016-17	2017-18	2018-19	2019-20
Personnel Service					
Administrative Staff Personnel	697,057	1,162,271	1,457,928	1,607,873	1,740,463
Instructional Personnel	874,864	1,570,673	2,679,045	3,125,039	3,127,640
Non-Instructional Personnel	-	-	-	-	-
Personnel Services (Combined)	-	-	-	-	-
Total Salaries and Staff	1,571,921	2,732,944	4,136,973	4,732,912	4,868,103
Fringe Benefits & Payroll Taxes	403,562	568,509	1,167,692	988,668	1,020,515
Retirement	48,564	81,974	118,198	156,735	195,138
Management Company Fees	-	-	-	-	-
Building and Land Rent / Lease	402,629	636,724	1,099,310	1,725,330	1,801,027
Staff Development	88,018	19,717	4,181	8,819	30,565
Professional Fees, Consultant & Purchased Services	407,712	491,827	295,825	309,687	334,954
Marketing / Recruitment	42,735	12,323	2,720	30,556	90,437
Student Supplies, Materials & Services	349,144	416,528	969,577	773,096	425,354
Depreciation	81,304	133,903	196,022	221,132	255,559
Other	437,960	447,743	685,648	791,349	629,413
Total Expenses	3,833,550	5,542,192	8,676,146	9,738,284	9,651,065

SCHOOL ANALYSIS

ENROLLMENT

	2015-16	2016-17	2017-18	2018-19	2019-20
Original Chartered Enrollment	120	234	342	342	342
Final Chartered Enrollment (includes any revisions)	120	234	342	342	342
Actual Enrollment - GRAPH 4	136	251	403	406	409
Chartered Grades	6	6-7	6-8	6-8	6-8
Final Chartered Grades (includes any revisions)	-	-	-	-	-

Primary School District: NYC CHANCELLOR'S OFFICE

Per Pupil Funding (Weighted Avg of All Districts)	2015-16	2016-17	2017-18	2018-19	2019-20
Increase over prior year	13,877	13,877	14,527	15,307	16,150
	100.0%	0.0%	4.5%	5.1%	5.2%

PER STUDENT BREAKDOWN

Revenue

	2015-16	2016-17	2017-18	2018-19	2019-20
Operating	29,410	21,731	20,956	23,315	24,129
Other Revenue and Support	391	434	196	388	104
TOTAL - GRAPH 3	29,801	22,165	21,152	23,703	24,233

Expenses

	2015-16	2016-17	2017-18	2018-19	2019-20
Program Services	18,664	16,961	18,226	20,348	19,819
Management and General, Fundraising	9,620	5,128	3,307	3,638	3,777
TOTAL - GRAPH 3	28,284	22,089	21,533	23,986	23,597
% of Program Services	66.0%	76.8%	84.6%	84.8%	84.0%
% of Management and Other	34.0%	23.2%	15.4%	15.2%	16.0%
% of Revenue Exceeding Expenses - GRAPH 5	5.4%	0.3%	-1.8%	-1.2%	2.7%

Student to Faculty Ratio

	2015-16	2016-17	2017-18	2018-19	2019-20
Student to Faculty Ratio	3.7	6.4	8.6	8.3	11.1

Faculty to Admin Ratio

	2015-16	2016-17	2017-18	2018-19	2019-20
Faculty to Admin Ratio	2.3	3.0	3.4	3.5	2.3

Financial Responsibility Composite Scores - GRAPH 6

Score	2015-16	2016-17	2017-18	2018-19	2019-20
Score	1.4	0.9	0.3	(0.0)	0.9
Fiscally Strong 1.5 - 3.0 / Fiscally Adequate 1.0 - 1.4 / Fiscally Needs Monitoring < 1.0	Fiscally Adequate	Fiscally Needs Monitoring	Fiscally Needs Monitoring	Fiscally Needs Monitoring	Fiscally Needs Monitoring

Working Capital - GRAPH 7

	2015-16	2016-17	2017-18	2018-19	2019-20
Net Working Capital	(158,741)	(340,897)	(764,720)	(479,015)	(384,758)
As % of Unrestricted Revenue	-3.9%	-6.1%	-9.0%	-5.0%	-3.9%
Working Capital (Current) Ratio Score	0.8	0.4	0.3	0.5	0.4
Risk (Low ≥ 3.0 / Medium 1.4 - 2.9 / High < 1.4)	HIGH	HIGH	HIGH	HIGH	HIGH
Rating (Excellent ≥ 3.0 / Good 1.4 - 2.9 / Poor < 1.4)	Poor	Poor	Poor	Poor	Poor

Quick (Acid Test) Ratio

	2015-16	2016-17	2017-18	2018-19	2019-20
Score	0.7	0.4	0.2	0.4	0.3
Risk (Low ≥ 2.5 / Medium 1.0 - 2.4 / High < 1.0)	HIGH	HIGH	HIGH	HIGH	HIGH
Rating (Excellent ≥ 2.5 / Good 1.0 - 2.4 / Poor < 1.0)	Poor	Poor	Poor	Poor	Poor

Debt to Asset Ratio - GRAPH 7

	2015-16	2016-17	2017-18	2018-19	2019-20
Score	0.8	0.7	0.9	1.0	0.9
Risk (Low < 0.50 / Medium 0.51 - .95 / High > 1.0)	MEDIUM	MEDIUM	MEDIUM	HIGH	MEDIUM
Rating (Excellent < 0.50 / Good 0.51 - .95 / Poor > 1.0)	Good	Good	Good	Poor	Good

Months of Cash - GRAPH 8

	2015-16	2016-17	2017-18	2018-19	2019-20
Score	0.2	0.1	0.1	0.3	0.0
Risk (Low > 3 mo. / Medium 1 - 3 mo. / High < 1 mo.)	HIGH	HIGH	HIGH	HIGH	HIGH
Rating (Excellent > 3 mo. / Good 1 - 3 mo. / Poor < 1 mo.)	Poor	Poor	Poor	Poor	Poor