# American Dream Charter School

## ADCS Board of Trustees Monthly Meeting

SY25-26

Published on July 21, 2025 at 4:58 PM EDT
Amended on October 20, 2025 at 4:10 PM EDT

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**Date and Time**

Monday July 21, 2025 at 5:30 PM EDT

**Location**

Zoom

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**Agenda**

| | | Purpose | Presenter | Time |
|---|---|---|---|---|
| **I.** | **Opening Items** | | | **5:30 PM** |
| | **A.** Record Attendance | | | 1 m |
| | **B.** Call the Meeting to Order | | | |
| | **C.** Approve Minutes | Approve Minutes | | 1 m |
| | **D.** BENCHMARK 5: Financial Management | Vote | Nicholas Gallagher | 5 m |

**SY 25-26 Audit/Financial Statement Review and Approval**

- The board will vote

| | | Purpose | Presenter | Time |
|---|---|---|---|---|
| **E.** | Executive Session - HR Matters | Vote | Nicholas Gallagher | 5 m |
| **II.** | **Educational Success** | | | **5:42 PM** |
| **A.** | Benchmark 1: Student Performance | | | |
| **B.** | Benchmark 2: Teaching and Learning<br>Summer Boost Update - Program Highlights | Discuss | Melissa Melkonian | 5 m |
| **C.** | BENCHMARK 3: Culture, Climate, and Student and Family Engagement<br>Announcement - New clear backpack HS rule going into affect | | Melissa Melkonian | 5 m |
| **III.** | **Organizational Soundness** | | | **5:52 PM** |
| **A.** | BENCHMARK 4: Financial Condition<br>• **Account balances** | | Nicholas Gallagher | 5 m |
| **B.** | BENCHMARK 6: Board Oversight and Governance:<br>**Board Assessment SY24-25**<br>• The assessment is ready on Board on Track<br>◦ Sent to personal email addresses. Let's take 5-10 minutes to complete the assessment. | | Nicholas Gallagher | 5 m |
| **C.** | BENCHMARK 7: Organizational Capacity<br>Update - HS Leadership Change<br>Update - Staffing and Vacancies | FYI | Nicholas Gallagher | 5 m |
| **IV.** | **Faithfulness to Charter & Law** | | | **6:07 PM** |
| **A.** | BENCHMARK 8: Mission and Key Design Elements | | | 5 m |

| | | Purpose | Presenter | Time |
|---|---|---|---|---|
| **B.** | BENCHMARK 9: Enrollment, Recruitment, and Retention<br><br>**6th Grade Enrollment update for SY2526**<br><br>• 48 Fully complete applications<br>• 16 Offers sent that have not been accepted yet | | Nicholas Gallagher | 5 m |
| **C.** | BENCHMARK 10: Legal Compliance | | | 5 m |

## V. Other Business

## VI. Closing Items

| | | | |
|---|---|---|---|
| **A.** | Adjourn Meeting | Vote | |

# Coversheet

## BENCHMARK 5: Financial Management

| | |
|---|---|
| **Section:** | I. Opening Items |
| **Item:** | D. BENCHMARK 5: Financial Management |
| **Purpose:** | Vote |
| **Submitted by:** | |
| **Related Material:** | ADCS DRAFT FIN STMTS 6-30-26.pdf<br>ADCS Financial Report at 09-30-2026.pdf |

# AMERICAN DREAM CHARTER SCHOOL

## FINANCIAL STATEMENTS

## JUNE 30, 2026 AND 2025

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# AMERICAN DREAM CHARTER SCHOOL
# TABLE OF CONTENTS

Independent Auditor's Report . . . . . 1

Financial Statements

Statements of Financial Position . . . . . 4

Statements of Activities . . . . . 6

Statements of Functional Expenses . . . . . 7

Statements of Cash Flows. . . . . 9

Notes to Financial Statements . . . . . 10

Supplementary Information

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* . . . . . 24

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# INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
American Dream Charter School

## Report on the Audit of the Financial Statements

### *Opinion*

We have audited the accompanying financial statements of American Dream Charter School (a nonprofit organization), which comprise the statements of financial position as of June 30, 2026 and 2025, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of American Dream Charter School as of June 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of American Dream Charter School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Financial Statements*

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

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about American Dream Charter School's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of American Dream Charter School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about American Dream Charter School's ability to continue as a going concern for a reasonable period of time.

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 18, 2026, on our consideration of American Dream Charter School'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 solely 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 effectiveness of American Dream Charter School's 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 American Dream Charter School's internal control over financial reporting and compliance.

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New York, New York
September 18, 2026

# AMERICAN DREAM CHARTER SCHOOL
# STATEMENTS OF FINANCIAL POSITION
# JUNE 30, 2026 AND 2025

## A S S E T S

| | 2026 | 2025 |
|---|---|---|
| **Current Assets** | | |
| Cash and cash equivalents | $ 229,454 | $ 800,671 |
| Investments | 6,460,232 | 6,061,611 |
| Grants and contracts receivable | 132,683 | 292,294 |
| Prepaid expenses and other current assets | 63,977 | 227,965 |
| Total Current Assets | 6,886,346 | 7,382,541 |
| Property and equipment, at cost, net of accumulated depreciation | 262,429 | 294,185 |
| Right-of-use assets - operating leases, net | 28,062,630 | 28,964,122 |
| **Other Assets** | | |
| Cash - reserve | 99,968 | 100,183 |
| Security deposit | 359,331 | 359,331 |
| Other reserve | 62,754 | 46,364 |
| Due from ADCS II | 692,062 | 519,804 |
| Total Other Assets | 1,214,115 | 1,025,682 |
| **Total Assets** | $36,425,520 | $37,666,530 |

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

**AMERICAN DREAM CHARTER SCHOOL**
**STATEMENTS OF FINANCIAL POSITION**
**JUNE 30, 2026 AND 2025**

LIABILITIES AND NET ASSETS

| | 2026 | 2025 |
|---|---|---|
| **Current Liabilities** | | |
| Accounts payable and accrued expenses | $ 228,016 | $ 209,153 |
| Salaries, payroll taxes and benefits payable | 978,778 | 887,102 |
| Current portion of lease obligations - operating leases | 569,218 | 514,057 |
| Total Current Liabilities | 1,776,012 | 1,610,312 |
| **Long-Term Liabilities** | | |
| Long-term lease obligations - operating leases | 30,305,952 | 30,875,170 |
| Total Liabilities | 32,081,964 | 32,485,482 |
| **Net Assets without Donor Restrictions** | 4,343,556 | 5,181,048 |
| **Total Liabilities and Net Assets** | $36,425,520 | $37,666,530 |

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

# AMERICAN DREAM CHARTER SCHOOL
# STATEMENTS OF ACTIVITIES
# FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

| | 2026 | 2025 |
|---|---|---|
| **Changes in Net Assets without Donor Restrictions** | | |
| Revenues and Other Support | | |
| State and Local per Pupil revenue: | | |
| General Education | $11,071,820 | $11,322,782 |
| Special Education | 1,674,248 | 1,696,368 |
| State grants - facility funding | 1,510,091 | 1,473,257 |
| Government grants | 834,868 | 889,009 |
| Contributions | 258,189 | 260,930 |
| Investment income | 175,032 | 312,928 |
| Other income | 57,593 | 54,613 |
| Total Revenues and Other Support | 15,581,841 | 16,009,887 |
| Expenses | | |
| Program Services | | |
| Regular Education | 10,584,910 | 10,626,216 |
| Special Education | 2,422,008 | 2,346,963 |
| Total Program Services | 13,006,918 | 12,973,179 |
| Supporting Services | | |
| Management and general | 3,412,415 | 3,476,829 |
| Total Supporting Services | 3,412,415 | 3,476,829 |
| Total Expenses | 16,419,333 | 16,450,008 |
| Changes in net assets | (837,492) | (440,121) |
| Net Assets - Beginning of year | 5,181,048 | 5,621,169 |
| Net Assets - End of Year | $ 4,343,556 | $ 5,181,048 |

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

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# AMERICAN DREAM CHARTER SCHOOL
# STATEMENT OF FUNCTIONAL EXPENSES
# FOR THE YEAR ENDED JUNE 30, 2026

| | No. Of Positions | Program Services: Regular Education | Program Services: Special Education | Program Services: Total | Supporting Services: Management & General | Total Expenses |
|---|---|---|---|---|---|---|
| Personnel Services Costs | | | | | | |
| Administrative staff personnel | 30 | $ 501,137 | $ 114,669 | $ 615,806 | $ 1,979,191 | $ 2,594,997 |
| Instructional personnel | 64 | 5,576,852 | 1,276,077 | 6,852,929 | - | 6,852,929 |
| Total Personnel Services Costs | | 6,077,989 | 1,390,746 | 7,468,735 | 1,979,191 | 9,447,926 |
| Employee benefits and Payroll taxes | | 1,219,066 | 278,943 | 1,498,009 | 396,967 | 1,894,976 |
| Legal fees | | - | - | - | 42,768 | 42,768 |
| Accounting and audit fees | | - | - | - | 258,688 | 258,688 |
| Occupancy | | 93,558 | 21,408 | 114,966 | 30,466 | 145,432 |
| Lease expense, operating leases | | 1,220,707 | 279,318 | 1,500,025 | 397,502 | 1,897,527 |
| Marketing and recruitment | | 109,229 | 24,994 | 134,223 | - | 134,223 |
| Other purchased professional and consulting services | | 232,892 | 53,290 | 286,182 | 49,239 | 335,421 |
| Repairs and maintenance | | 111,520 | 25,517 | 137,037 | 36,316 | 173,353 |
| Insurance | | 83,531 | 19,114 | 102,645 | 27,201 | 129,846 |
| Supplies | | 49,413 | 11,304 | 60,717 | - | 60,717 |
| Board and staff development | | 49,862 | 11,410 | 61,272 | 8,971 | 70,243 |
| Student and staff recruitment fees | | 138,540 | 31,700 | 170,240 | 16,541 | 186,781 |
| Student services | | 679,168 | 155,407 | 834,575 | - | 834,575 |
| Office expenses | | 391,932 | 89,681 | 481,613 | 127,625 | 609,238 |
| Miscellaneous | | 1,779 | 408 | 2,187 | - | 2,187 |
| Total expenses before depreciation | | 10,459,186 | 2,393,240 | 12,852,426 | 3,371,475 | 16,223,901 |
| Depreciation | | 125,724 | 28,768 | 154,492 | 40,940 | 195,432 |
| TOTAL EXPENSES | | $10,584,910 | $ 2,422,008 | $13,006,918 | $ 3,412,415 | $16,419,333 |

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

# AMERICAN DREAM CHARTER SCHOOL
# STATEMENT OF FUNCTIONAL EXPENSES
# FOR THE YEAR ENDED JUNE 30, 2025

| | No. Of Positions | Program Services: Regular Education | Program Services: Special Education | Program Services: Total | Supporting Services: Management & General | Total Expenses |
|---|---|---|---|---|---|---|
| Personnel Services Costs | | | | | | |
| Administrative staff personnel | 30 | $ 680,282 | $ 150,251 | $ 830,533 | $ 2,076,843 | $ 2,907,376 |
| Instructional personnel | 63 | 5,660,111 | 1,250,123 | 6,910,234 | - | 6,910,234 |
| Total Personnel Services Costs | | 6,340,393 | 1,400,374 | 7,740,767 | 2,076,843 | 9,817,610 |
| Employee benefits and Payroll taxes | | 1,175,542 | 259,637 | 1,435,179 | 385,058 | 1,820,237 |
| Legal fees | | - | - | - | 58,942 | 58,942 |
| Accounting and audit fees | | - | - | - | 247,881 | 247,881 |
| Occupancy | | 91,116 | 20,124 | 111,240 | 29,845 | 141,085 |
| Lease expense, operating leases | | 1,225,458 | 270,661 | 1,496,119 | 401,408 | 1,897,527 |
| Marketing and recruitment | | 118,029 | 26,068 | 144,097 | - | 144,097 |
| Other purchased professional and consulting services | | 279,678 | 61,771 | 341,449 | 62,255 | 403,704 |
| Repairs and maintenance | | 69,960 | 15,451 | 85,411 | 22,915 | 108,326 |
| Insurance | | 77,155 | 17,041 | 94,196 | 25,272 | 119,468 |
| Supplies | | 41,729 | 9,217 | 50,946 | - | 50,946 |
| Board and staff development | | 57,085 | 12,608 | 69,693 | 6,865 | 76,558 |
| Student and staff recruitment fees | | 65,955 | 14,567 | 80,522 | 17,094 | 97,616 |
| Student services | | 646,925 | 142,883 | 789,808 | - | 789,808 |
| Office expenses | | 320,568 | 70,803 | 391,371 | 105,005 | 496,376 |
| Miscellaneous | | 2,304 | 509 | 2,813 | - | 2,813 |
| Total expenses before depreciation | | 10,511,897 | 2,321,714 | 12,833,611 | 3,439,383 | 16,272,994 |
| Depreciation | | 114,319 | 25,249 | 139,568 | 37,446 | 177,014 |
| TOTAL EXPENSES | | $10,626,216 | $ 2,346,963 | $12,973,179 | $ 3,476,829 | $16,450,008 |

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

# AMERICAN DREAM CHARTER SCHOOL
# STATEMENTS OF CASH FLOWS
# FOR THE YEARS ENDED JUNE 30, 2026 AND 2025

| | 2026 | 2025 |
|---|---|---|
| **Cash Flows from Operating Activities** | | |
| Changes in net assets | $ (837,492) | $ (440,121) |
| Adjustments to reconcile changes in net assets to net cash provided by operating activities: | | |
| Depreciation | 195,432 | 177,014 |
| Noncash portion of lease expenses - operating lease | 901,492 | 885,810 |
| Unrealized loss on investments | 24,774 | 4,743 |
| (Increase) decrease in: | | |
| Grants and contracts receivable | 159,611 | 644,359 |
| Prepaid expenses and other current assets | 163,988 | (192,743) |
| Security deposit | - | (8,847) |
| Increase (decrease) in: | | |
| Accounts payable and accrued expenses | 18,863 | (35,587) |
| Salaries, payroll taxes and benefits payable | 91,676 | (92,816) |
| Lease obligations - operating leases | (514,057) | (461,546) |
| Net Cash provided by Operating Activities | 204,287 | 480,266 |
| **Cash Flows from Investing Activities** | | |
| Purchase of property and equipment | (163,676) | (141,787) |
| Purchase of investments | (6,667,409) | - |
| Redemption of investments | 2,351,000 | 3,851,804 |
| Net Cash (used in) provided by Investing Activities | (4,480,085) | 3,710,017 |
| **Cash Flow from Financing Activities** | | |
| Due from ADCS II | (172,258) | (52,732) |
| Net Cash used in Financing Activities | (172,258) | (52,732) |
| Net (decrease) increase in Cash, Cash Equivalents and Restricted Cash | (4,448,056) | 4,137,551 |
| Cash, Cash Equivalents and Restricted Cash - Beginning of year | 5,000,133 | 862,582 |
| Cash, Cash Equivalents and Restricted Cash - End of Year | $ 552,077 | $ 5,000,133 |

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

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**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

## Note 1 - Organization

American Dream Charter School ("ADCS") is an education corporation operating as a charter school in Bronx, New York. The Charter School opened in 2013 with a charter granted by the Board of Regents of the State of New York. American Dream Charter School's mission is to develop academic excellence in both Spanish and English, preparing students in grades 6 through 12 to excel in college.

ADCS strongly believes that to facilitate success, it is important to cultivate a welcoming, encouraging environment for English language learners and immigrant students where learning and language development is supported. ADCS serve the 6th, 7th and 8th grades ("Middle School") and 9th, 10th, 11th and 12th grades ("High School").

ADCS is supported primarily by state and local per-pupil operating revenues and government grants and contracts.

## Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of ADCS are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation

ADCS's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which require ADCS to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objective of ADCS. These net assets may be used at the discretion of ADCS's management and Board of Trustees.

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**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

Financial Statement Presentation (Continued)

Net Assets With Donor Restrictions - Net assets that are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ADCS or passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. ADCS has no net assets with donor restriction at June 30, 2026 and 2025.

The 2025 financial statements have been restated to conform with the 2026 presentation.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Contributions and Unconditional Promises to Give

Contributions are recognized when the donor makes a promise to give to ADCS, that is, in substance, unconditional. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Property and Equipment

Property and equipment acquisitions are stated at cost, less accumulated depreciation. Depreciation is charged to expense on the straight-line basis over the

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**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

Property and Equipment (Continued)

estimated useful life of each asset. The estimated useful lives for each major depreciable classification of property and equipment are as follows:

| | Estimated Useful Life | Method |
|---|---|---|
| Computers and equipments | 3-5 years | Straight-line |
| Furniture and fixtures | 5 years | Straight-line |

Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Certain costs have been allocated among the program, and management and general categories based on estimates of time and effort and other methods.

Cash and cash equivalents

For purposes of the statement of cash flows, ADCS considers Treasury bills with a maturity of three months or less to be cash equivalents.

Cash - Reserve

ADCS maintains cash in a reserve account in accordance with the terms of its charter agreement. The amount in reserve was $99,968 and $100,183 at June 30, 2026 and 2025 respectively. The cash reserve is restricted to fund legal and other costs related to the dissolution of ADCS, should this become necessary.

Investments

Statement of Financial Accounting Standards (SFAS) No. 124, *Accounting for Certain Investments held by Not-for-Profit Organizations*, requires that investments be reported at fair value.

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**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

Fair Value Measurements

FASB ASC 820, *Fair Value Measurement and Disclosure*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurements. Valuation techniques were used to maximize the use of observable inputs and minimize the use of unobservable inputs.

Under the standard, fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date.

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Corporation has the ability to access.
Level 2 inputs to the valuation methodology include: quoted prices for similar assets and liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and, inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

State and Local Per-Pupil Operating Revenues

ADCS recognizes revenue as educational programming is provided to students throughout the year. ADCS earns public school district revenue based on the approved per pupil tuition rate of the public school district in which the pupil resides. The amount received each year from the resident district is the product of the

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**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

State and Local Per-Pupil Operating Revenues (Continued)

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

Grants and Contracts Revenue

Some of the ADCS's revenue is derived from federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the ADCS has incurred expenditures in compliance with a specific contract or grant provisions. Certain grants are subject to audit and retroactive adjustments by their funders. Any changes resulting from these audits are recognized in the year they become known. Qualifying expenditures that have been incurred but are yet to be reimbursed are reported as grants receivable in the accompanying statement of financial position.

Grants and other receivable

Grants and other receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts based on its assessment of the current status of individual receivables from grants, agencies, and others. Balances that are still outstanding after management has used reasonable collection efforts are written off against the allowance for doubtful accounts. There was no allowance for doubtful accounts at June 30, 2026 and 2025.

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**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

Allowance for Doubtful Accounts

ADCS writes off receivables when there is information that indicates there is no possibility of collectibility. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery, in accordance with ADCS's accounting policy election. There were no write-offs for the years ending June 30, 2026 and 2025.

Marketing and Recruiting Costs

ADCS expenses marketing costs as they are incurred. Total marketing and recruiting costs were $134,223 and $144,097 for the years ended June 30, 2026 and 2025, respectively.

Tax Status

ADCS is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation.

ADCS files Form 990 tax returns in the U.S. federal jurisdiction. The tax returns for the years ended June 30, 2023 through June 30, 2025, are still subject to potential audit by the IRS. Management of ADCS believes it has no material uncertain tax positions and, accordingly, it has not recognized any liability for unrecognized tax benefits.

Fair Values of Financial Instruments

ADCS's financial instruments consist primarily of cash, accounts receivable and accounts payable. The carrying values of cash, accounts receivable, and accounts payable are considered to be representative of their respective fair values.

Adoption of New Standards

Effective July 1, 2022, ADCS adopted Accounting Standards Update (ASU) 2016-02, Leases (ASC Topic 842) and subsequent amendments. ASC affects all companies that enter into lease arrangements, with certain exclusions under limited scope

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**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

Adoption of New Standards (Continued)

limitations. Under ASU 2016-02, an entity recognizes right-of-use ("ROU") assets and lease obligations on the statement of financial position for all leases with a lease term of more than 12 months. Short-term rentals under year to year leases or remaining lease terms of 12 months or less are exempt from being capitalized.

In adopting the new lease standard, ADCS elected to use a transition method under which existing leases were measured and capitalized as of the date of adoption, July 1, 2022, in lieu of applying the standard retrospectively to July 1, 2021.

Additionally, as part of the implementation, ADCS elected to use a package of optional practical expedients which permit ADCS to avoid reassessing previous lease identifications within contracts, the existence of initial direct costs, and the lease classifications of any expired and existing leases. Moreover, in accordance with the expedients, all leases classified as operating leases under previous U.S. Generally Accepted Accounting Principles (U.S. GAAP) are automatically classified as operating leases under the new standards, and all leases previously classified as capital leases are recorded as finance leases.

ADCS has not classified any leases as finance leases. All leases are classified as operating leases since ADCS does not expect to consume a major part of the economic benefits of the leased assets over the remaining lease term. Leases recognized under the new standard include leases that were not capitalized under previous U.S. GAAP.

Lease obligations are measured and recorded at the present value of future lease payments using a discount rate. ADCS has made an accounting policy election to use a risk-free rate as the discount rate in measuring its lease obligations. Under this election, the risk-free rate used is the rate for a United States Treasury instrument with a term consistent with the remaining lease term of an applicable lease.

Right-of-use assets are generally measured and recorded at the sum of the lease obligation, any initial direct costs to consummate the lease, and any lease payments made on or before the commencement date.

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**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

Adoption of New Standards (Continued)

On July 1, 2022, ADCS recorded a right-of-use asset of $31,580,999 and lease obligation of $32,626,382 for operating leases.

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

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

**Note 3 - Property and Equipment**

During the year ended June 30, 2025, a portion of fully depreciated assets were written off. The write-off consisted of $281,111 for computer equipment and $81,582 for furniture and fixtures.

A summary of property and equipment at June 30, 2026 and 2025 are as follows:

| | 2026 | 2025 |
|---|---|---|
| Computer equipment | $ 1,471,665 | $ 1,355,645 |
| Furniture and fixtures | 473,957 | 426,301 |
| | 1,945,622 | 1,781,946 |
| Less: Accumulated depreciation | (1,683,193) | (1,487,761) |
| | $ 262,429 | $ 294,185 |

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**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

## Note 4 - Information Regarding Liquidity and Availability

ADCS regularly monitors liquidity to meet its operating needs and other commitments and obligations, while seeking to maximize the investment of its available funds. Management prepares regular cash flow projections to determine liquidity needs, and has a policy to maintain liquid financial assets on an ongoing basis sufficient to cover 90 days of general expenditures. Financial assets in excess of daily cash requirements are invested in treasury notes.

ADCS's financial assets as of June 30, 2026 available within one year to meet cash needs for general expenditures are summarized as follows:

| | |
|---|---|
| Cash and cash equivalents | $ 229,454 |
| Short-term securities | 6,460,232 |
| Grants and contracts receivable | 132,683 |
| Financial Assets Available to Meet General Expenditures within One Year | $ 6,822,369 |

## Note 5 - Right of use Assets and Lease Obligations

Effective July 1, 2022, ADCS adopted Accounting Standards Update (ASU) 2016-02, Leases (ASC Topic 842) and subsequent amendments (see Note 2 “Adoption of New Lease Standard”) which require ADCS to recognize right-of-use assets and lease obligations for all leases with a lease term of more than 12 months.

As of June 30, 2026, right-of-use assets and lease liabilities were as follows:

| | |
|---|---|
| Right-of-use assets: | |
| Cost | $ 31,580,999 |
| Less: Accumulated Amortization | (3,518,369) |
| | $ 28,062,630 |
| Lease liabilities: | |
| Current portion | $ 569,218 |
| Long-term portion | 30,305,952 |
| | $ 30,875,170 |

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**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

**Note 5 - Right of use Assets and Lease Obligations (Continued)**

In June 2020, ADCS entered into a new sublease agreement for new classroom space at 403 Concord Avenue in the Bronx, NY to house the High School with a term commencing on August 1, 2020 and ending on April 30, 2048.

A summary of the future minimum payments under this lease, reconciled to the lease obligations at June 30, 2026 follows:

| | |
|---|---|
| 2026-2027 | $ 1,547,843 |
| 2027-2028 | 1,586,539 |
| 2028-2029 | 1,626,202 |
| 2029-2030 | 1,666,857 |
| 2030-2031 | 1,708,529 |
| Thereafter | 36,105,906 |
| | 44,241,876 |
| Less present value discount | (13,366,706) |
| Lease obligations at June 30, 2026 | 30,875,170 |
| Less current portion | 569,218 |
| Long-term lease obligations | $ 30,305,952 |

In addition to the minimum base rent, the sublease agreement for 403 Concord Avenue requires ADCS to pay applicable fees and taxes to municipal and state authorities. Beginning July 1, 2022, ADCS is required to make an annual contribution in amount of $15,000, which will increase 3% annually until expiration of the agreement. This contribution is placed in a capital building reserve account ("Reserve") by the sub-landlord and to be used for non-recurring capital repairs at the leased space. At end of term, any unused portion of the Reserve including any interest earned will be returned. For the years ended June 30, 2026 and 2025, the required contribution was $16,390 and $15,914 respectively and ADCS made the required contribution. The balance of the Reserve at June 30, 2026 and 2025 was $62,754 and $46,364 respectively and is included in other reserve on the accompanying financial statements.

DRAFT

**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

## Note 6 - Investments

The investments at June 30, 2026 and 2025 are as follows:

| | 2026 | 2025 |
|---|---|---|
| Cash - Money Market | $ 159,901 | $ 4,052,915 |
| Fixed Income Securities | 6,300,331 | 2,008,696 |
| TOTAL | $ 6,460,232 | $ 6,061,611 |

The investments are maintained in an account with a brokerage firm. The account contains cash and securities. Balances are insured up to $500,000 (with a limit of $250,000 for cash) by the Securities Investor Protection Corporation. This insurance does not cover any loss on market value of all cash, cash equivalents and securities held but losses due to the actions of the brokerage firm. ADCS has not experienced any losses in such account and believes it is not exposed to any significant credit risk on cash, cash equivalents and securities.

## Note 7 - Fair Value Measurement

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2026 and 2025 are as follows:

| | 2026 | 2025 |
|---|---|---|
| Level 1 Inputs | | |
| Government Securities | $ 6,300,331 | $ 2,008,696 |
| Cash alternative - money market | 159,901 | 4,052,915 |
| TOTAL | $ 6,460,232 | $ 6,061,611 |

As of June 30, 2026 and 2025, the contractual maturities of all debt securities classified as government securities are as follows:

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**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

**Note 7 - Fair Value Measurement (Continued)**

| | 2026 | 2025 |
|---|---|---|
| Maturing within one year | $ 2,334,678 | $ 2,008,696 |
| Maturing in 2-5 years | 3,965,653 | - |
| | $ 6,300,331 | $ 2,008,696 |

**Note 8 - Cash, Cash Equivalents and Restricted Cash**

The balances in cash, cash equivalents and restricted cash as reflected in the statement of cash flows consist of the following:

| | 2026 | 2025 |
|---|---|---|
| Cash and cash equivalents | $ 229,454 | $ 800,671 |
| Investments | 159,901 | 4,052,915 |
| Other Reserve | 62,754 | 46,364 |
| Cash Reserve | 99,968 | 100,183 |
| | $ 552,077 | $ 5,000,133 |

**Note 9 - Concentration of Credit Risk**

Cash balances are maintained at financial institutions and are insured by the FDIC up to $250,000 at each institution. At June 30, 2026 and 2025, cash balances exceeded federally insured limits by $0 and $1,545,334, respectively. ADCS has not experienced any losses in such accounts. ADCS believes it is not exposed to any significant credit risk on cash.

**Note 10 - Concentrations**

A significant portion of ADCS's operating revenue is paid by New York State Education Department based on per-pupil rate. For the years ended June 30, 2026 and 2025, 91% and 90% respectively of total revenue and other support came from NYSED. The per-pupil rate is set annually by the State based on the school district in which ADCS's students are located.

DRAFT

**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

**Note 10 - Concentrations (Continued)**

Additionally, all grants and contracts receivable due at year end were due from the New York State Education Department.

**Note 11 - Employee Retirement Plan**

ADCS has a tax deferred 403(b) retirement plan. All employees may participate by designating a percentage of their salaries, subject to regulatory limits, to be contributed to the plan on a pre-tax basis. ADCS can make contributions up to 3% for qualified participating staff members. The total contributions to the employee retirement plan for the years ended June 30, 2026 and 2025 were $153,095 and $137,458, respectively.

**Note 12 - Commitments and Contingency**

As part of a building utilization plan with the New York City Department of Education (the "Department"), the Middle School is located in PS 30. The Department provides utilities and other maintenance and security services for the building during regular school hours.

Grants and Contracts

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

General Litigation

ADCS is subject to claims and lawsuits that arose primarily in the ordinary course of its activities. It is the opinion of management the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets and cash flows of ADCS. Events could occur that would change this estimate materially in the near term.

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**AMERICAN DREAM CHARTER SCHOOL**
**NOTES TO FINANCIAL STATEMENTS**
**JUNE 30, 2026 AND 2025**

## Note 13 - Due from ADCS II

During 2026 and 2025, ADCS advanced funds to American Dream Charter School II (ADCS II), an affiliate for operational launch and critical startup costs. The loans are expected to be repaid when ADCS II begins operations. The total amount advanced to ADCS II as of June 30, 2026 and 2025 were $692,062 and $519,804, respectively. As of date of this report, ADCS II repaid approximately $153,000.

## Note 14 - Subsequent Events

Management has evaluated subsequent events or transactions occurring through September 18, 2026, the date the financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to financial statements.

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**SUPPLEMENTARY INFORMATION**

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## 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 of
American Dream Charter School

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of American Dream Charter School (a nonprofit organization), which comprise the statement of financial position as of June 30, 2026, 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 September 18, 2026.

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### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered American Dream Charter School's internal control over financial reporting (internal control) as a basis for designing 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 American Dream Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of American Dream Charter School's internal control.

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

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

**Report on Compliance and Other Matters**

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

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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New York, New York
September 18, 2026

The American Dream School
Live the Dream

# Financial Report
## For the Period Ending September 30, 2026
## Fiscal Year 2026-27
## with Fiscal Year Ended June 30, 2026 Comparison

**Table of Contents**

Financial Report for the Period Ending September 30, 2026 (Narrative).

Statements of Financial Position (Balance Sheets) at September 30, 2026 (Unaudited) and June 30, 2026 (Unaudited).

Summary Statements of Revenue, Support and Expenses at September 30, 2026 (Unaudited) and June 30, 2026 (Unaudited).

Detailed Statements of Revenue, Support and Expenses at September 30, 2026 (Unaudited) and June 30, 2026 (Unaudited)

Cash Flow Projection for the Period October 1, 2026 to December 31, 2026

# The American Dream School

## Notes to Financial Report

For the Period Ending September 30, 2026

| Unencumbered Cash | | |
|---|---|---|
| **Total Cash and Equivalents** | **$ 7,610,936** | **[a]** |
| **Encumbrances to Cash** | | |
| *Restrictions:* | | |
| Escrow | 100,970 | |
| Unearned Revenue (Advances Received but not Earned) | 1,243,641 | |
| | **1,344,611** | **[b]** |
| *Current Obligations:* | | |
| Accounts Payable and Accrued Expenses | 524,727 | **[c]** |
| **Total Cash Encumbrances** | **1,869,339** | **[d] {[b] + [c]}** |
| **Unencumbered Cash Balance** | **$ 5,741,598** | **[a] - [d]** |

| Days of Cash on Hand | |
|---|---|
| Total Fiscal Year 2026-27 Projected Cash Expenditures (excludes Depreciation and Deferred Rent; include Escrow addition and Capital Expenditures) | $ 15,548,932 |
| Average Daily ***Cash*** Expenses (*Total Projected Expenses ÷ 365*) | $ 42,600 |
| Total Cash Available for Operating Use (*Total Cash - Escrow - Board Reserve*) | $ 7,509,966 |
| Number of Days of Unrestricted Cash Available (*Total Cash Available ÷ Average Daily Expenses*) | **176** |

**Enrollment as Reported on Invoice # 2 to the DOE**

*General Education (GenEd):*

- Enrollment at September 30, 2026 totaled ***537.000*** which is ***100%*** of the School's Fiscal Year 2026-27 estimate of 535.
- Middle School enrollment was ***201.000*** or ***101%*** of the Fiscal Year 2026-27 budget estimate of 200 students.
- High School enrollment was ***336.000*** or ***100%*** of the Fiscal Year 2026-27 budget estimate of 335 students.

*Special Education:*

- Special Ed enrollment totaled ***104.670*** of which ***14.290*** students were in the 20%-60% and ***81.480*** in the >60% Categories.
- Total Middle School enrollment was ***48.160*** of which ***9.320*** students were in the 20%-60% and ***33.210*** in the >60% Categories.
- Total High School enrollment was ***56.510*** of which ***4.970*** students were in the 20%-60% and ***48.270*** in the >60% Categories.

# The American Dream School

## Notes to Financial Report

### For the Period Ending September 30, 2026

**Revenue and Support**

Year-to-date, revenue from all sources total $ 3,670,732 or 24% of the forecasted total of $ 15,582,449

***Tuition:***

- Tuition revenue (GenEd + SpEd) totals $ 3,190,385 or 25% of the full year's forecast of $ 12,737,316
- General Education revenue totals $ 2,767,809 or 25% of the full year's forecast of $ 11,053,635
- Special Education revenue totals $ 422,576 or 25% of the full year's forecast of $ 1,683,681

***Lease Assistance:***

- DOE Lease assistance currently totals $ 154,784 or 10% of the full year's forecast of $ 1,547,843

***Title and Other Government Grants:***

- Government revenue earned totals $ 80,236 comprised of the following:
- $ - in IDEA Special Needs funding has been received to date.
- $ 73,462 in Title I, II and IV funding have been earned but not received to date.
- $ - in ESSER Grant funding has been earned but not received to date.

***Local and Other Revenue:***

- Contributions & Donations currently total $ 199,122
- Interest and other income at totals $ 35,201
- eRate reimbursements currently totals $ 11,004

**Expenses**

***Salaries and Wages:***

- Salaries and wages total $ 1,749,995 or 19% of the full year's budget of $ 9,077,537
  The year-to-date numbers and forecast include rrecent adjustments

***Payroll Taxes and Fringe Benefits:***

- Payroll taxes and fringe benefits total $ 423,976 or 23% of the full year's budget of $ 1,815,507

***Contracted Services:***

- Contracted services total $ 133,404 or 20% of the full year's budget of $ 676,796
  Included in this category are accounting, audit, legal, temporary staff, academic consultants and other professionals.

***School Operations:***

- School operating costs currently total $ 578,209 or 28% of the full year's budget of $ 2,063,205

***Facility Operations:***

- Facility related costs total $ 535,279 or 28% of the full year's budget of $ 1,915,887

**Net Operating Position**

- The School's net operating position at September 30, 2026 before GAAP adjustments was a surplus of: $ 249,870
- The School's net operating position at September 30, 2026, inclusive of GAAP adjustments totaling $ (51,971)
  is a ***surplus*** of $ 197,899

# The American Dream School

## Statements of Financial Position

At Period Ending September 30, 2026 and Fiscal Year Ended June 30, 2026

| | [Unaudited] 9/30/2026 | [Unaudited] 6/30/2026 |
|---|---|---|
| **ASSETS** | | |
| **Current Assets:** | | |
| Cash and cash equivalents (Unrestricted) | $ 7,509,966 | $ 6,663,317 |
| Cash and cash equivalents (Restricted) | 100,970 | 99,968 |
| Cash and cash equivalents (Board Designated CDs) | - | - |
| Receivables | 746,913 | 903,793 |
| | **8,357,849** | **7,667,078** |
| **Other Assets:** | | |
| Prepaid Expenses and other receivables | 169,404 | 182,112 |
| Fixed Assets (Net) | 224,440 | 288,424 |
| Right-of-use assets - operating leases | 27,834,611 | 28,062,630 |
| Security Deposit | 466,598 | 422,086 |
| | **28,695,054** | **28,955,252** |
| **TOTAL ASSETS** | **$ 37,052,903** | **$ 36,622,330** |
| **LIABILITIES AND NET ASSETS** | | |
| **Liabilities** | | |
| **Current Liabilities:** | | |
| Accounts Payable and Other Liabilities | $ 94,292 | $ 222,035 |
| Accrued Salaries and Related Expenses | 397,495 | 1,090,947 |
| Accrued Expenses | 32,940 | 74,965 |
| Current portion of lease obligations - operating leases | 582,461 | 569,218 |
| Deferred Revenue | 1,243,641 | 19,847 |
| | **2,350,830** | **1,977,011** |
| **Long-Term Liabilities:** | | |
| Long-term lease obligations - operating leases | 30,152,111 | 30,305,952 |
| Deferred Rent | (0) | (0) |
| | **30,152,111** | **30,305,952** |
| **Total Liabilities** | **32,502,940** | **32,282,963** |
| Beginning of the year | 4,338,083 | 5,181,053 |
| Change in net assets during current fiscal year | 211,880 | (841,686) |
| **Total net assets** | **4,549,963** | **4,339,367** |
| **Total liabilities and net assets** | **$ 37,052,903** | **$ 36,622,330** |

# The American Dream School

## Summary Statements of Revenue, Support and Expenses at Period Ending September 30, 2026
## with Fiscal Year Ended June 30, 2026 Budget v Actuals

| | Fiscal Year 2025-26 | | | Fiscal Year 2026-27 | | |
|---|---|---|---|---|---|---|
| | Approved Budget | Unaudited Actuals | Actual as a % of Budget | Approved Budget | Actual at 9/30/2026 | Actual as a % of Budget |
| **Total Revenue** | **$ 16,100,178** | **$ 15,608,580** | **96.9%** | **$ 15,582,449** | **3,670,732** | **24%** |
| **Total Expenses** | **16,239,228** | **16,057,071** | **98.9%** | **15,548,932** | **3,420,862** | **22%** |
| ***Net Operating Position before GAAP Adjustments*** | ***(139,050)*** | ***(448,492)*** | ***322.5%*** | ***33,518*** | ***249,870*** | ***745%*** |
| GAAP Adjustments | (100,000) | (393,194) | 393.2% | (449,684) | (51,971) | 12% |
| ***Net Operating Position after GAAP Adjustments*** | ***$ (239,050)*** | ***$ (841,686)*** | ***352.1%*** | ***$ (416,166)*** | ***197,899*** | ***-48%*** |
| Student Enrollment | 585.00 | 555.80 | 95.0% | 585.00 | 555.80 | 95% |
| **Revenue and Support** | | | | | | |
| Tuition Revenue | $ 13,288,389 | $ 12,740,592 | **95.9%** | $ 12,737,316 | 3,190,385 | 25% |
| State and City Government Grants | 1,510,091 | 1,510,091 | **100.0%** | 1,547,843 | 154,784 | 10% |
| Federal Government Grants | 748,598 | 779,247 | **104.1%** | 781,940 | 80,236 | 10% |
| Donations and Contributions | 240,600 | 255,080 | **106.0%** | 250,600 | 199,122 | 79% |
| Other Sources of Revenue and Support | 312,500 | 323,569 | **103.5%** | 264,750 | 46,205 | 17% |
| **Total Revenue and Support** | **16,100,178** | **15,608,580** | **96.9%** | **15,582,449** | **3,670,732** | **24%** |
| **Expenses** | | | | | | |
| Staff Salaries and Wages | 9,913,648 | 9,446,855 | **95.3%** | 9,077,537 | 1,749,995 | 19% |
| Payroll Taxes | 892,228 | 1,017,522 | **114.0%** | 907,754 | 178,098 | 20% |
| Fringe Benefits | 1,048,705 | 954,109 | **91.0%** | 907,754 | 245,878 | 27% |
| Professionals Services | 653,850 | 656,876 | **100.5%** | 676,796 | 133,404 | 20% |
| Academic Operations | 1,156,041 | 1,172,881 | **101.5%** | 1,131,265 | 277,042 | 24% |
| Recruitment and Professional Development | 105,475 | 88,572 | **84.0%** | 88,120 | 20,078 | 23% |
| Information Technology | 390,274 | 489,061 | **125.3%** | 471,120 | 75,052 | 16% |
| Administrative Expenses | 182,212 | 220,027 | **120.8%** | 226,201 | 73,635 | 33% |
| General Insurance | 144,147 | 138,836 | **96.3%** | 146,499 | 132,401 | 90% |
| Facility Operations | 1,752,649 | 1,872,331 | **106.8%** | 1,915,887 | 535,279 | 28% |
| Other Expenses | - | - | | - | - | |
| **Total Operating Expenses** | **16,239,228** | **16,057,071** | **98.9%** | **15,548,932** | **3,420,862** | **22%** |
| **Excess/(Deficit) of Revenue over Expenses *before* GAAP Adjustments** | **(139,050)** | **(448,492)** | **322.5%** | **33,518** | **249,870** | **745%** |
| ***GAAP Adjustments*** | *(100,000)* | *(393,194)* | ***393.2%*** | *(449,684)* | *(51,971)* | *12%* |
| **Excess/(Deficit) of Revenue over Expenses *after* GAAP Adjustments** | **$ (239,050)** | **$ (841,686)** | **352.1%** | **$ (416,166)** | **197,899** | **-48%** |

# The American Dream School

## Summary Statements of Revenue, Support and Expenses at Period Ending September 30, 2026
## with Fiscal Year Ended June 30, 2026 Budget v Actuals

| | Fiscal Year 2025-26 | | | Fiscal Year 2026-27 | | |
|---|---|---|---|---|---|---|
| | Approved Budget | Unaudited Actuals | Actual as a % of Budget | Approved Budget | Actual at 9/30/2026 | Actual as a % of Budget |
| **Total Revenue** | **$ 16,100,178** | **$ 15,608,580** | **96.9%** | **$ 15,582,449** | **$ 3,670,732** | **24%** |
| **Total Expenses** | **$ 16,239,228** | **$ 16,057,071** | **98.9%** | **$ 15,548,932** | **$ 3,420,862** | **22%** |
| ***Net Operating Position before GAAP Adjustments*** | ***$ (139,050)*** | ***$ (448,492)*** | ***322.5%*** | ***$ 33,518*** | ***$ 249,870*** | ***745%*** |
| GAAP Adjustments | $ (100,000) | $ (393,194) | 393.2% | $ (449,684) | $ (51,971) | 12% |
| ***Net Operating Position after GAAP Adjustments*** | ***$ (239,050)*** | ***$ (841,686)*** | ***352.1%*** | ***$ (416,166)*** | ***$ 197,899*** | ***-48%*** |
| Student Enrollment | 585.00 | 555.80 | 95.0% | 585.00 | 555.80 | 95% |
| **Revenue and Support** | | | | | | |
| **Tuition Revenue:** | | | | | | |
| GenEd Tuition | $ 11,643,255 | $ 11,071,820 | 95.1% | $ 11,053,635 | $ 2,767,809 | 25% |
| SpEd Tuition | 1,645,134 | 1,668,772 | 101.4% | 1,683,681 | 422,576 | 25% |
| | **13,288,389** | **12,740,592** | **95.9%** | **12,737,316** | **3,190,385** | **25%** |
| **State and City Government Grants:** | | | | | | |
| Stimulus | | - | 0.0% | | - | |
| NYC DoE Lease Assistance | 1,510,091 | 1,510,091 | 100.0% | 1,547,843 | 154,784 | 10% |
| | **1,510,091** | **1,510,091** | **100.0%** | **1,547,843** | **154,784** | **10%** |
| **Federal Government Grants** | | | | | | |
| IDEA Special Needs | 127,017 | 113,008 | 89.0% | 113,008 | - | 0% |
| Title I | 381,581 | 380,901 | 99.8% | 378,489 | 60,582 | 16% |
| Title II | - | 48,562 | 0.0% | 47,789 | 8,046 | 17% |
| Title III | | 11,755 | | 13,657 | 1,902 | 14% |
| Title IV | - | 29,001 | 0.0% | 28,997 | 4,834 | 17% |
| Other Federal Sources (PPP, CARES Act, ESSER II and ESSER III) | - | - | 0.0% | - | - | 0% |
| Child Nutrition Reimbursement Program | 240,000 | 196,020 | | 200,000 | 4,872 | 2% |
| | **748,598** | **779,247** | **104.1%** | **781,940** | **80,236** | **10%** |
| **Donations and Contributions:** | | | | | | |
| Individuals | 35,000 | 56,250 | 160.7% | 50,000 | 11,022 | 22% |
| Corporations | 20,000 | 13,230 | 66.2% | 15,000 | 2,500 | 17% |
| Foundations and Charitable Trusts | 185,600 | 185,600 | 100.0% | 185,600 | 185,600 | 100% |
| | **240,600** | **255,080** | **106.0%** | **250,600** | **199,122** | **79%** |
| **Other Sources of Revenue and Support:** | | | | | | |
| Erate Reimbursement | 80,000 | 55,620 | 69.5% | 60,000 | 11,004 | 18% |
| Interest and Dividends and Other Income | 232,500 | 267,949 | 115.2% | 204,750 | 35,201 | 17% |
| | **312,500** | **323,569** | **103.5%** | **264,750** | **46,205** | **17%** |
| **Total Support and Revenue** | **16,100,178** | **15,608,580** | **96.9%** | **15,582,449** | **3,670,732** | **24%** |
| **Expenses** | | | | | | |
| **Staff Salaries and Wages:** | | | | | | |
| **Administrative Staff:** | | | | | | |
| Executive Management | 481,083 | 489,265 | 101.7% | 500,326 | 125,082 | 25% |
| Instructional Management | 483,777 | 480,158 | 99.3% | 503,128 | 125,782 | 25% |
| Deans, Directors & Coordinators | 219,580 | 259,080 | 118.0% | 261,010 | 65,807 | 25% |

# The American Dream School

## Summary Statements of Revenue, Support and Expenses at Period Ending September 30, 2026
## with Fiscal Year Ended June 30, 2026 Budget v Actuals

| | Fiscal Year 2025-26 | | | Fiscal Year 2026-27 | | |
|---|---|---|---|---|---|---|
| | Approved Budget | Unaudited Actuals | Actual as a % of Budget | Approved Budget | Actual at 9/30/2026 | Actual as a % of Budget |
| **Total Revenue** | **$ 16,100,178** | **$ 15,608,580** | **96.9%** | **$ 15,582,449** | **$ 3,670,732** | **24%** |
| **Total Expenses** | **$ 16,239,228** | **$ 16,057,071** | **98.9%** | **$ 15,548,932** | **$ 3,420,862** | **22%** |
| ***Net Operating Position before GAAP Adjustments*** | ***$ (139,050)*** | ***$ (448,492)*** | ***322.5%*** | ***$ 33,518*** | ***$ 249,870*** | ***745%*** |
| GAAP Adjustments | $ (100,000) | $ (393,194) | 393.2% | $ (449,684) | $ (51,971) | 12% |
| ***Net Operating Position after GAAP Adjustments*** | ***$ (239,050)*** | ***$ (841,686)*** | ***352.1%*** | ***$ (416,166)*** | ***$ 197,899*** | ***-48%*** |
| Student Enrollment | 585.00 | 555.80 | 95.0% | 585.00 | 555.80 | 95% |
| Director of Operations | 176,800 | 152,638 | 86.3% | 183,872 | 45,968 | 25% |
| Operation Manager | - | - | 0.0% | - | - | 0% |
| Administrative Staff | 492,712 | 688,188 | 139.7% | 478,661 | 142,790 | 30% |
| | **1,853,952** | **2,069,329** | **111.6%** | **1,926,997** | **505,429** | **26%** |
| **Instructional Staff:** | | | | | | |
| Teachers - Regular | 4,546,849 | 3,863,538 | 85.0% | 3,987,789 | 635,023 | 16% |
| Teachers - SPED | 664,557 | 705,652 | 106.2% | 539,178 | 56,041 | 10% |
| Substitute Teachers | - | 570 | | - | - | 0% |
| Teaching Assistants | 63,273 | 62,377 | 98.6% | 65,803 | 14,572 | 22% |
| Aides | - | - | 0.0% | - | - | 0% |
| Art Teacher | 125,399 | 125,339 | 100.0% | 131,335 | 21,889 | 17% |
| Music Teacher | - | - | 0.0% | - | - | 0% |
| Gym Teacher | 276,757 | 276,722 | 100.0% | 281,175 | 47,569 | 17% |
| Spanish Teacher | 579,296 | 674,420 | 116.4% | 625,730 | 125,318 | 20% |
| Therapists & Counselors | 750,789 | 624,517 | 83.2% | 487,345 | 75,197 | 15% |
| Interns | - | - | 0.0% | - | - | 0% |
| | **7,006,920** | **6,333,135** | **90.4%** | **6,118,355** | **975,608** | **16%** |
| **Non-Instructional Staff:** | | | | | | |
| Custodian | 160,777 | 167,314 | 104.1% | 166,667 | 45,627 | 27% |
| Security | 116,480 | 145,334 | 124.8% | 122,484 | 31,196 | 25% |
| Other | 252,518 | 209,911 | 83.1% | 178,033 | 35,262 | 20% |
| | **529,775** | **522,559** | **98.6%** | **467,184** | **112,086** | **24%** |
| **Additional Payments and Incentives:** | | | | | | |
| Sports Coaching | | 34,404 | 0.0% | 50,000 | 2,520 | 5% |
| Science Olympiad | | - | 0.0% | | - | 0% |
| Living Environment | | - | 0.0% | | - | 0% |
| Summer School | 128,000 | 144,612 | 113.0% | 150,000 | 130,715 | 87% |
| Afterschool | 100,000 | 69,272 | 69.3% | 65,000 | 10,837 | 17% |
| Coverage | 50,000 | 54,795 | 109.6% | 40,000 | 12,800 | 32% |
| Advisory Committee | | - | 0.0% | | - | 0% |
| Lunch Duty | | - | 0.0% | | - | 0% |
| Returning Bonus | 207,500 | 188,750 | 91.0% | 215,000 | - | 0% |
| Spring Bonus | - | - | 0.0% | 45,000 | - | 0% |
| Longevity Bonus | 37,500 | 30,000 | 80.0% | - | - | 0% |
| | **523,000** | **521,832** | | **565,000** | **156,872** | **28%** |

# The American Dream School

## Summary Statements of Revenue, Support and Expenses at Period Ending September 30, 2026
## with Fiscal Year Ended June 30, 2026 Budget v Actuals

| | Fiscal Year 2025-26 | | | Fiscal Year 2026-27 | | |
|---|---|---|---|---|---|---|
| | Approved Budget | Unaudited Actuals | Actual as a % of Budget | Approved Budget | Actual at 9/30/2026 | Actual as a % of Budget |
| **Total Revenue** | **$ 16,100,178** | **$ 15,608,580** | **96.9%** | **$ 15,582,449** | **$ 3,670,732** | **24%** |
| **Total Expenses** | **$ 16,239,228** | **$ 16,057,071** | **98.9%** | **$ 15,548,932** | **$ 3,420,862** | **22%** |
| ***Net Operating Position before GAAP Adjustments*** | ***$ (139,050)*** | ***$ (448,492)*** | ***322.5%*** | ***$ 33,518*** | ***$ 249,870*** | ***745%*** |
| GAAP Adjustments | $ (100,000) | $ (393,194) | 393.2% | $ (449,684) | $ (51,971) | 12% |
| ***Net Operating Position after GAAP Adjustments*** | ***$ (239,050)*** | ***$ (841,686)*** | ***352.1%*** | ***$ (416,166)*** | ***$ 197,899*** | ***-48%*** |
| Student Enrollment | 585.00 | 555.80 | 95.0% | 585.00 | 555.80 | 95% |
| **Total Salaries and Wages** | **9,913,648** | **9,446,855** | **95.3%** | **9,077,537** | **1,749,995** | **19%** |
| **Payroll Taxes:** | | | | | | |
| Employer FICA, Unemployment, Disability, Workers Comp | 892,228 | 1,017,522 | 114.0% | 907,754 | 178,098 | 20% |
| **Fringe Benefits:** | | | | | | |
| Medical, Dental and Vision | 900,000 | 800,506 | 88.9% | 771,591 | 213,932 | 28% |
| Retirement Plan Match | 148,705 | 153,603 | 103.3% | 136,163 | 31,945 | 23% |
| | **1,048,705** | **954,109** | **91.0%** | **907,754** | **245,878** | **27%** |
| **Total Payroll Taxes and Benefits** | **1,940,933** | **1,971,631** | **101.6%** | **1,815,507** | **423,976** | **23%** |
| **Professionals Services:** | | | | | | |
| Accounting and Audit | 249,850 | 258,688 | 103.5% | 259,344 | 55,292 | 21% |
| Legal | 40,000 | 42,768 | 106.9% | 50,000 | 6,906 | 14% |
| Special Ed Services | - | - | 0.0% | - | - | 0% |
| School Food | - | - | 0.0% | - | - | 0% |
| Other Purchased Services | 260,000 | 255,047 | 98.1% | 259,500 | 45,450 | 18% |
| Payroll Services | 104,000 | 100,374 | 96.5% | 107,952 | 25,757 | 24% |
| | **653,850** | **656,876** | **100.5%** | **676,796** | **133,404** | **20%** |
| **Academic Operations:** | | | | | | |
| Classroom / Teaching Supplies & Materials | 38,150 | 39,331 | 103.1% | 40,651 | 14,109 | 35% |
| Special Ed Supplies & Materials | - | - | 0.0% | - | - | 0% |
| Textbooks / Workbooks | 23,326 | 21,053 | 90.3% | 23,019 | 5,315 | 23% |
| Classroom Equipment and Furniture | - | - | 0.0% | - | - | 0% |
| Student Testing & Assessment | 17,897 | 43,097 | 240.8% | 41,180 | 2,035 | 5% |
| Field Trips | 293,759 | 276,241 | 94.0% | 211,465 | 72,685 | 34% |
| Student Services | 69,033 | 39,688 | 57.5% | 13,511 | 1,715 | 13% |
| Transportation (student) | 2,458 | 882 | 35.9% | 1,098 | - | 0% |
| Clinical Supervision | - | | 0.0% | - | | 0% |
| Staff Services | 31,771 | 35,185 | 110.7% | 37,213 | 7,235 | 19% |
| Nurse Services | - | | 0.0% | - | | 0% |
| Student Uniforms | 43,053 | 94,248 | 218.9% | 110,782 | 4,807 | 4% |
| School Meals | 300,000 | 225,787 | 75.3% | 230,000 | 31,988 | 14% |
| Student Recruitment | 15,584 | 100,178 | 642.8% | 58,471 | 55,996 | 96% |
| Marketing and Advertising | 142,531 | 134,223 | 94.2% | 154,138 | 7,039 | 5% |
| Memberships | 178,479 | 162,969 | 91.3% | 199,324 | 50,269 | 25% |
| Alumni Activities | - | - | 0.0% | 10,413 | 23,850 | 229% |

# The American Dream School

## Summary Statements of Revenue, Support and Expenses at Period Ending September 30, 2026
## with Fiscal Year Ended June 30, 2026 Budget v Actuals

| | Fiscal Year 2025-26 | | | Fiscal Year 2026-27 | | |
|---|---|---|---|---|---|---|
| | Approved Budget | Unaudited Actuals | Actual as a % of Budget | Approved Budget | Actual at 9/30/2026 | Actual as a % of Budget |
| **Total Revenue** | **$ 16,100,178** | **$ 15,608,580** | **96.9%** | **$ 15,582,449** | **$ 3,670,732** | **24%** |
| **Total Expenses** | **$ 16,239,228** | **$ 16,057,071** | **98.9%** | **$ 15,548,932** | **$ 3,420,862** | **22%** |
| ***Net Operating Position before GAAP Adjustments*** | ***$ (139,050)*** | ***$ (448,492)*** | ***322.5%*** | ***$ 33,518*** | ***$ 249,870*** | ***745%*** |
| GAAP Adjustments | $ (100,000) | $ (393,194) | 393.2% | $ (449,684) | $ (51,971) | 12% |
| ***Net Operating Position after GAAP Adjustments*** | ***$ (239,050)*** | ***$ (841,686)*** | ***352.1%*** | ***$ (416,166)*** | ***$ 197,899*** | ***-48%*** |
| Student Enrollment | 585.00 | 555.80 | 95.0% | 585.00 | 555.80 | 95% |
| | **1,156,041** | **1,172,881** | **101.5%** | **1,131,265** | **277,042** | **24%** |
| **Recruitment and Professional Development:** | | | | | | |
| Staff Development | 47,105 | 27,422 | 58.2% | 29,382 | 10,460 | 36% |
| Staff Recruitment | 56,235 | 58,963 | 104.9% | 57,032 | 8,945 | 16% |
| Travel (Staff) | 2,136 | 2,187 | 102.4% | 1,706 | 673 | 39% |
| | **105,475** | **88,572** | **84.0%** | **88,120** | **20,078** | **23%** |
| **Information Technology:** | | | | | | |
| Telephone & Internet | 29,734 | 89,580 | 301.3% | 91,120 | 21,872 | 24% |
| Technology | 360,541 | 399,481 | 110.8% | 380,000 | 53,180 | 14% |
| Computer Equipment, Supplies and Accessories | - | | 0.0% | - | | 0% |
| Software | - | | 0.0% | - | | 0% |
| | **390,274** | **489,061** | **125.3%** | **471,120** | **75,052** | **16%** |
| **Administrative Expenses:** | | | | | | |
| Office Expense | 174,606 | 200,056 | 114.6% | 205,616 | 66,844 | 33% |
| Postage and Shipping | 7,502 | 12,335 | 164.4% | 13,770 | 6,791 | 49% |
| Fundraising | - | | 0.0% | | | 0% |
| Board Expenses | 104 | 7,636 | 7342.3% | 6,815 | - | 0% |
| Office Equipment Rent/Lease | - | | 0.0% | - | | 0% |
| Staff Events | - | | 0.0% | - | | 0% |
| Staff Meals | - | | 0.0% | - | | 0% |
| Office Furniture and Equipment | - | | 0.0% | - | | 0% |
| | **182,212** | **220,027** | **120.8%** | **226,201** | **73,635** | **33%** |
| **General Insurance:** | | | | | | |
| Directors and Officers, Liability, Property and Content | 144,147 | 138,836 | 96.3% | 146,499 | 132,401 | 90% |
| General Liability | - | | 0.0% | - | | 0% |
| Professional Liability | - | | 0.0% | - | | 0% |
| Property and Content | - | | 0.0% | - | | 0% |
| | **144,147** | **138,836** | **96.3%** | **146,499** | **132,401** | **90%** |
| **Facility Operations:** | | | | | | |
| Rent | 1,510,091 | 1,510,095 | 100.0% | 1,547,843 | 474,382 | 31% |
| Utilities | 119,465 | 126,466 | 105.9% | 127,578 | 27,583 | 22% |
| Storage and Moving | 16,780 | 14,762 | 88.0% | 9,056 | 2,240 | 25% |
| Repairs & Maintenance | 53,458 | 140,251 | 262.4% | 100,723 | 20,251 | 20% |
| Building Furniture and Equipment | 35,433 | 47,656 | 134.5% | 50,687 | - | 0% |
| Janitorial Services and Supplies | 17,422 | 33,101 | 190.0% | 80,000 | 10,822 | 14% |

# The American Dream School

## Summary Statements of Revenue, Support and Expenses at Period Ending September 30, 2026
## with Fiscal Year Ended June 30, 2026 Budget v Actuals

| | Fiscal Year 2025-26 | | | Fiscal Year 2026-27 | | |
|---|---|---|---|---|---|---|
| | Approved Budget | Unaudited Actuals | Actual as a % of Budget | Approved Budget | Actual at 9/30/2026 | Actual as a % of Budget |
| **Total Revenue** | $ 16,100,178 | $ 15,608,580 | 96.9% | $ 15,582,449 | $ 3,670,732 | 24% |
| **Total Expenses** | $ 16,239,228 | $ 16,057,071 | 98.9% | $ 15,548,932 | $ 3,420,862 | 22% |
| ***Net Operating Position before GAAP Adjustments*** | ***$ (139,050)*** | ***$ (448,492)*** | ***322.5%*** | ***$ 33,518*** | ***$ 249,870*** | ***745%*** |
| GAAP Adjustments | $ (100,000) | $ (393,194) | 393.2% | $ (449,684) | $ (51,971) | 12% |
| ***Net Operating Position after GAAP Adjustments*** | ***$ (239,050)*** | ***$ (841,686)*** | ***352.1%*** | ***$ (416,166)*** | ***$ 197,899*** | ***-48%*** |
| Student Enrollment | 585.00 | 555.80 | 95.0% | 585.00 | 555.80 | 95% |
| Security | - | - | 0.0% | - | - | 0% |
| | 1,752,649 | 1,872,331 | 106.8% | 1,915,887 | 535,279 | 28% |
| **Other Expenses:** | | | | | | |
| Bad Debt | - | - | 0.0% | - | - | 0% |
| Interest and Finance Charges | - | | 0.0% | - | | 0% |
| Donated Goods and Services | - | | 0.0% | - | | 0% |
| | - | - | 0.0% | - | - | 0% |
| **Total Operating Expenses** | 16,239,228 | 16,057,071 | 98.9% | 15,548,932 | 3,420,862 | 22% |
| **Excess/(Deficit) of Revenue over Expenses before GAAP Adjustments** | (139,050) | (448,492) | 322.5% | 33,518 | 249,870 | 745% |
| **GAAP Adjustments** | | | | | | |
| ***Add:*** | | | | | | |
| Capital Expenses | 100,000 | 177,657 | 177.7% | 100,000 | (13,981) | -14% |
| ***Less:*** | | | | | | |
| Deferred Rent | | (387,432) | 0.0% | (349,684) | | 0% |
| Depreciation | (200,000) | (183,419) | 91.7% | (200,000) | (37,990) | 19% |
| **Total GAAP Adjustments** | (100,000) | (393,194) | 393.2% | (449,684) | (51,971) | 12% |
| **Excess/(Deficit) of Revenue over Expenses after GAAP Adjustments** | (239,050) | (841,686) | 352.1% | (416,166) | 197,899 | -48% |

# The American Dream School

## Cash Flow Projection for the Period October 1, 2026 to December 31, 2026

| | Oct-26 | Nov-26 | Dec-26 | Summary |
|---|---|---|---|---|
| **[a] Cash available for operating use at beginning of month[1]** | **$ 7,509,966** | **$ 8,527,881** | **$ 7,483,510** | **$ 7,509,966** |
| **Projected cash inflows:** | | | | |
| Per-Pupil Tuition (GenEd and SpEd) | 2,012,709 | | | 2,012,709 |
| Lease Assistance | 251,682 | | | 251,682 |
| Title Reimbursements | | 74,872 | | 74,872 |
| Stimulus Grants Reimbursements | | | | - |
| Interest | 13,000 | 13,000 | 13,000 | 39,000 |
| Contributions | | | | - |
| **[b] Total Projected Cash Inflows** | **2,277,391** | **87,872** | **13,000** | **2,378,263** |
| **Projected cash outflows:** | | | | |
| Payment of existing obligations (accounts payable, accrued expenses) | 127,232 | | | 127,232 |
| Personnel costs | 756,461 | 756,461 | 756,461 | 2,269,384 |
| School operating costs | 216,125 | 216,125 | 216,125 | 648,375 |
| Facility costs | 159,657 | 159,657 | 159,657 | 478,972 |
| **[c] Total Projected Cash Outflows** | **1,259,476** | **1,132,244** | **1,132,244** | **3,523,963** |
| **[d] Net Cash Flows from Operating Activities = [b] - [c]** | **1,017,915** | **(1,044,372)** | **(1,119,244)** | **(1,145,700)** |
| **Cash available for operating use at end of month = [a] + [d]** | **$ 8,527,881** | **$ 7,483,510** | **$ 6,364,266** | **$ 6,364,266** |

[1] Excludes Escrow and Board Reserve totaling ***$ 100,970***