

Archimedean Academy

A Department of Archimedean Academy, Inc.
(A Component Unit of the School Board
of Miami-Dade County, Florida)

Basic Financial Statements
and Additional Information
For the Year Ended June 30, 2020

Keefe
McCullough
CPA's + Trusted Advisors

Archimedean Academy

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Archimedean Academy
A Department of Archimedean Academy, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Archimedean Academy (the "School") a department of Archimedean Academy, Inc. and a component unit of the School Board of Miami-Dade County, Florida, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

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 opinions 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 from 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 entity'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 entity'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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School, as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of the School are intended to present the financial position and change in financial position of only that portion of the governmental activities and each major fund of Archimedean Academy, Inc. that is attributable to the transactions of the School. They do not purport to, and do not, present fairly the financial position of Archimedean Academy, Inc. as of June 30, 2020, and the changes in its financial position or budgetary comparisons, where applicable, for the year ended June 30, 2020 in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the statements of revenues and expenditures – budget and actual – general fund and special revenue fund on pages 3 through 7 and 23 through 24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2020, on our consideration of the School's internal control over financial reporting and 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 the 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 the School's internal control over financial reporting and compliance.

KEEFE McCULLOUGH

Fort Lauderdale, Florida
September 16, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Keefe
McCullough**
CPA's + Trusted Advisors

As management of Archimedean Academy (the "School"), we offer readers of the School's basic financial statements this narrative overview and analysis of the financial activities of the School for the year ended June 30, 2020 with certain comparative information for 2019.

Management's discussion and analysis is included at the beginning of the School's basic financial statements to provide, in layman's terms, the past and current position of the School's financial condition. This summary should not be taken as a replacement for the audit which consists of the basic financial statements and other supplementary information which immediately follow this discussion.

Financial Highlights

Our basic financial statements provide these insights into the results of this year's operations.

- As of June 30, 2020, the School had a net position of \$ 1,064,387.
- As of June 30, 2020, the School's fund balances were \$ 532,283.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements are comprised of three components: 1) government-wide basic financial statements, 2) fund basic financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide basic financial statements: The government-wide basic financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private sector business.

The statement of net position presents information on all of the School's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the two reported as net assets. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide basic financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instruction and instructional support services.

The government-wide basic financial statements can be found on pages 8 and 9 of this report.

Fund basic financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds: All of the funds of the School are governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide basic financial statements. However, unlike the government-wide basic financial statements, governmental basic fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide basic financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide basic financial statements. By doing so, readers may better understand the long-term impact of the School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balance. The General Fund, Special Revenue Fund and Capital Project Fund are considered to be the School's major funds.

The School Board adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the General Fund and Special Revenue Fund.

The governmental funds financial statements can be found on pages 10 through 13 of this report.

Notes to basic financial statements: The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 14 through 22 of this report.

Government-Wide Financial Analysis

The School has been in operation since 2002; therefore, comparative government-wide data is presented. The School's net position was \$ 1,064,387 at June 30, 2020. Of this amount, \$ 447,530 represented unrestricted net position and \$ 616,857 represented the net investment in capital assets.

**Archimedean Academy
Management's Discussion and Analysis
June 30, 2020**

Our analysis in the table below focuses on the net position of the School's governmental activities:

Archimedean Academy Net Position		
	2020	2019
Assets:		
Current assets	\$ 2,622,842	\$ 1,326,754
Investment in joint venture	1,000,000	1,000,000
Capital assets, net of depreciation	634,181	671,260
Total assets	4,257,023	2,998,014
Liabilities:		
Liabilities, excluding long-term liabilities	2,279,622	1,356,468
Long-term liabilities	913,014	180,683
Total liabilities	3,192,636	1,537,151
Net Position:		
Net investment in capital assets	616,857	671,260
Unrestricted	447,530	789,603
Total net position	\$ 1,064,387	\$ 1,460,863

Governmental activities: The results of this year's operations for the School as a whole are reported in the statement of activities on page 9. The table below provides a condensed presentation of the School's revenues and expenses for the years ended June 30, 2020 and 2019:

Archimedean Academy Changes in Net Position		
	2020	2019
Revenues:		
Grants and entitlements	\$ 4,938,305	\$ 4,803,582
Program revenues	1,088,329	1,421,856
Contributions and other revenues	1,124,369	1,134,029
Total revenues	7,151,003	7,359,467

Archimedean Academy
Management's Discussion and Analysis
June 30, 2020

	<u>2020</u>	<u>2019</u>
Functions/Program Expenses/Other:		
Instruction	3,439,312	3,557,934
Instructional support services	2,144,192	2,003,102
Operation of noninstructional services	1,087,599	995,000
Community services	864,824	1,088,384
Interest	<u>11,552</u>	<u>17,824</u>
Total expenses	<u>7,547,479</u>	<u>7,662,244</u>
Change in net position	\$ <u><u>(396,476)</u></u>	\$ <u><u>(302,777)</u></u>

Governmental Funds Expenditures

In the table below, we have presented the cost of the largest functions/programs as a percentage of total governmental expenditures:

<u>Functions/Programs</u>	<u>2020</u>		<u>2019</u>	
	<u>Expenditures</u>	<u>Percent</u>	<u>Expenditures</u>	<u>Percent</u>
Governmental expenditures:				
Instructional expenditures	\$ 3,571,720	47.0%	\$ 3,604,172	46.5%
Administrative services	824,073	10.8%	543,149	7.0%
Plant operations and maintenance	1,403,550	18.5%	1,469,453	19.0%
All other functions/programs	<u>1,804,911</u>	<u>23.6%</u>	<u>2,125,335</u>	<u>27.5%</u>
Total governmental expenditures	\$ <u><u>7,604,254</u></u>	<u><u>100.0%</u></u>	\$ <u><u>7,742,109</u></u>	<u><u>100.0%</u></u>

General Fund Budgetary Highlights

Actual revenues were approximately 8% lower than budgeted amounts. Actual expenditures were approximately 3% higher than budgeted amounts.

Capital Assets and Debt Administration

Capital assets: At June 30, 2020, the School had capital assets of \$ 634,181, net of accumulated depreciation as compared to \$ 671,260 at June 30, 2019.

Debt: At June 30, 2020, the School had outstanding debt of \$ 1,102,077 as compared to \$ 261,863 at June 30, 2019.

Economic Factors

Facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations of the School for fiscal year 2020-2021 include:

- Total funding for capital outlay is expected to increase by approximately 7% in the next year, in addition to increases in regular FFEP revenues by approximately 5%.
- Student counts remain consistent, the overall effect will be a moderate increase in revenues.
- Expenses are expected to be reduced by 4%.
- The School executed a promissory note for \$ 903,878 under the Paycheck Protection Program ("PPP") authorized by the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). The School expects most, if not all of this loan, to be forgiven under the loan terms thereby adding to the financial position of the School next fiscal year.

Requests for Information

If you have any questions about this report or need additional information, please write to Mr. Dimitrios Bardoutsos at Archimedean Academy; 12425 SW 72nd Street (Sunset Drive); Miami, Florida 33183.

BASIC FINANCIAL STATEMENTS

**Keefe
McCullough**
CPA's + Trusted Advisors

Archimedean Academy
Statement of Net Position
June 30, 2020

	Governmental Activities
Current Assets:	
Cash and cash equivalents	\$ 2,255,405
Due from other governments	148,488
Accounts receivable	127,634
Prepaid expenses	6,860
Bookstore inventory	56,375
Deposits	28,080
	<hr/>
Total current assets	2,622,842
Noncurrent Assets:	
Investment in joint venture	1,000,000
Capital assets, net of accumulated depreciation	634,181
	<hr/>
Total noncurrent assets	1,634,181
	<hr/>
Total assets	4,257,023
Current Liabilities:	
Accounts payable	42,224
Accrued expenses	288,453
Due to other schools	1,759,882
Notes payable - due within one year	189,063
	<hr/>
Total current liabilities	2,279,622
Noncurrent Liabilities:	
Notes payable - due in more than one year	913,014
	<hr/>
Total noncurrent liabilities	913,014
	<hr/>
Total liabilities	3,192,636
Net Position:	
Net investment in capital assets	616,857
Unrestricted	447,530
	<hr/>
Total net position	\$ <u><u>1,064,387</u></u>

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

**Archimedean Academy
Statement of Activities
For the Year Ended June 30, 2020**

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Governmental</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Activities Net Revenue (Expense) and Change in Net Position</u>
Functions/Programs:					
Instruction:					
Regular instruction	\$ 3,439,312	\$ -	\$ -	\$ -	\$ (3,439,312)
Instructional support services:					
Pupil personnel services	140,901	-	-	-	(140,901)
Instructional and curriculum services	68	-	-	-	(68)
Instructional staff training services	48,802	-	-	-	(48,802)
Instructional-related technology	9,714	-	-	-	(9,714)
Administrative services	442,516	-	-	-	(442,516)
Operation of plant	1,172,372	-	-	325,666	(846,706)
Maintenance of plant	329,819	-	-	-	(329,819)
Operation of non-instructional services:					
General administration	413,123	-	-	-	(413,123)
Board services	31,418	-	-	-	(31,418)
Fiscal services	136,929	-	-	-	(136,929)
Central services	92,159	-	-	-	(92,159)
Community services	864,824	324,322	-	-	(540,502)
Food services	413,970	241,893	196,448	-	24,371
Interest expense	11,552	-	-	-	(11,552)
 Total governmental activities	 \$ <u>7,547,479</u>	 \$ <u>566,215</u>	 \$ <u>196,448</u>	 \$ <u>325,666</u>	 <u>(6,459,150)</u>
General revenues:					
Grants and entitlements					4,938,305
Contributions and other					1,124,369
 Total general revenues					 <u>6,062,674</u>
 Change in net position					 (396,476)
 Net position, July 1, 2019					 <u>1,460,863</u>
 Net position, June 30, 2020					 \$ <u><u>1,064,387</u></u>

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

Archimedean Academy
Balance Sheet - Governmental Funds
June 30, 2020

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Project Fund</u>	<u>Total</u>
Assets:				
Cash and cash equivalents	\$ 2,255,405	\$ -	\$ -	\$ 2,255,405
Due from other governments	65,000	57,023	26,465	148,488
Due from capital project fund	26,465	-	-	26,465
Due from special revenue fund	57,023	-	-	57,023
Accounts receivable	127,634	-	-	127,634
Bookstore inventory	56,375	-	-	56,375
Prepaid expenditures	6,860	-	-	6,860
Deposits	28,080	-	-	28,080
	<u>2,622,842</u>	<u>57,023</u>	<u>26,465</u>	<u>2,706,330</u>
Total assets	\$ <u>2,622,842</u>	\$ <u>57,023</u>	\$ <u>26,465</u>	\$ <u>2,706,330</u>
Liabilities:				
Accounts payable	\$ 42,224	\$ -	\$ -	\$ 42,224
Accrued expenses	288,453	-	-	288,453
Due to other schools	1,759,882	-	-	1,759,882
Due to general fund	-	57,023	26,465	83,488
	<u>2,090,559</u>	<u>57,023</u>	<u>26,465</u>	<u>2,174,047</u>
Total liabilities	<u>2,090,559</u>	<u>57,023</u>	<u>26,465</u>	<u>2,174,047</u>
Fund Balances:				
Nonspendable for bookstore inventory, prepaid expenditures and deposits	91,315	-	-	34,940
Unassigned	440,968	-	-	497,343
	<u>532,283</u>	<u>-</u>	<u>-</u>	<u>532,283</u>
Total fund balances	<u>532,283</u>	<u>-</u>	<u>-</u>	<u>532,283</u>
Total liabilities and fund balances	\$ <u>2,622,842</u>	\$ <u>57,023</u>	\$ <u>26,465</u>	\$ <u>2,706,330</u>

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

**Archimedean Academy
 Reconciliation of the Balance Sheet - Governmental Funds
 to the Statement of Net Position
 June 30, 2020**

**Amounts Reported for Governmental Activities in the
 Statement of Net Position are Different Because:**

Total fund balances - governmental funds \$ 532,283

The cost of capital assets acquired is reported as an expenditure in the governmental funds. The statement of net position includes those capital assets, net of accumulated depreciation, among the assets of the School as a whole.

Cost of capital assets	\$	2,298,536	
Accumulated depreciation		<u>(1,664,355)</u>	634,181

The cost of investment in a joint venture is reported as an expenditure in the governmental funds. The statement of net position includes the investment among the assets of the School as a whole.

Investment in joint venture	1,000,000
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Liabilities not payable with current available resources are not reported as fund liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the governmental-wide statements.

Notes payable	<u>(1,102,077)</u>
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Net Position of Governmental Activities	\$ <u><u>1,064,387</u></u>
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The accompanying notes to financial statements are an integral part of these statements.

**Archimedean Academy
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2020**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Project Fund</u>	<u>Total</u>
Revenues:				
Federal through state	\$ -	\$ 196,448	\$ -	\$ 196,448
State sources	4,938,305	-	325,666	5,263,971
Local sources	1,690,584	-	-	1,690,584
	<u>6,628,889</u>	<u>196,448</u>	<u>325,666</u>	<u>7,151,003</u>
Expenditures:				
Current:				
Regular instruction	3,372,235	-	-	3,372,235
Instructional services:				
Pupil personnel services	140,901	-	-	140,901
Instructional and curriculum services	68	-	-	68
Instructional staff training services	48,802	-	-	48,802
Instructional-related technology	9,714	-	-	9,714
Administrative services	426,733	-	-	426,733
Operation of plant	1,172,372	-	165,461	1,337,833
Maintenance of plant	65,717	-	-	65,717
Operation of noninstructional services:				
General administration	397,340	-	-	397,340
Board services	31,418	-	-	31,418
Fiscal services	136,929	-	-	136,929
Central services	92,159	-	-	92,159
Community services	864,824	-	-	864,824
Food services	217,522	196,448	-	413,970
Capital outlay:				
Equipment and improvements	-	-	160,205	160,205
Debt service:				
Principal	93,854	-	-	93,854
Interest	11,552	-	-	11,552
	<u>7,082,140</u>	<u>196,448</u>	<u>325,666</u>	<u>7,604,254</u>
Excess (deficiency) of revenues over expenditures	<u>(453,251)</u>	<u>-</u>	<u>-</u>	<u>(453,251)</u>
Other Financing Sources:				
Proceeds from note payable	934,068	-	-	934,068
Net change in fund balances	480,817	-	-	480,817
Fund Balances, July 1, 2019	<u>51,466</u>	<u>-</u>	<u>-</u>	<u>51,466</u>
Fund Balances, June 30, 2020	<u>\$ 532,283</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 532,283</u>

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

**Archimedean Academy
 Reconciliation of the Statement of Revenues,
 Expenditures and Changes in Fund Balances -
 Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2020**

**Amounts Reported for Governmental Activities in the
 Statement of Activities are Difference Because:**

Change in fund balances, governmental funds		\$ 480,817
<p>Governmental funds report capital outlay as expenditures; however, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives.</p>		
Expenditures for capital assets	\$ 160,205	
Provision for depreciation	<u>(197,284)</u>	(37,079)
<p>Issuance of debt is reported as revenue in the governmental funds, but the issuance is reported as a long-term liability in the statement of net position.</p>		
Issuance of debt		(934,068)
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Repayment of debt principal		<u>93,854</u>
Change in Net Position of Governmental Activities		\$ <u><u>(396,476)</u></u>

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

Note 1 - Organization and Operations

Archimedean Academy (the "School") a department of Archimedean Academy, Inc. and a component unit of the School Board of Miami-Dade County, Florida, is established as a charter school for children from kindergarten through fifth grade. As of June 30, 2020, approximately 646 students were enrolled in the School. The School is funded primarily through the School Board of Miami-Dade County, Florida.

In April 2005, Archimedean Academy, Inc. was granted an additional charter from the School Board of Miami-Dade County, Florida to operate a public middle school within the school district. This school, Archimedean Middle Conservatory (the "Middle"), has separate financial statements and is not part of the School's basic financial statements.

In March 2008, Archimedean Academy, Inc. was granted an additional charter from the School Board of Miami-Dade County, Florida to operate a public high school within the school district. This school, Archimedean Upper Conservatory (the "Upper"), has separate financial statements and is not part of the School's basic financial statements.

The financial statements of the School present only the balances, activity, and disclosures related to the School. They do not purport to, and do not, present fairly the financial position of Archimedean Academy, Inc. as of June 30, 2020 and its change in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Note 2 - Summary of Significant Accounting Policies

Reporting entity: The School operates under a charter granted by the sponsoring School Board, the School Board of Miami-Dade County, Florida (the "Sponsor" or "Board"). The current charter is effective until June 30, 2027 and may be renewed for an additional fifteen years by mutual written agreement between the School and the Sponsor. At the end of the term of the charter, the Board may choose not to renew the charter under grounds specified in the charter, in which case the Board is required to notify the School in writing at least ninety days prior to the charter's expiration. During the term of the charter, the Board may also terminate the charter if good cause is shown. Archimedean Academy is considered a component unit of the School Board of Miami-Dade County, Florida.

The School may also be financially accountable if an organization is fiscally dependent on the School regardless of whether the organization has a separately elected governing board, a governing board appointed by another government, or a jointly approved board. In addition, component units can be other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the reporting entity's basic financial statements to be misleading or incomplete.

As a result of evaluating the above criteria, management has determined that no component units exist for which the School is financially accountable, which would require inclusion in the School's basic financial statements.

Basis of presentation: Based on the guidance presented in the American Institute of Certified Public Accountants Audit and Accounting Guide – Not-for-Profit Organizations and provisions of Section 228.056(9), Florida Statutes, the School is presented as a governmental organization for financial statement reporting purposes.

Government-wide financial statements: Government-wide financial statements, including the statement of net position and the statement of activities, present information about the School as a whole.

Note 2 - Summary of Significant Accounting Policies (continued)

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School.

Fund financial statements: Fund financial statements report detailed information about the School in the governmental funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The School reports the following major funds:

General Fund – This fund is used to account for all operating activities of the School except for those required to be accounted for in another fund.

Special Revenue Fund – This fund is used to account for federal grants that are legally restricted to expenditures for particular purposes.

Capital Project Fund – This fund is used to account for state capital outlay funding that is legally restricted to expenditures for particular purposes.

Measurement focus and basis of accounting: Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the basic financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. Governmental funds use the current financial resources measurement focus and the governmental-wide statement uses the economic resources measurement focus.

Governmental activity in the government-wide basic financial statements is presented on the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental fund basic financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The School considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported as expenditures in the year due.

Cash and cash equivalents: Cash and cash equivalents are defined as demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

Note 2 - Summary of Significant Accounting Policies (continued)

Due from other governments: Amounts due to the School by other governments or agencies are for grants or programs under which the services have been provided by the School.

Due to/from other funds: Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Allowance for doubtful accounts: Management of the School reviews and provides an allowance for doubtful accounts equal to the estimated uncollectible amounts. At June 30, 2020, management's estimate is based on historical collection experience and a review of the current status of accounts receivable. At June 30, 2020, management considered the accounts receivable balance to be fully collectible within the current accounting period and no allowance for doubtful accounts was considered necessary.

Bookstore inventory: Bookstore inventory is stated at the lower of cost or net realizable value. Cost is determined by the first-in, first-out method.

Prepaid expenses/expenditures: Certain payments to vendors reflect costs applicable to a future accounting period and are recorded as prepaid items in both government-wide and fund financial statements.

Capital assets: Property and equipment purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the School as assets with an initial cost of \$ 500 and a useful life of over one year. Donated property and equipment assets are valued at the estimated fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all capital assets is provided on a straight-line basis over the estimated useful lives as follows:

Improvements	10 years
Furniture, equipment, and textbooks	5 - 10 years
Computer equipment	5 years
Audiovisual materials	5 years

Deferred outflows/inflows of resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and therefore will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and therefore will *not* be recognized as an inflow of resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.

Unearned revenue: Unearned revenue arises when the School receives resources before it has a legal claim to them.

Note 2 - Summary of Significant Accounting Policies (continued)

Net position: Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets.
- Restricted – consists of net position with constraints placed on their use either by 1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - indicates that portion of net position that can be used for future operations.

Fund balance: The School has implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance classifications to report on the nature and extent to which the School is bound to have constraints on the specific purposes for which amounts in those funds can be spent.

The following classifications describe the relative strength of the spending constraints:

- Nonspendable – amounts that are not in spendable form (such as prepaid items and deposits) or are legally or contractually required to be maintained intact.
- Restricted – amounts constrained to specific purposes by external providers (such as grantors) or imposed by law through constitutional provisions, or by enabling legislation.
- Committed – amounts constrained to specific purposes by formal action of the School itself, using its highest level of decision-making authority (i.e., the School Board) through Resolution. To be reported as committed, amounts cannot be used for any other purpose unless the School Board takes the same highest-level action (i.e., Resolution) to remove or change the constraint.
- Assigned – amounts the School intends to use for a specific purpose but are neither restricted nor committed. Assignments can be made by the Executive Committee or by an official or body which the School Board delegated the authority at their direction.
- Unassigned – amounts that have not been assigned to other funds and that have not been restricted, committed or assigned to specific purposes within the General Fund.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the School considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the School Board or its delegated official or body has provided otherwise in its commitment or assignment actions.

Note 2 - Summary of Significant Accounting Policies (continued)

Revenue sources: Revenues for operations are received primarily from the Miami-Dade County District School Board pursuant to the funding provisions included in the School's charter. Funding for the School's student population is adjusted during the year to reflect the revised calculations by the Florida Department of Education under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. In addition, the School receives an annual allocation of charter school capital outlay funds for leasing of school facilities.

Donated goods and services: The School receives donated teaching services from the Greek government, as well as donated goods, which are Greek textbooks. These donated services are recorded as contributions and a corresponding expense account at their estimated fair value, while the donated goods are recorded as contributions and their estimated fair value is capitalized. For the year ended June 30, 2020, the School received \$ 226,845 in donated teachers' salaries.

Income taxes: The School is a department of a nonprofit corporation whose revenue is derived primarily from other governmental entities. The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in these basic financial statements.

Use of 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 reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Date of management review: Subsequent events are evaluated by management through September 16, 2020, which is the date the financial statements were available for issuance.

Note 3 - Deposits

At June 30, 2020, the carrying amount of the School's deposits and cash on hand totaled \$ 2,262,905 with a bank balance of \$ 2,255,505.

State statutes require, and it is the School's policy, that all deposits be made into, and be held by, financial institutions designated by the treasurer of the State of Florida as qualified public depositories as defined by Chapter 280 of the Florida statutes. This statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity's funds.

The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and reporting requirements of the qualified public depositor to the treasurer is defined by the statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should the need arise. The School's deposits are held in a qualified public depository. They are covered by the collateral pool, as the School has identified itself as a public entity at June 30, 2020.

Note 4 - Due from Other Governments

Due from other governments is comprised of amounts due from the Miami-Dade School Board and other as follows:

School recognition award	\$	65,000
School safety grant		39,768
Capital outlay		26,465
Title IV		17,255
		<u>148,488</u>
	\$	<u>148,488</u>

Note 5 - Investment in Joint Venture

The School previously acquired a 17% equity interest in Archimedean Properties, LLC (Notes 7 and 10) which is the entity that owns the property the School's primary campus occupies and leases.

The investment is accounted for using the cost method and recorded as an investment on the government wide financial statements. On the fund financial statements, this amount has been expended under GASB 14, *The Financial Reporting Entity*. The School believes this investment will assist with further expansion of the School. The cost basis of the investment of \$ 1,000,000.

Note 6 - Capital Assets

Capital asset balances and activity for the year ended June 30, 2020 are as follows:

	Balance at July 1, 2019	Additions	Retirements	Balance at June 30, 2020
Capital assets, being depreciated:				
Buildings and improvements	\$ 1,345,583	\$ 29,971	\$ -	\$ 1,375,554
Furniture, equipment and textbooks	476,264	63,765	-	540,029
Computer equipment	266,258	57,756	-	324,014
Audiovisual materials	<u>50,226</u>	<u>8,713</u>	<u>-</u>	<u>58,939</u>
Total capital assets, being depreciated	<u>2,138,331</u>	<u>160,205</u>	<u>-</u>	<u>2,298,536</u>
Accumulated depreciation:				
Buildings and improvements	887,627	106,077	-	993,704
Furniture, equipment and textbooks	314,643	43,068	-	357,711
Computer equipment	232,442	39,715	-	272,157
Audiovisual materials	<u>32,359</u>	<u>8,424</u>	<u>-</u>	<u>40,783</u>
Total accumulated depreciation	<u>1,467,071</u>	<u>197,284</u>	<u>-</u>	<u>1,664,355</u>
Net capital assets	<u>\$ 671,260</u>	<u>\$ (37,079)</u>	<u>\$ -</u>	<u>\$ 634,181</u>

Note 6 - Capital Assets (continued)

Provision for depreciation was charged to governmental activities as follows:

Instructional support services - maintenance of plant	\$ 98,641
Instruction - regular	67,077
Operation of non-instructional services - general administration	15,783
Instructional support services - administrative services	<u>15,783</u>
Total	<u>\$ 197,284</u>

Note 7 - Related Parties

As mentioned in Note 1 to the financial statements, the School is a department of Archimedean Academy, Inc. (the "Corporation") and is affiliated with the Middle and the Upper, other departments of the Corporation. The three schools share various costs inherent with operating out of the same facility. In addition, the schools may also advance monies on an interim basis to one another. As a result of these transactions, there remains a net payable to the Middle of \$ 333,289 and a net payable to the Upper of \$ 612,071 as of June 30, 2020. This amount is shown as due to other schools in the accompanying financial statements.

The School holds a 17% equity interest in Archimedean Properties, LLC (Notes 5 and 10), the School's landlord.

Note 8 - Notes Payable

The School previously entered into an agreement to borrow money with Regions Bank in the amount of \$ 550,000. The note requires monthly principal and interest payments of \$ 7,493 through July 2020, at which time all unpaid principal and accrued interest is due. Interest on the note accrues at 3.9% annually. Subsequent to year end, the loan was extended through November 2020. At June 30, 2020, the balance outstanding was \$ 180,875. In addition, this agreement includes financial covenants of which one was not met as of June 30, 2020. No adjustment has been made to these financial statements as a result these financial covenant violations.

On April 22, 2020, the School executed a promissory note for \$ 903,878 under the Paycheck Protection Program ("PPP") authorized by the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). The loan bears interest rate at 1.00% per annum. Under the PPP, loan funds are eligible for forgiveness to the extent that they are used to cover certain payroll, rent, and utility costs and if the School maintains certain employment levels during a specified period of time. If the Small Business Administration ("SBA") confirms full forgiveness of the unpaid balance of the note, the School's obligation under this arrangement will be deemed fully satisfied. The School remains obligated to repay to the lender any amount not forgiven, which will mature on the 2nd anniversary of the note. Principal and interest payments are deferred until the lender receives a forgiveness determination from SBA. If the School does not apply for forgiveness within 10 months after the last day of their covered period, as applicable, it would be required to make payments on the PPP loan beginning 10 months after the last day of such covered period. At such time, the bank will establish the amount of monthly payments due (principal and interest) based on the remaining time up until its maturity. As of June 30, 2020, the outstanding principal amount of the note payable was \$ 903,878.

Note 8 - Notes Payable (continued)

The School is obligated under two capital leases for building improvements and computer equipment. The leases require aggregate monthly installments of approximately \$ 1,900 including interest ranging from 9.88% to 12.00% through June 2020 and July 2022. The remaining balance of these leases at June 30, 2020 is \$ 17,324.

The activity for notes payable for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020	Amount Due Within One Year
Regions Bank Commercial Loan	\$ 261,863	\$ -	\$ 80,988	\$ 180,875	\$ 180,875
PPP Loan	-	903,878	-	903,878	-
Capital leases	-	30,190	12,866	17,324	8,188
	<u>\$ 261,863</u>	<u>\$ 934,068</u>	<u>\$ 93,854</u>	<u>\$ 1,102,077</u>	<u>\$ 189,063</u>

Approximate future principal payments on the debt are approximately as follows:

Year Ending June 30,	Amount
2021	\$ 189,100
2022	912,300
2023	700
Total	<u>\$ 1,102,100</u>

Note 9 - Contingencies

Grants and awards: The School received financial assistance from federal and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. In accordance with Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the Florida Single Audit Act, the School is not required to conduct "single audits" since the required threshold for both federal awards and state financial assistance is currently \$ 750,000 and the School did not exceed either threshold.

Donated goods and services: The School receives a significant in-kind contribution in the form of teachers and textbooks from the Greek government. These contributions are relied upon by the School to help maintain their operational effectiveness. A reduction in donated goods and services could have a significant impact on the operations of the School.

Post-retirement benefits: The School does not provide post-retirement benefits to retired employees.

Note 10 - Leases

The School leases its campus from Archimedean Properties, LLC, a related party, (Notes 5 and 7) which will expire in June 2037. The School shares its facilities with the Middle and Upper and lease payments are allocated 50% to the School, 25% to the Middle, and 25% to the Upper (Notes 1 and 7). Monthly lease payments for the School under the agreement are approximately \$ 47,000 through the expiration of the lease. The School is also responsible to pay the owners’ taxes and insurance costs.

In addition, the School also leases an additional space for their Kindergarten classes. Monthly lease payments are \$ 7,500 through June 2020.

Total rent expense paid by the School for the year ended June 30, 2020 was \$ 654,000. Future minimum payments required under the revised operating lease and other leases are approximately as follows:

<u>Year Ending June 30,</u>	<u>School Premises Leases</u>
2021	\$ 564,000
2022	\$ 564,000
2023	\$ 564,000
2024	\$ 564,000
2025	\$ 564,000
2026-2030	\$ 2,820,000
2031-2035	\$ 2,820,000
2036-2037	\$ 1,128,000

Note 11 - Risk Financing

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School places all insurance risk, less nominal deductibles, in the hands of commercial carriers. At the present time, management believes that any claims the School may have are insured and that any expense associated with them will not materially affect the financial position of the School.

Note 12 - Risks and Uncertainties

In March 2020, the *World Health Organization* declared the outbreak of a coronavirus (COVID-19) a pandemic. As a result, the local and global financial markets are experiencing significant declines and creating economic uncertainties. At this time, it is unknown precisely how this negative outlook will impact the School’s financial statements in the future. No adjustments have been made to the accompanying financial statements as a result of the current events.

REQUIRED SUPPLEMENTARY INFORMATION

**Archimedean Academy
Statement of Revenues and Expenditures -
Budget and Actual - General Fund
For the Year Ended June 30, 2020**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
Revenues:			
State sources	\$ 4,885,400	\$ 4,938,305	\$ 52,905
Local sources	<u>2,247,440</u>	<u>1,690,584</u>	<u>(556,856)</u>
Total revenues	<u>7,132,840</u>	<u>6,628,889</u>	<u>(503,951)</u>
Expenditures:			
Current:			
Regular instruction	3,371,991	3,372,235	(244)
Instructional services:			
Pupil personnel services	101,213	140,901	(39,688)
Instruction and curriculum services	171	68	103
Instructional staff training services	46,895	48,802	(1,907)
Instructional-related technology	3,460	9,714	(6,254)
Administrative services	391,798	426,733	(34,935)
Operation of plant	705,152	1,172,372	(467,220)
Maintenance of plant	225,409	65,717	159,692
Operation of noninstructional services:			
General administration	348,203	397,340	(49,137)
Board services	17,933	31,418	(13,485)
Fiscal services	73,047	136,929	(63,882)
Central services	81,199	92,159	(10,960)
Community services	1,232,947	864,824	368,123
Food services	261,359	217,522	43,837
Debt service:			
Principal	-	93,854	(93,854)
Interest	<u>35</u>	<u>11,552</u>	<u>(11,517)</u>
Total expenditures	<u>6,860,812</u>	<u>7,082,140</u>	<u>(221,328)</u>
Excess (deficiency) of revenues over expenditures	272,028	(453,251)	(725,279)
Other Financial Sources:			
Proceeds from note payable	<u>-</u>	<u>934,068</u>	<u>934,068</u>
Net change in fund balance	<u>\$ 272,028</u>	<u>\$ 480,817</u>	<u>\$ 208,789</u>

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**Archimedean Academy
Statement of Revenues and Expenditures -
Budget and Actual - Special Revenue Fund
For the Year Ended June 30, 2020**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
Revenues:			
Federal sources:			
National School Lunch Program	\$ <u>297,360</u>	\$ <u>196,448</u>	\$ <u>(100,912)</u>
Total revenues	<u>297,360</u>	<u>196,448</u>	<u>(100,912)</u>
Expenditures:			
Food services	<u>297,360</u>	<u>196,448</u>	<u>100,912</u>
Total expenditures	<u>297,360</u>	<u>196,448</u>	<u>100,912</u>
Net change in fund balance	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

OTHER INDEPENDENT AUDITOR'S REPORTS

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 Directors
Archimedean Academy
A Department of Archimedean Academy, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Archimedean Academy (the "School"), a department of Archimedean Academy, Inc. and a component unit of the School Board of Miami-Dade County, Florida, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 16, 2020.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 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 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KEEFE McCULLOUGH

Fort Lauderdale, Florida
September 16, 2020

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS

To the Board of Directors
Archimedean Academy
A Department of Archimedean Academy, Inc.

Report on the Financial Statements

We have audited the financial statements of Archimedean Academy (the "School"), a department of Archimedean Academy, Inc. and a component unit of the School Board of Miami-Dade County, Florida, as of and for the fiscal year ended June 30, 2020, and have issued our report thereon dated September 16, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements

We have issued our 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*. Disclosures in that report, which is dated September 16, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Archimedean Academy and 130510.

Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School did not maintain their current fiscal year board minutes on its Web site as part of the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

KEEFE McCULLOUGH

Fort Lauderdale, Florida
September 16, 2020