

**The Woodville Educational
Foundation, Inc.
d/b/a
The Woodville Middle School of
Leadership through History and Civics
FINANCIAL STATEMENTS
June 30, 2015**



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d/b/a The Woodville Middle School of Leadership through History and Civics
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REPORT



INDEPENDENT AUDITORS' REPORT

Board of Directors

The Woodville Educational Foundation, Inc. d/b/a

The Woodville Middle School of Leadership through History and Civics
Tallahassee, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of The Woodville Educational Foundation, Inc. ("the Foundation"), d/b/a The Woodville Middle School of Leadership through History and Civics, a component unit of Leon County District School Board, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Foundation'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.

Auditors' 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, each major fund, and the aggregate remaining fund information of The Woodville Educational Foundation, Inc., as of June 30, 2015, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 7 and pages 24 and 25 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 Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2015 on our consideration of The Woodville Educational Foundation, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tallahassee, FL

December 1, 2015



**MANAGEMENT'S DISCUSSION
AND ANALYSIS**



**The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Management's Discussion and Analysis**

The Management's Discussion and Analysis (MD&A) section of the annual financial report of the Woodville Educational Foundation, Inc. d/b/a The Woodville Middle School of Leadership through History and Civics (Foundation) provides an overview of the Foundation's activities for the fiscal year ended June 30, 2015.

Because the information contained in the MD&A is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the Foundation's financial statements and notes to financial statements as listed on the table of contents.

Financial Highlights

The assets of the Foundation exceeded its liabilities at the close of the most recent fiscal year by \$25,067.

The Foundation had \$502,292 in expenses related to governmental activities; \$139,038 were offset by operating grants and contributions. General revenues of \$472,255 were collected for the Foundation's programs resulting in an increase in net position of \$109,001.

Overview of the Financial Statements

The basic financial statements consist of three components:

Government-wide financial statements

Fund financial statements

Notes to the financial statements

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the Foundation's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the Foundation presented on the accrual basis of accounting. The statement of net position provides information about the government's financial position, its assets and liabilities, using an economic resources measurement focus. The difference between the assets and liabilities, the net position, is a measure of the financial health of the Foundation. The statement of activities presents information about the change in the Foundation's net position and the results of operations, during the fiscal year. An increase or decrease in the net position is an indication of whether the Foundation's financial health is improving or deteriorating. To assess the overall financial position of the Foundation, one needs to consider additional non-financial factors such as changes in the Foundation student base funding level.



**The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Management's Discussion and Analysis**

Fund Financial Statements

Fund financial statements are one of the components of the 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. Fund financial statements provide more detailed information about the Foundation's financial activities, focusing on its most significant funds rather than fund types. This is in contrast to the entity-wide perspective contained in the government-wide financial statements.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The financial resources measurement focus allows the governmental fund financial statements to provide information on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year.

The governmental financial fund statements provide a detailed short-term view that may be used to evaluate the Foundation's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the governmental-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in the fund balances provide a reconciliation of governmental funds to governmental activities.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the Foundation's most significant funds. The Foundation operates two funds; a General Fund, and a Special Revenue Fund. The Foundation has elected to show each fund as a major fund.

The Foundation adopts an annual budget for its governmental funds. A budgetary comparison schedule, as required, has been provided for the General Fund and Special Revenue Fund to demonstrate compliance with the budget.

Notes to 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 Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following is a summary of the Foundation Net Position as of June 30, 2015:

	Net Position, End of Year	
	Governmental	Total
	Activities	
	<u>6/30/2015</u>	<u>6/30/2015</u>
Current and Other Assets	\$ 57,911	\$ 57,911
Capital Assets	<u>275,607</u>	<u>275,607</u>
Total Assets	<u>333,518</u>	<u>333,518</u>
Long Term Liabilities	<u>308,451</u>	<u>308,451</u>
Total Liabilities	<u>308,451</u>	<u>308,451</u>
Net Position		
Net Investment of Capital Assets	(32,844)	(32,844)
Unrestricted (Deficit)	<u>57,911</u>	<u>57,911</u>
Total Net Position	<u>\$ 25,067</u>	<u>\$ 25,067</u>

Current and other assets consist primarily of cash and amounts due from other agencies. The Foundation liabilities are comprised of accounts payable. The Foundation wrote off all of its capital assets as a result of the Foundation closing and creation of a new Foundation in the 2015-16 fiscal year. The Foundation reported an increase in total net position of \$109,001.

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Management's Discussion and Analysis

The key elements of the changes in the Foundation Net Position for the fiscal year ended June 30, 2015 are as follows:

	Operating Results for the Fiscal Year End	
	Governmental Activities	Total
	<u>6/30/2015</u>	<u>6/30/2015</u>
Operating Grants and Contributions	139,038	139,038
General Revenues	472,255	472,255
Total Revenues	<u>611,293</u>	<u>611,293</u>
Functions/Program Expenses		
Instruction	294,127	294,127
Student Personnel	274	274
Instructional Media Services	10,075	10,075
Instruction and Curriculum Development	1,675	1,675
Instructional Staff Training Services	2,088	2,088
School Board	2,087	2,087
School Administration	116,087	116,087
Facilities Acquisition and Construction	15,992	15,992
Fiscal Services	1,050	1,050
Food Sevices	30,577	30,577
Central Services	581	581
Student Transportation Services	15,715	15,715
Operation of Plant	11,964	11,964
Total Functions/Program Expenses	<u>502,292</u>	<u>502,292</u>
Change in Net Position	109,001	109,001
Net Position -Beginning	(83,934)	(83,934)
Net Position Ending	<u>\$ 25,067</u>	<u>\$ 25,067</u>



**The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Management's Discussion and Analysis**

The largest revenue source for the Foundation is the State of Florida (77 percent). Revenues from State sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula. The FEFP formula utilizes student enrollment data to determine the funds available for the Foundation.

The largest concentration of expenses is instruction, which accounted for 58 percent of total and the school administration expenses, which accounted for 23 percent.

FINANCIAL ANALYSIS OF THE FOUNDATION FUNDS

As the Foundation completed the year, its governmental funds reported a fund balance of \$57,911.

BUDGETARY HIGHLIGHTS

The general fund budget for the fiscal year ended June 30, 2015, was developed based on the Foundation anticipated revenues and expenditures and the expected student population for the Foundation year. Over the course of the year, the Foundation revised its general fund budget several times. For the fiscal year ended June 30, 2015, the actual expenditures were equal to the final budget. Refer to the Budgetary Comparison Schedule for additional information.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Woodville Educational Foundation, Inc. d/b/a The Woodville Middle School of Leadership through History and Civics finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Naomi Coughlin, Budget Director, Leon County Schools, 2757 West Pensacola Street, Tallahassee, FL 32304.



FINANCIAL STATEMENTS

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Statement of Net Position

<i>June 30,</i>	2015
Assets	
Due from other agencies	\$ 57,911
Capital assets:	
Building and improvements	281,146
Less: accumulated depreciation	(14,405)
Furniture, fixtures and equipment	11,313
Less: accumulated depreciation	(2,447)
Total assets	333,518
 Liabilities and Net Assets	
Noncurrent liabilities:	
Portion due after one year:	
Due to other agency	308,451
Total liabilities	308,451
Invested in capital assets, net of related debt	(32,844)
Unrestricted	57,911
Total net position	\$ 25,067

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

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Statement of Activities

<i>For the year ended June 30, 2015</i>	Program Revenues				Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Functions / Programs					
Governmental Activities:					
Instruction	\$ 294,127	\$ -	\$ 94,870	\$ -	\$ (199,257)
Student personnel services	274	-	274	-	-
Instructional media services	10,075	-	-	-	(10,075)
Instruction and curriculum development	1,675	-	-	-	(1,675)
Instructional staff training	2,088	-	2,088	-	-
Board	2,087	-	466	-	(1,621)
School administration	116,087	-	1,988	-	(114,099)
Facility Acquisition and Construction	15,992	-	-	-	(15,992)
Fiscal services	1,050	-	1,050	-	-
Food services	30,577	-	37,200	-	6,623
Central services	581	-	581	-	-
Pupil transportation services	15,715	-	521	-	(15,194)
Operation of plant	11,964	-	-	-	(11,964)
Total governmental activities	\$ 502,292	\$ -	\$ 139,038	\$ -	(363,254)
General Revenues:					
Grants and contributions not restricted to specific purposes					472,255
Total general revenues					472,255
Change in net position					109,001
Net position - beginning of year					(83,934)
Net position - end of year					\$ 25,067

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

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Balance Sheet – Governmental Funds

<i>June 30, 2015</i>	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Assets				
Due from other agencies	\$ 51,287	\$ 6,624	\$ -	\$ 57,911
Total assets	\$ 51,287	\$ 6,624	\$ -	\$ 57,911
Fund Balances				
Unreserved	51,287	6,624	-	57,911
Total fund balances	51,287	6,624	-	57,911
Total liabilities and fund balances	\$ 51,287	\$ 6,624	\$ -	\$ 57,911

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds \$ 57,911

Capital assets in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$292,459 and the accumulated depreciation is \$16,852. 275,607

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Due to other agency (308,451)

Total net position - governmental activities \$ 25,067

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

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

<i>For the year ended June 30, 2015</i>	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Revenues				
Intergovernmental:				
State	\$ 472,255	\$ -	\$ -	\$ 472,255
Federal	-	139,038	-	139,038
Total revenues	472,255	139,038	-	611,293
Expenditures				
Current:				
Instruction	233,092	94,869	-	327,961
Student personnel services	-	274	-	274
Instructional media services	10,075	-	-	10,075
Instruction and curriculum development	1,675	-	-	1,675
Instructional staff training	-	2,088	-	2,088
Board	1,621	466	-	2,087
School administration	110,219	1,988	-	112,207
Facility Acquisition and Construction	261,645	-	-	261,645
Fiscal services	-	1,050	-	1,050
Food services	-	30,577	-	30,577
Central services	-	581	-	581
Pupil transportation services	15,194	521	-	15,715
Operation of plant	11,964	-	-	11,964
Total expenditures	645,485	132,414	-	777,899
Excess of revenues over (under) expenditures	(173,230)	6,624	-	(166,606)
Other financing sources (uses):				
Payment of long-term liabilities	(31,126)	-	-	(31,126)
Total other financing sources (uses)	(31,126)	-	-	(31,126)
Net change in fund balances	(204,356)	6,624	-	(197,732)
Fund balances - beginning of the year	255,643	-	-	255,643
Fund balances - end of the year	\$ 51,287	\$ 6,624	\$ -	\$ 57,911

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

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures
and Changes in Fund Balances with the Government-Wide
Statement of Activities

<i>For the year ended June 30,</i>	2015
Total net change in fund balances - governmental funds	\$ (197,732)
Amounts reported for governmental activities in the statement of activities are different because:	
<p>Capital outlays to purchase or build/renovate capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of revenues, expenditures and changes in fund balances-governmental funds and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceeds depreciation in the period.</p>	
Capital outlays	\$ 292,459
Depreciation expense	(16,852)
	275,607
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	31,126
Change in net position of governmental activities	\$ 109,001

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

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Statement of Fiduciary Net Position

<i>June 30,</i>	2015
Assets	
Cash and cash equivalents	\$ 1,173
Liabilities	
Due to educational programs	375
Due to other miscellaneous programs	798
Total liabilities	1,173
Net position	\$ -

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

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of The Woodville Educational Foundation, Inc. (“the Foundation”) d/b/a The Woodville Middle School of Leadership through History and Civics conform to accounting principles generally accepted in the United States of America as applicable to school districts.

Reporting Entity

The Woodville Educational Foundation, Inc., doing business as The Woodville Middle School of Leadership through History and Civics is a not-for-profit corporation organized pursuant to Chapter 617, *Florida Statutes*, the Florida Not for Profit Corporation Act, and Section 1002.33, *Florida Statutes*. The governing body of the Foundation is the not-for-profit corporation Board of Directors which is composed of not less than three members.

The general operating authority of the Foundation is contained in Section 1002.33, *Florida Statutes*. The Foundation operates under a charter of the sponsoring school district, the Leon County District School Board. The current charter is effective until June 30, 2019, and may be renewed by mutual written agreement between the Foundation and the District School Board. At the end of the term of the charter, the School Board may choose not to renew the charter under grounds specified in the charter. In this case, the School Board is required to notify the Foundation in writing at least 90 days prior to the charter's expiration. During the term of the charter, the School Board may also terminate the charter if good cause is shown. In the event of the termination of the charter, any property purchased by the Foundation with public funds and any encumbered funds revert to the School Board.

Basis of Presentation

Although the Foundation is a not-for-profit corporation, these financial statements are presented using the governmental reporting model. This treatment is required by accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board, due to the nature of the charter school and the potential for unilateral dissolution by the Leon County District School Board.

The Foundation’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the Foundation as a whole. These statements include the financial activities of the Foundation, except for fiduciary funds.

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide Financial Statements (Continued)

The statement of net position presents the financial condition of the governmental activities of the Foundation at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Foundation's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore 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 of the Foundation. The comparison of direct expenses with program revenues identifies the extent to which the governmental function is self-financing or draws from the general revenues of the Foundation.

Fund Financial Statements

During the year, the Foundation segregates transactions related to certain Foundation functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Foundation at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Fund Accounting

The Foundation uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Foundation's major governmental funds:

General Fund – The General Fund is used to record the general operations of the Foundation pertaining to education and those operations not provided for in other funds.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted expenditures for specified purposes.

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds (Continued)

Capital Projects Funds – Capital Projects Funds are used to account for financial resources to be used for educational capital outlay needs including new construction and renovation and remodeling projects.

Fiduciary Fund Type – Fiduciary fund reporting focuses on net assets and changes in net assets. The Foundation’s fiduciary fund is the internal fund, an agency fund. Agency funds are custodial in nature (assets equals liabilities) and do not involve measurement of results of operations. The Foundation’s agency fund accounts for classroom support, special area programs and student activities.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the Foundation are included on the statement of net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues

On the accrual basis, revenue is recognized when earned. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, and expenditure requirements, in which the resources are provided to the Foundation on a reimbursement basis. Revenues from grants, entitlements and donations that have not satisfied all eligibility requirements are deferred.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The Foundation's policy is to first apply restricted resources when an expense is incurred if it is eligible to be paid from such resources.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgetary Basis of Accounting

Budgets are presented on the modified accrual basis of accounting. Under the modified accrual basis, revenues, are recognized when they become measurable and available and expenditures are generally recognized when the related fund liability is incurred. During the fiscal year, expenditures are controlled at the object level (e.g., salaries, purchased services, and capital outlay).

Cash and Cash Equivalents

The Foundation's cash consists of demand deposits with financial institutions which are insured by Federal depository insurance. These balances are maintained in the accounts and the accounting system of the Educational Service Provider.

Capital Assets

General capital assets result from expenditures in the governmental fund. These assets are reported in the governmental activities column of the government-wide statement of assets but are not reported in the fund financial statements.

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

Capital assets in excess of \$1,000 are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets except land and certain land improvements are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Depreciation	Governmental Activities Estimated Lives
Buildings and improvements	15-20 years
Furniture, fixtures and equipment	6-10 years
Computers	3 years

Current year information relative to changes in capital assets is described in a subsequent note.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) and additions to/deductions from FRS's fiduciary net position have been determined on the same basis as they are reported by FRS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Based on the Foundation's short length of operations, these balances were determined to be immaterial.

Accumulated Compensated Absences

Principal

The Foundation's principal and assistant principal accumulate both sick and annual leave per contract year. Accumulated sick leave will not be paid at the time of employment termination. Annual leave for these individuals may be carried forward and accrued in an amount not to exceed 60 days. At June 30, 2015, the liability for unpaid annual leave was determined to be immaterial.

All Other Employees

Annual leave is not provided to all other employees. Sick leave can accumulate per contract year and there is no limit to the number of sick days an employee may accrue; however no employee will be paid for accumulated sick leave at the time of employment termination. Therefore, no provision is made for compensated absences.

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

State Revenue Sources

Revenues for current operations are received primarily from the State of Florida passed through the Leon County District School Board pursuant to the funding provisions included in the Foundation's charter. In accordance with the funding provisions of the charter and Section 1002.33(17), *Florida Statutes*, the Foundation reports the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 1011.62, *Florida Statutes*, the District reports the number of full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the Foundation is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the Foundation during the designated student survey periods.

The Foundation receives federal awards for the enhancement of various educational programs. This assistance is generally received based on applications submitted to and approved by the granting agency. These federal awards may have requirements whereby the issuance of grant funds is withheld until qualifying eligible expenditures are incurred. Revenues for these awards are recognized only to the extent that eligible expenditures have been incurred. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

A schedule of revenue from State sources for the current year is presented in a subsequent note.

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 accounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Budgets

The Foundation is required by the contract with the District to adopt annual budgets for the General Fund, Special Revenue, and Capital Projects Funds. Each budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America (GAAP). Budgets may be amended by the Foundation's board of directors. In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the required supplemental information represents both the original budget and final authorized amounts. Unused appropriations for all annually budgeted funds lapse at the end of the year.

A comparison of actual results of operations to the budgeted amounts for the General Fund is presented as Supplementary Information.

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Subsequent events have been considered through the independent auditors' report date which is the date the financial statements were available to be issued.

NOTE 2 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2015 was as follows:

	Balance at June 30, 2014	Additions	Disposals	Balance at June 30, 2015
Depreciable capital assets				
Building improvements	\$ -	\$ 41,146	\$ -	\$ 41,146
Building	-	240,000	-	240,000
Furniture, fixtures and equipment	-	5,187	-	5,187
Computers	-	6,126	-	6,126
Total depreciable	-	292,459	-	292,459
Less accumulated depreciation:				
Building improvements	-	(2,405)	-	(2,405)
Building	-	(12,000)	-	(12,000)
Furniture, fixtures and equipment	-	(1,872)	-	(1,872)
Computers	-	(575)	-	(575)
Total accumulated depreciation:	-	(16,852)	-	(16,852)
Grand total	\$ -	\$ 275,607	\$ -	\$ 275,607

Depreciation was charged to governmental functions as follows:

<i>Fiscal year ended June 30,</i>	2015
Instruction	\$ 12,972
School administration	3,880
Total	\$ 16,852

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Notes to Financial Statements

NOTE 3 – DUE TO OTHER AGENCY

Amounts due to other agency represent advances for capital improvements and operating expenses under a management agreement with its sponsor. Under the terms of the agreement, the balance is to be repaid at such time as funds become available. The agreement also provides an option for the debt to be forgiven at the discretion of the sponsor.

NOTE 4 – SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the Foundation’s state revenue for the 2014-2015 fiscal year:

Source:	
Florida Education Finance Program (FEFP)	\$ 462,091
Department of Education Transportation Subsidy	10,164
Total due after one year	<u>\$ 472,255</u>

Accounting policies relating to certain state revenue sources are described in Note 1.

NOTE 5 – STATE RETIREMENT PROGRAM

Plan Description

All regular employees of the Foundation are covered by the Florida Retirement System (FRS). The FRS is primarily a state-administered, cost-sharing, multiple-employer, defined benefit retirement plan (Plan). Plan provisions are established by Chapters 121 and 122, *Florida Statutes*; Chapter 112, Part IV, *Florida Statutes*; Chapter 238, *Florida Statutes*; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code, wherein Plan eligibility, contributions, and benefits are defined and described in detail. Essentially all regular employees of participating employers are eligible and must enroll as members of the Plan. Benefits vest at six years of service. The Plan also includes an early retirement provision, but imposes a penalty for each year a member retires before his or her normal retirement age. The Plan provides retirement, disability, and death benefits and annual cost-of-living adjustments, as well as supplements for certain employees to cover social security benefits lost by virtue of retirement system membership.

A Deferred Retirement Option Program (DROP) subject to provisions of Section 121.091, *Florida Statutes* permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payment while continuing employment with a Florida Retirement System employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the Florida Retirement System Trust Fund and accrue interest.

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Notes to Financial Statements

NOTE 5 – STATE RETIREMENT PROGRAM (Continued)


Plan Description (Continued)

The Plan’s financial statements and other supplemental information are included in the comprehensive annual financial report of the State of Florida which may be obtained by contacting the Florida Department of Financial Services in Tallahassee, Florida. Also, an annual report on the Plan, which includes its financial statements, required supplemental information, actuarial report, and other relevant information, may be obtained from the State of Florida, Division of Retirement in Tallahassee, Florida.

The FRS funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. Level percentage of payroll employer contribution rates are established by state law and may be amended. Contribution rates are determined using the entry-age actuarial cost method. If an unfunded actuarial liability reemerges as a result of future plan benefit changes, assumption changes, or methodology changes, it is assumed any unfunded actuarial liability would be amortized over 30 years, using level dollar amounts. Except for gains reserved for rate stabilization, it is anticipated future actuarial gains and losses are amortized on a rolling 10% basis, as a level dollar amount. During the year ended June 30, 2015, contribution rates were as follows:

Class or Plan	Percent of Gross Salary (A)
Florida Retirement System, Regular	10.37%
Deferred Retirement Option Program – Applicable to members from all of the above classes or plans	12.84%

- Notes: (A) Employer rates include 1.20 percent for the post-employment health insurance supplement.
 (B) Contribution rates are dependent upon the retirement class in which reemployed.



**The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Notes to Financial Statements**

NOTE 5 – STATE RETIREMENT PROGRAM (Continued)

Plan Description (Continued)

The Foundation is required to contribute an amount to fund pension benefits, plus an additional amount to fund retiree health care benefits. The Foundation's contributions to the Plan for the year ended June 30, 2015 totaled \$19,984, which is equal to the required contribution for the fiscal year.

NOTE 6 – RISK MANAGEMENT

The Foundation is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Foundation has purchased various insurance policies to safeguard its assets from risk of loss. Insurance coverage is consistent with previous years.



SUPPLEMENTARY INFORMATION

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Budgetary Comparison Schedule – General Fund

<i>For the year ended June 30, 2015</i>	Original Budget	Final Budget	Actual (GAAP Basis)	Variance With Budget Positive (Negative)
Revenues				
Source				
State	\$ 472,255	\$ 472,255	\$ 472,255	\$ -
Total revenues	472,255	472,255	472,255	-
Expenditures				
Current:				
Instruction	298,378	298,378	233,092	65,286
Instructional media services	4,206	4,206	10,075	(5,869)
Instruction and curriculum development	-	-	1,675	(1,675)
Board	2,700	2,700	1,621	1,079
School administration	137,868	137,868	110,219	27,649
Facility Acquisition and Construction	253,205	253,205	261,645	(8,440)
Pupil transportation services	15,194	15,194	15,194	-
Operation of plant	12,588	12,588	11,964	624
Total expenditures	724,139	724,139	645,485	78,654
Excess of revenue over (under) expenditures	\$ (251,884)	\$ (251,884)	\$ (173,230)	\$ 78,654

See Independent Auditors' Report.

The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics
Budgetary Comparison Schedule – Special Revenue Fund

<i>For the year ended June 30, 2015</i>	Original Budget	Final Budget	Actual (GAAP Basis)	Variance With Budget Positive (Negative)
Revenues				
Source				
Federal	\$ 145,815	\$ 145,815	\$ 139,038	\$ (6,777)
Total revenues	145,815	145,815	139,038	(6,777)
Expenditures				
Current:				
Instruction	102,026	102,026	94,869	7,157
Student personnel services	-	-	274	(274)
Instructional staff training	1,537	1,537	2,088	(551)
Board	466	466	466	-
School administration	2,808	2,808	1,988	820
Fiscal services	1,050	1,050	1,050	-
Food services	37,196	37,196	30,577	6,619
Central services	581	581	581	-
Pupil transportation services	151	151	521	(370)
Total expenditures	145,815	145,815	132,414	13,401
Excess of revenue over (under) expenditures	\$ -	\$ -	\$ 6,624	\$ 6,624

See Independent Auditors' Report.

**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**

Board of Directors

The Woodville Educational Foundation, Inc.

d/b/a The Woodville Middle School of Leadership through History and Civics

Tallahassee, Florida

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of The Woodville Educational Foundation, Inc. as of and for the year ended June 30, 2015, which collectively comprise The Woodville Educational Foundation, Inc.'s financial statements and have issued our report thereon dated December 1, 2015. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered The Woodville Educational Foundation, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures 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 Woodville Educational Foundation, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of The Woodville Educational Foundation, Inc.'s internal control over financial reporting.

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

Board of Directors

The Woodville Educational Foundation, Inc.

d/b/a The Woodville Middle School of Leadership through History and Civics

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Woodville Educational Foundation, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tallahassee, FL

December 1, 2015

MANAGEMENT LETTER

Board of Directors

The Woodville Educational Foundation, Inc.

d/b/a The Woodville Middle School of Leadership through History and Civics
Tallahassee, Florida

We have audited the financial statements of The Woodville Educational Foundation, Inc. (“the Foundation”) d/b/a The Woodville Middle School of Leadership through History and Civics as of and for the fiscal year ended June 30, 2015, and have issued our report thereon dated December 1, 2015.

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 Reports and Schedules

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in this report, which is dated December 1, 2015, 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. A financial audit was not required in the preceding year.

Official Title

Section 10.854(1)(e)5., *Rules of the Auditor General*, requires the name or official title of the entity. The official title of the entity is The Woodville Educational Foundation, Inc.

Financial Condition

Section 10.854(1)(e)2., *Rules of the Auditor General*, requires that we report the results of our determination as to whether or not The Woodville Educational Foundation, Inc. has met one or more of the conditions described in Section 218.503(1), *Florida Statutes*, and identification of the specific condition(s) met. In connection with our audit, we determined that The Woodville Educational Foundation, Inc. did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*.

Board of Directors

The Woodville Educational Foundation, Inc.

d/b/a The Woodville Middle School of Leadership through History and Civics

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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 Woodville Educational Foundation, Inc. It is management's responsibility to monitor The Woodville Educational Foundation, Inc.'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.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), *Rules of the Auditor General*, require that we report the results of our determination as to whether The Woodville Educational Foundation, Inc. maintains on its website the information specified in Section 1002.33(9)(p), *Florida Statutes*. In connection with our audit, we determined that The Woodville Educational Foundation, Inc. maintained on its website the information specified in Section 1002.33(9)(p), *Florida Statutes*.

Other Matters

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

Section 10.854(1)(e)4., *Rules of the Auditor General*, requires that we address 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, applicable management, and the Leon County School Board, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tallahassee, FL

December 1, 2015



REQUIRED COMMUNICATIONS

Required Communications

We have audited the financial statements of The Woodville Educational Foundation, Inc., d/b/a The Woodville Middle School of Leadership through History and Civics for the year ended June 30, 2015, and have issued our report thereon dated December 1, 2015. Professional standards require that we provide you with the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Auditor's responsibility under Generally Accepted Auditing Standards</p>	<p>As stated in our engagement letter dated May 18, 2015 our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>As part of our audit, we considered the internal control of the Foundation. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.</p>
<p>Client's responsibility</p>	<p>Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management is responsible for the design and implementation of programs and controls to prevent and detect fraud.</p>
<p>Planned scope and timing of the audit</p>	<p>Our initial audit plan was not significantly altered during our fieldwork.</p>
<p>Management judgments and accounting estimates <i>The process used by management in forming particularly sensitive accounting estimates and the basis for the auditor's conclusion regarding the reasonableness of those estimates.</i></p>	<p>Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates and CRI Comments on Quality."</p>
<p>Potential effect on the financial statements of any significant risks and exposures <i>Major risks and exposures facing the Foundation and how they are disclosed.</i></p>	<p>No such risks or exposures were noted.</p>

Required Communications

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditor's judgment about the quality of accounting principles</p> <ul style="list-style-type: none"> • <i>The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</i> • <i>The auditor should also discuss the auditor's judgment about the quality, not just the acceptability, of the Foundation's accounting policies as applied in its financial reporting. The discussion should include such matters as consistency of accounting policies and their application, and clarity and completeness of the financial statements, including disclosures. Critical accounting policies and practices applied by the Foundation in its financial statements and our assessment of management's disclosures regarding such policies and practices (including any significant modifications to such disclosures proposed by us but rejected by management), the reasons why certain policies and practices are or are not considered critical, and how current and anticipated future events impact those determinations;</i> <p><i>Alternative treatments within GAAP for accounting policies and practices related to material items, including recognition, measurement, presentation and disclosure alternatives, that have been discussed with client management during the current audit period, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor; furthermore, if the accounting policy selected by management is not the policy preferred by us, discuss the reasons why management selected that policy, the policy preferred by us, and the reason we preferred the other policy.</i></p>	<p>See Note 1 of the Notes to Financial Statements and the section entitled "Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality."</p>

Required Communications

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Significant difficulties encountered in the audit <i>Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.</i></p>	None.
<p>Disagreements with management <i>Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditor's report. This does not include those that came about based on incomplete facts or preliminary information.</i></p>	None.
<p>Other findings or issues <i>Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.</i></p>	None.
<p>Matters arising from the audit that were discussed with, or the subject of correspondence with, management <i>Business conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.</i></p>	None.
<p>Corrected and uncorrected misstatements <i>All significant audit adjustments arising from the audit, whether or not recorded by the Foundation, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform the Board about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements.</i></p>	Please see the following section titled "Summary of Audit Adjustments."

Required Communications

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Major issues discussed with management prior to retention</p> <p><i>Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.</i></p>	None.
<p>Consultations with other accountants</p> <p><i>When management has consulted with other accountants about significant accounting or auditing matters.</i></p>	None of which we are aware.
<p>Written representations</p> <p><i>A description of the written representations the auditor requested (or a copy of the representation letter).</i></p>	See "Management Representation Letter" section.
<p>Internal control deficiencies</p> <p><i>Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditor's attention during the audit.</i></p>	See "Internal Control Findings" section.
<p>Fraud and illegal acts</p> <p><i>Fraud involving the Foundation's management, or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditor's attention involving the Foundation's management and any other illegal acts, unless clearly inconsequential.</i></p>	We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.
<p>Other information in documents containing audited financial statements</p> <p><i>The external auditor's responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.</i></p>	<p>Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether:</p> <ul style="list-style-type: none"> • Such information is materially inconsistent with the financial statements; and • We believe such information represents a material misstatement of fact. <p>We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.</p>

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality

We are required to communicate our judgments about the quality, not just the acceptability, of the Foundation's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. The Board may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATES	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Capital assets	The Foundation estimates depreciation on capital assets.	Yes	Depreciation estimate is based on estimated useful lives and residual values of capital assets.	The Foundation's policies are in accordance with all applicable accounting guidelines.

Summary of Audit Adjustments

During the course of our audit, we accumulate differences between amounts recorded by the Foundation and amounts that we believe are required to be recorded under GAAP. Those adjustments are either recorded (corrected) by the Foundation or passed (uncorrected).

Adjustments recorded by the Foundation are included in the attached schedule. No passed adjustments were identified.

QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to addition, or vice versa.
- Whether the difference concerns an area of the Foundation's operating environment that has been identified as playing a significant role in the Foundation's operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management's compensation – for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.

Summary of Audit Adjustments

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
To properly state fixed assets and depreciation			
5000	Instruction	12,972.00	
7300	School Admin	3,880.00	
7400	Facilities and Acquisition	15,992.00	
1400	Fixed Assets		15,992.00
1410	Accumulated Depreciation		16,852.00
Total		<u>32,844.00</u>	<u>32,844.00</u>
Adjusting Journal Entries JE # 3			
To properly state opening net position			
2750	Unassigned	339,577.00	
5000	Instruction		93,925.00
7400	Facilities and Acquisition		245,652.00
Total		<u>339,577.00</u>	<u>339,577.00</u>



Management Representation Letter
December 1, 2015

CRI
1713 Mahan Drive
Tallahassee, Florida 32308

This representation letter is provided in connection with your audits of the financial statements of the Woodville Educational Foundation, Inc., which comprise the respective financial position of the governmental activities, fund financial statements, and the aggregate remaining fund information as of June 30, 2015, as well as the respective changes in financial position for the year audited, and, where applicable, cash flows for the year audited, and the related notes to financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles general accepted in the United State of America (U.S.GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if the items involve an omission or misstatement of accounting information that make it probable for a reasonable person relying on the information to be changed or influenced by an omission or a misstatement. An omission or a misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of knowledge and belief, as of December 1, 2015, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set forth in the audit engagement letter dated May 18, 2015, including our preparation and fair presentation of the financial statements in accordance

with U.S. GAAP and for the preparation of the supplementary information in accordance with the applicable criteria.

2. The financial statements referred to above are fairly presented, in conformity with the U.S. GAAP, and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included by the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal controls to prevent and detect fraud.
5. The significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, guarantees, and amounts receivable from or payable to related parties are appropriately accounted for and disclosed in accordance with U.S. GAAP.
7. Adjustments or disclosures were made for all events, including, if any, instances of noncompliance, subsequent to the date of the financial statements requiring adjustment to or disclosure in the financial statements.
8. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
9. Guarantees, whether oral or written, under which the Woodville Educational Foundation, Inc. is contingently liable, if any, have been properly recorded and disclosed.

Information Provided

10. We provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you requested from us for the purpose of the audit.
 - c. Unrestricted access to persons from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the Woodville Educational Foundation, Inc.
11. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
12. We have no knowledge of any incidents of fraud or suspected fraud that affects the Woodville Educational Foundation, Inc.'s financial statements involving:
 - a. Management,
 - b. Employees that have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.

13. We have no knowledge of any allegations of fraud or suspected fraud communicated by employees, former employees, regulators, or others that might have had a material effect on the Woodville Educational Foundation, Inc.'s financial statements.
14. We have no knowledge of instances of noncompliance or suspected noncompliance with, or abuse of, provisions of laws, regulations, contracts, or grant agreements that should be considered when preparing financial statements.
15. We have disclosed to you that there are no known or actual or possible litigation, claims, and assessments that should be considered when preparing financial statements.
16. We have disclosed to you the identity of the Woodville Educational Foundation, Inc.'s related parties and all the related party relationships and transactions of which we are aware.

Government-Specific

17. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
18. We have informed you that this is the first audit, attestation agreement, and study related to the audit objectives.
19. The Woodville Educational Foundation, Inc. has no plans or intentions that might have a material effect on the carrying value of any assets, liabilities, or equity.
20. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
21. We have identified and disclosed to you that we are unaware of any instances of fraud that might have had a material effect on the financial statements or that would warrant the attention of those charged with governance.
22. We have identified and disclosed to you that we are unaware of any noncompliance with provisions of laws and regulations, which have occurred or are likely to occur, that could have had a material effect on the financial statements or other financial data significant to the audit objectives and any other instances that warrant the attention of those charged with governance.
23. We have identified and disclosed to you all instances, which have occurred or are likely to occur, of noncompliance with contracts and grant agreements that could have had a material effect on the determination of financial amounts or other financial data significant to the audit objectives.
24. We have identified and disclosed to you all instances, which have occurred or are likely to occur, of abuse, which could be qualitatively or quantitatively material to the financial statements or other financial data significant to the audit objectives.
25. There are no violations or possible violations of budget ordinances, laws, or regulations (including those pertaining to adoption, approval, and amendment of budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting noncompliance.
26. As part of the audit, you assisted with preparation of financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit responsibilities, and we have

reviewed, approved, and accepted responsibility for those financial statements and related notes.

27. The Woodville Educational Foundation, Inc. has satisfactory documentation of ownership for any owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
28. The Woodville Educational Foundation, Inc. has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
29. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
30. The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
31. All funds that meet the quantitative criteria in GASB Nos. 34 and 37 for presentation as major are identified and presented as such and other funds that are presented as major are particularly important to financial statement units.
32. Components of net position (net investment in capital assets; restricted; and nonrestricted), and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified.
33. Investments, derivative instruments, and property held by endowments are properly valued.
34. Provisions for uncollectible receivables have been properly identified and recorded.
35. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
36. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
37. Interfund, internal, and intra-entity activity balances have been appropriately classified and reported.
38. Deposits, and investment securities are properly classified as to risk and properly disclosed.
39. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and if applicable, depreciated.
40. We have appropriately disclosed the Woodville Educational Foundation, Inc.'s policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that the net position is properly recognized under the policy.
41. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classification for financial reporting purposes.
42. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
43. With respect to the budgetary comparison schedule – governmental funds:

Management Representation Letter

- a. We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. We have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of this supplementary information.
- b. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue supplementary information and the auditor's report therein.

Signature: Laura Adams Title: Chair
Printed Name: Laura Adams Date: 12/1/2015



**INTERNAL CONTROL
RECOMMENDATIONS**

The Board of Directors and Management of
The Woodville Educational Foundation, Inc.
d/b/a The Woodville Middle School of Leadership through History and Civics

In planning and performing our audit of the financial statements of The Woodville Educational Foundation, Inc., ("the Foundation") d/b/a The Woodville Middle School of Leadership through History and Civics as of and for the year ended June 30, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the Foundation'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 the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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.

We included in the accompanying table control deficiencies and other internal control recommendations for management and the Board of Director's consideration.

This communication is intended solely for the information and use of management and Board of Directors, and is not intended to be, and should not be, used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tallahassee, FL

December 1, 2015

Internal Control Findings

The following legend should be used in conjunction with reviewing the “Rating” of each of the identified internal control items:

IP = Improvement Point	D = Control Deficiency	SD = Significant Deficiency	MW = Material Weakness
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Internal control recommendations

ITEM	RATING	AREA	ITEM NOTED	SUGGESTION	MANAGEMENT ACTION
2015-1	MW	Preparation of GAAP-based financial statements.	Management relies on us to prepare the Foundation’s annual financial statements including the required note disclosures in order to be in accordance with U.S. GAAP.	This is common practice and is not unusual for an organization of this size.	Management believes this is the most cost-effective approach to maintain the Foundation’s books and to prepare annual financial statements in accordance with U.S. GAAP.