Management Letter as Required by Rules of the Florida Auditor General, Chapter 10.850, Florida Statutes, Charter School Audits

To the Board of Directors of the Avant Garde Academy of Osceola, 
(A charter school under Avant Garde Academy, Inc.)
a Charter School and Component Unit of the 
District School Board of Osceola County, Florida

Report on the Financial Statements
We have audited the financial statements of the Avant Garde Academy of Osceola (“School”), a charter school under Avant Garde Academy, Inc. and component unit of the District School Board of Osceola County, Florida, as of and for the fiscal year ended June 30, 2016, and have issued our report thereon dated September 16, 2016.

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 those report and schedule, which are dated September 16, 2016, 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 prior audit findings or recommendations.

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 Avant Garde Academy of Osceola.

Financial Condition
Sections 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 School 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 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.

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 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 maintained on its Web site 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 have one such recommendation as follows:

2016-01 - Budget – The School’s expenditures exceeded its approved amended budget for the general fund by $219,233 in total. We recommend the Board adjust the School’s budget in order to prevent expenditures exceeding the approved budget in a timely manner.

Management’s Response – In the 2016-17 fiscal year, the Board will continue to monitor and amend the budget when appropriate, if additional changes occur after year-end consistent with current year, the Board will call a special Board Meeting.

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 District School Board of Osceola County and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

[Signature]

September 16, 2016
Tampa, Florida