

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
Community Charter School of Excellence, Inc.
a Charter School and Component Unit of
the School District of Hillsborough County
Tampa, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Community Charter School of Excellence, Inc., a Charter School and Component Unit of the School District of Hillsborough County, Florida, (the "School") as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated October 8, 2018.

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 identify significant deficiencies and material weaknesses in internal controls and made recommendations to management, as noted in the attached exhibit.

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.

A handwritten signature in cursive script that reads "Sattler & Company P.A.".

Tampa, Florida
October 8, 2018

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EXHIBIT

Actions	Person Responsible	Timeline	Status
Hire a consultant CPA that is experienced with Governmental Accounting.	Board of Directors	By January 1, 2019	Under consideration
Revise accounting procedures for recording transactions into general ledger.	Board of Directors and CPA Consultant	By January 1, 2019	In Progress
Ensure training and acquiring of proper Governmental Accounting knowledge as part of Board of Directors meeting agenda.	Board of Directors	By Next Board of Director's Meeting	Every meeting

Current year recommendations to management as reported in Exhibit A to the management letter are as follows:

- Observation 2018-01 is identified as a significant deficiency.
- Observation 2018-02 is identified as a significant deficiency.
- Observation 2018-03 is identified as a material weakness.
- Observation 2018-04 is identified as a significant deficiency.
- Observation 2018-05 is identified as a significant deficiency.
- Observation 2018-06 is identified as a material weakness.