



**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***

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Board of Directors  
Manatee School of Arts and Sciences, Inc.  
Bradenton, 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 the General Fund of Manatee School of the Arts and Sciences, Inc. (the "Charter School") (a Charter School and component unit of the School Board of Manatee County), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements, and have issued our report thereon dated September 30, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Charter 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 Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter School's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Recommendations as item 2019-001 (prior year findings 2018-001 and 2017-001) that we consider to be a material weakness.

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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 Manatee School of Arts and Sciences, Inc. It is management's responsibility to monitor the Charter School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

### **Transparency**

Sections 10.854(1)(e)7. and 10.855(13), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether the Charter 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 Charter School maintained on its Web site the information specified in Section 1002.33(9)(p), *Florida Statutes*.

### **Additional Matters**

Section 10.854(1)(e)4., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note 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 School District of Manatee County and is not intended to be and should not be used by anyone other than these specified parties.

Bradenton, Florida  
September 30, 2019

**MANATEE SCHOOL OF ARTS AND SCIENCES, INC.**  
**(A Charter School and Component Unit of the School Board of Manatee County)**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

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**2019 – 001 Journal Entries**

**Criteria:** Internal controls should be in place to ensure that financial statements properly present the financial position and results of operations of the Charter School in accordance with generally accepted accounting principles (GAAP) and that all of the Charter School’s transactions are properly reported in the proper period.

**Condition:** Misstatements were detected in our audit of the Charter School’s financial statements for the fiscal year ended June 30, 2019.

**Cause:** During our audit for the year ended June 30, 2019, four adjustments were required for the fair presentation of the financial statements. One was to correct items purchased that were incorrectly recorded as an expense rather than a capital asset, and the others were to adjust net assets, accounts receivables and accrued liabilities.

**Recommendation:** During the year management and the Board switched accountants to address the prior year finding for the significant amount of journal entries. This year the number of entries was reduced from ten to four. We recommend the Charter School continue this transition and review applicable reporting requirements at year-end to ensure that financial statements are properly adjusted and all information and financial data is being properly reported.

**Management’s Response:** Manatee School of Arts and Sciences, Inc. accepts the finding of the audit and will continue to make improvements. We will continue to work closely with our Accountant to reduced and eliminate any errors. We are very pleased with the improvements made thus far.