

RCMA Leadership Academy
A Program of
Redlands Christian Migrant Association, Inc.
(A Not-For-Profit Organization)
Financial Statements and
Supplementary Information
June 30, 2019

RCMA Leadership Academy

A Program of Redlands Christian Migrant Association, Inc.

(A Not-for-Profit Organization)

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Introduction Section

Letter of Transmittal

September 30, 2019

To the Board of Directors of
RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.

The accompanying report consists of management's representation concerning the finances of the RCMA Leadership Academy, a program of Redlands Christian Migrant Association, Inc. (RCMA) (a not-for-profit organization), hereafter referred to as the School. We, the management of the School, assume full responsibility for the completeness and reliability of all the information presented herein.

Redlands Christian Migrant Association, Inc. (RCMA) (the Organization) was incorporated as a not-for-profit organization under the laws of the State of Florida in 1965, for the purpose of operating child care centers, schools for handicapped children and early childhood education centers for the children of migrant and seasonal farm workers whose families' total income does not exceed an amount over the poverty levels. In 1999, the board of directors and administration of RCMA approved a plan to open a charter school since this was in line with the Organization's mission. The Organization obtained approval and opened its charter school for the 2000 – 2001 school year under a charter of the sponsoring school district, the Hillsborough County Public School Board (the District). In 2012, RCMA obtained a contract for 5 years to start operations for a middle school.

Generally Accepted Accounting Principles in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). Such MD&A is included herein on pages 6 through 13 and such analysis as well as the presentation of this report would not have been possible without the efficient and dedicated services of the entire staff of RCMA's fiscal department.

Respectfully submitted,

Isabel Garcia, Executive Director

Gilbert Flores, Director of Finance

ESTABLISHED IN 1965, RCMA IS AN EQUAL OPPORTUNITY EMPLOYER FOUNDED IN PART BY:



Board of Directors

President

Ms. Medora Krome

Past President

Mr. Michael Stuart

Vice-Presidents

Mr. Joaquin Perez

Mr. Michael T. Bayer

Mr. Jaime Weisinger

Ms. Linda Miles-Adams

Mr. Larry Salustro

Ms. Sandra Hightower

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Ms. Donna Gaffney

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Ms. Barbara Mainster Rollason

Mr. Ansberto Vallejo

Ms. Gloria Kendrick

Ms. Minerva Jaimes

Mr. Dani Higgins

Ms. Fritz Roka

Financial Section

Independent Auditor's Report

To the Board of Directors of
RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.

Prager Metis CPAs, LLC

355 ALHAMBRA CIRCLE
SUITE 1100
CORAL GABLES, FL 33134
T 305.444.8288
F 305.444.8280
www.pragermetis.com

We have audited the accompanying financial statements of the governmental activities and each major fund of RCMA Leadership Academy (the School), a program of Redlands Christian Migrant Association, Inc. (RCMA) (a not-for-profit organization), operating as a charter school of the Hillsborough County District School, as of and for the year then ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion 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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.850, Rules of the Auditor General, which govern the conduct of charter school audits in the State of Florida. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 opinion.

Opinion

In our opinion, the financial statements referred to on page 3 present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of RCMA Leadership Academy, a program of RCMA, as of June 30, 2019 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

As explained in Note 1 to the financial statements, the accompanying financial statements being presented are only for the School referred to above which is a program of RCMA. The financial statements do not include the statements of financial position, activities and cash flows of RCMA. Accordingly, the accompanying financial statements are not intended to present the financial position of RCMA as of June 30, 2019 or its changes in net position and cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the budgetary comparison information on pages 6 – 13 and pages 33 – 34, respectively, 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.



In accordance with Section 218.39(4), Florida Statutes, and Sections 10.856(2)(d) and 10.806(2)(d), Rules of the Auditor General, we have issued a Management Letter Pursuant to the Rules of the Auditor General for the State of Florida (pages 31 – 32) dated September 30, 2019.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements of RCMA Leadership Academy, a program of RCMA. The introductory section (pages 1 – 2) is presented for purposes of additional analysis and is not a required part of the basic financial statements. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Prior-year Comparative Information

We have previously audited the School's 2018 financial statements, and we expressed an unmodified audit opinion on the respective financial statements in our report dated September 27, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report (pages 29 – 30) dated September 30, 2019 on our consideration of RCMA Leadership Academy's internal control over financial reporting and 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 the audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Prager Metis CPAs, LLC

Prager Metis CPAs, LLC
Coral Gables, Florida
September 30, 2019

RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-For-Profit Organization)
School Profile and Management's Discussion and Analysis

To the Board of Directors of
RCMA Leadership Academy, a program of
Redlands Christian Migrant Association, Inc. (RCMA)

A school profile and management's discussion and analysis of the results of operations follow:

1. Name and address of the Charter School:

RCMA Leadership Academy
18240 U.S. Hwy 301 South
Wimauma, FL 33598

2. RCMA's Director of Charter Schools:

Juana Brown

3. School Director:

Mark Haggett

4. Total Students: 112

Other Information

- Free and reduced lunch rate: 100%
- Attendance rate: 98%
- Hispanic: 98%
- Multiracial: 2%
- English Speakers of other Languages (ESOL): 49.5%
- Exceptional Student Education: 7%

School Progress and Development

Redlands Christian Migrant Association (RCMA) is a 54-year-old, not-for-profit organization serving nearly 6,000 migrant and low-income children in rural, agricultural communities in 21 Florida counties. We provide child development and education programs, with parental involvement as a key component. Our mission is to open doors to opportunities through quality childcare and education from the crib to high school and beyond.

Leadership Academy opened in August 2012 as RCMA's first middle school. The campus is located adjacent to the RCMA Wimauma Academy's campus and consists of a building with classroom spaces, as well as five acres of adjoining land. This land was purchased by the Board as an open area for playing fields as well as future growth. The area is now fenced and includes a soccer field, a playground, and an open space used for the Physical Education program and for school community events.

The Academy's educational program focuses on helping students navigate this important transitional time in their academic and social emotional development. The program focuses on academic content and nurturing of lifelong skills needed for higher education, career, and civic engagement. The multifaceted program includes rigorous academics, leadership, and enrichment programs. The diverse needs each student have been carefully considered in developing the middle school's unique program. There are high expectations for all students, but differentiation for students who move through the work at a different pace. Students requiring foundational knowledge are provided with time and support as are students ready for accelerated learning. Twenty-five seventh and seventh grade students were enrolled in Algebra, while twenty-four seventh and eighth grade students successfully enrolled and completed Geometry. This was the second year the third-year school level classes have been offered to middle school students.

Academics are complemented by enrichment programs that introduce students to a broad range of experiences. These are made possible by valued partnerships with organizations who believe in and support our mission. Select students participate in a rigorous summer academy at Berkeley Prep in Tampa. Students also gain real-world knowledge through such opportunities as a yearly advocacy trip to Tallahassee to meet with state legislators and Washington, DC with the Close-Up Foundation. The program also harnesses the power of the arts as a vehicle for student creativity and self-expression, offering drama, visual art, and music instruction. Student talent is nurtured in yearly drama workshops with Powerstories Theater, guitar lessons and a studio art class. Performances accompany each of these classes and provide students with an opportunity to build confidence and as well as showcase their skills.

Social Emotional Learning

An expanding and comprehensive social emotional component is embedded into the curriculum. Thanks to a new partnership with Save the Children, students participate in a series of six weeks Journey of Hope workshops to address stress and trauma and help students build a positive sense of self and healthy peer-relationships. SEL components help provide students with strategies to address the unique challenges experienced during this developmental stage. An accompanying mindfulness and after-school yoga program adds a layer of support to build concentration, compassion, and self-awareness.

School Progress and Development (continued)

Social Emotional Learning (continued)

The Pillars Program and a House Structure divides students into “home communities”, with house members working in concert to support one another in reaching their common and individual goals. The SEL program is helping to reinforce the value of teaching social skills, work habits, and behaviors associated with active engagement, along with enhancing opportunities for students’ practice, reflection, and celebration of these behaviors.

Parent Partnerships

Parent involvement is a key element of our middle school program. The Padres Comprometidos program and School Advisory Committee continues to be the backbone of parent involvement in the school. A new component of our parent program focused on wellness and nutrition. Parents participated in nutrition classes and were introduced to a broad array of fresh produce, thanks to a fruit and vegetable distribution program. Participating families received two bags of produce at each distribution, sampled new recipes, and accessed food too often out of reach because of costs of fresh produce.

Assessment and Accountability

This year there was an increase in student achievement and gains on the Florida State Assessment. Leadership student’s results in Math were especially notable. For the second year in a row the school is awarded a "B", just shy of an “A” by one point. An impressive 92% of all Algebra students and 100% of Geometry students scored proficient or better on the FSA’s End of Course exams (EOC). Leadership Academy’s performance in Math mirrors the lower school students’ own high achievement and continues a trend of academic excellence, especially in Math.

This year marked a new milestone for Leadership Academy with the acceptance of six graduating eighth grade students to Cristo Rey High School in Tampa. This competitive private high school offers students an innovative work-study program through partnerships with local businesses. Leadership graduates were again accepted to the competitive Collegiate Program at Lennard High School as well as in several local charter schools.

Financial Highlights

1. The assets of the School exceeded its liabilities at June 30, 2019 by \$18,073 (net position).
2. At year-end, the School had current assets on hand of \$188,853.
3. The change in net position of the School increased by \$35,228 during the year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's financial statements for the year ended June 30, 2019 are presented under GASB Codification Section 2200. The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government- Wide Financial Statements

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

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

The *Statement of Activities* presents information on how the School's net position changed during the fiscal year. All changes in net position are reported when the underlying event occurs without regard to the timing of related cash flows. Accordingly, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 14 – 15 of this report.

Fund Financial Statements

A "fund" is a collection of related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The School like other state and local governments uses fund accounting to ensure and report compliance with finance-related legal requirements.

All of the funds of the School are governmental funds. *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental Fund financial statements, however, focus on *near-term* inflows and outflows of spendable resources, as well as on the balances of spendable resources which are available at the end of the fiscal year. Such information may be used to evaluate a government's requirements for *near-term* financing.

The Board of the School adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund as part of supplementary information to demonstrate compliance with the School's budget.

The basic governmental fund financial statements can be found on pages 16 – 19 of this report.

Overview of the Financial Statements (continued)

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 20 – 28 of this report.

Management Analysis of Operations and Financial Condition

Government-Wide Financial Analysis

The School's net position increased from \$(17,155) in 2018 to \$18,073 in 2019.

	<u>2019</u>	<u>2018*</u>
Assets		
Current assets		
Cash	\$ 174,681	\$ 72,389
Accounts receivable	14,172	19,316
Total current assets	<u>188,853</u>	<u>91,705</u>
Property and equipment	<u>706</u>	<u>2,016</u>
Total assets	<u>189,559</u>	<u>93,721</u>
Deferred outflows of resources	<u>1,520</u>	<u>3,360</u>
Liabilities and net position		
Liabilities		
Current liabilities		
Accounts payable	25,817	28,823
Accrued payroll	81,909	67,548
Total current liabilities	<u>107,726</u>	<u>96,371</u>
Deferred inflows of resources	<u>65,280</u>	<u>17,865</u>
Net position		
Invested in capital assets	706	2,016
Unrestricted	<u>17,367</u>	<u>(19,171)</u>
Total net position	<u>\$ 18,073</u>	<u>\$ (17,155)</u>

*certain amounts have been reclassified for comparative purpose

The increase in net position is greatly influenced by the excess of revenue over the expenditures. The change in net position for the year was approximately \$35,200 as shown in the next page.

RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-For-Profit Organization)
School Profile and Management's Discussion and Analysis

Management Analysis of Operations and Financial Condition (continued)

Government-Wide Financial Analysis

The School's revenue and expenditures may be summarized as follows:

	Fiscal Years Ended June 30,	
	<u>2019</u>	<u>2018</u>
	(Rounded)	(Rounded)
Revenue		
School Board – FTE	\$ 704,000	\$ 652,410
– Lead teacher	2,200	1,460
– Florida school "A" award	10,600	-
– Florida school DOE Best & Brightest	2,100	13,400
Federal through state school lunch reimbursement	7,600	10,090
State revenue – capital outlay	-	30
Local sources – grants/contributions	<u>215,400</u>	<u>167,400</u>
Total revenue	941,900	844,790
Expenditures		
Instruction	526,900	469,720
Instructional support services	11,600	11,230
Pupil personnel services	72,100	55,120
Instructional staff training	7,200	8,220
General administration – school district admin. fees	35,200	32,720
School administration	15,900	20,990
Fiscal services	21,000	15,490
Food services	(22,500)	-
Central services	63,400	45,600
Pupil transportation services	600	-
Operation of plant	51,100	53,810
Maintenance of plant	34,100	25,300
Community services	88,800	128,810
Depreciation	<u>1,300</u>	<u>1,910</u>
Total expenditures	906,700	868,920
Changes in net position	<u>\$ 35,200</u>	<u>\$ (24,130)</u>

Management Analysis of Operations and Financial Condition (continued)

The increase in revenue this year of approximately \$97,000 was attributable to certain awards obtained like the "A" award, funds for school FTE, capital outlay funds and other local contributions. FTE funds increased as a direct result of another notable increase in student enrollment for the year. Despite the higher commitment of expenditures a higher enrollment of student represents, the change in net position provided a favorable result of revenue over expenses.

Governmental Funds

The focus of the School's *governmental funds* is to provide information on *near-term* inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the School's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the fiscal year, the School's governmental fund reported a fund balance of \$17,367.

Governmental Fund Budget Analysis and Highlights

Prior to the start of the School's fiscal year, the Board adopts an annual budget. Total actual revenue was lower than budgeted by approximately \$1,700. This happened as a result of less money obtained from capital outlay funds. Total actual expenditures were lower than budgeted by approximately \$38,200 since less money was spent for pupil transportation services and operation of plant than that budgeted. Refer to page 33 for the Statement of Governmental Funds Revenue, Expenditures and Changes in Fund Balances – Budget and Actual – Governmental Funds.

Capital Assets

The School's investment in capital assets as of June 30, 2019 amounted to \$706 (net of accumulated depreciation of \$22,675). The investment in capital assets did not include improvements or additions to the program or office equipment accounts for the current year.

Request for Information

The financial report is designed to provide the reader with a general overview of the School's finances, as well as demonstrate accountability for funds the School receives. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to Juana Brown at 402 West Main Street, Immokalee, FL 34142-3933.

RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-For-Profit Organization)
Statement of Net Position
June 30, 2019
(With Comparative Totals for 2018)

	<u>2019</u>	<u>2018*</u>
Assets		
Current assets		
1110 Cash	\$ 174,681	\$ 72,389
1130 Accounts receivable	<u>14,172</u>	<u>19,316</u>
Total current assets	<u>188,853</u>	91,705
1300 Property and equipment	<u>706</u>	<u>2,016</u>
Total assets	<u>189,559</u>	<u>93,721</u>
Deferred outflows of resources	<u>1,520</u>	<u>3,360</u>
Liabilities and net position		
Liabilities		
Current liabilities		
2120 Accounts payable	25,817	28,823
2110 Accrued payroll	<u>81,909</u>	<u>67,548</u>
Total current liabilities	<u>107,726</u>	<u>96,371</u>
Deferred inflows of resources	<u>65,280</u>	<u>17,865</u>
Net position		
2770 Invested in capital assets	706	2,016
2790 Unrestricted	<u>17,367</u>	<u>(19,171)</u>
Total net position	<u>\$ 18,073</u>	<u>\$ (17,155)</u>

*certain amounts have been reclassified for comparative purpose

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

RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-For-Profit Organization)
Statement of Activities
Year Ended June 30, 2019
(With Comparative Totals for 2018)

	Expenses	Program Revenue		Net (Expenses) Revenue and Changes in Net Assets Government	
		Special Revenue	Capital Projects	2019	2018
Governmental activities					
Instruction	\$ 613,198	\$ 86,290	\$ -	\$ (526,908)	\$ (469,716)
Instructional support services	11,545	-	-	(11,545)	(11,227)
Pupil personnel services	72,074	-	-	(72,074)	(55,122)
Instructional staff training	7,212	-	-	(7,212)	(8,218)
General administration	35,204	-	-	(35,204)	(32,717)
School administration	15,886	-	-	(15,886)	(20,988)
Facility acquisition and construction	33,000	-	33,000	-	-
Fiscal services	23,892	2,858	-	(21,034)	(15,491)
Food services	96,902	119,448	-	22,546	-
Central services	63,417	-	-	(63,417)	(45,600)
Pupil transportation services	601	-	-	(601)	-
Operation of plant	51,044	-	-	(51,044)	(53,807)
Maintenance of plant	34,135	-	-	(34,135)	(25,299)
Community services	88,842	-	-	(88,842)	(128,813)
Depreciation	1,310	-	-	(1,310)	(1,913)
Total governmental activities	<u>\$ 1,148,262</u>	<u>\$ 208,596</u>	<u>\$ 33,000</u>	<u>\$ (906,666)</u>	<u>\$ (868,911)</u>
General revenue					
Grants and contributions not restricted to specific purposes				941,894	844,779
Changes in net position				35,228	(24,132)
Net position – beginning				(17,155)	6,977
Net position – ending				<u>\$ 18,073</u>	<u>\$ (17,155)</u>

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

RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-For-Profit Organization)
Governmental Funds Balance Sheet
June 30, 2019
(With Comparative Totals for 2018)

	General Fund	Special Revenue Fund	Capital Projects Fund	Combined Totals Governmental Funds	
				2019	2018*
Assets					
1110 Cash	\$ 174,681	\$ -	\$ -	\$ 174,681	\$ 72,389
1130 Accounts receivable	14,172	-	-	14,172	19,316
Total assets	188,853	-	-	188,853	91,705
Deferred outflows of resources	1,520	-	-	1,520	3,360
Liabilities and fund balances					
Liabilities					
2120 Accounts payable and accrued expenses	25,817	-	-	25,817	28,823
2110 Accrued payroll	81,909	-	-	81,909	67,548
Total liabilities	107,726			107,726	96,371
Deferred inflows of resources	65,280	-	-	65,280	17,865
Fund balances					
2760 Unassigned	\$ 17,367	\$ -	\$ -	\$ 17,367	\$ (19,171)

*certain amounts have been reclassified for comparative purpose

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

RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-For-Profit Organization)
Reconciliation of the Governmental Funds Balance Sheet to
The Statement of Net Position
June 30, 2019

Total fund balances – governmental funds balance sheet \$ 17,367

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

Capital assets used in governmental activities are not
financial resources and therefore are not reported as assets
in governmental funds. The cost of assets is \$23,381 and
the accumulated depreciation is \$22,675.

706

Total net position – statement of net position \$ 18,073

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

RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-For-Profit Organization)
Statement of Governmental Funds Revenue, Expenditures and Changes in Fund Balances
Year Ended June 30, 2019
(With Comparative Totals for 2018)

		General	Special	Capital	Combined Totals	
		Fund	Revenue	Projects	Governmental Funds	
			Fund	Fund	2019	2018
Revenue						
3261.000	Federal through state school lunch reimbursement	\$ 7,585	\$ 122,306	\$ -	\$ 129,891	\$ 116,369
3240.000	Title I revenue	-	86,290	-	86,290	69,828
3310.000	School Board of Hillsborough County – FTE	704,042	-	-	704,042	652,410
3310.000	– DOE Best & Brightest Scholarships	2,128	-	-	2,128	13,400
3310.000	– Lead Teacher	2,176	-	-	2,176	1,458
3310.000	– "A" Award	10,587	-	-	10,587	-
3391.000	State revenue – capital outlay PECO	-	-	33,000	33,000	24,027
3413.000	State revenue – capital outlay LCIR	-	-	-	-	10,438
3400.000	Local sources – grants/contributions	215,376	-	-	215,376	167,397
	Total revenue	<u>941,894</u>	<u>208,596</u>	<u>33,000</u>	<u>1,183,490</u>	<u>1,055,327</u>
Expenditures						
5100.100	Instruction – salaries	413,212	79,413	-	492,625	425,781
5100.200	Instruction – employee benefits	84,072	5,387	-	89,459	86,965
5100.300	Instruction – purchased services	290	-	-	290	440
5100.500	Instruction – materials and supplies	27,631	1,490	-	29,121	23,686
5100.642	Instruction – non-capitalized equipment	1,703	-	-	1,703	2,671
6000.100	Instructional support services – salaries	8,780	-	-	8,780	8,424
6000.200	Instructional support services – employee benefits	2,765	-	-	2,765	2,803
6100.300	Pupil personnel services – purchased services	37,003	-	-	37,003	30,681
6100.700	Pupil personnel services – other services	35,071	-	-	35,071	24,441
6400.300	Instructional staff training – purchased services	7,212	-	-	7,212	8,218
7200.300	General Administration – school district admin fees	35,204	-	-	35,204	32,717
7300.100	School administration – salaries	3,325	-	-	3,325	7,513
7300.200	School administration – employee benefits	348	-	-	348	3,165
7300.300	School administration – purchased services	6,801	-	-	6,801	6,500
7300.500	School administration – materials and supplies	2,470	-	-	2,470	1,776
7300.641	School administration – capitalized equipment	-	-	-	-	1,413
7300.642	School administration – non-capitalized equipment	2,085	-	-	2,085	825
7300.700	School administration – other expenses	857	-	-	857	1,209
7400.300	Facility acquisition and construction – rental property	-	-	33,000	33,000	33,000
7500.300	Fiscal services – RCMA indirect costs	21,034	2,858	-	23,892	18,199
7600.100	Food service – salaries	-	31,746	-	31,746	30,096
7600.200	Food service – fringe benefits	-	9,837	-	9,837	9,045
7600.300	Food service – purchased services	-	1,770	-	1,770	1,277
7600.500	Food service – materials and supplies	(22,546)	76,095	-	53,549	63,157
7700.100	Central services – salaries	54,761	-	-	54,761	38,550
7700.200	Central services – employee benefits	8,656	-	-	8,656	7,050
7800.300	Pupil transportation services – purchased services	601	-	-	601	-
7900.100	Operation of plant – salaries	8,987	-	-	8,987	8,725
7900.200	Operation of plant – employee benefits	2,464	-	-	2,464	2,119
7900.300	Operation of plant – purchased services	26,789	-	-	26,789	32,578
7900.400	Operation of plant – energy services	9,912	-	-	9,912	9,766
7900.600	Operation of plant – communication	2,892	-	-	2,892	2,057
8100.100	Maintenance of plant – salaries	25,489	-	-	25,489	18,583
8100.200	Maintenance of plant – employee benefits	8,646	-	-	8,646	6,716
9100.100	Community services – salaries	55,235	-	-	55,235	85,690
9100.200	Community services – employee benefits	13,869	-	-	13,869	16,682
9100.300	Community services – purchased services	9,989	-	-	9,989	12,772
9100.300	Community services – indirect cost	2,232	-	-	2,232	5,186
9100.400	Community services – energy services	2,529	-	-	2,529	3,051
9100.500	Community services – material and supplies	4,916	-	-	4,916	5,254
9100.642	Community services – non-capitalized equipment	72	-	-	72	178
	Total expenditures	<u>905,356</u>	<u>208,596</u>	<u>33,000</u>	<u>1,146,952</u>	<u>1,078,959</u>
	Excess (deficit) of revenue over expenditures	36,538	-	-	36,538	(23,632)
	Fund balances – beginning	(19,171)	-	-	(19,171)	4,461
	Fund balances – ending	<u>\$ 17,367</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,367</u>	<u>\$ (19,171)</u>

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

RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-For-Profit Organization)
Reconciliation of the Statement of Governmental Funds Revenue, Expenditures and
Changes in Fund Balances to the Statement of Activities
Year Ended June 30, 2019

**Net change in fund balances – statement of governmental funds
revenue, expenditures, and changes in fund balances** \$ 36,538

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

Capital assets used in governmental activities are not
financial resources and therefore are not reported as assets
in governmental funds.

Expenditures for capital assets -
Less current-year depreciation expense (1,310)

Change in net position – statement of activities \$ 35,228

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

Note 1 Organization and Purpose

Redlands Christian Migrant Association, Inc. (RCMA and/or the Organization) was incorporated as a not-for-profit organization under the laws of the State of Florida in 1965. RCMA's purpose is to administer child-care centers, schools for handicapped children and early childhood education centers for the children of migrant and seasonal farm workers whose families' total income does not exceed an amount over the poverty levels. RCMA achieves its purpose through a variety of programs funded substantially by federal and state grants and individual contributions.

In 1999, the board of directors and administration approved a plan to open a charter school since this was in line with the Organization's mission. The Organization obtained approval and opened its charter school for the 2000 – 2001 school year under a charter of the sponsoring school district, the Hillsborough County Public District School Board (the District). In 2011, RCMA reached \$1.3 million from fundraising activities for the opening of a middle school. On August 1, 2012 (inception date), the RCMA Leadership Academy began operations for 2012 – 2013 school year under a charter of the sponsoring school district of Hillsborough. The current contract runs until 2022 with the District.

Note 2 Summary of Significant Accounting Policies

Reporting Entity

The accompanying financial statements are for RCMA Leadership Academy, (the Charter School or the School), a program of RCMA. The governing body of the Charter School consists of nine of the at large members of the RCMA board of directors. All board members have been finger-printed and processed as required by the state's school board law.

Basis of presentation

The accompanying financial statements have been prepared in accordance with the accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying financial statements are included in the financial statements of RCMA using the not-for-profit model of reporting. However, the accompanying financial statements are presented using a governmental model for purposes of reporting to the District.

Basic Financial Statements

The basic financial statements include both government-wide (based on the Charter School as a whole) and fund financial statements according to Governmental Accounting Standard Board.

Note 2 Summary of Significant Accounting Policies (continued)

Government-Wide Basic Statements

The government-wide financial statements include a Statement of Net Position and Statement of Activities, which measure all economic resources and are prepared using full accrual accounting. In the government-wide Statement of Net Position, both the governmental and business-type activities are presented on a consolidated basis and are reflected, on a full accrual economic resource basis. The financial statements reflect costs using the function and object dimensions required by the publication Financial and Program Cost Accounting and Reporting for Florida Schools (the Red Book) as required by Section 1002.33(9)(i), Florida Statutes.

Fund Basic Financial Statements

In the fund financial statements, financial transactions and accounts of the School are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts according to cash and/or financial resources. The School's fund financial statements include the following funds: The General, Special Revenue and Capital Projects. These funds are used for the following purposes:

General Fund

The General Fund is used to account for the full-time equivalent (FTE) fee received from the District, unrestricted contributions, interest and other income and the expenditures incurred under the Charter School contract with the District.

Special Revenue Fund

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Capital Projects Fund

The Capital Projects Fund is used to account for monies received for the use of construction, property lease, renovations and maintenance of school facilities.

Measurement Focus and Basis of Accounting

Basis of accounting refers to the point at which revenue and expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

The governmental funds basic financial statements are maintained and reported using the modified accrual basis of accounting using the current financial resources measurement focus.

Note 2 Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting (continued)

Under this method of accounting, revenue is recognized in the period that they become measurable and available. The Charter School considers revenue to be available if it is collected within 60 days of the end of the year.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, a reconciliation schedule is prepared which reflects the adjustment necessary to reconcile the fund financial statements to the government-wide financial statements.

Governmental activity in the government-wide basic financial statements is presented on the full accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred using the economic resources measurement focus.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resource (revenue) until that time.

Comparative Financial Statements

The financial statements include prior-year summarized comparative information in total, but not by fund. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the School's financial statements for the fiscal year ended June 30, 2018, from which the summarized information was derived.

Uses of Estimates

In preparing these financial statements, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the statement of financial position, and the revenue and expenses for the period then ended. Actual results could differ from these estimates. A description of some of the estimates used is included in the following significant accounting policies.

Note 2 Summary of Significant Accounting Policies (continued)

Revenue Sources

General Fund

Revenue in the general fund reflects the funds received from the Hillsborough County School District pursuant to Section 1011.62 of the Florida Statutes. Such revenue is determined based on (1) un-weighted FTE (Full Time Equivalent), multiplied by (2) the cost factor for each program, multiplied by (3) the base student allocation established by the legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62 (1)(e)2 of the Florida Statutes. In this connection, the School reported 112.02 un-weighted and 113.18 weighted FTE for the 2018 – 2019 school year.

The Charter School's funding pursuant to the Florida Education Finance Program (FEFP) is subject to adjustments resulting from Full Time Equivalent (FTE) audits conducted by the Auditor General pursuant to Section 1010.305, Florida Statutes, and Rule 6A-1.0453, Florida Administrative Code (FAC). In addition, the Charter School's Weighted Funding percentage as defined in the regulations represents the percentage of total state funding which would be at risk should certain specific records for the School's Exceptional Students Education (ESE) and English for Speakers of Other Languages (ESOL) programs not be maintained up to standards. Such records include the following:

- Attendance and membership documentation (Rule 6A-1.044,FAC)
- Teacher certificates and other certification documentation (Rule 6A-1.0503,FAC)
- Procedural safeguards for weighted programs (Rule 6A-6.03411, FAC)
- Evaluation and planning documents for weighted programs (Sections 1011.62(1)(e), FS, and Rule 6A-6.03411, FAC)

Schools are required to maintain the documentation for three years or until the completion of an FTE audit.

In addition, the School receives state funds through the District under the charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based on capital outlay plan submitted to the District and are to be used for lease of school facilities.

Finally, the School receives federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are recorded as deferred revenue until expended. Additionally, other revenue may be derived from various fundraising activities and certain other programs.

Note 2 Summary of Significant Accounting Policies (continued)

Revenue Sources (continued)

Special Revenue Fund

The special revenue fund reflects the School's federal awards for the enhancement of various educational programs. Revenue on the federal awards is recognized based on a) amounts allocated under the terms of the grant, or b) the amount of eligible expenditures incurred.

Capital Projects Fund

Reflects capital outlay funds for the use of leasing school facility or improvements on such.

Cash and Cash Equivalents

The Charter School considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. There were no such investments as of June 30, 2019.

Accounts Receivable

The Charter School considers accounts receivable to be collectible; accordingly, no allowance for doubtful accounts is required. When amounts are determined to be uncollectible, they are charged to operations.

Property and Equipment

The Charter School records in the statement of net position property and equipment at cost when purchased or constructed, or at market value when donated. The Charter School capitalizes all expenditures in excess of \$1,000 for property and equipment at cost. Donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those assets must be maintained, the Charter School reports expirations of donor-imposed restrictions when the donated or acquired assets are placed in service as instructed by the donor. Expenditures for major renewals and betterment that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Long-lived assets

Long-lived assets are reviewed for impairment when circumstances indicate that the carrying value of an asset may not be recoverable. If the carrying value is impaired, the long-lived assets will be written down to their fair market value with a corresponding charge to earnings. No such impairment was recorded for the fiscal year ended June 30, 2019.

Note 2 Summary of Significant Accounting Policies (continued)

Depreciation

Depreciation is included in the statement of activities. Such depreciation is computed on the straight-line basis over the following estimated useful lives of the assets:

Program equipment	3 – 5
Office equipment	3 – 5

Net Position Classifications

Net position is classified in three categories as follows:

Invested in Capital Asset – represents the difference between the cost of capital assets, less accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets.

Restricted – consists of net position with constraints placed on their use by external groups such as creditors, grantors, contributors or laws or regulations of other governments, or laws or regulations of other governments. There are no restricted amounts at year end.

Unrestricted – all other net position that does not meet the definition of “invested in capital assets” or “restricted.”

Fund Balance

The governmental fund financial statements present fund balances under the provisions of GASB Codification Section 188.142. This statement defines the different type of categories that a governmental entity must use as follows:

Non-spendable – includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Consists of fund balance associated with inventories, prepaid expenses, long-term notes receivable and deposits. This is due to their non-conversion to cash or are not expected to be converted to cash or are not expected to be converted to cash within the next year. There are no such funds at year end.

Restricted – includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through legislation. There are no restricted funds at year end.

Note 2 Summary of Significant Accounting Policies (continued)

Fund Balance (continued)

Committed – includes amounts that can be used for specific purposes determined by formal action of the Board of Directors (highest level of decision-making authority). There are no committed funds at year end.

Assigned – includes amounts that the Board of Directors intends to use for a specific purpose, but they are neither restricted nor committed. There are no assigned funds at year end.

Unassigned – includes amounts that have not been restricted, committed or assigned for a specific purpose within the General Fund.

When the School incurs expenditures for which restricted or unrestricted fund balance is available, the School would consider restricted funds to be spent first. When the School has expenditures which are committed, assigned or unassigned fund balance is available, the School would consider committed funds to be spent first, then assigned funds and lastly unassigned funds.

Income Taxes

RCMA, Inc. is organized as a not-for-profit entity and is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. Accordingly, no provision for income taxes is required.

Donated Space

Donated space is reflected in the accompanying statements at its fair value.

Note 3 Property and Equipment

Property and equipment consist of the following:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Cost				
Program equipment	\$ 16,632	\$ -	\$ -	\$ 16,632
Office equipment	6,749	-	-	6,749
	<u>23,381</u>	<u>-</u>	<u>-</u>	<u>23,381</u>
Accumulated depreciation				
Program equipment	15,794	839	-	16,633
Office equipment	5,571	471	-	6,042
	<u>21,365</u>	<u>1,310</u>	<u>-</u>	<u>22,675</u>
Property and equipment, net	<u>\$ 2,016</u>	<u>\$ (1,310)</u>	<u>\$ -</u>	<u>\$ 706</u>

Depreciation expense for the fiscal years ended June 30, 2019 and 2018 amounted to \$1,310 and \$1,913, respectively.

Note 4 Contingency

The Charter School is subject to federal, state and local government audits. These audits could result in the questioning of expenditures relating to certain grants under various technical compliance provisions of the individual grants. No expenditures are being questioned as of June 30, 2019.

Note 5 Employee Benefits – Profit-Sharing Plan

The Charter School’s employees participate in the 403(b) Thrift Plan of Redlands Christian Migrant Association, which provides for employer’s contributions from 3% up to 5% of all employees’ contribution into the plan. The School’s match is based on employee’s length of employment. In addition, the Charter School funds 6% of compensation for contractual employees. Thrift Plan expenses aggregated to \$25,399 and \$25,594 for the years ended 2019 and 2018, respectively.

Note 6 Related Party Transactions

Sponsor Organization

In 2019, the Charter School entered into a one-year lease agreement with RCMA (the Sponsor Organization) for its educational facility. The lease requires one annual payment of \$33,000 or the amount collected from FTE Capital Outlay and the difference (if any) recorded as donated space. In this connection, the School received FTE Capital Outlay funds in the amount of \$33,000 for the year ended June 30, 2019, and no difference was accounted for as in-kind donated space.

Furthermore, the Charter School reimburses RCMA for indirect costs composed of various administrative support expenses. These costs aggregated \$26,120 and \$23,386 for 2019 and 2018, respectively.

School District

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee of 5% of the qualifying revenue of the School. For the years ended June 30, 2019 and 2018, administrative fees withheld by the School District totaled \$35,204 and \$32,717, respectively.

Note 7 Business Concentration and Credit Risk

Business Risk

Federal and state or local grants substantially fund the Charter School's services. Governmental work may be significantly impacted by budget allocations and consequently an adverse change in the budget could affect the Charter School's operations.

Credit Risk

It is the School's policy to maintain its cash in major banks. As of June 30, 2019, all of the School's cash funds qualified as a Public Deposit as defined in Chapter 280 of the Florida Statutes and, therefore, it is fully insured.

Note 8 Risk Management

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage in the past. In addition, there were no reductions in insurance coverage from those in the prior year.

Note 9 Subsequent Events

Subsequent events have been evaluated through September 30, 2019, which is the date the financial statements were available to be issued.

Compliance Reports Section

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 of
RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.

Prager Metis CPAs, LLC

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We have audited, 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, the financial statements of RCMA Leadership Academy (the School), a program of Redlands Christian Migrant Association, Inc., (RCMA) (a not-for-profit organization), operating as a charter school of Hillsborough County District Schools, as of and for the year ended June 30, 2019, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2019, which collectively comprise the School’s basic financial statements as listed in the table of contents.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered RCMA Leadership Academy’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. Given these limitations, during our audit we did not identify any deficiencies in internal control



that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Charter 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 School'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Prager Metis CPAs, LLC

Prager Metis CPAs, LLC
Coral Gables, Florida
September 30, 2019

**Management Letter Pursuant to the Rules of the
Auditor General for the State of Florida**

To the Board of Directors of
RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.

Prager Metis CPAs, LLC **Report on the Financial Statements**

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We have audited the financial statements of RCMA Leadership Academy, a program of Redlands Christian Migrant Association, Inc., (a not-for-profit organization), operating as a charter school of the Hillsborough County School District as of and for the fiscal year ended June 30, 2019, and have issued our report thereon dated September 30, 2019.

Auditor’s Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports and schedules, which are dated September 30, 2019, 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 findings or recommendations noted in the preceding audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the School and the School code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the School are RCMA Leadership Academy, 6669.

Financial Condition and Management

Section 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the RCMA Leadership



Academy has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the RCMA Leadership Academy 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 RCMA Leadership Academy. It is management's responsibility to monitor the RCMA Leadership Academy'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 RCMA Leadership Academy 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 RCMA Leadership Academy 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 is not intended to be and should not be used by anyone other than these specified parties.

Prager Metis CPAs, LLC

Prager Metis CPAs, LLC
Coral Gables, Florida
September 30, 2019

Supplementary Information

RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-For-Profit Organization)
Statement of Governmental Funds Revenue, Expenditures and
Changes in Fund Balances – Budget and Actual – Governmental Funds (Unaudited)
Year Ended June 30, 2019

	General Fund		Special Revenue Fund		Capital Projects Fund		Total Governmental Funds		Variance Positive (Negative)
	Original/Final Budget	Actual	Original/Final Budget	Actual	Original/Final Budget	Actual	Original/Final Budget	Actual	
	(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)		
Revenue									
3240 Title I revenue	\$ -	\$ -	\$ 86,800	\$ 86,290	\$ -	\$ -	\$ 86,800	\$ 86,290	\$ (510)
3261 Federal through state school lunch reimbursement	5,418	7,585	113,582	122,306	-	-	119,000	129,891	10,891
3310 School Board of Hillsborough County – FTE	704,692	704,042	-	-	-	-	704,692	704,042	(650)
– DOE Best & Brightest Scholarships	-	2,128	-	-	-	-	-	2,128	2,128
– Lead teacher	2,176	2,176	-	-	-	-	2,176	2,176	-
– A+Award	10,587	10,587	-	-	-	-	10,587	10,587	-
3391 State revenue – capital outlay PECO	-	-	-	-	67,705	33,000	67,705	33,000	(34,705)
3400 Local sources – grants/contributions	194,239	215,376	-	-	-	-	194,239	215,376	21,137
Total revenue	<u>917,112</u>	<u>941,894</u>	<u>200,382</u>	<u>208,596</u>	<u>67,705</u>	<u>33,000</u>	<u>1,185,199</u>	<u>1,183,490</u>	<u>(1,709)</u>
Expenditures									
5100 Instruction	518,703	526,908	86,800	86,290	-	-	605,503	613,198	(7,695)
6000 Instructional support services	11,200	11,545	-	-	-	-	11,200	11,545	(345)
6100 Pupil personnel services	52,000	72,074	-	-	-	-	52,000	72,074	(20,074)
6400 Instructional staff training	11,400	7,212	-	-	-	-	11,400	7,212	4,188
7200 General administration – school district admin fees	35,447	35,204	-	-	-	-	35,447	35,204	243
7300 School administration	23,775	15,886	-	-	-	-	23,775	15,886	7,889
7400 Facility acquisition and construction – rental property	(34,705)	-	-	-	67,705	33,000	33,000	33,000	-
7500 Fiscal services	16,597	21,034	2,750	2,858	-	-	19,347	23,892	(4,545)
7600 Food services	26,275	(22,546)	110,832	119,448	-	-	137,107	96,902	40,205
7700 Central services	28,250	63,417	-	-	-	-	28,250	63,417	(35,167)
7800 Pupil transportation services	18,070	601	-	-	-	-	18,070	601	17,469
7900 Operation of plant	71,900	51,044	-	-	-	-	71,900	51,044	20,856
8100 Maintenance of plant	40,250	34,135	-	-	-	-	40,250	34,135	6,115
9100 Community services	97,950	88,842	-	-	-	-	97,950	88,842	9,108
Total expenditures	<u>917,112</u>	<u>905,356</u>	<u>200,382</u>	<u>208,596</u>	<u>67,705</u>	<u>33,000</u>	<u>1,185,199</u>	<u>1,146,952</u>	<u>38,247</u>
Excess of revenue over expenditures	<u>-</u>	<u>36,538</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,538</u>	<u>36,538</u>
Fund balances – beginning	<u>(19,171)</u>	<u>(19,171)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,171)</u>	<u>(19,171)</u>	<u>-</u>
Fund balances – ending	<u>\$ (19,171)</u>	<u>\$ 17,367</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,171)</u>	<u>\$ 17,367</u>	<u>\$ 36,538</u>

RCMA Leadership Academy
A Program of Redlands Christian Migrant Association, Inc.
(A Not-For-Profit Organization)
Note to Statement of Governmental Funds Revenue, Expenditures and
Changes in Fund Balances – Budget and Actual – Governmental Funds (Unaudited)

Basis of Accounting

The Statement of Governmental Funds Revenue, Expenditures and Changes in Fund Balances – Budget and Actual – Governmental Funds are maintained and reported using the modified accrual basis of accounting using the current financial resources measurement focus. Under this method of accounting, revenue is recognized in the period that it becomes measurable and available. The School considers revenue to be available if it is collected within 60 days of the end of the fiscal year.