

**CAPSTONE ACADEMY PENSACOLA**

AUDITED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

DURST JORDAN, CPA, PA

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4459-B Hwy. 90  
Pace, Florida 32571  
Phone: (850) 995-5000  
Fax: (850) 994-4522

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Capstone Adaptive Learning and Therapy Centers, Inc.  
Capstone Academy Pensacola  
Pensacola, Florida

We have audited the accompanying financial statements of Capstone Academy Pensacola (Program of Capstone Adaptive Learning and Therapy Centers, Inc.) (a non-profit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

### 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. 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 opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Capstone Academy Pensacola (Program of Capstone Adaptive Learning and Therapy Centers, Inc.) as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 7, 2020, on our consideration of Capstone Academy Pensacola's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Capstone Academy Pensacola's internal control over financial reporting and compliance.

*Durst & Jordan CPA PA*

Durst Jordan, CPA, PA  
August 7, 2020



**Capstone Academy Pensacola**  
Statement of Financial Position  
As of June 30, 2020

**ASSETS**

**Current Assets**

Cash	\$	126,262
Accounts receivable		46,728
Due from Capstone Academy Milton		64,705
Due from Capstone Adaptive LTC		14,185
Total current assets		251,880

**Property and Equipment**

Leasehold improvements, less accumulated amortization of \$92,113		114,312
Furniture, fixtures, and equipment, less accumulated depreciation of \$93,346		40,311
Total property and equipment		154,623

**Other Assets**

Construction in Progress		115,693
		115,693

<b>Total Assets</b>	<b>\$</b>	<b>522,196</b>
		522,196

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accrued compensated absences	\$	18,831
Prepaid income		7,000
Current portion of long-term debt		40,794
Total current liabilities		66,625

**Long-Term Liabilities**

Long-term debt, less current portion		50,894
		50,894

<b>Total Liabilities</b>		<b>117,519</b>
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**Net Assets**

Net assets without donor restrictions		404,677
<b>Total Net Assets</b>		<b>404,677</b>

<b>Total Liabilities and Net Assets</b>	<b>\$</b>	<b>522,196</b>
		522,196

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

**Capstone Academy Pensacola**  
Statement of Activities  
For the year ended June 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Revenues</b>			
Florida Education Finance Program	\$ -	\$ 420,139	\$ 420,139
School district capital outlays funds	-	13,784	13,784
Voluntary Prekindergarten Program	-	20,922	20,922
Therapy income	109,171	-	109,171
After-school tuition and fees	41,403	-	41,403
Contributions	69,017	4,475	73,492
Interest income	51	-	51
Net assets released from restrictions	459,320	(459,320)	-
<b>Total Revenues</b>	<u>678,962</u>	<u>-</u>	<u>678,962</u>
<b>Expenditures</b>			
Instruction	494,562	-	494,562
Board	25	-	25
General administration	20,684	-	20,684
School administration	133,732	-	133,732
Fiscal services	4,290	-	4,290
Food services	1,029	-	1,029
Central services	71	-	71
Student transportation services	6,081	-	6,081
Operation of plant	25,110	-	25,110
Maintenance of plant	403	-	403
Depreciation and amortization	29,149	-	29,149
<b>Total Expenditures</b>	<u>715,136</u>	<u>-</u>	<u>715,136</u>
<b>Change in Net Assets</b>	(36,174)	-	(36,174)
<b>Net Assets - Beginning of Year</b>	<u>440,851</u>	<u>-</u>	<u>440,851</u>
<b>Net Assets - End of Year</b>	<u>\$ 404,677</u>	<u>\$ -</u>	<u>\$ 404,677</u>

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

**Capstone Academy Pensacola**  
Statement of Cash Flows  
For the year ended June 30, 2020

<b>Cash Flows from Operating Activities</b>	
Change in net assets	\$ (36,174)
Adjustments to reconcile change in net assets to net cash from operating activities:	
Depreciation and amortization	29,149
Changes in:	
Accounts receivable	(26,398)
Due from Capstone Adaptive LTC	(14,185)
Accrued compensated absences	7,740
Prepaid income	9
Net cash from operating activities	(39,859)
 <b>Cash Flows from Investing Activities</b>	
Purchases of property and equipment	(30,413)
Additions to construction in progress	(99,993)
Net cash from investing activities	(130,406)
 <b>Cash Flows from Financing Activities</b>	
Payments to Capstone Adaptive LTC	(3,328)
Note payable	91,688
Net cash from financing activities	88,360
 <b>Net Change in Cash</b>	 (81,905)
<b>Cash and Equivalents - Beginning of Year</b>	<b>208,167</b>
<b>Cash and Equivalents - End of Year</b>	<b>\$ 126,262</b>

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

**Capstone Academy Pensacola**  
Notes to the Financial Statements  
For the year ended June 30, 2020

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Organization and Purpose

Capstone Academy was organized on August 27, 2004, by Capstone Adaptive Learning and Therapy Centers, Inc., (Capstone) formerly known as United Cerebral Palsy of Northwest Florida, Inc., a nonprofit corporation, to serve as a charter school for three- to five-year-old children with, or in danger of, developmental delay, pursuant to a charter school contract with The School Board of Escambia County, Florida (the “District”), which is effective through June 30, 2032. The charter school also provides a Voluntary Prekindergarten Program for four-year-old children in the community, after-school care, and therapy services.

B. Basis of Presentation and Presentation

The accompanying special purpose financial statements of Capstone Academy Pensacola (the “School”) are prepared pursuant to the rules of the Florida Auditor General and are a program of Capstone Adaptive Learning and Therapy Centers, Inc. The land, building and substantially all of the operating equipment acquired by Capstone for the School is not included in the accompanying financial statements (see Note 7). The School is considered a component unit of the District.

The School reports information regarding financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. A description of the net asset categories are as follows:

Net assets without donor restrictions – The part of net assets of a not-for-profit that is not subject to donor-imposed restrictions. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Directors. Board-designated net assets may be earmarked for future programs, investments, contingencies, purchases or construction of fixed assets, or other uses.

Net assets with donor restrictions – The part of net assets of a not-for-profit that is subject to donor-imposed restrictions. Some donors impose restrictions that are temporary in nature or purpose restricted. Other donors impose restrictions that are perpetual in nature that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization. Purpose restricted net assets are deemed to be restricted for the donor-specified purpose by explicit donor stipulation. Once appropriated, purpose restricted assets are released to net assets without donor restrictions. There were no net assets with donor restrictions as of June 30, 2020.

C. Cash and Cash Equivalents

Cash and cash equivalents consist of short-term, highly liquid investments which are readily convertible into cash within ninety (90) days of purchase. Carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

D. Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. No allowance for doubtful account has been established as management expects to collect all accounts owed to the School.



**Capstone Academy Pensacola**  
Notes to the Financial Statements  
For the year ended June 30, 2020

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

E. Property and Equipment

Property and equipment are recorded at cost. Donated property and equipment are recorded at their estimated market value on the date of contribution. Expenditures which equal or exceed \$500 and materially increase values, change capacities, or extend useful lives are capitalized. Repairs and maintenance costs are charged to operations when incurred. Certain equipment was acquired with public funds and shall revert to the Board upon termination of the charter. Depreciation is computed using the straight-line method. Estimated useful lives of property and equipment range as follows:

Leasehold improvements	5–40 years
Furniture and equipment	3–10 years

Long-lived assets held and used by the School are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate the cost of any long-lived assets may be impaired, an evaluation of recoverability would be performed. As of June 30, 2020, none of the School’s long-lived assets were considered to be materially impaired.

F. Compensated Absences

Under the School’s paid time off (PTO) policy, the maximum PTO that can be accrued for full-time employees is 40 days or 320 hours.

G. Public Support

Public support revenue from local governments and government grants is recorded based upon the terms of the grantor allotment which generally provides that revenue is earned when the allowable costs of the specific grant provisions have been incurred or the performance of the services has been rendered.

H. Contributions

Contributions are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

I. Income Taxes

Capstone is exempt from federal income taxes under Internal Revenue Service Code Section 501(c)(3). As a result, there is no provision for taxes in the accompanying financial statements.

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Capstone Academy Pensacola**  
Notes to the Financial Statements  
For the year ended June 30, 2020

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K. Subsequent Events**

The School has evaluated events and transactions that occurred between June 30, 2020, and August 7, 2020, which is the date that the financials were available to be issued, for possible recognition or disclosure in the financial statements.

**L. Recent Accounting Pronouncements**

**Revenue recognition:** In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)* (ASU 2014-09). The main principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to its customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 will supersede the current revenue recognition requirements as set forth in FASB ASC 605, *Revenue Recognition*, and most industry-specific guidance. FASB delayed the effective date of ASU 2014-09. ASU 2014-09 is effective for the Organization for annual reporting periods beginning after December 15, 2019. The impact on these financial statements has not yet been determined.

**Leases:** In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* (ASU 2016-02). The main principle of this revised accounting guidance requires that lessees recognize all leases (other than leases with a term of twelve months or less) on the balance sheet as lease liabilities, based upon the present value of the lease payments, with corresponding right of use assets. ASU 2016-02 also makes targeted changes to other aspects of the current guidance, including the lease classification criteria and the lessor accounting model. The amendments in ASU 2016-02 are delayed and will be effective for the Organization for annual reporting periods beginning after December 15, 2021. The impact on these financial statements has not yet been determined.

**NOTE 2 – DUE FROM CAPSTONE ACADEMY MILTON**

On January 4, 2010, Capstone Academy opened another school in Milton, Florida, pursuant to a charter school contract with the School Board of Santa Rosa County, Florida. This receivable represented advances to Capstone Milton for operating expenses for prior years. For the year ended June 30, 2020, no payments were made by Capstone Milton.

**NOTE 3 – CONSTRUCTION IN PROGRESS**

The School received a portable classroom from the District valued at \$6,000 and incurred costs of \$109,693 through June 30, 2020, to get the classroom ready for use. The new classroom is expected to be in service for the 2020/2021 school year.

**NOTE 4 – ACCRUED COMPENSATED ABSENCES**

The School's policy is that if an employee leaves the organization with proper notification, they could be paid out up to 40 days or 320 hours of accrued paid time off (PTO.) PTO is accrued based on the employee's accrual rate and the amount PTO hours used during the year. The balance of accrued compensated absences was \$18,831 at June 30, 2020.

**Capstone Academy Pensacola**  
Notes to the Financial Statements  
For the year ended June 30, 2020

**NOTE 5 – DEBT**

On April 18, 2020, Capstone Adaptive Learning and Therapy Centers, Inc. signed an SBA loan agreement as part of the “Payroll Protection Program” which helps businesses keep their workforce employed during the Coronavirus (COVID-19) crisis. The loan has an outstanding principal balance of \$510,000. This loan will be forgiven if all employee retention criteria are met, and the funds are used for eligible expenses.

Terms of the loan include a 1% fixed interest rate and a maturity of two years. Loan payments will be deferred for six months. No collateral is required.

Of the total loan amount of \$510,000, the portion allocated to the School is \$91,688. The first loan payment will be due in November 2020 if the loan is not forgiven as of that date. If the loan is not forgiven, annual requirements to amortize the School’s portion of the debt outstanding as of June 30, 2020, are as follows:

Fiscal year ending June 30	Principal	Interest	Total
2021	\$ 40,794	\$ 493	\$ 41,287
2022	50,894	691	51,585
Total	91,688	<u>\$ 1,184</u>	<u>\$ 92,872</u>
Less: current portion	<u>(40,794)</u>		
Long-term debt	<u>\$ 50,894</u>		

Of the School’s portion of the loan, \$14,185 was not received as of June 30, 2020 and is recorded as Due from Capstone Adaptive LTC.

**NOTE 6 – FLORIDA EDUCATION FINANCE PROGRAM**

Revenues for current operations are received primarily from the Escambia County School District (the “District”) pursuant to the funding provisions included in the School’s charter. In accordance with funding provisions of the charter and Section 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent students and related data to the District.

Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of fulltime equivalent students and related data to the Florida Department of Education (the “Department”) for funding through the Florida Education Finance Program (FEFP). Funding for the School is adjusted during the year to reflect the revised calculations by the Department under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent survey periods. The District receives a 5% administrative fee from the School and is calculated on the unweighted full-time equivalent students. For the year ended June 30, 2020, administrative fees paid the District included in the statements of activities under general administration expenses totaled \$15,884.

**Capstone Academy Pensacola**  
Notes to the Financial Statements  
For the year ended June 30, 2020

**NOTE 7 – RELATED-PARTY TRANSACTIONS**

The School is managed and operated by Capstone Adaptive Learning and Therapy Centers, Inc., a nonprofit organization originally organized in 1953. The mission of Capstone Adaptive Learning and Therapy Centers, Inc., (Capstone) is advancing the independence for children and adults with a spectrum of abilities and disabilities.

Capstone's financial reporting year end is September 30. The School is reported as a program of Capstone.

Capstone provides support to the School by sponsoring special events and receiving contributions and designating the proceeds for the School. For the year ended June 30, 2020, support from Capstone totaled \$44,694.

Capstone owns the land and building and leases them to the School pursuant to a year to year lease at a monthly cost of \$2,600. For the year ended June 30, 2020, total rent expense for the facilities included in the statement of activities under instruction expenditures totaled \$31,200.

Capstone further provides management services to the School under an agreement which provides for a monthly fee of \$400. For the year ended June 30, 2020, fees for the management services included in the statement of activities under general administration expenditures totaled \$4,800.

**NOTE 8 – RETIREMENT PLAN**

School personnel participate in a retirement plan established by Capstone. Capstone offers a 401K plan with a 100% matching contribution up to the first 3% of compensation, and 50% for that portion of compensation over the 3% up to 5%. Participants in the 401K are 100% vested immediately. The expense recorded for the year ended June 30, 2020, was \$3,019.

**Capstone Academy Pensacola**  
Notes to the Financial Statements  
For the year ended June 30, 2020

**NOTE 9 – NATURAL CLASSIFICATION OF EXPENDITURES**

Expenditures by natural expense classification for the period ended June 30, 2020, are as follows:

Administrative fee to School District	\$ 15,884
Audit fees	4,000
Depreciation	29,149
Land and building rent	31,200
Management fee	4,800
Other	5,023
Repairs and maintenance	6,961
Salaries and related costs	585,956
Supplies	9,146
Transportation costs	3,261
Repairs and maintenance	19,756
	<u>\$ 715,136</u>

**NOTE 10 – AVAILABILITY OF FINANCIAL ASSETS**

The School has a policy to manage its liquidity following three guiding principles: operating within a prudent range of financial stability; maintaining adequate liquidity to fund near-term operations; and maintaining sufficient resources to provide reasonable assurance that long-term operations will be maintained. The School as of June 30, 2020, has \$187,175 in financial assets available to meet cash needs for general expenditures within one year.



4459-B Hwy. 90  
Pace, Florida 32571  
Phone: (850) 995-5000  
Fax: (850) 994-4522

**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  
Capstone Adaptive Learning and Therapy Centers, Inc.  
Capstone Academy Pensacola  
Pensacola, 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 Capstone Academy Pensacola (Program of Capstone Adaptive Learning and Therapy Centers, Inc.) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 7, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Capstone Academy Pensacola'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Capstone Academy Pensacola's internal control. Accordingly, we do not express an opinion on the effectiveness of Capstone Academy Pensacola'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 Capstone Academy Pensacola'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 Organization'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.

*Durst & Jordan CPA PA*

Durst Jordan, CPA, PA

August 7, 2020





4459-B Hwy. 90  
Pace, Florida 32571  
Phone: (850) 995-5000  
Fax: (850) 994-4522

## MANAGEMENT LETTER

To the Board of Directors of  
Capstone Adaptive Learning and Therapy Centers, Inc.  
Capstone Academy Pensacola  
Pensacola, Florida

### **Report on the Financial Statements**

We have audited the financial statements of Capstone Academy Pensacola (Program of Capstone Adaptive Learning and Therapy Centers, Inc.) (a nonprofit organization) as of and for the year ended June 30, 2020, and have issued our report thereon dated August 7, 2020.

### **Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United State of America, and the standards applicable to financial audits contained in *Governmental 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated August 7, 2020, 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 made in the preceding annual financial audit report.

### **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 and the school code assigned by the Florida Department of Education is Capstone Academy Pensacola, 2121.



## **Financial Condition and Management**

Sections 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 Capstone Academy Pensacola 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 Capstone Academy Pensacola 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 Capstone Academy Pensacola. It is management's responsibility to monitor Capstone Academy Pensacola'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 Capstone Academy Pensacola maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that Capstone Academy Pensacola 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 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 Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors, applicable management, and the Escambia County School District, and is not intended to be and should not be used by anyone other than these specified parties.

*Durst & Jordan CPA PA*

Durst Jordan, CPA, PA  
August 7, 2020