

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
OPA LOCKA, FLORIDA  
(A COMPONENT UNIT OF THE SCHOOL BOARD OF  
MIAMI-DADE COUNTY, FLORIDA)**

**BASIC FINANCIAL STATEMENTS, INDEPENDENT  
AUDITOR'S REPORT AND SUPPLEMENTARY INFORMATION**

**June 30, 2021**



CERTIFIED PUBLIC ACCOUNTANTS

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION  
JUNE 30, 2021**

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**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
(A Charter School Under Beacon College Prep, Inc.)**

13400 NW 28th Avenue  
Opa Locka, FL 33054  
(786)353-6109

**2020-2021**

**BOARD OF DIRECTORS**

Mr. Jeffrey Miller, President and Board Chairman  
Mr. Patrick Range, Vice-President  
Ms. Melissa Krinzman, Secretary  
Mr. Octavio Verdeja, Treasurer  
Ms. Virginia Akar, Board Member  
Ms. Gail A. Dotson, Board Member

**SCHOOL ADMINISTRATION**

Mr. Patrick Evans, Principal  
Mr. John Flickinger, Director of Development



CERTIFIED PUBLIC ACCOUNTANTS

DAVID D. SHARFF, C.P.A. - DECEASED  
STEVEN C. WITTMER, C.P.A. - DECEASED  
JOSEPH M. KURTZ, C.P.A. - RETIRED  
MICHAEL L. JACKSON, C.P.A. - RETIRED  
MARTIN ROSEN, C.P.A. - RETIRED

LUIS E. DIAZ, C.P.A.  
JOSEPH M. JACKSON, C.P.A.  
AMY K. BEENKEN, C.P.A.  
LAURA S. FEINBERG, C.P.A.

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Beacon College Prep Elementary School  
Opa Locka, Florida

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

We have audited the accompanying financial statements of the governmental activities and each major fund of Beacon College Prep Elementary School (the "School"), a charter school under Beacon College Prep, Inc., and a component unit of the District School Board of Miami-Dade County, as of and for the year ended June 30, 2021, 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 opinions on these financial statements based on the audit. We conducted the 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 opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School as of June 30, 2021, 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**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-9 and 26-29 be presented to supplement the basic financial statements.

To the Board of Directors  
Beacon College Prep Elementary School

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.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have 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 them.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2021, on our consideration of the School'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 solely 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 effectiveness of the School's 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 the School's internal control over financial reporting and compliance.



SHARFF, WITTMER, KURTZ, JACKSON & DIAZ, P.A.  
Certified Public Accountants

Coral Gables, Florida  
September 14, 2021



**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

The corporate officers of Beacon College Prep Elementary School (the "School") have prepared this narrative overview and analysis of the School's financial activities for the fiscal year ended June 30, 2021.

**FINANCIAL HIGHLIGHTS**

1. At June 30, 2021, the School had current assets of \$910,856.
2. At June 30, 2021, the School had a net position of \$738,836.
3. For the year ended June 30, 2021, the School's revenues exceeded expenses by \$498,551.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the School's basic financial statements. The School's financial statements for the year ended June 30, 2021 are presented in accordance with 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 of the School's assets, deferred outflows of resources, liabilities and deferred inflows of resources. The difference is reported as *net position*. Over time, increases or decreases in net position 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 as soon as the underlying event resulting in the change occurs, without regard to the timing of related cash flows. Accordingly, revenues 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 10 – 11 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.

Prior to the start of the School's fiscal year, the Board of the School adopts an annual budget for its general and special revenue funds. A budgetary comparison statement has been provided for the School's governmental funds to demonstrate compliance with the School's budget.

The basic governmental fund financial statements can be found on pages 12 – 15 of this report.

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**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 16 – 25 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, over time net position may serve as a useful indicator of a school's financial position. A summary of the School's net position as of June 30, 2021 and 2020 follows:

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Cash	\$ 232,678	\$ 1,296,621
Prepaid expense	6,519	-
Due from governmental agencies	148,796	112,861
Due from related party	522,863	-
Capital assets - net	190,887	99,380
Deposit	12,223	12,223
TOTAL ASSETS	<u>\$ 1,113,966</u>	<u>\$ 1,521,085</u>
<b>LIABILITIES AND NET POSITION</b>		
Accounts payable	\$ 48,018	\$ 11,389
Salaries, benefits and payroll taxes payable	270,431	246,182
Due to related parties	3,718	559,476
Long-term debt	52,963	463,753
Total Liabilities	<u>375,130</u>	<u>1,280,800</u>
Net investment in capital assets	137,924	37,350
Unrestricted	600,912	202,935
Total Net Position	<u>738,836</u>	<u>240,285</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,113,966</u>	<u>\$ 1,521,085</u>

At June 30, 2021, the School's total assets were \$1,113,966 and total liabilities were \$375,130. At June 30, 2020, the School reported total net position of \$738,836.

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

A summary and analysis of the School's revenues and expenses for the years ended June 30, 2021 and 2020 follows:

	2021	2020
<b>REVENUES</b>		
Program Revenues		
Operating grants and contributions	\$ 721,989	\$ 618,676
State capital outlay funding	285,905	263,686
General Revenues		
FEFP nonspecific revenue	3,406,295	3,153,610
Fundraising and other revenues	44,819	54,071
Grant revenues- PPP	323,790	-
Total Revenues	\$ 4,782,798	\$ 4,090,043
<b>EXPENSES</b>		
Instruction	\$ 2,279,769	\$ 2,199,101
Instructional support services	162,830	171,283
Board	102,943	47,059
School administration	426,842	339,496
Facilities and acquisition	552,359	506,009
Fiscal services	54,431	40,140
Food services	165,346	265,896
Central services	492	368
Pupil transportation services	55,287	100,750
Operation of plant	221,168	211,289
Maintenance of plant	117,360	61,679
Unallocated depreciation expense	91,569	44,000
Technology services	49,601	53,998
Interest expense	4,250	405
Total Expenses	\$ 4,284,247	\$ 4,041,473
Change in Net Position	498,551	48,570
<b>Net Position at Beginning of Year</b>	240,285	191,715
<b>Net Position at End of Year</b>	\$ 738,836	\$ 240,285

The School's total revenues for the year ended June 30, 2021 were \$4,782,798 while its total expenses were \$4,284,247 for a net increase in net position of \$498,551.

**ACCOMPLISHMENTS**

The COVID-19 pandemic presented significant challenges to the School, our students, teachers, and families. Together, as a community, we confronted these challenges head-on and the School emerged as a critical source of support, encouragement, and stability in a very uncertain time. We provided essential resources for families in need including food, cash, and access to technology- including internet and Wi-Fi. The School served as a beacon of hope for all our students and families in a very uncertain time of crisis. As reported last year, the School was forced to suspend in-person learning in March 2020 due to the COVID-19 pandemic and successfully pivoted to a distance learning model for the remainder of the 2019-2020 school year. We also managed to retain all our staff with the help of the Paycheck Protection Program loan. We opened the 2020-2021 school year with a hybrid model where approximately 50% of our students attended in person and 50% participated via our newly developed and refined distance learning program. Although the community we serve was amongst the hardest hit by the pandemic, the School managed to successfully navigate through this crisis and provide not only a viable education for our students but became a source of support and inspiration for our community. We expect to open at full capacity with in-person attendance this coming school year and maintain a waitlist of over 100 students.



**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**SCHOOL LOCATION**

The School operates in the Miami area located at 13400 NW 28<sup>th</sup> Avenue, Opa Locka, FL 33054.

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND**

As noted earlier, the School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**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, *unassigned 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 funds reported combined ending positive fund balance of \$600,912 and a net decrease in fund balance of \$3,746.

**CAPITAL ASSETS**

The School's investment in capital assets, as of June 30, 2021, amounts to \$190,887 (net of accumulated depreciation of \$457,026). This investment in capital assets includes leasehold improvements, furniture, fixtures and equipment, computer equipment and software.

**LONG-TERM LIABILITIES**

As of June 30, 2021, the School has one long-term loan with a balance of \$52,963. The loan bears interest at a rate of 6.8% per annum; loan repayment commenced on April 1, 2020 and matures on April 1, 2025. The School obtained forgiveness for its Paycheck Protection Program ("PPP") loan on January 22, 2021.

**GOVERNMENTAL FUND BUDGET ANALYSIS**

Prior to the start of the School's fiscal year, the Board of the School adopted an annual budget. A budgetary comparison statement has been provided for the governmental funds to demonstrate compliance with the School's budget.

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

	All Governmental Funds		
	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
State passed through local	\$ 3,211,384	\$ 3,406,295	\$ 3,406,295
Federal sources	285,917	556,643	556,643
Federal lunch program	348,987	165,346	165,346
State capital outlay funding	270,869	285,905	285,905
Local and other sources	-	44,819	44,819
Small Business Administration- PPP	-	323,790	323,790
TOTAL REVENUES	4,117,157	4,782,798	4,782,798
<b>EXPENDITURES</b>			
Instruction	1,845,207	2,279,769	2,279,769
Instructional support services	224,386	162,830	162,830
Board	110,575	102,943	102,943
School administration	409,578	426,842	426,842
Facilities acquisition & construction	523,762	552,359	552,359
Fiscal services	93,976	54,431	54,431
Food services	348,987	165,346	165,346
Central services	-	492	492
Pupil transportation services	152,734	55,287	55,287
Operation of plant	269,909	221,168	221,168
Maintenance of plant	59,667	117,360	117,360
Technology services	33,800	49,601	49,601
<b>Capital Outlay:</b>			
Other capital outlay	-	183,076	183,076
<b>Debt Service:</b>			
Interest expense	-	4,250	4,250
Redemption of principle	-	9,067	9,067
TOTAL EXPENDITURES	4,072,581	4,384,821	4,384,821
Excess of revenues over expenditures	44,576	397,977	397,977
Other Financing Uses:			
Decrease in long-term debt- PPP loan	-	401,723	401,723
NET CHANGE IN FUND BALANCE	\$ 44,576	\$ (3,746)	\$ (3,746)

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**REQUESTS FOR INFORMATION**

This financial report is intended to provide a general overview of the finances of the School. Requests for additional information may be addressed to Mr. John Flickinger at Beacon College Prep Elementary School.

**BEACON COLLEGE PREP ELEMENTARY SCHOOL**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
<b>Current assets:</b>	
Cash and cash equivalents	\$ 232,678
Due from governmental agencies	148,796
Prepaid expenditure	6,519
Due from related party	<u>522,863</u>
Total current assets	<u>910,856</u>
Capital assets - net	190,887
Deposit	<u>12,223</u>
TOTAL ASSETS	<u><u>\$ 1,113,966</u></u>
 <b>LIABILITIES AND NET POSITION</b>	
<b>Current liabilities:</b>	
Accounts payable	\$ 48,018
Salaries, benefits and payroll taxes payable	270,431
Due to related party	3,718
Current portion of long-term debt	<u>12,355</u>
Total current liabilities	<u>334,522</u>
Long-term debt	<u>40,608</u>
Total Liabilities	<u>375,130</u>
<b>Net position:</b>	
Net investment in capital assets	137,924
Unrestricted	<u>600,912</u>
Total net position	<u>738,836</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 1,113,966</u></u>

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

<u>Functions</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Governmental Activities:</b>					
Instruction	\$ 2,279,769	\$ -	\$ 556,643	\$ -	\$ (1,723,126)
Instructional support services	162,830	-	-	-	(162,830)
Board	102,943	-	-	-	(102,943)
School administration	426,842	-	-	-	(426,842)
Facilities acquisition & construction	552,359	-	-	285,905	(266,454)
Fiscal services	54,431	-	-	-	(54,431)
Food services	165,346	-	165,346	-	-
Central services	492	-	-	-	(492)
Pupil transportation services	55,287	-	-	-	(55,287)
Operation of plant	221,168	-	-	-	(221,168)
Maintenance of plant	117,360	-	-	-	(117,360)
Unallocated depreciation expense	91,569	-	-	-	(91,569)
Technology services	49,601	-	-	-	(49,601)
Interest expense	4,250	-	-	-	(4,250)
<b>Total Governmental Activities</b>	<u>\$ 4,284,247</u>	<u>\$ -</u>	<u>\$ 721,989</u>	<u>\$ 285,905</u>	<u>\$ (3,276,353)</u>
<b>GENERAL REVENUES:</b>					
					\$ 3,406,295
Government grants not restricted to specific programs					44,819
Fundraising and other revenues					323,790
Grant revenues- PPP					<u>3,774,904</u>
Total General Revenues					
Change in Net Position					498,551
NET POSITION – BEGINNING					<u>240,285</u>
NET POSITION – ENDING					<u>\$ 738,836</u>

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
BALANCE SHEET – GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	Governmental Fund
<b>ASSETS</b>	
Cash and cash equivalents	\$ 232,678
Due from governmental agencies	148,796
Prepaid expenditure	6,519
Due from related party	522,863
Deposit	12,223
<b>TOTAL ASSETS</b>	<b>\$ 923,079</b>
 <b>LIABILITIES AND FUND BALANCE</b>	
<b>Liabilities</b>	
Accounts payable	\$ 48,018
Due to related party	3,718
Salaries, benefits and payroll taxes payable	270,431
<b>Total Liabilities</b>	<b>322,167</b>
 <b>Fund Balance</b>	
Non-spendable	
Deposit	12,223
Prepaid expenditure	6,519
Unassigned	582,170
<b>Total Fund Balance</b>	<b>600,912</b>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	 <b>\$ 923,079</b>

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
JUNE 30, 2021**

Total Fund Balance - Governmental Funds	\$ 600,912
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets of \$647,913 net of accumulated depreciation of \$457,026 used in governmental activities are not financial resources and therefore are not reported in the funds.	190,887
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds	<u>(52,963)</u>
Total Net Position - Governmental Activities	<u><u>\$ 738,836</u></u>

**BEACON COLLEGE PREP ELEMENTARY SCHOOL**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental
<b>REVENUES</b>				
State passed through local	\$ 3,406,295	\$ -	\$ -	\$ 3,406,295
Federal sources	-	556,643	-	556,643
Federal lunch program	-	165,346	-	165,346
State capital outlay funding	-	-	285,905	285,905
Fundraising and other revenues	44,819	-	-	44,819
Grant revenues- PPP	323,790	-	-	323,790
<b>TOTAL REVENUES</b>	<u>3,774,904</u>	<u>721,989</u>	<u>285,905</u>	<u>4,782,798</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Instruction	1,723,126	556,643	-	2,279,769
Instructional support services	162,830	-	-	162,830
Board	102,943	-	-	102,943
School administration	426,842	-	-	426,842
Facilities acquisition & construction	266,454	-	285,905	552,359
Fiscal services	54,431	-	-	54,431
Food services	-	165,346	-	165,346
Central services	492	-	-	492
Pupil transportation services	55,287	-	-	55,287
Operation of plant	221,168	-	-	221,168
Maintenance of plant	117,360	-	-	117,360
Technology services	49,601	-	-	49,601
<b>Capital Outlay:</b>				
Other capital outlay	183,076	-	-	183,076
<b>Debt Service:</b>				
Interest expense	4,250	-	-	4,250
Redemption of principal	9,067	-	-	9,067
<b>TOTAL EXPENDITURES</b>	<u>3,376,927</u>	<u>721,989</u>	<u>285,905</u>	<u>4,384,821</u>
<b>Excess of revenues over expenditures</b>	397,977	-	-	397,977
Other financing uses:				
Decrease in long-term debt- PPP loan	401,723	-	-	401,723
Net change in Fund Balance	(3,746)	-	-	(3,746)
Fund balance at beginning of year	604,658	-	-	604,658
Fund balance at end of year	<u>\$ 600,912</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 600,912</u>



**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

Change in Fund Balance - Governmental Funds	\$	(3,746)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays of \$183,076 exceeded depreciation expense of \$91,569.</p>		91,507
<p>Governmental funds report the redemption of principle as an expenditure whereas there is no impact to the statement of activities.</p>		9,067
<p>Governmental funds report long-term debt principal payments or forgiveness of debt as a reduction of fund balance whereas there is no impact to the statement of activities</p>		<u>401,723</u>
Change in Net Position of Governmental Activities		<u><u>\$ 498,551</u></u>

**BEACON COLLEGE PREP ELEMENTARY SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

Reporting Entity

Beacon College Prep Elementary School (the “School”), a component unit of the School Board of Miami-Dade County, Florida (the “School Board”), was established in June 2014 as a public charter school to serve students from kindergarten to fifth grade in Miami-Dade County. The School is sponsored by its charter-holder, Beacon College Prep, Inc., a not-for-profit corporation, organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes. The governing body of the School is the Board of Directors, which is comprised of six members. These financial statements are for the year ended June 30, 2021 when 438 students were enrolled in kindergarten through fifth grade.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter granted by the sponsoring school district, the School Board. The School renewed its charter in July 2019 for a ten-year term, commencing on July 1, 2019 and ending on June 30, 2029. At the end of the term of the charter, the School Board may choose not to renew the charter under grounds specified in the charter, in which case the School Board is required to notify the School in writing at least 90 days prior to the School’s expiration. During the term of the charter, the School Board may also terminate the charter if good cause is shown. The charter may be renewed for an additional 5 years unless another term is mutually agreed upon.

For financial reporting purposes, the School is considered a component unit of the Miami-Dade County School Board and is included in the School Board’s comprehensive annual financial report. The School may also be financially accountable if an organization is fiscally dependent on the School regardless of whether the organization has a separately elected governing board, a governing board appointed by another government, or a jointly approved board. In addition, component units can be other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the reporting entity’s basic financial statements to be misleading or incomplete.

As a result of evaluating the above criteria, management has determined that no component units exist for which the School is financially accountable, which would require inclusion in the School’s basic financial statements.

Basis of Presentation

Based on the guidance provided in the American Institute of Certified Public Accountants Audit and Accounting Guide – Audits per State and Local Governments and provisions of Florida Statutes, the School is presented as a governmental organization for financial statement reporting purposes.

The financial statements of the School are prepared in accordance with generally accepted accounting principles (GAAP). The School’s reporting entity applies all relevant Governmental Accounting Standards Board (GASB) *Codification of Accounting and Financial Reporting Guidelines*.

**BEACON COLLEGE PREP ELEMENTARY SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

Allocation of Common Expenses

The School shares the same physical location with Beacon College Prep Middle School (“BCPMS”), a related party through common control, and common expenditures. These common expenditures have been allocated between the Schools based on student enrollment.

Expenditures that are subject to allocation include, but are not limited to, instruction, school administration, facilities acquisition and construction, and pupil transportation services. The process of the allocation of common expenses takes place when the expenses are recorded based on a methodical and non-discriminatory basis.

Government-wide and Fund Financial Statements

*Government-wide Financial Statements*

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information for the School as a whole. Both statements report only governmental activities as the School does not engage in any business type activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, (2) operating grants and contributions which finance annual operating activities, and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Other revenue sources not properly included with program revenues are reported as general revenues.

This government-wide focus is more on the ability to sustain the School as an entity and the change in the School’s net position resulting from the current year’s activities.

*Fund Financial Statements*

Fund financial statements are provided for governmental funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. The School reports the following major governmental funds as separate columns in the fund financial statements:

General Fund – This is the School’s primary operating fund. It is used to account for all operating activities of the School except for those required to be accounted for in another fund.

Special Revenue Fund – This fund is used to account for federal grants and certain state grants that are legally restricted to expenditures for particular purposes other than debt service and capital projects.

Capital Projects Fund – This fund is used to account for financial resources used for the acquisition or construction of major capital facilities and for the proceeds and related expenditures of charter school capital outlay funding.

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

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

Measurement Focus and Basis of Accounting

Basis of accounting refers to the point at which revenues or 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 applies.

The government-wide statements report using the economic resources measurement focus and the full-accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within sixty days or soon enough thereafter to pay current liabilities.

Budgetary Basis Accounting

An operating budget is adopted and maintained by the governing board for the School pursuant to the requirements of Florida Statutes. The budget is presented using the same basis of accounting that is used in the preparation of the basic financial statements.

Cash and Cash Equivalents

The School considers cash on hand and demand deposits, with original maturities of three months or less, to be cash and cash equivalents.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Revenue Recognition

Revenues for operations are received primarily from the School Board pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent ("FTE") students and related data to the School Board. Under the provisions of Section 1011.62, Florida Statutes, the School Board reports the number of the full-time equivalent ("FTE") students and related data to the Florida Department of Education ("FLDOE") for funding through the Florida Education Finance Program (the "FEFP"). Funding for the School is adjusted during the year to reflect the revised calculations by the FLDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. The School is eligible to receive an annual allocation of charter school capital outlay funds for leasing of School facilities.

The School may also receive 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 revenues until expensed. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

**BEACON COLLEGE PREP ELEMENTARY SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 - SUMMARY SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Capital Assets

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. The School capitalizes tangible personal property with a cost of \$500 and useful life of over one year. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the costs and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Internally constructed or donated property and equipment are recorded if the item cost, or has a fair market value of, \$100 or more. Donated properties are valued at the estimated fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. For leasehold improvements made under related party lease that is reasonably assured of being renewed for multiple periods, depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives, in years, for depreciable assets are as follows:

Furniture and equipment	5 Years
Building and improvements	5 Years
Computer equipment and software	3 Years
Textbooks	3 Years

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/expenditures) until then. The School does not have any items that qualify for reporting in this category.

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 resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.

Compensated Absences

The School grants a specific number of days for sick/personal leave. Full-time employees are eligible for eighty hours (ten days) of paid time off at the start of each school year. Full-time employees who start mid-year (after December) will receive forty hours (five days) upon hire. In the event an employee does not use their paid time off prior to the end of the school year on June 15, the employee will be paid \$150 per unused paid time off day (eight hours) up to a maximum of ten days. This amount will be paid in the second pay period of June.

GASB Codification Section C60, *Accounting for Compensated Absences*, provides that compensated absences that are contingent on a specific event that is outside the control of the employer and employee should be accounted for in the period those events take place. Accordingly, these financial statements do not include an accrual for compensated days available to be used in future benefit years.

The School also provides certain days to be used for specific personal matters such as family death and jury duty. Because the use of such days is contingent upon those events taking place and such events are out of the control of both the employer and the employee, there is no accrual for such days.

**BEACON COLLEGE PREP ELEMENTARY SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

Government-wide Fund Net Position

Government-wide fund net position is divided into three components:

Net investment in capital assets – Represents the cost of capital assets, less accumulated depreciation reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets plus deferred outflows of resources less deferred inflows of resources. The net investment in capital assets for the year ending June 30, 2021 was \$137,924.

Restricted net assets – Consists of net assets with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments less related liabilities and deferred inflows of resources. The School did not have any restricted net position as of June 30, 2021.

Unrestricted – Indicates all other net position that is available to fund future operations.

Governmental Fund Balance

The governmental fund financial statements present fund balances based on the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance classifications and also sets a hierarchy which details how the School may spend funds based on certain constraints. The following are the fund balance classifications used in the governmental fund financial statements:

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. The School classifies inventories, prepaid items, long-term notes receivable and deposits as non-spendable since they are not expected to be converted to cash or are not expected to be converted to cash within the next year. At June 30, 2021, the School had \$18,742 in non-spendable fund balance.

Restricted – Includes amounts that can be spent only for specific purposes as stipulated by external parties such as grantors and creditors or are imposed by law through constitutional provisions or enabling legislation. At June 30, 2021, there is no restricted fund balance.

Committed – Includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. The committed amount cannot be used for any other purpose unless the Board of Directors removes or changes the commitment through formal action. At June 30, 2021, there is no committed fund balance.

Assigned – Includes amounts intended to be used by the School's management or Board of Directors for specific purposes but do not meet the criteria to be classified as either restricted or committed. At June 30, 2021, there is no assigned fund balance.

Unassigned – Includes all spendable amounts within the School's general fund not contained in the other classifications.

**BEACON COLLEGE PREP ELEMENTARY SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

Order of Fund Balance Spending Policy

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 for which 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. As of June 30, 2021, there are no minimum fund balance requirements for any of the School's funds.

Income Taxes

The School qualifies as a tax-exempt organization under the Internal Revenue Code Section 501(c) (3), and is, therefore, exempt from income tax. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

Use of Estimates

The preparation of financial statements in conformity with U.S. 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.

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 – CAPITAL ASSETS**

The following schedule provides a summary of changes in capital assets for the year ended June 30, 2021:

	Balance <u>6/30/2020</u>	Additions	Deletions	Balance <u>6/30/2021</u>
<b>Capital Assets</b>				
Improvements to property	\$ 80,452	\$ -	\$ -	\$ 80,452
Furniture, fixtures & equipment	31,730	61,251	-	92,981
Computer equipment & software	187,067	87,541	-	274,608
Textbooks	<u>165,588</u>	<u>34,284</u>	-	<u>199,872</u>
Total Capital Assets	<u>464,837</u>	<u>183,076</u>	-	<u>647,913</u>
<b>Less Accumulated Depreciation</b>				
Improvements to property	(37,712)	(10,785)	-	(48,497)
Furniture, fixtures & equipment	(26,083)	(14,412)	-	(40,495)
Computer equipment & software	(174,180)	(34,866)	-	(209,046)
Textbooks	<u>(127,482)</u>	<u>(31,506)</u>	-	<u>(158,988)</u>
Total Accumulated Depreciation	<u>(365,457)</u>	<u>(91,569)</u>	-	<u>(457,026)</u>
Capital Assets, net	<u>\$ 99,380</u>	<u>\$ 91,507</u>	<u>\$ -</u>	<u>\$ 190,887</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
Instruction	\$ 31,506
School administration	<u>60,063</u>
Total depreciation	<u>\$ 91,569</u>

**NOTE 3 – TRANSACTIONS WITH A SERVICE COMPANY**

The School entered into an agreement with Building Hope Services, LLC., (“Building Hope”) to provide consulting and professional services to the School. Building Hope manages the finances and ledger and makes recommendations to the School's management and independent board of directors, who make the final determinations regarding policies and contracts.

In providing consulting and professional services to the School, officers of Building Hope may not serve as members of the Board of Directors of the School. The contract calls for a consulting and professional services fee equal to \$100 per student per month for accounting services and \$100 per student for online registration system. During the year ended June 30, 2021, the School incurred service fees of \$54,431. At June 30, 2021, the School had \$3,460 due to Building Hope.



**BEACON COLLEGE PREP ELEMENTARY SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 4 – DEPOSITS POLICY AND CREDIT RISK**

It is the School's policy to maintain its cash and cash equivalents in major banks. Deposits are insured by the Federal Depository Insurance Corporation ("FDIC") up to \$250,000 per depositor, per financial institution. As of June 30, 2021, the bank balance of the School's cash deposit accounts totaled \$238,345, and the carrying amounts totaled \$232,678.

State statutes require, and it is the School's policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as "qualified public depositories" as defined by Chapter 280 of the Florida Statutes. This Statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity's funds. The minimum collateral to be pledged by an institution, the collateral eligible to pledge, and reporting requirements of the qualified public depository to the Treasurer is defined by the Statute. Collateral is pooled in a multiple qualified depository institution pool with the ability to assess members of the pool should the need arise. The School's deposits are held in a qualified public depository. They are covered by the collateral pool as the School has identified itself as a public entity at June 30, 2021.

**NOTE 5 – GRANTS**

In the normal course of operations, the School receives grant funds from various federal, state and local agencies. The grant programs are subject to audits by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not reflected in these financial statements.

**NOTE 6 – DUE FROM GOVERNMENTAL AGENCIES**

The amounts due from governmental agencies included in the accompanying statement of net position and balance sheet – governmental funds consist of the following as of June 30, 2021:

Capital Outlay	\$ 24,263
Charter School Program Grant	41,881
National School Lunch Program	12,212
Unified School Improvement Grant	70,440
	<u>\$ 148,796</u>

These receivables are considered to be fully collectible and as such, no allowance for uncollectible accounts is accrued.

**NOTE 7 – RELATED PARTY TRANSACTIONS**

As of June 30, 2021, the School had a receivable from Beacon College Prep, Inc ("Corporate"), in the amount of \$522,863. The School transferred funds to Corporate to fund a money market account used to provide broader FDIC deposit insurance coverage.

In July of 2018, Corporate issued \$11,900,000 of Industrial Development Revenue Bonds to purchase the school facility. A lease agreement is renewed yearly by Corporate, the School, and Beacon College Prep Middle School (collectively, the "Schools") wherein the Schools agree to pay, their proportionate amounts, of the annual debt service on the bonded debt. The proportions of contributions by the Schools to pay these lease payments are based on student enrollment. During the fiscal year ended June 30, 2021, the School expended \$552,359 under this lease agreement.

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 7 – RELATED PARTY TRANSACTIONS (Continued)**

For the year ended June 30, 2021, the School made a \$300,000 grant to BCPMS. This grant was approved by the Board of Directors in June 2021 to promote future growth and programs of BCPMS to assure its viability as the primary feeder school for the School.

**NOTE 8 – LONG-TERM DEBT**

In March 2020, the School took out a long-term loan of \$65,295 for new and upgraded lighting throughout campus facilities. Half of this note payable was allocated to BCPMS via the due from related parties account. The note payable bears interest at a rate of 6.8% per annum and repayment commenced on April 1, 2020 monthly through April 1, 2025. The balance of the note as of June 30, 2021 is \$52,963. The following schedule shows a summary of the changes in this debt for the year ended June 30, 2021:

Balance 6/30/2020	Advances	Repayments	Balance 6/30/2021
\$ 62,030	\$ -	\$ 9,067	\$ 52,963

The current and long-term portions of this debt are as follows:

Total debt	\$52,963
Less: Current portion	12,355
Total long-term debt	\$40,608

As of June 30, 2021, the future maturities under the note are as follows:

2022	\$12,355
2023	13,221
2024	14,149
2025	13,238
Total	\$52,963

On May 27, 2020, the School and BCPMS received a joint loan from the Small Business Administration's Paycheck Protection Program ("PPP") totaling \$581,240. As of June 30, 2020, the amount of the loan allocated to the School was \$401,723 and the amount allocated to BCPMS was \$179,517 based on payroll needs. During the year ended June 30, 2021, an additional \$77,933 of the loan was allocated from the School to BCPMS. All proceeds were expended according to PPP requirements and the full amount of the PPP loan was forgiven on January 22, 2021. Accordingly, the School recognized PPP proceeds of \$323,790 as grant revenues as of June 30, 2021.

**NOTE 9 – 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. The School does not sponsor a public entity risk pool and has had no settlements that have exceeded their insurance coverage.

**BEACON COLLEGE PREP ELEMENTARY SCHOOL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 10 – Implications of COVID-19**

In March 2020, the World Health Organization declared the novel strain of coronavirus, COVID-19, a global pandemic (the “Pandemic”) and recommended containment and mitigation measures worldwide.

The COVID-19 pandemic impacted the School, its teachers, its students and their families. The School was forced to suspend in-person learning in March 2020 and shift to a distance learning model for the remainder of the 2019-2020 school year. The School was able to retain all the staff with the help of their PPP loan.

The School opened the 2020-2021 school year using a hybrid model where approximately 50% of students returned to in-person learning and the remainder participated via the distance learning program. The School expects to open the 2021-2022 school year at full capacity with in-person attendance and maintains a waitlist of students. The full impact of the pandemic on the Schools future depends on the ultimate duration and scope of the pandemic, the success of vaccination programs, and its impact on the Schools staff, students and their families. Management is actively monitoring the global situation on its financial conditions, liquidity, operations, suppliers, industry, and workforce.

**NOTE 11 – SUBSEQUENT EVENTS**

Subsequent events were evaluated through September 14, 2021, the date in which the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

	General Fund		
	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
State passed through local	\$ 3,211,384	\$ 3,406,295	\$ 3,406,295
Fundraising and other revenues	-	44,819	44,819
Grant revenues- PPP	-	323,790	323,790
<b>TOTAL REVENUES</b>	<u>3,211,384</u>	<u>3,774,904</u>	<u>3,774,904</u>
<b>EXPENDITURES</b>			
<b>Current:</b>			
Instruction	1,559,290	1,723,126	1,723,126
Instructional support services	224,386	162,830	162,830
Board	110,575	102,943	102,943
School administration	409,578	426,842	426,842
Facilities acquisition & construction	252,893	266,454	266,454
Fiscal services	93,976	54,431	54,431
Central services	-	492	492
Pupil transportation services	152,734	55,287	55,287
Operation of plant	269,909	221,168	221,168
Maintenance of plant	59,667	117,360	117,360
Technology services	33,800	49,601	49,601
<b>Capital Outlay:</b>			
Other capital outlay	-	183,076	183,076
<b>Debt Service:</b>			
Interest expense	-	4,250	4,250
Redemption of principal	-	9,067	9,067
<b>TOTAL EXPENDITURES</b>	<u>3,166,808</u>	<u>3,376,927</u>	<u>3,376,927</u>
<b>Excess revenue over expenditures</b>	44,576	397,977	397,977
Other financing uses:			
Decrease in long-term debt- PPP loan	-	401,723	401,723
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 44,576</u>	<u>\$ (3,746)</u>	<u>\$ (3,746)</u>

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

	Special Revenue Fund		
	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
Federal through state and local	\$ 285,917	\$ 556,643	\$ 556,643
Federal lunch program	348,987	165,346	165,346
TOTAL REVENUES	634,904	721,989	721,989
<b>EXPENDITURES</b>			
<b>Current:</b>			
Instruction	285,917	556,643	556,643
Food services	348,987	165,346	165,346
TOTAL EXPENDITURES	634,904	721,989	721,989
 NET CHANGE IN FUND BALANCE	 \$ -	 \$ -	 \$ -

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL – CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

	Capital Projects Fund		
	Original Budget	Final Budget	Actual
<b>REVENUES</b>			
State capital outlay funding	\$ 270,869	\$ 285,905	\$ 285,905
TOTAL REVENUES	270,869	285,905	285,905
<b>EXPENDITURES</b>			
<b>Current:</b>			
Facilities acquisition & construction	270,869	285,905	285,905
TOTAL EXPENDITURES	270,869	285,905	285,905
 NET CHANGE IN FUND BALANCE	 \$ -	 \$ -	 \$ -

**BEACON COLLEGE PREP ELEMENTARY SCHOOL  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2021**

**NOTE A – BUDGETARY INFORMATION**

Budgetary Basis of Accounting

The School's annual budget is adopted for the entire operations at the combined governmental level and may be amended by the Board. The budget presented for the year ended June 30, 2021 has been amended according to Board procedures. During the fiscal year, expenditures were controlled at the fund level.

Although budgets are adopted for the entire operation, budgetary comparisons have been presented for the general and special revenue funds for which a legally adopted budget exists.

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., capital outlay, salaries and purchased services).





DAVID D. SHARFF, C.P.A. - DECEASED  
STEVEN C. WITTMER, C.P.A. - DECEASED  
JOSEPH M. KURTZ, C.P.A. - RETIRED  
MICHAEL L. JACKSON, C.P.A. - RETIRED  
MARTIN ROSEN, C.P.A. - RETIRED

LUIS E. DIAZ, C.P.A.  
JOSEPH M. JACKSON, C.P.A.  
AMY K. BEENKEN, C.P.A.  
LAURA S. FEINBERG, C.P.A.

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  
Beacon College Prep Elementary School  
Opa Locka, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Beacon College Prep Elementary School ("the "School"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 14, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did 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 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 financial statements. 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*.

Board of Directors  
Beacon College Prep Elementary School

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



SHARFF, WITTMER, KURTZ, JACKSON & DIAZ, P.A.  
Certified Public Accountants

Coral Gables, Florida  
September 14, 2021



CERTIFIED PUBLIC ACCOUNTANTS



DAVID D. SHARFF, C.P.A. - DECEASED  
STEVEN C. WITTMER, C.P.A. - DECEASED  
JOSEPH M. KURTZ, C.P.A. - RETIRED  
MICHAEL L. JACKSON, C.P.A. - RETIRED  
MARTIN ROSEN, C.P.A. - RETIRED

LUIS E. DIAZ, C.P.A.  
JOSEPH M. JACKSON, C.P.A.  
AMY K. BEENKEN, C.P.A.  
LAURA S. FEINBERG, C.P.A.

## MANAGEMENT LETTER

To the Board of Directors  
Beacon College Prep Elementary School  
Opa Locka, Florida

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

We have audited the financial statements of Beacon College Prep Elementary School (the "School"), a component unit of the District School Board of Miami-Dade County, Florida, as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated September 14, 2021.

### **Auditor's Responsibility**

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.

### **Other Reporting Required by *Government Auditing Standards***

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports and schedule, which are dated September 14, 2021, 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 that the name or official title of the entity 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 entity are Beacon College Prep Elementary School, 134002.

### **Financial Condition and Management**

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require that we report the results of our determination as to whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. The financial condition assessment procedures applied in connection with our audit, has lead us to believe that the School's overall financial condition as of June 30, 2021 is not deteriorating.

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 such recommendations.

### **Transparency**

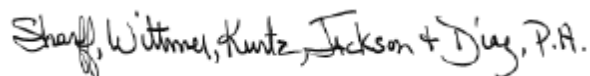
Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require that we apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its website 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 that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors, applicable management, and Beacon College Prep, Inc. and is not intended to be and should not be used by anyone other than these specified parties.



SHARFF, WITTMER, KURTZ, JACKSON & DIAZ, P.A.  
Certified Public Accountants

Coral Gables, Florida  
September 14, 2021

