

**Coral Springs Charter School**  
(A Special Revenue Fund of the  
City of Coral Springs, Florida)

Basic Financial Statements  
For the Year Ended June 30, 2021



# Coral Springs Charter School

## Table of Contents

---

Independent Auditor's Report	1-2
Management's Discussion and Analysis (Not Covered by Independent Auditor's Report)	3-7
<b>Basic Financial Statements</b>	
Government-wide Financial Statements:	
Statement of Net Position	8
Statement of Activities	9
Fund Basic Financial Statements:	
Balance Sheet - Governmental Fund	10
Reconciliation of the Balance Sheet of the Governmental Fund to the Statement of Net Position	11
Statement of Revenues, Expenditures and Change in Fund Balance - Governmental Fund	12
Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balance of the Governmental Fund to the Statement of Activities	13
Statement of Revenues and Expenditures - Budget and Actual - General Fund	14
Statement of Fiduciary Net Position	15
Statement of Changes in Fiduciary Net Position	16
Notes to Basic Financial Statements	17-25
<b>Other Independent Auditor's Reports</b>	
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 <i>Government Auditing Standards</i>	26-27
Independent Auditor's Report to the Board of Directors	28-29

## INDEPENDENT AUDITOR'S REPORT

To the City of Coral Springs Charter School  
Board of Directors and City Manager  
Coral Springs Charter School  
Coral Springs, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Coral Springs Charter School (the "School"), a Special Revenue Fund of the City of Coral Springs, Florida (the "City") 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 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 auditors' 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, each major fund, and the aggregate remaining fund information of the School, as of June 30, 2021, and the respective changes in financial position, and budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 1, the financial statements of the School present only the Special Revenue Fund of the City and they do not purport to, and do not, present fairly the financial position of the City as of June 30, 2021, and its changes in financial position or budgetary comparisons, where applicable, for the year ended June 30, 2021 in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 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.



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
November 22, 2021

# MANAGEMENT'S DISCUSSION AND ANALYSIS



As management of Coral Springs Charter School (the "School"), a Special Revenue Fund of the City of Coral Springs, Florida, we offer readers of the School's basic financial statements this narrative overview and analysis of the financial activities of the School for the year ended June 30, 2021 and 2020.

Management's discussion and analysis is included at the beginning of the School's basic financial statements to provide, in layman's terms, the past and current position of the School's financial condition. This summary should not be taken as a replacement for the audit which consists of the basic financial statements and other supplementary information.

### **Financial Highlights**

Our basic financial statements provide these insights into the results of this year's operations.

- The School's net position was \$ 5,401,233 as of June 30, 2021. Of this amount, \$ 2,425,550 represents unrestricted net position.
- The School's net position increased by \$ 225,268 during the current fiscal year as a result of this year's operations.
- As of June 30, 2021, the School's fund balance was \$ 2,527,688.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements are comprised of three components: 1) government-wide basic financial statements, 2) fund basic financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Basic Financial Statements:** The government-wide basic 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 and liabilities, and deferred inflows/outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected revenues and services rendered, but unpaid).

The government-wide basic financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instruction and instructional support services.

The government-wide basic financial statements can be found on pages 8 and 9 of this report.

**Fund Basic Financial Statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide basic financial statements. However, unlike the government-wide basic financial statements, governmental fund basic financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains only one governmental fund type, which is the General Fund. Information is presented in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balance for the General Fund.

The School adopts an annual budget for its governmental fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

The governmental fund basic financial statements can be found on pages 10 through 14 of this report.

**Fiduciary Fund:** In addition, the School has one Fiduciary Fund which is a student activity fund. This fund is formed for education and school purposes.

The basic Fiduciary Fund financial statements can be found on pages 15 and 16 of this report.

**Notes to Basic Financial Statements:** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 17 through 25 of this report.

### **Government-Wide Financial Analysis**

The School has been in operation since 1999; therefore, comparative government-wide data is presented. The School's net position was \$ 5,401,233 at June 30, 2021, which represents unrestricted net position of \$ 2,425,550 and net investment in capital assets of \$ 2,975,683. The School's net position was \$ 5,175,965 at June 30, 2020. Of this amount, \$ 2,800,841 represented unrestricted net position and net investment in capital assets was \$ 2,375,124.

**Coral Springs Charter School  
Management's Discussion and Analysis  
June 30, 2021**

---

Our analysis in the table below focuses on the net position of the School's governmental activities, as of June 30, 2021 and 2020:

Coral Springs Charter School Net Position		
	June 30, 2021	June 30, 2020
Assets:		
Current and other assets	\$ 3,779,382	\$ 3,983,453
Capital assets, net of depreciation	3,257,589	2,375,124
Total assets	7,036,971	6,358,577
Liabilities:		
Current liabilities	1,423,848	1,153,413
Noncurrent liabilities	211,890	29,199
Total liabilities	1,635,738	1,182,612
Net Position:		
Net investment in capital assets	2,975,683	2,375,124
Unrestricted	2,425,550	2,800,841
Total net position	\$ 5,401,233	\$ 5,175,965

Current and other assets decreased mainly due to a reduction in the School's cash position. Capital assets, net of depreciation increased due to asset purchases of \$ 1.6 million somewhat offset by depreciation expense of \$ 727,000. Current liabilities increased due to a rise in accounts payable and salaries and wages payable. Noncurrent liabilities increased due to the School entering into two capital lease arrangements for computer equipment.

**Governmental Activities**

The results of this year's operations for the School as a whole are reported in the statement of activities on page 9. The table below provides a condensed presentation of the School's revenues and expenses for the years ended June 30, 2021 and 2020:

Coral Springs Charter School Change in Net Position		
	June 30, 2021	June 30, 2020
Revenues:		
General revenues	\$ 12,877,608	\$ 12,346,421
Program revenues	1,714,423	1,731,267
Total revenues	14,592,031	14,077,688
Functions/Program Expenses:		
Instruction	7,688,755	7,800,317
Instructional support services	5,356,708	5,020,137
Non-instructional expenses	1,321,300	1,293,639
Total expenses	14,366,763	14,114,093
Change in net position	\$ 225,268	\$ (36,405)



**Coral Springs Charter School  
Management's Discussion and Analysis  
June 30, 2021**

---

General revenues increased due to a rise in state source revenues compared to the previous year with the new teacher salary allocation funds. Program revenues decreased compared to last year due to a reduction in revenues from student paid lunches. Total expenses increased due to an increase in instructional support services and non-instructional expenses.

**Governmental Fund Expenditures**

In the table below, we have presented the cost of the largest functions/programs as a percentage of total governmental expenditures:

Functions/Programs	2021		2020	
	Expenditures	Percent	Expenditures	Percent
Governmental expenditures:				
Instructional expenditures	\$ 7,312,102	49%	\$ 7,419,313	51%
Plant operations and maintenance	2,221,443	14%	2,439,878	17%
Administrative services	1,848,637	12%	1,298,658	9%
Fiscal services	818,964	5%	806,658	5%
Capital outlay	1,609,449	10%	1,210,267	8%
All other functions/programs	1,590,387	10%	1,536,300	10%
Total governmental expenditures	\$ 15,400,982	100%	\$ 14,711,074	100%

**Capital Assets and Debt Administration**

**Capital assets:** At June 30, 2021, the School had capital assets of \$ 3,257,589 net of accumulated depreciation, as compared to \$ 2,375,124 at June 30, 2020. A detailed schedule is on page 22 in the notes to the basic financial statements.

**Debt:** At June 30, 2021, the School had outstanding debt of \$ 281,906. No debt was outstanding at June 30, 2020. Additional information on the School's debt can be found in Notes 6 and 7 on pages 23 and 24.

**General Fund Budgetary Highlights**

Total revenues were favorable to budget due to a rise in state source revenues compared to the previous year with the new teacher salary allocation funds and an increase in grant funds. Local sources revenues were unfavorable to budget due to lower food service (student paid lunches) and interest income. Total General Fund revenues were favorable to budget by \$ 1 million. Total General Fund expenditures were unfavorable to budget by \$ 169,000 due to increased spending in school administration and central services expenses. Overall, the School ended the year with a change in fund balance that was favorable to the budget by approximately \$ 825,000.

**Economic Factors and Next Year's Budget**

In fiscal year 2021, the State of Florida increased its Florida Education Finance Program (FEFP) base funding to include a teacher salary increase pool of \$500 million and mental health initiative allocations. The capital outlay funding pool increased to \$169.6 million.

For fiscal year 2022, the Florida Education Finance Program funding and the capital outlay revenue assumed at a flat rate in comparison to the current rate per student. The teacher salary allocation will continue to be a part of the base FEFP funding. A 2% merit increase for all staff was included in the budget. All other expenditures are budgeted in alignment with enrollment changes and the school's strategic objectives.

**Requests for Information**

If you have any questions about this report or need additional information, please contact Myrna Lainé-Hyppolite, Senior Vice President - Finance and School Accounting; Charter Schools USA; 800 Corporate Drive, Suite 700; Fort Lauderdale, Florida 33334.

# BASIC FINANCIAL STATEMENTS

**Coral Springs Charter School**  
**Statement of Net Position**  
**June 30, 2021**

---

	<b>Governmental Activities</b>
<b>Current Assets:</b>	
Cash and cash equivalents	\$ 3,683,225
Other receivables	2,557
Due from Fiduciary Fund - Student Activities	17,669
Prepaid items	46,134
Deposits	<u>29,797</u>
Total current assets	3,779,382
<b>Noncurrent Assets:</b>	
Capital assets, net of accumulated depreciation	<u>3,257,589</u>
Total assets	<u>7,036,971</u>
<b>Current Liabilities:</b>	
Accounts payable and accrued expenses	140,949
Due to management company	233,357
Salaries and wages payable	877,388
Compensated absences	76,604
Capital lease	<u>95,550</u>
Total current liabilities	<u>1,423,848</u>
<b>Noncurrent Liabilities:</b>	
Compensated absences	25,534
Capital lease	<u>186,356</u>
Total noncurrent liabilities	<u>211,890</u>
Total liabilities	<u>1,635,738</u>
<b>Commitments (Note 5)</b>	-
<b>Net Position:</b>	
Net investment in capital assets	2,975,683
Unrestricted	<u>2,425,550</u>
Total net position	<u>\$ 5,401,233</u>

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

**Coral Springs Charter School  
Statement of Activities  
For the Year Ended June 30, 2021**

	<u>Expenditures</u>	<u>Program Revenues</u>			<u>Governmental</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Activities Net Revenue (Expense) and Change in Net Position</u>
<b>Functions/Programs:</b>					
Instruction	\$ 7,688,755	\$ -	\$ 475,821	\$ -	\$ (7,212,934)
Student support services	646,248	-	2,700	-	(643,548)
Instruction and curriculum development services	1,580	-	-	-	(1,580)
Instructional staff training services	25,013	-	1,500	-	(23,513)
Instruction related technology	67,468	-	-	-	(67,468)
Board	14,269	-	-	-	(14,269)
School administration	1,848,637	-	910	-	(1,847,727)
Fiscal services	818,964	-	-	-	(818,964)
Food services	222,085	28,648	188,620	-	(4,817)
Central services	258,170	-	1,135	-	(257,035)
Pupil transportation	210,648	-	133,280	-	(77,368)
Operation of plant	2,513,861	-	-	877,585	(1,636,276)
Maintenance of plant	43,253	-	4,224	-	(39,029)
Interest on long-term debt	7,812	-	-	-	(7,812)
Total governmental activities	<u>\$ 14,366,763</u>	<u>\$ 28,648</u>	<u>\$ 808,190</u>	<u>\$ 877,585</u>	<u>(12,652,340)</u>
General revenues:					
Grants and entitlements					12,771,702
Interest income					46,043
Miscellaneous income					59,863
Total general revenues					<u>12,877,608</u>
Change in net position					225,268
Net position, July 1, 2020					<u>5,175,965</u>
Net position, June 30, 2021					<u>\$ 5,401,233</u>

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

**Coral Springs Charter School  
Balance Sheet Governmental Fund  
June 30, 2021**

---

	<b>General Fund</b>
<b>Assets:</b>	
Cash and cash equivalents	\$ 3,683,225
Other receivables	2,557
Due from Fiduciary Fund - Student Activities	17,669
Prepaid items	46,134
Deposits	<u>29,797</u>
Total assets	<u>\$ 3,779,382</u>
<b>Liabilities:</b>	
Accounts payable and accrued expenses	\$ 140,949
Due to management company	233,357
Salaries and wages payable	<u>877,388</u>
Total liabilities	<u>1,251,694</u>
<b>Commitments (Note 5)</b>	-
<b>Fund Balance:</b>	
Nonspendable:	
Prepaid items	46,134
Deposits	29,797
Assigned:	
Working capital	950,000
Reserve and replacement	544,796
Technology replacement	443,015
Subsequent year's budget	355,960
Unassigned	<u>157,986</u>
Total fund balance	<u>2,527,688</u>
Total liabilities and fund balance	<u>\$ 3,779,382</u>

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

**Coral Springs Charter School  
 Reconciliation of the Balance Sheet of the Governmental Fund  
 to the Statement of Net Position  
 June 30, 2021**

---

**Total Fund Balance of Governmental Fund** \$ 2,527,688

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

Capital assets used in governmental activities are not financial resources and; therefore, are not reported in the governmental fund.

Cost of capital assets	\$ 9,671,012	
Less accumulated depreciation	<u>(6,413,423)</u>	3,257,589

Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.

Capital leases	\$ (281,906)	
Compensated absences	<u>(102,138)</u>	<u>(384,044)</u>

**Net Position of Governmental Activities** \$ 5,401,233

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

**Coral Springs Charter School  
Statement of Revenues, Expenditures and  
Change in Fund Balance - Governmental Fund  
For the Year Ended June 30, 2021**

---

	<b>General Fund</b>
<b>Revenues:</b>	
Federal through state	\$ 587,122
State sources	13,815,755
Local sources	<u>189,154</u>
Total revenues	<u>14,592,031</u>
<b>Expenditures:</b>	
Instruction	7,312,102
Student support services	646,248
Instruction and curriculum development services	1,580
Instructional staff training services	25,013
Instruction related technology	67,468
Board	14,269
School administration	1,848,637
Fiscal services	818,964
Food services	222,085
Central services	258,170
Pupil transportation	210,648
Operation of plant	2,178,190
Maintenance of plant	43,253
Capital outlay	1,609,449
Debt service:	
Principal	137,094
Interest	<u>7,812</u>
Total expenditures	<u>15,400,982</u>
Excess (deficiency) of revenues over expenditures	<u>(808,951)</u>
<b>Other Financing Sources:</b>	
Proceeds from capital lease	<u>419,000</u>
Net change in fund balance	(389,951)
<b>Fund Balance, July 1, 2020</b>	<u>2,917,639</u>
<b>Fund Balance, June 30, 2021</b>	<u>\$ 2,527,688</u>

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



**Coral Springs Charter School  
 Reconciliation of the Statement of Revenues,  
 Expenditures and Change in Fund Balance of the  
 Governmental Fund to the Statement of Activities  
 For the Year Ended June 30, 2021**

---

**Change in Fund Balance - Total Governmental Fund** \$ (389,951)

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

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the costs of those assets are depreciated over their estimated useful lives as provision for depreciation.

Cost of capital assets	\$	1,609,449	
Provision for depreciation		<u>(726,984)</u>	882,465

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.

Proceeds from capital lease			(419,000)
-----------------------------	--	--	-----------

Principal payments on long-term debt are reported as expenditures in governmental funds, but as a reduction of long-term liabilities in the statement of net position.

			137,094
--	--	--	---------

Certain items reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds.

Change in compensated absences			<u>14,660</u>
--------------------------------	--	--	---------------

**Change in Net Position of Governmental Activities** \$ 225,268

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

**Coral Springs Charter School  
Statement of Revenues and Expenditures -  
Budget and Actual - General Fund  
For the Year Ended June 30, 2021**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>			
Federal through state	\$ 150,970	\$ 587,122	\$ 436,152
State sources	13,215,826	13,815,755	599,929
Local sources	205,649	189,154	(16,495)
	<u>13,572,445</u>	<u>14,592,031</u>	<u>1,019,586</u>
Total revenues			
<b>Expenditures:</b>			
Instruction	7,352,288	7,312,102	40,186
Student support services	824,649	646,248	178,401
Instruction and curriculum development services	88,600	1,580	87,020
Instructional staff training services	34,566	25,013	9,553
Instruction related technology	30,012	67,468	(37,456)
Board	20,800	14,269	6,531
School administration	1,327,016	1,848,637	(521,621)
Fiscal services	818,542	818,964	(422)
Food services	270,260	222,085	48,175
Central services	45,008	258,170	(213,162)
Pupil transportation	261,360	210,648	50,712
Operation of plant	2,146,479	2,178,190	(31,711)
Maintenance of plant	112,139	43,253	68,886
Community services	10,494	-	10,494
Capital outlay	1,741,467	1,609,449	132,018
Debt service:			
Principal	147,983	137,094	10,889
Interest	-	7,812	(7,812)
	<u>15,231,663</u>	<u>15,400,982</u>	<u>(169,319)</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	(1,659,218)	(808,951)	850,267
<b>Other Financing Sources:</b>			
Proceeds from capital lease	443,950	419,000	(24,950)
	<u>443,950</u>	<u>419,000</u>	<u>(24,950)</u>
Net change in fund balance	\$ <u>(1,215,268)</u>	\$ <u>(389,951)</u>	\$ <u>825,317</u>

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

**Coral Springs Charter School  
Statement of Fiduciary Net Position  
June 30, 2021**

---

	<b>Custodial Fund Student Activities</b>
<b>Assets:</b>	
Cash and cash equivalents	\$ <u>148,546</u>
<b>Liabilities:</b>	
Due to General Fund	<u>17,669</u>
<b>Net Position:</b>	
Restricted for extracurricular activities	\$ <u><u>130,877</u></u>

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

**Coral Springs Charter School**  
**Statement of Changes in Fiduciary Net Position**  
**June 30, 2021**

---

	<u>Custodial Fund Student Activities</u>
<b>Additions:</b>	
Contributions	\$ <u>187,351</u>
<b>Deductions:</b>	
Extracurricular activities	244,137
Administrative	<u>1,751</u>
Total deductions	<u>245,888</u>
Change in net position	(58,537)
<b>Net Position, Beginning of Year</b>	<u>189,414</u>
<b>Net Position, End of Year</b>	\$ <u><u>130,877</u></u>

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

**Note 1 - Organization and Operations**

Coral Springs Charter School (the "School") was established in July 1999 as a Florida nonprofit organization. The School, which is reported as a Special Revenue Fund of the City of Coral Springs, Florida (the "City"), was established as a charter school and services students from sixth through twelfth grade. A charter from the School Board of Broward County, Florida was granted to the City to operate a charter school pursuant to Section 228.056 of the Florida Statutes. There were 1,679 students enrolled for the 2020/2021 school year.

The School is part of the City's government and is not a separate legal entity apart from the City. The financial statements of Coral Springs Charter School present only the balances, activity, and disclosures related to the School. They do not purport to, and do not, present fairly the financial position of the City as of June 30, 2021, and its changes in financial position or budgetary comparisons, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Note 2 - Summary of Significant Accounting Policies**

**Reporting entity:** The School operates under a charter granted by the sponsoring School District, the School Board of Broward County (the "District"). The current charter is effective until June 2029, and may be renewed in increments of five years by mutual written agreement between the School and the District. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter in which case the District is required to notify the School in writing at least ninety days prior to the charter's expiration. During the term of the charter, the District may also terminate the charter if good cause is shown.

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 - Not-for-Profit Organizations and provisions of Section 228.056, Florida Statutes the School is presented as a governmental organization for financial statement reporting purposes.

**Government-wide financial statements:** Government-wide financial statements, including the statement of net position and the statement of activities, present information about the School as a whole.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

**Note 2 - Summary of Significant Accounting Policies (continued)**

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School.

**Fund financial statements:** Fund financial statements report detailed information about the School in the governmental funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The General Fund is the School's only major fund and it is used to account for all financial transactions of the School.

Additionally, the School reports separately the following fiduciary fund type:

**Custodial Fund** - This fund is used to administer funds raised and earned by the various clubs and activities that are part of the School.

**Basis of accounting:** Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within sixty days of the end of the current period. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

**Cash and cash equivalents:** The School considers all demand accounts and money market funds which are not subjected to withdrawal restrictions to be cash and cash equivalents.

The School maintains its cash accounts at one financial institution. The School's accounts at this institution, at times, may exceed the federally insured limit. The School has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk.

In addition, most of the School's cash and cash equivalents are maintained in the City's pooled cash account for which the City does not make a specific allocation to the School. This enables the City to invest large amounts of idle cash for short periods of time and to optimize earnings potential. At June 30, 2021, the balance in this account amounted to \$ 3,129,958.

**Note 2 - Summary of Significant Accounting Policies (continued)**

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

**Revenue recognition:** Student funding is provided by the State of Florida through the School Board. Such funding is recorded as entitlement revenue in the government-wide financial statements and state source revenue in the fund financial statements. This funding is received on a pro rata basis over a twelve month period and is adjusted for changes in full-time equivalent (FTE) student population.

**Capital assets:** Property and equipment purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the School as assets with a cost of \$ 750 and useful life of over one year. Donated property and equipment assets are reported at the acquisition 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 fixed assets. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives as follows:

Improvements other than building	5-10 years
Building improvements	15 years
Computer hardware	3 years
Furniture, fixtures, and equipment	5 years
Audio visual materials	5 years
Computer software	3 years
Motor vehicles	5 years

**Deferred outflows/inflows of resources:** In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net 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.

**Unearned revenue:** Unearned revenue arises when the School receives resources before it has a legal claim to them.

**Compensated absences:** The School's policy permits employees to accumulate earned but unused paid time off, which is eligible for payment upon separation from service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Payments for compensated absences are paid out of the General Fund.

**Note 2 - Summary of Significant Accounting Policies (continued)**

**Net position:** Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets.
- Restricted - consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - indicates that portion of net position that is available to fund future operations.

**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:

- Nonspendable - this classification 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 nonspendable since they are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted - this classification includes amounts that are restricted for specific purposes by external parties such as grantors and creditors or are imposed by law through constitutional provisions or enabling legislation.
- Committed - this classification includes amounts that can be used for specific purposes voted on through formal action of the Board of Directors (the highest level of decision making authority). The committed amount cannot be used for any other purpose unless the Board of Directors removes or changes the commitment through formal action.
- Assigned - this classification includes amounts that the Board of Directors intends to use for a specific purpose but they are neither restricted nor committed. The School classifies existing fund balance to be used in the subsequent year's budget for elimination of a deficit as assigned.
- Unassigned - this classification includes amounts that have not been restricted, committed or assigned for a specific purpose within the General Fund.

The details of the fund balances are included in the Governmental Fund Balance Sheet on page 9.



**Note 2 - Summary of Significant Accounting Policies (continued)**

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.

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

The Charter School is reported as a Special Revenue Fund of the City. Accordingly, its budget is included in the legally adopted budget of the City. The City established the following budgetary procedures that relate to the Charter School and have been reflected in the Charter School's financial statements.

Prior to September 30, the City Manager submits to the City of Coral Springs Charter School Board of Directors the proposed operating budget for the Charter School Special Revenue Fund. This budget is based on the Charter School's fiscal year, which is from July 1 to June 30. The City's fiscal year is from October 1 to September 30. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted at City Hall to obtain taxpayer comments. Prior to September 30, the budget is legally enacted through passage of a resolution by the City of Coral Springs Charter School Board of Directors.

The budget is adopted in accordance with accounting principles generally accepted in the United States of America (GAAP).

Each department director within the City is authorized to transfer budget amounts within individual departments. Revisions which alter the total expenditures of any department within a fund must be approved by the City Manager. Revisions which alter the total expenditures of any fund must be approved by the City of Coral Springs Charter School Board of Directors. Actual expenditures and operating transfers out may not exceed "budget" appropriations at the individual fund level. Legal level of control is maintained at the fund level. For the year ending June 30, 2021, expenditures exceeded the budget by \$ 169,319. This variance was covered by revenues in excess of the budget.

If, during the course of the fiscal year, it becomes evident that a particular fund is unable to provide the required level of services to the community due to unexpected higher costs of providing services or a shortfall of revenue, the budget may be amended. The Director of Financial Services submits to the City of Coral Springs Charter School Board of Directors a request to amend the budget. The request contains explanations written by the director of the department making the request. The request includes a proposal for financing if additional expenditures are requested.

Appropriations which are neither expended, encumbered, nor specifically designated to be carried over, lapse at the end of the fiscal year. At year end, open encumbrances lapse in the Charter School Special Revenue Fund.

**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.

**Date of management review:** Subsequent events were evaluated by management through November 22, 2021, which is the date that the financial statements were available to be issued.

**Coral Springs Charter School**  
**Notes to Basic Financial Statements**  
**June 30, 2021**

---

**Note 3 - Cash and Cash Equivalents**

At June 30, 2021, the carrying amount of the deposits and cash on hand is as follows:

Cash on hand	\$	500
Demand accounts		552,767
City of Coral Springs pooled cash and cash equivalents		<u>3,129,958</u>
	\$	<u><u>3,683,225</u></u>

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 for pledge, and reporting requirements of the qualified public depositor to the Treasurer is defined by the Statute. Collateral is pooled in a multiple qualified public 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 4 - Capital Assets**

Capital asset balances and activity for the year ended June 30, 2021 are as follows:

	Balance at July 1, 2020	Additions	Deletions	Balance at June 30, 2021
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Capital assets, depreciable:				
Improvements other than building	\$ 3,005,189	\$ 760,965	\$ -	\$ 3,766,154
Building	1,261,970	-	-	1,261,970
Motor vehicles	41,145	-	-	41,145
Computers	2,628,826	528,003	-	3,156,829
Furniture, fixtures and equipment	<u>1,124,433</u>	<u>320,481</u>	<u>-</u>	<u>1,444,914</u>
 Total capital assets, depreciable	 <u>8,061,563</u>	 <u>1,609,449</u>	 <u>-</u>	 <u>9,671,012</u>
Accumulated depreciation:				
Improvements other than building	1,531,242	243,311	-	1,774,553
Building improvements	754,653	84,131	-	838,784
Motor vehicles	22,630	8,229	-	30,859
Computers	2,410,721	316,700	-	2,727,421
Furniture, fixtures and equipment	<u>967,193</u>	<u>74,613</u>	<u>-</u>	<u>1,041,806</u>
 Total accumulated depreciation	 <u>5,686,439</u>	 <u>726,984</u>	 <u>-</u>	 <u>6,413,423</u>
 Net capital assets	 <u>\$ 2,375,124</u>	 <u>\$ 882,465</u>	 <u>\$ -</u>	 <u>\$ 3,257,589</u>

**Note 4 - Capital Assets (continued)**

Provision for depreciation was charged to governmental activities as follows:

Instruction	\$	391,313
Operation of plant		<u>335,671</u>
	\$	<u><u>726,984</u></u>

**Note 5 - Commitments**

**Leases:** The City previously entered into an operating lease agreement on behalf of the School for the use of its premises. The lease term is for one year and renews automatically as long as the City operates the School. Monthly payments under this lease are \$ 118,333. The facility rent expense for the year ended June 30, 2021 was approximately \$ 1,420,000.

**Management agreement:** The City has a formal agreement with Charter Schools USA, Inc. (“CSUSA”) to manage, staff, and operate the School. The fiscal year 2021 agreement requires the City to pay an annual management fee to CSUSA equal to \$ 363.06 per enrolled student, up to \$ 606,310. CSUSA also receives an incentive fee of \$ 124.03 per enrolled student, up to \$ 207,130. This incentive fee is also contingent on certain performance goals being achieved by the School, as well as availability of funds and other conditions. Additionally, CSUSA is reimbursed by the City for expenditures paid by CSUSA on behalf of the School. Payments required under the agreement are to be made by the School. Total fees amounted to \$ 813,440 for the year ended June 30, 2021. The basic financial statements reflect a due to CSUSA of \$ 233,357 at June 30, 2021.

**FTE Funding:** The School receives funding from the District which is received from the State of Florida that is based, in part on a computation of the number of full time equivalent (FTE) students enrolled in the School. The accuracy of the data provided by the School supporting the FTE count is subject to state audit and, if found to be in error, could result in refunds or in decreases in future funding allocations.

It is the opinion of management that the amount of revenue which may be remitted back to the State due to errors in the FTE count or amount of grant expenditures which may be disallowed by granting agencies, if any, will not be material to the financial position of the School.

**Post-retirement benefits:** The School does not provide post-retired benefits to retired employees.

**Note 6 - Capital Leases**

During the year, the School entered into two capital lease arrangements for computer equipment. The leases require monthly payments of \$ 12,076 through September 2023 and then \$ 9,359 through October 2023. As of June 30, 2021, the net book value of the computer equipment is approximately \$ 325,900. Amortization of the computer equipment is included with depreciation expenses.

Year Ending June 30,	Principal	Interest	Total
2022	\$ 95,550	\$ 3,596	\$ 99,146
2023	141,433	3,474	144,907
2024	<u>44,923</u>	<u>838</u>	<u>45,761</u>
	<u>\$ 281,906</u>	<u>\$ 7,908</u>	<u>\$ 289,814</u>

**Note 7 - Long-Term Liabilities**

Changes in the School's long-term liabilities for fiscal year ended June 30, 2021, are as follows:

	Balance at July 1, 2020	Increases	Decreases	Balance at June 30, 2021	Amount Due Within One Year
Capital leases - computers	\$ -	\$ 419,000	\$ 137,094	\$ 281,906	\$ 95,550
Compensated absences	<u>116,798</u>	<u>20,649</u>	<u>35,309</u>	<u>102,138</u>	<u>76,604</u>
Total	<u>\$ 116,798</u>	<u>\$ 439,649</u>	<u>\$ 172,403</u>	<u>\$ 384,044</u>	<u>\$ 172,154</u>

**Note 8 - Employee Benefit Plan**

During the year ended June 30, 2021, the School offered all of its full-time employees who had attained 21 years of age, a retirement plan (the "Plan") under Internal Revenue Code Section 401(k). The employee is allowed to contribute up to a maximum of 100% of his/her annual gross compensation, subject to certain limitations. The Plan provides for a discretionary employer matching contribution of the participant's annual elective deferral to the Plan. As determined annually by the School's management, the School may also make a discretionary profit sharing contribution, which is allocated among the participants based on a pro rata formula. Participants are immediately vested in their own contributions and earnings on those contributions. Participants become vested in School contributions and earnings on School contributions according to the following schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1	25%
2	50%
3	75%
4	100%

Nonvested contributions are forfeited upon termination of employment and such forfeitures are used to reduce any employer contribution. For the Plan year ending December 31, 2020, the School had \$ 662 in forfeitures. For the year ended June 30, 2021, the School contributed a matching amount of \$ 68,540.

**Note 9 - Capital Appropriations Funding**

The Florida Department of Education has approved a Charter School Capital Outlay (CSCO) award for the School. In each year that funds are appropriated by the state for charter school capital outlay purposes those funds are allocated among eligible charter schools. The funds for the School's allocation are transferred to the School once a CSCO Plan has been provided to and approved by the sponsoring district. The School's CSCO Award totaled \$ 877,585 for the 2020/2021 school year which has been recognized as revenue in the accompanying basic financial statements. If the CSCO funds are used to acquire tangible property assets, the School Board has a reversionary interest in those assets. In the event of nonrenewal, termination, or breach of the charter school agreement, ownership of the assets would automatically revert to the School Board. The School has elected to use these funds to pay its portion of the lease expense on the facility.

**Note 10 - Risk Financing**

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The School has obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There have been no claims in excess of insurance coverage limits during the past three years.

As disclosed in Note 5, CSUSA employs all of the employees of the School. As a result, the School is not exposed to medical or workers' compensation claims for these individuals. In addition, CSUSA carries all required insurance including, but not limited to, general liability and errors and omissions insurance.

**Note 11 - Risk and Uncertainties**

The coronavirus (COVID-19) outbreak has caused disruption in international and U.S. economies and markets. The coronavirus and fear of further spread has caused quarantines, cancellation of events, and overall reduction in business and economic activity. On March 11, 2020, the *World Health Organization* designated the coronavirus outbreak as a pandemic. Management and the Board of Directors continue to evaluate and monitor the potential adverse effect that this event may have on the School's financial position and operations. The full impact of COVID-19 is unknown at this time and cannot be reasonably estimated as these events are still developing.

# OTHER INDEPENDENT AUDITOR'S REPORTS

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 City of Coral Springs Charter School  
Board of Directors and City Manager  
Coral Springs Charter School  
Coral Springs, 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, each major fund, and the aggregate remaining fund information of Coral Springs Charter School (the "School"), a Special Revenue Fund of the City of Coral Springs, Florida, 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 November 22, 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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

CPA's + Trusted Advisors

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
November 22, 2021



## INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS

To the City of Coral Springs Charter School  
Board of Directors and City Manager  
Coral Springs Charter School  
Coral Springs, Florida

### Report on the Financial Statements

We have audited the financial statements of Coral Springs Charter School (the "School"), a Special Revenue Fund of the City of Coral Springs, Florida, as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated November 22, 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 and Chapter 10.850, Rules of the Auditor General.

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated November 22, 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 recommendations made in the preceding audit report.

### Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the 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 are Coral Springs Charter School and 065091.

CPA's + Trusted Advisors

### **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 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.

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.

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

### **Transparency**

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the 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 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 the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors and applicable management and is not intended to be and should not be used by anyone other than these specified parties.



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
November 22, 2021