

**GREENTREE PREPARATORY  
CHARTER SCHOOL**  
SOUTHWEST RANCHES, FLORIDA  
(A COMPONENT UNIT OF THE SCHOOL BOARD  
OF BROWARD COUNTY, FLORIDA)

BASIC FINANCIAL STATEMENTS, INDEPENDENT  
AUDITOR'S REPORT AND SUPPLEMENTAL  
INFORMATION

JUNE 30, 2021

**GREENTREE PREPARATORY CHARTER SCHOOL**  
**BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION**  
**JUNE 30, 2021**

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**GREENTREE PREPARATORY CHARTER SCHOOL**  
(A Charter School Under Greentree Preparatory Charter School, Inc.)  
6301 SW 160 Ave.  
Southwest Ranches, FL 33331  
(954) 780-8733

**2020-2021**

**BOARD OF DIRECTORS**

Mr. Daniel Miret, Chair  
Ms. Maria Romero, Treasurer  
Mrs. Jennifer Roque, Secretary  
Ms. Damarys Perdigon  
Ms. Anna Baez  
Ms. Mabel Ribe  
Mr. Rick Ribe

**SCHOOL ADMINISTRATION**

Ms. Elizabeth Gonzalez, Director of Operations  
Mrs. Rosa Pou, Principal



## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Greentree Preparatory Charter School, Inc.  
Southwest Ranches, 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 balance of Greentree Preparatory Charter School (the "School"), a charter school under Greentree Preparatory Charter School, Inc., and a component unit of the District School Board of Broward 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 our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 balance 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.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 and budgetary comparison information on pages 22 through 23 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 September 28, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
September 28, 2021

**Management’s Discussion and Analysis**  
Greentree Preparatory Charter School, Inc.  
June 30, 2021

The corporate officers of Greentree Preparatory Charter 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 year-end, the School had current assets of \$465,785.
2. The School’s total assets exceeded total liabilities by \$102,100 (net position) for the year ended June 30, 2021.
3. At year-end, the School’s combined ending fund balance totaled \$384,404.

***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 plus deferred outflows of resources and liabilities plus 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 9 – 10 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 fund. 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 11 – 14 of this report.

*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 basic financial statements can be found on pages 15 – 21 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. This is the School's seventh year of operations. A summary of the School's net position as of June 30, 2021 and 2020 follows:

<b>Assets</b>	<u>2021</u>	<u>2020</u>
Cash	\$ 437,785	\$ 108,004
Accounts and other receivables	-	10,196
Due from other agencies	-	7,024
Prepaid expenses	28,000	-
Capital assets, net	14,418	35,355
Total Assets	<u>\$ 480,203</u>	<u>\$ 160,579</u>
<b>Liabilities and Net Position</b>		
Accounts and wages payable and accrued liabilities	\$ 81,381	\$ 75,312
Notes payable	296,722	-
Total Liabilities	<u>378,103</u>	<u>75,312</u>
Net investment in capital assets	14,418	35,355
Unrestricted	87,682	49,912
Total Net Position	<u>102,100</u>	<u>85,267</u>
Total Liabilities and Net Position	<u>\$ 480,203</u>	<u>\$ 160,579</u>

At June 30, 2021, the School's total assets were \$480,203 and total liabilities were \$378,103. At June 30, 2021, the School reported a net position of \$102,100.

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

<b>REVENUES</b>	<u>2021</u>	<u>2020</u>
Program Revenues		
State capital outlay funding	\$ 109,047	\$ 83,208
Federal and state grants	47,211	-
General Revenues		
FEFP nonspecific revenue	1,396,190	1,232,196
Fundraising and other revenue	31,989	102,421
Total Revenues	<u>\$ 1,584,437</u>	<u>\$ 1,417,825</u>
<b>EXPENSES</b>		
Instruction	\$ 780,331	\$ 714,815
Board	10,194	8,096
General administrative	50,657	43,311
School administration	215,118	216,641
Food services	3,207	10,740
Student transportation services	-	2,000
Operation of plant	455,927	440,814
Maintenance of plant	39,379	26,523
Administrative technology services	12,791	13,744
Total Expenses	<u>\$ 1,567,604</u>	<u>\$ 1,476,684</u>
Change in Net Position	16,833	(58,859)
<b>Net Position at Beginning of Year</b>	<u>85,267</u>	<u>144,126</u>
<b>Net Position at End of Year</b>	<u><u>\$ 102,100</u></u>	<u><u>\$ 85,267</u></u>

For the year ended June 30, 2021, the School's revenues were \$1,584,437 and overall increased by \$166,612. The School's enrollment for the 2020-2021 year was 186 students compared to 165 in the prior year. For the year ended June 30, 2021, the School's total expenses were \$1,567,604, which was an overall increase of \$90,920 from prior year due mainly to an increase in instructional salaries.

#### **ACCOMPLISHMENTS**

The 2020-21 school year brought some unforeseen challenges to students, teachers and schools across the nation. Like many schools, in March of 2020, Greentree Preparatory Charter School was closed due to the ongoing Covid-19 Pandemic. What made our school stand out, was that our teachers continued to teach throughout the day, and we made it available for our parents and students to be on line with our staff during the entire school day.



## **ACCOMPLISHMENTS (Continued)**

During the summer of 2020, while schools and businesses remained closed, our staff worked via zoom to ensure that once the new school year began, the School was ready for both, online and on campus learning. The School completed their reopening plan and continued to share updates with our parents throughout the summer. We introduced CANVAS to our staff and used it to facilitate online learning.

The School's Board of Directors met to discuss the possibility of opening its doors for parents who needed to return to work and for students who preferred face to face learning for the 2020-2021 school year. During the summer, our school took a survey prior to opening in the fall, and received feedback that 40% of our parents needed or wanted their children to return to on campus learning in the fall. This was something we needed to address, since statistics showed that the majority of young students did not adapt well to online learning during the last quarter of the previous academic year.

To ensure that the students returning to school would be in a clean and safe environment, the School purchased acrylic desk dividers, school masks, additional hygiene products, shield masks for the younger students and additional supplies.

The School was one of the first school's to open in Broward County. We offered on-line and on-campus learning, giving our parents the choice for the platform that best served their child's needs. Our teachers taught a full day's curriculum without interruption and that helped our school grow by 40 more students. By the end of the school year, we had received over 65 additional applications for the 2021-22 school year. We currently have a waiting list at the school.

Our fundraising efforts were not as high as previous years due to the pandemic, but we were able to offer some online fundraisers to keep a sense of community including hosting an online Family Bingo Night, which was a huge success. By spring time, we had close to 70% of our students back on campus.

The School was created to help students reach their maximum potential in academics while offering a secure and family friendly school environment for all who attend. We are grateful for the many families that support the school and for their involvement throughout the year.

The School will continue to strive for excellence and give our students the opportunity to be challenged and receive an education which teaches beyond the standards. By the end of the 2020-21 school year, the School had received over 250 applications for the 2021-22 school year. In the fall of 2021, we will expand our middle school to welcome our 7<sup>th</sup> graders. In addition, we look forward to welcoming all the new families that will join Greentree Preparatory Charter School during the next school year.

## **SCHOOL LOCATION**

The School currently operates at 6301 SW 160 Ave, Southwest Ranches, FL 33331.

## **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 a combined ending fund balance of \$384,404 and an increase in fund balance of \$334,492 for its seventh year of school operations.

## CAPITAL ASSETS

The School's investment in capital assets, as of June 30, 2021 amounts to \$14,418 (net of accumulated depreciation). This investment in capital assets includes leasehold improvements, fixtures, furniture and equipment, audio visual materials and computer software. The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as required.

## 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.

	All Funds		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local	\$ 1,464,290	\$ 1,464,290	\$ 1,396,190
Federal and state grants	16,000	16,000	47,211
State capital outlay funding	96,900	96,900	109,047
Other income	143,000	143,000	31,989
TOTAL REVENUES	<u>\$ 1,720,190</u>	<u>\$ 1,720,190</u>	<u>\$ 1,584,437</u>
EXPENDITURES			
Instruction	\$ 817,349	\$ 817,349	\$ 772,824
Board	20,600	20,600	10,194
General administration	50,886	50,886	50,657
School administration	300,168	300,168	215,118
Food services	8,900	8,900	3,207
Student transportation services	3,000	3,000	-
Operation of plant	442,100	442,100	442,497
Maintenance of plant	50,000	50,000	39,379
Administrative technology services	15,276	15,276	12,791
TOTAL EXPENDITURES	<u>\$ 1,708,279</u>	<u>\$ 1,708,279</u>	<u>\$ 1,546,667</u>
Excess of revenues over expenditures	<u>\$ 11,911</u>	<u>\$ 11,911</u>	<u>\$ 37,770</u>
Other Financing Sources	<u>-</u>	<u>-</u>	<u>296,722</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 334,492</u>

The School's overall excess of revenues over expenditures was consistent with the budget. Other financing sources represent the proceeds received from notes payable during the year.

**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 Ms. Elizabeth Gonzalez, Director of Operations, at 6301 SW 160 Ave, Southwest Ranches, FL 33331.

**GREENTREE PREPARATORY CHARTER SCHOOL**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

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	Governmental Activities
<b>ASSETS</b>	
CURRENT ASSETS	
Cash and cash equivalents	\$ 437,785
Prepaid expenses	28,000
TOTAL CURRENT ASSETS	<u>465,785</u>
CAPITAL ASSETS, NET	<u>14,418</u>
TOTAL ASSETS	<u><u>\$ 480,203</u></u>
<b>LIABILITIES AND NET POSITION</b>	
LIABILITIES	
Accounts payable and accrued liabilities	4,536
Accrued wages payable	76,845
Notes payable - current portion	9,177
TOTAL CURRENT LIABILITIES	<u>90,558</u>
Notes payable - long-term portion	287,545
TOTAL LIABILITIES	<u>378,103</u>
NET POSITION	
Invested in capital assets, net of related debt	14,418
Unrestricted	87,682
TOTAL NET POSITION	<u>102,100</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 480,203</u></u>

The accompanying notes are an integral part of this financial statement.

**GREENTREE PREPARATORY CHARTER SCHOOL  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>Functions</b>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities:</b>					
Instruction	\$ 780,331	\$ -	\$ 44,294	\$ -	\$ (736,037)
Board	10,194	-	-	-	(10,194)
General administration	50,657	-	-	-	(50,657)
School administration	215,118	-	-	-	(215,118)
Food services	3,207	-	-	-	(3,207)
Operation of plant	455,927	-	2,917	109,047	(343,963)
Maintenance of plant	39,379	-	-	-	(39,379)
Administrative technology services	12,791	-	-	-	(12,791)
<b>Total Governmental Activities</b>	<b>\$ 1,567,604</b>	<b>\$ -</b>	<b>\$ 47,211</b>	<b>\$ 109,047</b>	<b>\$ (1,411,346)</b>

GENERAL REVENUES:

Government grants not restricted to specific programs	\$ 1,396,190
Fundraising and other revenue	31,989
Total general revenues	<u>1,428,179</u>

Change in Net Position 16,833

NET POSITION - BEGINNING 85,267

NET POSITION - ENDING \$ 102,100

The accompanying notes are an integral part of this financial statement.

**GREENTREE PREPARATORY CHARTER SCHOOL  
BALANCE SHEET – GOVERNMENTAL FUNDS  
JUNE 30, 2021**

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	<u>Governmental Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 437,785
Prepaid expenses	28,000
<b>TOTAL ASSETS</b>	<u><u>\$ 465,785</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>	
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	\$ 4,536
Accrued wages payable	76,845
<b>TOTAL LIABILITIES</b>	<u>81,381</u>
 <b>FUND BALANCE</b>	
Nonspendable:	
Other assets	28,000
Unassigned	356,404
<b>TOTAL FUND BALANCE</b>	<u>384,404</u>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	 <u><u>\$ 465,785</u></u>

The accompanying notes are an integral part of this financial statement.

**GREENTREE PREPARATORY CHARTER SCHOOL  
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT  
OF NET POSITION  
JUNE 30, 2021**

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Total Fund Balance - Governmental Funds	\$	384,404
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Amounts reported for governmental activities in the statement of activities are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.

Capital assets	88,473
Accumulated depreciation	(74,055)

Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds.	(296,722)
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Total Net Position - Governmental Activities	<u>\$</u>	<u>102,100</u>
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The accompanying notes are an integral part of this financial statement.

**GREENTREE PREPARATORY CHARTER 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 Funds
<b>REVENUES</b>				
State passed through local	\$ 1,396,190	\$ -	\$ -	\$ 1,396,190
Federal and state grants		47,211		47,211
State capital outlay funding	-	-	109,047	109,047
Other income	31,989	-	-	31,989
<b>TOTAL REVENUES</b>	<b>\$ 1,428,179</b>	<b>\$ 47,211</b>	<b>\$ 109,047</b>	<b>\$ 1,584,437</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Instruction	\$ 581,708	\$ 191,116	\$ -	\$ 772,824
Board	10,194	-	-	10,194
General administration	50,657	-	-	50,657
School administration	215,118	-	-	215,118
Food services	3,207	-	-	3,207
Student transportation services	-	-	-	-
Operation of plant	330,533	2,917	109,047	442,497
Maintenance of plant	39,379	-	-	39,379
Administrative technology services	12,791	-	-	12,791
<b>TOTAL EXPENDITURES</b>	<b>1,243,587</b>	<b>194,033</b>	<b>109,047</b>	<b>1,546,667</b>
Excess (deficiency) of revenues over expenditures	184,592	(146,822)	-	37,770
<b>OTHER FINANCING SOURCES</b>				
Proceeds from long-term debt	149,900	146,822	-	296,722
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>149,900</b>	<b>146,822</b>	<b>-</b>	<b>296,722</b>
Net change in fund balance	334,492	-	-	334,492
Fund balance at beginning of year	49,912	-	-	49,912
Fund balance at end of year	<b>\$ 384,404</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 384,404</b>

The accompanying notes are an integral part of this financial statement.



**GREENTREE PREPARATORY CHARTER 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**

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Change in Fund Balance - Governmental Funds	\$	334,492
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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 cost of those assets is allocated over their estimated useful lives as depreciation expense.

Depreciation expense		(20,937)
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Proceeds from long-term financing provide current financial resources to governmental funds, but increases long-term liabilities in the statement of net assets. Repayments of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Proceeds from long-term debt		(296,722)
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Change in Net Position of Governmental Activities	<u>\$</u>	<u>16,833</u>
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The accompanying notes are an integral part of this financial statement.

**GREENTREE PREPARATORY CHARTER SCHOOL  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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**NOTE 1 – ORGANIZATION AND OPERATIONS**

**Reporting Entity**

Greentree Preparatory Charter School (the “School”) is a charter school sponsored by the School Board of Broward County, Florida (the “District”) and is a component unit of the District. The School’s charter is held by Greentree Preparatory Charter School, 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 seven members.

The general operating authority of Greentree Preparatory Charter School (the “School”) is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Broward County, Florida (the “School Board”). The current charter is effective until June 30, 2033. 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 pursuant to Section 1002.33(7)(b)(1), Florida Statutes, for such duration as may be established by mutual written agreement of the School and the School Board.

These financial statements are for the year ended June 30, 2021, when 186 students were enrolled in grades Kindergarten through 6<sup>th</sup> grade.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**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 under standards set by the Government Auditing Standards Board (“GASB”).

**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. These statements do not include fiduciary funds.

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.

**GREENTREE PREPARATORY CHARTER SCHOOL  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

*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, equity, revenues and expenditures. Major individual governmental funds, namely, the general fund, and the special revenue and capital project funds (if any) are reported as separate columns in the fund financial statements:

General Fund – is the School’s primary operating fund. It accounts for all financial resources not accounted for and reported in another fund.

Special Revenue Fund – used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service and capital projects.

Capital Projects Fund – 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.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The financial statements of Greentree Preparatory Charter School, (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*.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues from non-exchange transactions are reported according to Governmental Accounting Standards Board (GASB) Codification Section 1600.111 and Section N50 “*Accounting and Financial Reporting for Non-Exchange Transactions*”. On the accrual basis, revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements report 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. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The School considers revenues to be available if they are collected within 90 days of the end of the fiscal year. Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported as expenditures in the year due.

**Budgetary Basis Accounting**

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay). Any revisions to the annual budget are approved by the Board.

Cash and Cash Equivalents

The School’s cash is considered to be cash on hand and demand deposits, with original maturities of three months or less.

**GREENTREE PREPARATORY CHARTER SCHOOL  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets, Depreciation and Amortization

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. The School capitalization levels are \$750 on tangible personal property. 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. Estimated useful lives, in years, for depreciable assets are as follows:

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

Compensated Absences

The School grants a specific number of days of sick/personal leave. Full-time employees are eligible for sick leave of up to .66 days per month to up to eight days of active work during the ten-month period (a “benefit year”). In the event that available time is not used by the end of the benefit year, employees may “rollover” all unused sick days for use in future benefit years. The School also provides one personal leave day to eligible full-time employees. Unused personal leave is not eligible to be rolled over as part of the sick leave incentive. Employees may not “cash out” unused sick or personal days. Unused sick or personal days will not be paid to employees upon termination.

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 absences 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.

Government-wide Fund Net Assets

Government-wide fund net assets are divided into three components:

- Net investment in capital assets – consists of the historical cost capital assets less accumulated depreciation and 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 \$14,418.
- 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 restricted net position for the year ending June 30, 2021 was \$0.
- Unrestricted – all other net position is reported in this category.

**GREENTREE PREPARATORY CHARTER SCHOOL  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned). At June 30, 2021, the nonspendable fund balance was \$28,000.
- Restricted – fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. At June 30, 2021, there is no restricted fund balance.
- Committed – fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School’s Board of Directors. At June 30, 2021, there is no committed fund balance.
- Assigned – fund balance classification are intended to be used by the School’s management for specific purposes but do not meet the criteria to be classified as restricted or committed. At June 30, 2021, there is no assigned fund balance.
- Unassigned – fund balance is the residual classification for the School’s general fund and includes all spendable amounts not contained in the other classifications.

Order of Fund Balance Spending Policy

The School’s policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance at the end of the fiscal year by adjusting journal entries. First Non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance for the non-general fund. As of June 30, 2021 there are no minimum fund balance requirements for any of the School’s funds.

Revenue Sources

Revenues for operations will be received primarily from the District School Board of Broward County (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 (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. In addition, the School receives 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.

**GREENTREE PREPARATORY CHARTER SCHOOL  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

Greentree Preparatory Charter School, Inc. qualifies as a tax exempt organization under the Internal Revenue Code Section 501(c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The School has evaluated subsequent events and transactions for potential recognition or disclosure through September 28, 2021, which is the date the financial statements were available to be issued.

NOTE 3 – CAPITAL ASSETS

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

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Capital Assets				
Improvements other than buildings	\$ 66,420	\$ -	\$ -	\$ 66,420
Furniture and equipment	8,234	-	-	8,234
Audio visual materials and computer software	13,819	-	-	13,819
Total Capital Assets	88,473	-	-	88,473
Less Accumulated Depreciation				
Improvements other than buildings	(40,023)	(13,430)	-	(53,453)
Furniture and equipment	(8,234)	-	-	(8,234)
Audio visual materials and computer software	(4,861)	(7,507)	-	(12,368)
Total Accumulated Depreciation	(53,118)	(20,937)	-	(74,055)
Capital Assets, net	\$ 35,355	\$ (20,937)	\$ -	\$ 14,418

Depreciation expense for the year ended June 30, 2021 was \$20,937, of which \$13,430 was allocated to operation of plant and \$7,507 was allocated to instruction in the statement of activities.

NOTE 4 – COMMITMENTS AND CONTINGENCIES

The School entered into a lease agreement for their facilities expiring July 2021, which was subsequently renewed through July 2022. The lease requires monthly lease payments of \$28,000 through July 2021 and \$37,000 through July 2022. The Director of Operations is the owner of the company that leases these facilities to the School (See Note 5). Rent expense for the use of facilities was \$336,000 for the year ended June 30, 2021 and is included in operation of plant.

**GREENTREE PREPARATORY CHARTER SCHOOL  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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**NOTE 4 – COMMITMENTS AND CONTINGENCIES (Continued)**

Future minimum payments are estimated as follows:

<u>Year Ended June 30,</u>	
2022	\$ 435,000
2023	<u>37,000</u>
Total	<u><u>\$ 472,000</u></u>

**NOTE 5 – RELATED PARTIES**

A former board member of the School is the current Director of Operations. The Director of Operations is the owner of the company that leases facilities to the School (See Note 4). The Director of Operations is paid a salary for the services provided to the School, which include management, human resources, and other administrative services. This amount totaled \$60,000 for the year ended June 30, 2021, and is included in school administration.

**NOTE 6 – NOTES PAYABLE**

On August 27, 2020, the School entered into an Economic Injury Disaster Loan agreement for \$150,000 with the U.S Small Business Administration (“SBA”) under Section 7(b) of the Small Business Act, as amended. The loan calls for monthly installment payments, including principal and interest, of \$641 beginning twelve (12) months from the date of the loan. Interest will accrue at the rate of 2.75% per annum and will accrue only on funds advanced from the date of each advance. The balance of principal and interest will be payable thirty (30) years from the date of the loan, in August 2050. As of the date of these financial statements, the School has received advances totaling \$149,900.

On March 8, 2021, the School received a second loan proceeds of \$146,822 through the Paycheck Protection Program (“PPP”). The loan proceeds are to be used for payroll, rent, utilities and interest expense. The loan matures in March 2026 and bears annual interest at 1.00%. The loan is payable monthly with a deferral of payments for the first ten months of the date of the loan. The loan and accrued interest are forgivable in whole or in part if used for the qualifying purposes as noted above. The note payable has been classified as long-term. The School has used the funds in accordance with the conditions noted above and believes the entire amount of the loan will be forgiven for the fiscal year ended June 30, 2022.

The following schedule provides a summary of changes in notes payables for the year ended June 30, 2021.

	<u>Balance</u> <u>July 1, 2020</u>	<u>Borrowings</u>	<u>Repayments</u>	<u>Balance</u> <u>June 30, 2021</u>
Note payable - SBA	\$ -	\$ 149,900	\$ -	\$ 149,900
Note payable - PPP	-	146,822	-	146,822
	<u>\$ -</u>	<u>\$ 296,722</u>	<u>\$ -</u>	<u>\$ 296,722</u>

**GREENTREE PREPARATORY CHARTER SCHOOL  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

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**NOTE 6 – NOTES PAYABLE**

Future minimum payments are estimated as follows:

<u>Year Ended June 30,</u>	
2022	\$ 9,177
2023	40,303
2024	40,403
2025	40,506
2026	31,425
2027 - 2031	21,213
2032 - 2036	24,336
2037 - 2041	27,918
2042 - 2046	32,028
2047 - 2051	29,413
Total	<u>\$ 296,722</u>

**NOTE 7 – DEPOSITS POLICY AND CREDIT RISK**

It is the School’s policy to maintain its cash and cash equivalents in major banks and in high grade investments. Deposits at Federal Depository Insurance Corporation (FDIC) insured financial institutions are insured up to \$250,000 per depositor, per financial institution. As of June 30, 2021, the bank balance of the School’s operating cash deposit accounts in excess of the FDIC limit totaled \$223,412.

**NOTE 8 – 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 audit 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 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. Settlement amounts have not exceeded insurance coverage in the past. In addition, there were no reductions in insurance coverage from those in the prior year. The School does not sponsor a public entity risk pool and has had no settlements that have exceeded their insurance coverage.

**NOTE 10 – COVID-19 PANDEMIC**

The World Health Organization (“WHO”) declared the coronavirus (COVID-19), a global pandemic and public health emergency. At this point, the School cannot reasonably estimate the extent to which this disruption may continue to impact the School’s financial statements and future results of operations.



REQUIRED SUPPLEMENTAL INFORMATION

**GREENTREE PREPARATORY CHARTER 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	\$ 1,464,290	\$ 1,464,290	\$ 1,396,190
Other income	143,000	143,000	31,989
<b>TOTAL REVENUES</b>	<b>1,607,290</b>	<b>1,607,290</b>	<b>1,428,179</b>
<b>EXPENDITURES</b>			
Instruction	801,349	801,349	581,708
Board	20,600	20,600	10,194
General administrative	50,886	50,886	50,657
School administration	300,168	300,168	215,118
Food services	8,900	8,900	3,207
Student transportation services	3,000	3,000	-
Operation of plant	345,200	345,200	330,533
Maintenance of plant	50,000	50,000	39,379
Administrative technology services	15,276	15,276	12,791
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,595,379</b>	<b>\$ 1,595,379</b>	<b>\$ 1,243,587</b>
Excess of revenues over expenditures	\$ 11,911	\$ 11,911	\$ 184,592
Other Financing Sources	-	-	149,900
Net change in fund balance	\$ -	\$ -	\$ 334,492

See accompanying note to the required supplemental information.

**GREENTREE PREPARATORY CHARTER SCHOOL  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET  
AND ACTUAL – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

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	Special Revenue Fund		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Federal and state grants	\$ 16,000	\$ 16,000	\$ 47,211
TOTAL REVENUES	<u>\$ 16,000</u>	<u>16,000</u>	<u>\$ 47,211</u>
EXPENDITURES			
Instruction	\$ 16,000	\$ 16,000	\$ 191,116
Operation of plant	-	-	2,917
TOTAL EXPENDITURES	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 194,033</u>
Other Financing Sources	-	-	146,822
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying note to the required supplemental information.

**GREENTREE PREPARATORY CHARTER SCHOOL  
NOTE TO REQUIRED SUPPLEMENTAL INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2021**

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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 fund 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., salaries, purchased services, and capital outlay).



INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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Board of Directors of  
Greentree Preparatory Charter School, Inc.  
Southwest Ranches, 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 balance of Greentree Preparatory Charter School, Inc. (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 28, 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.

## **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.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
September 28, 2021



## MANAGEMENT LETTER

Board of Directors of  
Greentree Preparatory Charter School, Inc.  
Southwest Ranches, Florida

### Report on the Financial Statements

We have audited the financial statements of Greentree Preparatory Charter School, Inc. (the "School"), a non-major component unit of the District School Board of Broward County, Florida, as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated September 28, 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 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 September 28, 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 audit report

### Official Title

Section 10.854(1)(e)5, Rules of the Auditor General, requires 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 of the entity and the school code assigned by the Florida Department of Education of the school is Greentree Preparatory Charter School and #065130.

## **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. 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 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, applicable management, and the School Board of Broward County, Florida, and is not intended to be and should not be used by anyone other than these specified parties.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
September 28, 2021