

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA**

**FINANCIAL STATEMENTS
AND REQUIRED SUPPLEMENTAL INFORMATION**

YEAR ENDED JUNE 30, 2021



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**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	12
STATEMENT OF ACTIVITIES	13
BALANCE SHEET – GOVERNMENTAL FUNDS	14
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	15
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES FUND BALANCES – GOVERNMENTAL FUNDS	16
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES – GOVERNMENTAL FUNDS	17
STATEMENT OF FIDUCIARY NET POSITION	18
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	19
NOTES TO FINANCIAL STATEMENTS	20
REQUIRED SUPPLEMENTARY INFORMATION	
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND	32
BUDGETARY COMPARISON SCHEDULE – GRANT SPECIAL REVENUE FUND	33
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	34
INDEPENDENT AUDITORS' 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>	35
MANAGEMENT LETTER	37



INDEPENDENT AUDITORS' REPORT

Board of Trustees
State College of Florida Collegiate School - Bradenton Campus
Bradenton, 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 the State College of Florida Collegiate School - Bradenton Campus (the Charter School), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Charter 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.

Auditors' 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.

Opinion

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 Charter 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.

Emphasis of Matters

As described in Note 1, the financial statements of the Charter School are intended to present the financial position, the changes in financial position of only that portion of the governmental activities, each major fund, and the aggregate remaining fund information of State College of Florida that is attributable to the Charter School. They do not purport to, and do not, present fairly the financial position of State College of Florida as of June 30, 2021, the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

During fiscal year ended June 30, 2021, the School adopted GASB Statement No. 84, *Fiduciary Activities*. As a result of the implementation of this standard, the Charter School reported a restatement of beginning fiduciary net position for the change in accounting principle (see Note 2). Our auditors' opinion was not modified with respect to the restatement.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the General Fund and Grant Special Revenue Fund budgetary comparison schedules, 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 18, 2021, on our consideration of the Charter 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 Charter 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 Charter School's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Tampa, Florida
September 18, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

Management's discussion and analysis (MD&A) provides an overview of the financial position and activities of the State College of Florida Collegiate School, Bradenton Campus (the Charter School) for the fiscal years ended June 30, 2021 and 2020. This discussion has been prepared by management and the information contained in the MD&A is intended to highlight significant transactions, events and conditions, and should be read in conjunction with the Charter School's financial statements and notes thereto. Responsibility for the completeness and fairness of this information rests with the Charter School's management. This discussion and analysis contain financial activities of the Charter School as a restricted fund of the State College of Florida, Manatee-Sarasota (the College).

FINANCIAL HIGHLIGHTS

For the year ended June 30, 2021, the Charter School's revenues exceeded expenses by \$269,482, resulting in an ending net position balance of \$2,890,559. The Charter School conducted operations for the 2020-2021 academic year with revenues of \$3,951,544.

For the year ended June 30, 2020, the Charter School's revenues exceeded expenses by \$793,329, resulting in an ending net position balance of \$2,621,077. The Charter School conducted operations for the 2019-2020 academic year with revenues of \$4,221,193.

OVERVIEW OF FINANCIAL STATEMENTS

The Charter School's basic financial statements consists of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements.

The Charter School is a public charter school sponsored by the School District of Manatee County, Florida. The initial charter was effective until June 30, 2015 and was renewed during 2015 until June 30, 2030. It is organized pursuant to Section 1002.33, Florida Statutes, and is governed by the District Board of Trustees of the State College of Florida, Manatee-Sarasota, who are appointed by the Governor of the State of Florida and confirmed by the Senate in regular session.

The Charter School is operated by the College and is housed on the College's Bradenton Campus. It is designed to provide students with the opportunity to graduate simultaneously with a high school diploma and an Associate in Arts (AA) degree. Students will explore their potential, discover the importance of higher education, and receive personalized attention in a close-knit school setting.

The Charter School is recognized as a separate restricted fund in the accounting system of the College. The State of Florida Auditor General's Office audits the College's financial statements. The College adheres to internal control procedures contained in the Board of Trustees Rules and the Accounting Manual of the Florida College System. As a restricted fund of the College, the Charter School is subject to the same internal control procedures as the College, and in addition, to the standards contained in the Financial and Program Cost Accounting and Reporting for Florida Schools (Red Book) and other stipulated guidelines for Charter Schools.

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A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the Charter School's overall financial condition in a manner similar to those of a private sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the primary government presented on the accrual basis of accounting.

The statement of net position provides information about the Charter School's financial position, its assets and liabilities, using an economic resources measurement focus. The difference between the assets and liabilities, the net position, is a measure of the financial health of the Charter School. The statement of activities presents information about the change in the Charter School's net position, the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the Charter School's financial health is improving or deteriorating.

All of the Charter School's activities and services are reported in the government-wide financial statements as governmental activities. The Charter School's governmental activities include instruction, student support services, instructional support services, administrative support, facility maintenance, and student transportation services. Revenues for current operations are received primarily from the Sponsor pursuant to the funding provisions included in the charter.

Fund Financial Statements

Fund financial statements are one of the components of the 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 Charter School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. Certain funds are established by law while others are created by legal agreements, such as bond covenants. Fund financial statements provide more detailed information about the Charter School's financial activities, focusing on its most significant or "major" funds rather than fund types. This is in contrast to the entity wide perspective contained in the government-wide statements. All of the operations of the Charter School are presented in governmental funds only.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The financial resources measurement focus allows the governmental fund statements to provide information on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year.

The governmental fund statements provide a detailed short-term view that may be used to evaluate the Charter School's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental funds to governmental activities.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the Charter School's governmental funds. The Charter School's major funds are the General Fund, Grant Special Revenue Funds, Other Special Revenue Fund, and Capital Project Fund.

The Charter School adopts an annual appropriated budget for its governmental funds.

Custodial Fund: Fiduciary fund is used to report assets held in a fiduciary capacity for the benefit of external parties, such as parent teacher organization. Custodial fund is not reflected in the government-wide statements because the resources are not available to support the Charter School's own programs. In its fiduciary capacity, the Charter School is responsible for ensuring that the assets reported in these funds are used only for their intended purposes.

Notes to 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.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following is a summary of the Charter School's net position as of June 30, 2021 and 2020.

	2021	2020
ASSETS		
Cash and Cash Equivalents	\$ 2,705,793	\$ 2,365,754
Accounts Receivable	14,001	26,930
Prepaid Rent	9,500	19,000
Capital Assets, Nondepreciable	112,616	-
Capital Assets, Net of Accumulated Depreciation	435,758	473,501
Total Assets	\$ 3,277,668	\$ 2,885,185
LIABILITIES		
Accounts Payable	68,633	14,561
Accrued Wages and Benefits	204,583	181,180
Deposits Held in Custody for Others	24,074	-
Unearned Revenue	2	-
Compensated Absences - Current	7,185	6,837
Compensated Absences - Non Current	82,632	61,530
Total Liabilities	387,109	264,108
NET POSITION		
Net Investment in Capital Assets	490,094	473,501
Restricted	829,102	721,702
Unrestricted	1,571,363	1,425,874
Total Net Position	2,890,559	2,621,077
Total Liabilities and Net Position	\$ 3,277,668	\$ 2,885,185

The restricted portion of the net position represents resources that are subject to restrictions on how they may be used. Unrestricted net position may be used to meet the Charter School's ongoing obligations to students, employees, and creditors.

The Charter School's 2021 net position increased by \$269,482. This increase is in despite of decreasing revenue and increasing operating expenses from the prior year. Prudent use of resources has allowed the Charter School to continue to increase its net position.

STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021
(UNAUDITED)

The key elements of the changes in the Charter School's net position for the fiscal years ended June 30, 2021 and 2020 are as follows:

	2021	2020
REVENUES		
Federal through State and Local	\$ 38,183	\$ 12,253
Florida Education Finance Program	3,647,619	3,537,112
Florida School Recognition	-	51,758
Other State Revenue	6,175	65,433
Charter School Capital Outlay	257,475	254,164
School District Local Sales Tax	-	283,429
Interest Earnings	2,092	17,044
Total Revenues	3,951,544	4,221,193
EXPENSES		
Instruction	2,217,309	1,980,887
Exceptional Student Education	22,249	75,246
Student Support Services	110,271	30,846
Instruction and Curriculum Development Services	800	600
Instructional Staff Training Services	1,807	19,317
Instruction-Related Technology	121,012	121,454
Board	838	11,099
School Administration	548,020	555,843
Facilities Acquisition and Construction	61,707	37,856
Fiscal Services	52,754	40,228
Food Services	36,558	51,270
Central Services	16,668	27,309
Student Transportation Services	157,050	131,448
Operation of Plant	327,367	341,787
Maintenance of Plant	-	2,574
Administrative Technology Services	7,652	100
Total Expenses	3,682,062	3,427,864
INCREASE IN NET POSITION	269,482	793,329
Net Position - Beginning of Year	2,621,077	1,827,748
NET POSITION - END OF YEAR	\$ 2,890,559	\$ 2,621,077

The largest revenue source is the funds received by the School District (90 percent). The primary source of these funds comes from the State of Florida and flows through the School District on behalf of the Charter School. Revenues from state sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula. The FEFP formula utilizes student enrollment data and is designed to maintain equity in funding across all Florida school districts including Charter Schools. Other significant state revenues that flow through the school district are primarily for acquisition, construction, leasing, and maintenance of educational facilities. These revenues accounted for \$257,475 or 7 percent.

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A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

The Charter School's State appropriations fluctuate with changes in enrollment; there was a slight decrease in enrollment of approximately eleven FTE's.

FINANCIAL ANALYSIS OF THE CHARTER SCHOOL'S FUNDS

Major Governmental Funds

The General Fund is the chief operating fund of the Charter School. At the end of the current fiscal year, unassigned fund balance is \$1,621,515.

The Special Revenue Fund is a fund restricted for the use of Federal grants and school internal funds that are not identified as fiduciary funds under GASB Statement No. 84. Fund balance is zero at the end of the current fiscal year.

The Capital Project Fund has a total fund balance of \$780,322, of which \$770,822 is restricted for the acquisition, construction, leasing, and maintenance of capital assets.

GENERAL FUND BUDGETARY HIGHLIGHTS

Budget revisions are due primarily to changes in estimated State funding levels and corresponding adjustments to planned expenditures to ensure maintenance of an adequate fund balance. Actual revenues are \$199,594 or seven percent less than the budgeted amount. Actual expenditures are \$383,097 or 10 percent less than the budgeted amount.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

The Charter School's economic condition is closely tied to that of the State of Florida. It is expected that the Charter School will continue to maintain its present level of services and financial health. The initial contract between the School District of Manatee County, Florida, and the District Board of Trustees of State College of Florida, Manatee-Sarasota was five (5) years and this contract was renewed by mutual written agreement of the parties, pursuant to Florida law, in 2014-2015 for fifteen (15) years. The Charter School opened with 6th and 7th grades and 132 students in 2010. The Charter School was fully enrolled in grades 6-12 and graduated its first class of seniors in 2014. The charter agreement specified a maximum of 540 seats, however, with the designation of a high-performing charter school from the Commission of the Florida Department of Education, Pam Stewart, this allows for a 15% increase in enrollment. At this time, enrollment is approximately 495 students. Every year since its opening, the Charter School has earned an "A" grade from the Florida Department of Education, with the exception of the 2019-20 academic year, when no grades were given due to COVID-19 pandemic. The Charter School is confident that it can maintain this excellent standard as it continues to grow and provide an alternative educational opportunity for the community.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of finances for those who may be interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Vice President for Finance and Administrative Services, State College of Florida, Manatee-Sarasota, 5840 26th Street West, Bradenton, Florida 34207.

BASIC FINANCIAL STATEMENTS

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
STATEMENT OF NET POSITION
JUNE 30, 2021**

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 2,705,793
Accounts Receivable	14,001
Prepaid Rent	9,500
Capital Assets, Nondepreciable	112,616
Capital Assets, Net of Accumulated Depreciation	435,758
Total Assets	\$ 3,277,668
LIABILITIES	
Accounts Payable	\$ 68,633
Accrued Wages and Benefits	204,583
Deposits Held in Custody for Others	24,074
Unearned Revenue	2
Compensated Absences - Current	7,185
Compensated Absences - Non-current	82,632
Total Liabilities	387,109
NET POSITION	
Net Investment in Capital Assets	490,094
Restricted	829,102
Unrestricted	1,571,363
Total Net Position	2,890,559
TOTAL LIABILITIES AND NET POSITION	\$ 3,277,668

See accompanying Notes to Financial Statements.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

	Expenses	Program Revenues		Net Revenue (Expense) and Change in Net Position
		Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:				
Instruction	\$ 2,217,309	\$ 38,183	\$ -	\$ (2,179,126)
Exceptional Student Education	22,249	-	-	(22,249)
Student Support Services	110,271	-	-	(110,271)
Instruction and Curriculum Development Services	800	-	-	(800)
Instructional Staff Training Services	1,807	-	-	(1,807)
Instruction-Related Technology	121,012	-	-	(121,012)
Board	838	-	-	(838)
School Administration	548,020	-	-	(548,020)
Facilities Acquisition and Construction	61,707	-	133,353	71,646
Fiscal Services	52,754	-	-	(52,754)
Food Services	36,558	-	-	(36,558)
Central Services	16,668	-	-	(16,668)
Student Transportation Services	157,050	-	-	(157,050)
Operation of Plant	327,367	-	124,122	(203,245)
Administrative Technology Services	7,652	-	-	(7,652)
Total Governmental Activities	\$ 3,682,062	\$ 38,183	\$ 257,475	\$ (3,386,404)
General Revenues:				
State through School Board of Manatee County				3,653,794
Unrestricted Investment Earnings				2,092
				3,655,886
CHANGE IN NET POSITION				269,482
Net Position - Beginning of Year				2,621,077
NET POSITION - END OF YEAR				\$ 2,890,559

See accompanying Notes to Financial Statements.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2021**

	General Fund	Grant Special Revenue Funds	Other Special Revenue Fund	Capital Project Fund	Total
ASSETS					
Cash and Cash Equivalents	\$ 1,852,615	\$ -	\$ 24,074	\$ 829,104	\$ 2,705,793
Accounts Receivable	5,513	8,488	-	-	14,001
Due from Other Funds	8,488	-	-	-	8,488
Prepaid Rent	-	-	-	9,500	9,500
Total Assets	\$ 1,866,616	\$ 8,488	\$ 24,074	\$ 838,604	\$ 2,737,782
LIABILITIES					
Accounts Payable	\$ 10,353	\$ -	\$ -	\$ 58,280	\$ 68,633
Accrued Wages and Benefits	204,583	-	-	-	204,583
Unearned Revenue	-	-	-	2	2
Due to Other Funds	-	8,488	-	-	8,488
Deposits Held in Custody for Others	-	-	24,074	-	24,074
Total Liabilities	214,936	8,488	24,074	58,282	305,780
FUND BALANCES					
Non-spendable	-	-	-	9,500	9,500
Restricted	-	-	-	770,822	770,822
Assigned	30,165	-	-	-	30,165
Unassigned	1,621,515	-	-	-	1,621,515
Total Fund Balances	1,651,680	-	-	780,322	2,432,002
Total Liabilities and Fund Balances	\$ 1,866,616	\$ 8,488	\$ 24,074	\$ 838,604	\$ 2,737,782

See accompanying Notes to Financial Statements.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

Total Fund Balance for Governmental Funds	\$ 2,432,002
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 funds.	548,374
Compensated absences are not due and payable in the current period; therefore, are not reported in the fund statements.	<u>(89,817)</u>
Total Net Position of Governmental Activities	<u><u>\$ 2,890,559</u></u>

See accompanying Notes to Financial Statements.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021**

	General Fund	Grant Special Revenue Funds	Capital Project Fund	Total
REVENUES				
Federal Sources:				
Federal through State and Local	\$ -	\$ 38,183	\$ -	\$ 38,183
State Sources:				
Florida Education Finance Program	3,647,619	-	-	3,647,619
Other State Revenue	6,175	-	-	6,175
Charter School Capital Outlay	-	-	257,475	257,475
Local Sources:				
Interest Earnings	2,092	-	-	2,092
Total Revenues	<u>3,655,886</u>	<u>38,183</u>	<u>257,475</u>	<u>3,951,544</u>
EXPENDITURES				
Instruction	2,164,645	38,183	-	2,202,828
Exceptional Student Education	22,040	-	-	22,040
Student Support Services	109,379	-	-	109,379
Instruction and Curriculum Development Services	800	-	-	800
Instructional Staff Training Services	1,807	-	-	1,807
Instruction-Related Technology	120,414	-	-	120,414
Board	838	-	-	838
School Administration	543,346	-	-	543,346
Facilities Acquisition and Construction	3,224	-	133,355	136,579
Fiscal Services	52,367	-	-	52,367
Food Services	36,350	-	-	36,350
Central Services	16,668	-	-	16,668
Student Transportation Services	157,050	-	-	157,050
Operation of Plant	242,867	-	84,500	327,367
Administrative Technology Services	7,652	-	-	7,652
Total Expenditures	<u>3,479,447</u>	<u>38,183</u>	<u>217,855</u>	<u>3,735,485</u>
NET CHANGE IN FUND BALANCE	176,439	-	39,620	216,059
Fund Balance - Beginning of the Year	<u>1,475,241</u>	<u>-</u>	<u>740,702</u>	<u>2,215,943</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,651,680</u>	<u>\$ -</u>	<u>\$ 780,322</u>	<u>\$ 2,432,002</u>

See accompanying Notes to Financial Statements.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

Net Change in Fund Balance - Governmental Funds \$ 216,059

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

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds expenditures are recognized based on the amounts actually paid for the compensated absences. This is the net amount of compensated absences used (earned) in excess of the amount earned (paid) in the current period. (21,450)

Capital assets are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense in the current period. The difference is comprised of:

Capital Asset Additions	112,616	
Depreciation Expense	(37,743)	74,873

Change in Net Position of Governmental Activities \$ 269,482

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2021**

ASSETS

Cash	<u>\$ 17,295</u>
Total Assets	<u><u>\$ 17,295</u></u>

FIDUCIARY NET POSITION

Restricted for:

Individuals and organizations	<u>\$ 17,295</u>
Total Fiduciary Net Position	<u><u>\$ 17,295</u></u>

See accompanying Notes to Financial Statements.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2021**

	Custodial Fund
ADDITIONS	
Membership Dues and Donations	\$ 5,705
Total Additions	5,705
 DEDUCTIONS	
PTO Event Expenses	\$ 6,308
Total Deductions	6,308
Net Decrease in Fiduciary Net Position	(603)
Fiduciary Net Position - Beginning, as restated	17,898
Fiduciary Net Position - Ending	\$ 17,295

See accompanying Notes to Financial Statements.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The State College of Florida Collegiate School (the Charter School) is a restricted fund of State College of Florida, Manatee-Sarasota (the College). As such, the financial statements of the Charter School are intended to present the financial position, the changes in financial position of only that portion of the activities of the State College of Florida that is attributable to the Charter School. The general operating rules of the Charter School are contained in Section 1002.33, Florida Statutes. The Charter School operates under a charter with the sponsoring school district, the School District of Manatee County, Florida (Sponsor). The initial charter was renewed in 2015 and is effective through June 30, 2030. The charter may be renewed pursuant to Section 1002.33, Florida Statutes, for such duration as may be established by mutual written consent of the parties and by successful completion of the renewal process. At the end of the term of the charter, the Sponsor may choose not to renew the charter, in which case, the Sponsor is required to notify the Charter School in writing at least 90 days prior to the charter's expiration. During the term of the charter, the Sponsor may also terminate the charter if good cause is shown. The Charter School shall notify the Sponsor in writing at least 90 days prior to the expiration of the charter as to its intent to renew or not renew.

Basis of Presentation

The financial statements of the Charter School have been prepared in conformity with accounting principles generally accepted in the United States of America as applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles in the United States of America. The more significant of the Charter School's accounting policies are described below.

Government-Wide Financial Statements

The government-wide financial statements, including the statement of net position and the statement of activities, present information about the Charter School as a whole. These statements include the nonfiduciary financial activity of the Charter School and report only governmental activities as the Charter School does not engage in any business type activities.

The 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 Charter 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. Program revenues include 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 Charter School.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

The fund financial statements report detailed information about the Charter School in the governmental and fiduciary funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type.

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 Charter School reports the following major governmental funds:

General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.

Grant Special Revenue Funds – to account for financial resources that are provided by Federal grants, and are restricted to be expended for specific purposes

Other Special Revenue Fund – to account for financial resources held by school internal funds that are not identified as fiduciary funds under GASB Statement No. 84. School internal funds included in the Special Revenue Fund are associated with school field trips and club activities.

Capital Project Fund – to account for financial resources that are to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, leasing facilities and debt service payments on capital leases for relocatable school buildings.

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

Custodial Fund – to account for resources of the school internal funds which are used to administer moneys collected in connection with parent-teacher organization fund-raisers.

Basis of Accounting

Basis of accounting refers to when revenues, expenses and related assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide and Fiduciary Fund financial statements are prepared using the economic resources measurement focus and 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.

The governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current

STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

period or soon enough thereafter to pay liabilities of the current period. The Charter School considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. 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, postemployment healthcare benefits, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Cash and Cash Equivalents

Amounts reported as cash consist of cash on hand and cash in demand deposit accounts. Cash deposits of the Charter School are held by banks qualified as public depositories under Florida law. All such deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool required by Chapter 280, Florida Statutes.

Further discussion of cash and cash equivalents are continued in Note 3.

Capital Assets

The Charter School uses the policies of the College for capitalization and depreciation. The Charter School has a capitalization threshold of \$5,000 for tangible personal property and \$25,000 for improvements other than buildings. All capital assets are depreciated using the straight-line method over their estimated useful lives. Capital assets are depreciated using group depreciation and the straight-line method over the following useful lives of the asset group:

Other Structures and Improvements	40 years
Furniture	7 years
Vehicles, Office Machines, Educational Equipment	5 years
Computer Equipment	3 years

Current year information relative to changes in capital assets is described in a subsequent note.

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws, or regulations. Net position not reported as net investment in capital assets or restricted is reported as unrestricted net position. When both restricted and unrestricted amounts of net position are available for use for expenses incurred, it is the Charter School's policy to use restricted amounts first and then unrestricted amounts as they are needed.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The Charter School follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". Accordingly, in the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Charter School is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balance is reported in five components: non-spendable, restricted, committed, assigned, and unassigned.

Non-Spendable Fund Balance – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term amount of loans and notes receivable, as well as property acquired for resale, the corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact. Non-spendable fund balance consists of \$9,500 in the capital project fund as of June 30, 2021.

Restricted Fund Balance – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Restricted fund balance consists of \$770,822 in the capital project fund as of June 30, 2021.

Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Trustees, the Charter School's highest level of decision-making authority. Commitments may be changed or lifted only by the Board of Trustees taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category. There was no committed fund balance reported as of June 30, 2021.

Assigned Fund Balance – Includes spendable fund balance amounts established by the administration of the Charter School that are intended to be used for specific purposes that are neither considered restricted nor committed. Assigned fund balance consists of \$30,165 in the general fund as of June 30, 2021.

Unassigned Fund Balance – Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for governmental funds if expenditures exceed amounts restricted, committed, or assigned for those specific purposes. Unassigned fund balance consists of \$1,621,515 in the general fund as of June 30, 2021.

The Charter School expends restricted amounts first when both restricted and unrestricted fund balances are available unless there are legal documents that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Charter School would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Due to and Due from Other Funds

Amounts reported as due to and due from other funds are for interfund loans between General Fund and Grant Special Revenue Funds.

Revenue Sources

Revenue for current operations is received primarily from the School District of Manatee County, Florida, pursuant to the funding provisions included in the Charter. In accordance with the funding provisions of the Charter and Section 1002.33(18)(b), Florida Statutes, the Charter School reports its student enrollment to the Sponsor. Under provisions of Section 1011.62, Florida Statutes, the Sponsor reports the number of student enrollments and related data to the Florida Department of Education (DOE) for funding through the Florida Education Finance Program (FEFP). Funding for the Charter School is adjusted during the year to reflect revised calculations of actual student enrollment. The State provides financial assistance to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for certain programs be expended only for the program for which the money is provided, and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical educational programs. The Department generally requires that categorical educational program revenues be accounted for in the General Fund.

The Charter School may receive federal awards for the enhancement of various educational programs. This assistance is generally based on applications submitted to and approved by various granting agencies. These federal awards may have eligibility requirements whereby the issuance of grant funds is withheld until such eligible expenditures are incurred. Revenues for these awards are recognized only to the extent that eligible expenditures are incurred.

Estimates

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

NOTE 2 REPORTING CHANGES

The Charter School implemented GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities of state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The Charter School considers its custodial fund for parent-teacher organization to meet the criteria for reporting as fiduciary funds. As such, beginning net position related to custodial funds was restated by \$17,898. Conversely, school internal funds that do not meet the criteria are associated with school field trips and club activities. These activities are included in the governmental activities and are reported as Other Special Revenue Fund on the balance sheet of governmental funds.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3 CASH AND CASH EQUIVALENTS

Cash and investments consisted of the following at June 30, 2021:

Bank Deposits	\$	1,757,800
Florida State Board of Administration - Local Government Investment Pool		965,288
Total Cash and Cash Equivalents	\$	2,723,088

The Charter School does not currently maintain individual accounts with either financial institutions or brokerages titled under its name. Cash and cash equivalents as presented in these financial statements reflects the Charter School's equity in the College's pooled cash and cash equivalent balances. The Charter School does not have its own investment policy.

The Charter School's excess deposits are invested entirely in the State of Florida State Board Administration (SBA) Local Government Investment Pool (LGIP). This external investment pool, Florida PRIME, qualifies for making the election to measure all of its investments at amortized cost for financial reporting purposes. The pool's participants also measure their investments in this external investment pool at amortized cost for financial reporting purposes. Thus, the Charter School's position in Florida PRIME is measured at amortized cost. Florida PRIME is rated by Standard & Poor's with a current rating of AAAM. The investment policy of Florida PRIME is to manage the weighted average maturity to 50 days as of June 30, 2021.

Qualifying local government investment pools in the state of Florida must comply with applicable Florida statutory requirements. Chapter 218.409(8)(a), Florida Statutes, states that the principal balance within a LGIP trust fund is subject to withdrawal at any time. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest in the monies entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council.

With regard to liquidity fees, Chapter 218.409(4) provides authority for an LGIP to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made by the SBA.

At June 30, 2021, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value within Florida PRIME.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 CAPITAL ASSETS

Capital asset activity at June 30, 2021, was as follows:

Governmental Activities	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Capital Assets - Nondepreciable:				
Construction in Progress	\$ -	\$ 112,616	\$ -	\$ 112,616
Capital Assets - Depreciable:				
Furniture, Fixtures, and Equipment	250,809	-	(39,113)	211,696
Leasehold Improvements	429,613	-	-	429,613
Total Depreciable Capital Assets	680,422	-	(39,113)	641,309
Accumulated Depreciation:				
Furniture, Fixtures, and Equipment	(192,124)	(27,002)	39,113	(180,013)
Leasehold Improvements	(14,797)	(10,741)	-	(25,538)
Total Accumulated Depreciation	(206,921)	(37,743)	39,113	(205,551)
Total Depreciable Capital Assets, Net	473,501	(37,743)	-	435,758
Total Capital Assets, Net	<u>\$ 473,501</u>	<u>\$ 74,873</u>	<u>\$ -</u>	<u>\$ 548,374</u>

Governmental Activities

Depreciation expense totaling \$37,743 for the year ended June 30, 2021 **June 30, 2021** was allocated to governmental activities, between Instruction for \$25,627 and Facilities Acquisition and Construction for \$12,116.

NOTE 5 OPERATING LEASES

The Charter School has entered into various agreements with Apple, Inc. for the use of computer equipment. The leases are effective for three years with payments through 2024. Rent expense under these leases totaled \$63,578 for the year ended June 30, 2021.

Future minimum rental payment required under the lease agreements are as follows:

Years Ending June 30,		
2022	\$	66,596
2023		66,596
2024		30,046
Total Minimum Lease Payments	<u>\$</u>	<u>163,238</u>

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 6 CONTRACT FOR SERVICES

The Charter School has an agreement with the Spence Management Group, LLC, to provide transportation for the Charter School's students for the school year. Payment is based on annual fee per student. For the fiscal year ended June 30, 2021, expenses reported pursuant to this agreement was \$157,050.

NOTE 7 COMPENSATED ABSENCES

The following is a summary of changes in compensated absences for the year ended June 30, 2021.

Governmental Activities	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Due Within One Year
Compensated Absences Payable	\$ 68,367	\$ 81,048	\$ (59,598)	\$ 89,817	\$ 7,185

Charter School employees accrue vacation and sick leave based on length of service, subject to certain limitations regarding the amount that will be paid upon termination. The Charter School reports a liability for the accrued leave; however, State appropriations fund only the portion of accrued leave that is used or paid in the current fiscal year. Although the Charter School expects the liability to be funded primarily from future appropriations, generally accepted accounting principles do not permit the recording of a receivable in anticipation of future appropriations. At June 30, 2021, the estimated liability for compensated absences totaled \$89,817. Of this amount, \$7,185 is estimated to be paid in the coming fiscal year. For governmental activities, compensated absences are generally liquidated with resources of the General Fund.

NOTE 8 ENCUMBRANCES

Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered.

Fund balances are restricted, committed, or assigned at fiscal year-end to report an amount likely to be expended from the 2020-21 fiscal year budget as a result of purchase orders outstanding at June 30, 2021. At June 30, 2021, \$30,165 was accounted for in assigned fund balance for purchase orders.

Because revenues of grants accounted for in the General Fund are not recognized until expenditures are incurred, these grant funds generally do not accumulate fund balances. Accordingly, no reserve for encumbrances are reported for grant funds. There were no purchase orders outstanding for grants accounted for in the General Funds at June 30, 2021.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 9 SCHEDULE OF STATE REVENUE SOURCES

As stated in a prior note, the Charter School receives revenue for current operations primarily from the State of Florida through the Sponsor. The following is a schedule of the revenue for the 2020-21 fiscal year.

Source	Amount
Florida Education Finance Program	\$ 3,647,619
Other State Revenue	6,175
Charter School Capital Outlay	257,475
Total State Revenues	\$ 3,911,269

Accounting policies relating to certain state revenue sources are described in Note 1.

NOTE 10 STATE RETIREMENT PLANS

General Information about the Florida Retirement System (FRS)

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 121, Florida Statutes, also provides for nonintegrated, optional retirement programs in lieu of the FRS to certain members of the Senior Management Service Class employed by the State and faculty and specified employees of State colleges. Chapter 112, Florida Statutes, established the Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the College are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services Web site (www.dms.myflorida.com).

Charter School contributions to the FRS totaled \$163,013. The liability and expense for pension benefits are reported in the financial statements of the State College of Florida, Manatee-Sarasota.

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11 OTHER POST EMPLOYMENT BENEFITS (OPEB)

The Charter School provides post-employment health care benefits in accordance with Section 112.0801, Florida Statutes, to all employees who retire from the Charter School. The Charter School is required to provide health care coverage at cost to all retirees but does not pay any portion of the premium for the retiree to participate in the Charter School's group health care plan. The liability and expense for other post-employment benefits, calculated in accordance with Government Accounting Standards Board Statement No. 75 Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions, are reported in the financial statements of the State College of Florida Manatee-Sarasota.

NOTE 12 RISK MANAGEMENT PROGRAM

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College provided coverage for these risks primarily through the Florida College System Risk Management Consortium (Consortium), which was created under School of Section 1001.64(27), Florida Statutes, by the boards of trustees of the Florida public colleges for the purpose of joining a cooperative effort to develop, implement, and participate in a coordinated statewide college risk management program. The Consortium is self-sustaining through member assessments (premiums) and purchases excess insurance through commercial companies for claims in excess of specified amounts. Insurance coverage obtained through the Consortium included fire and extended property, general and automobile liability, workers' compensation, health, life, and other liability coverage. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years. The Charter School, as part of the College, is covered under the Consortium's plan.

NOTE 13 RELATED PARTIES

Operating Leases

Effective July 1, 2012, the Charter School entered into a ten-year operating lease agreement with the College for the rental of the Charter school building. Pursuant to the lease agreement, there was an initial payment of \$100,000, plus base rent charged each year. Rent expense is being reported on a straight-line basis over the term of the agreement, therefore an amount for prepaid rent has been reported in the amount of \$9,500 for fiscal year ended June 30, 2021.

Effective July 1, 2019, rent increased to \$6.00/sf. or \$219,294 for 36,549 square feet of space. Rent expense was \$219,294 for fiscal year ended June 30, 2021.

The future minimum base rental payments for this lease are as follows:

<u>Fiscal Year Ending June 30,</u>	
2022	\$ 219,294
Total	<u>\$ 219,294</u>

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 RELATED PARTIES (CONTINUED)

Safe School Officer Service

Effective for the 2019-20 fiscal year, the Charter School is charged \$100,000 per year for the implementation of F.S. 1003.12 "Safe School officers at each public school."

Dual Enrollment

Pursuant to Florida Statute 1007.27(21)(n)1., the Charter School shall pay the College the standard tuition rate per credit hour for dual enrollment courses taken on the College's campus.

For the 2020-21 school year, \$363,204 has been charged by the College to the Charter School for dual enrollment.

REQUIRED SUPPLEMENTARY INFORMATION

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Federal Sources:				
Federal through State and Local	\$ 11,268	\$ 11,268	\$ -	\$ (11,268)
State Sources:				
Florida Education Finance Program	3,834,071	3,835,896	3,647,619	(188,277)
Other State Revenue	-	6,175	6,175	-
Local Sources:				
Interest Earnings	2,141	2,141	2,092	(49)
Total Revenues	<u>3,847,480</u>	<u>3,855,480</u>	<u>3,655,886</u>	<u>(199,594)</u>
EXPENDITURES				
Current:				
Instruction	2,382,076	2,410,948	2,164,645	246,303
Exceptional Student Education	24,085	25,331	22,040	3,291
Student Support Services	119,527	120,466	109,379	11,087
Instruction and Curriculum Development Services	874	927	800	127
Instructional Staff Training Services	1,975	2,095	1,807	288
Instruction-Related Technology	131,586	129,416	120,414	9,002
Board	916	971	838	133
School Administration	593,758	578,173	543,346	34,827
Facilities and Acquisition	3,523	3,737	3,224	513
Fiscal Services	57,226	57,231	52,367	4,864
Food Services	39,723	41,511	36,350	5,161
Central Services	18,214	19,320	16,668	2,652
Student Transportation Services	171,621	182,038	157,050	24,988
Operation of Plant	265,400	281,509	242,867	38,642
Administrative Technical Services	8,362	8,869	7,652	1,217
Total Expenditures	<u>3,818,866</u>	<u>3,862,544</u>	<u>3,479,447</u>	<u>383,097</u>
NET CHANGE IN FUND BALANCE	<u>\$ 28,614</u>	<u>\$ (7,064)</u>	\$ 176,439	<u>\$ 183,503</u>
Fund Balance - Beginning of Year			<u>1,475,241</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,651,680</u>	

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
BUDGETARY COMPARISON SCHEDULE – GRANT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Federal Sources:				
Federal through State and Local	\$ 9,330	\$ 9,330	\$ 38,183	\$ 28,853
Total Revenues	9,330	9,330	38,183	28,853
EXPENDITURES				
Instruction	9,330	9,330	38,183	(28,853)
Total Expenditures	9,330	9,330	38,183	(28,853)
 NET CHANGE IN FUND BALANCE				
	\$ -	\$ -	-	\$ -
Fund Balance - Beginning of the Year			-	
FUND BALANCE - END OF YEAR			\$ -	

**STATE COLLEGE OF FLORIDA COLLEGIATE SCHOOL, BRADENTON CAMPUS
A CHARTER SCHOOL AND RESTRICTED FUND OF
STATE COLLEGE OF FLORIDA, MANATEE-SARASOTA
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2021**

NOTE 1 BUDGETARY VARIANCES IN GRANT SPECIAL REVENUE FUND

The Charter School had revenue and expenditure variances in the Grant Special Revenue Fund of \$28,853. These receipts and expenditures are associated with activities funded from Federal Grants to Manatee County Schools District and passed through to the Charter School. Historically, these funds have been included in the General Fund.



**INDEPENDENT AUDITORS' 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**

Board of Trustees
State College of Florida Collegiate School - Bradenton Campus
Bradenton, 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 State College of Florida Collegiate School - Bradenton Campus (the Charter School), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements, and have issued our report thereon dated September 18, 2021.

Internal Control Over Financial Reporting

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

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


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

Compliance and Other Matters

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

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 Charter School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Charter School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Tampa, Florida
September 18, 2021



MANAGEMENT LETTER

Board of Trustees
State College of Florida Collegiate School - Bradenton Campus
Bradenton, Florida

Report on the Financial Statements

We have audited the financial statements of the State College of Florida Collegiate School - Bradenton Campus (the Charter School), a restricted fund of the State College of Florida, as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated September 18, 2021.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' 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 14, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no prior year findings.

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 and the school code assigned by the Florida Department of Education of the entity are State College of Florida Collegiate School - Bradenton Campus and 412141.

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 Charter 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 Charter 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 Charter 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 that we apply appropriate procedures and communicate the results of our determination as to whether the Charter School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the Charter School maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance.

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



CliftonLarsonAllen LLP

Tampa, Florida
September 18, 2021