

**BROOKS DEBARTOLO CHARITIES, INC.  
d/b/a BROOKS DEBARTOLO COLLEGIATE HIGH SCHOOL**

**A Charter School and Component Unit of the  
District School Board of Hillsborough County, Florida**

**Financial Statements  
with Independent Auditor's Reports Thereon**

**June 30, 2022**



**McCRADY & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS

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**BROOKS DEBARTOLO CHARITIES, INC.**  
**d/b/a BROOKS DEBARTOLO COLLEGIATE HIGH SCHOOL**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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Management of Brooks DeBartolo Collegiate High School (the "School") offers the following narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2022. Readers are encouraged to use this information in conjunction with information furnished in the School's financial statements. This summary should not be taken as a replacement for the audit, which consists of the basic financial statements and other supplemental information.

**FINANCIAL AND OTHER HIGHLIGHTS**

- For the fiscal year ended June 30, 2022, the School's revenues exceeded expenses by approximately \$251,000 in its government-wide financial.
- The School continues to be financially strong with a net position of approximately \$16.5 million and a combined fund balance of approximately \$3.2 million.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the School through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the understanding of the financial condition of School. This document also includes the 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*, as well as the management letter required by the Rules of the Auditor General, Chapter 10.850, *Audits of Charter Schools and Similar Entities*.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide a broad overview of the School's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the School's financial status as a whole.

The two government-wide statements report the School's net position and the current year changes. Net position is the difference between the School's total assets and total liabilities. Measuring net position is one way to evaluate the School's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities, and 3) component units. The governmental activities include the School's basic services. The business-type activities are those services that the School charges for that are not directly related to the School's mission. For the year ended June 30, 2022, the School had no business-type activities or component units.

## **Fund Financial Statements**

The fund financial statements provide a more detailed look at the School's most significant activities. A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. All of the operations of the School are presented in governmental funds only.

Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. The School's basic services are accounted for in governmental funds. These funds focus on how assets that can readily be converted into cash flow in and out and what monies are left at year-end will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements provide a detailed short-term view of the financial resources available to finance the School's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The School adopts an annual budget for its general fund, as required by the Florida Statutes. The budget is legally adopted by management of the School and its Board. A budgetary comparison schedule has been included as part of the required supplementary information. The budgetary comparison schedule shows four columns: 1) the original budget as adopted by the Board, 2) the final budget as amended by the Board, if amended, 3) the actual resources, charges and ending balances in the general fund, and 4) the variance between the final budget and the actual resources and charges.

## **Notes to Financial Statements**

The notes to financial statements provide additional information essential to the full understanding of the information reported in the government-wide and fund financial statements. The notes to the financial statements start on page 15 of this report.

## GOVERNMENT-WIDE ANALYSIS OF THE SCHOOL

### Net Position

The School's combined net position as of June 30, 2022 and 2021 are summarized as follows:

	<u>2022</u>	<u>2021</u>	<u>Change</u>
<b>Assets:</b>			
Current assets	\$ 3,482,625	\$ 2,942,338	\$ 540,287
Capital assets, net	<u>13,212,150</u>	<u>13,552,392</u>	<u>(340,242)</u>
Total assets	<u>16,694,775</u>	<u>16,494,730</u>	<u>200,045</u>
<b>Liabilities:</b>			
Current liabilities	<u>235,384</u>	<u>286,636</u>	<u>(51,252)</u>
Total liabilities	<u>235,384</u>	<u>286,636</u>	<u>(51,252)</u>
<b>Net Position:</b>			
Net Investment in Capital			
Assets	13,212,150	13,552,392	(340,242)
Restricted	152,643	1,107,698	(955,055)
Unrestricted	<u>3,094,598</u>	<u>1,548,004</u>	<u>1,546,594</u>
Total net position	<u>\$ 16,459,391</u>	<u>\$ 16,208,094</u>	<u>\$ 251,297</u>

The change in current assets is due to an increase in cash and cash equivalents. The net decrease in capital assets is a result of the current year depreciation expense. The net change in net position is a result of the current year surplus.

## Change in Net Position

The School's total revenues exceeded total expenses by approximately \$251,000 in fiscal 2022—see table below.

	<u>2022</u>	<u>2021</u>	<u>Variance</u>
<b>Revenues:</b>			
Federal sources	\$ 128,656	\$ -	\$ 128,656
State and local sources	4,665,933	4,538,193	127,740
Contributions and other revenue	352,866	364,014	(11,148)
Total revenues	<u>5,147,455</u>	<u>4,902,207</u>	<u>245,248</u>
<b>Expenses:</b>			
Instruction	2,271,116	2,085,472	185,644
Pupil personnel services	114,467	126,117	(11,650)
Media services	-	157	(157)
Instructional staff training	12,603	3,999	8,604
Instructional related technology	547,133	256,710	290,423
Board	28,327	37,417	(9,090)
General administration	36,787	34,901	1,886
School administration	624,118	599,956	24,162
Fiscal services	18,449	17,400	1,049
Food services	188,018	112,566	75,452
Central service	2,199	-	2,199
Transportation	33,148	7,743	25,405
Operation of plant	499,199	529,910	(30,711)
Community services	125,772	131,476	(5,704)
Unallocated depreciation	394,822	391,872	2,950
Total expenses	<u>4,896,158</u>	<u>4,335,696</u>	<u>560,462</u>
Change in net position	<u>\$ 251,297</u>	<u>\$ 566,511</u>	<u>\$ (315,214)</u>

The School was awarded approximately \$129,000 in ESSER (Elementary and Secondary School Emergency Relief) funding during fiscal year 2022. Overall, the School's student enrollment remained consistent with prior year and the change in state and local sources is a result of increases in allocated funding.

The School's instructional expenses increased approximately 9% over prior year primarily related to annual compensation adjustments for its instructional staff. Instructional technology increased due to additional expenditures in the current year. Food services increased approximately 66% as the program return to normal operations, as compared to prior year when a portion of student population were participating in virtual learning. Overall, the remaining functions remained consistent with prior year.

## FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

As the School completed the year, its governmental funds reported a combined fund balance of \$3,247,241.

### General Fund Budgetary Highlights

Generally, budget amendments fall into one of the three categories: 1) amendments made to adjust the estimates used to prepare the original budget once exact information is available, 2) amendments made to recognize changes in funding amounts, and 3) changes in appropriations that become necessary to maintain services. During the fiscal year, the School amended its budget.

For the year ended, actual revenues and expenditures were consistent with the school's final operating budget.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of fiscal 2022, the School invested approximately \$13.2 million in capital assets, net of accumulated depreciation of approximately \$4.2 million.

As of June 30, 2022 and 2021 comparative information regarding the School's capital assets is as follows:

	<u>2022</u>	<u>2021</u>	<u>Variance</u>
<b>Capital assets</b>			
Land	\$ 1,975,000	\$ 1,975,000	\$ -
Buildings and improvements	14,609,294	14,554,714	54,580
Furniture, fixtures and equipment	865,038	865,038	-
Total	17,449,332	17,394,752	54,580
Less – accumulated depreciation	(4,237,182)	(3,842,360)	(394,822)
Total capital assets	<u>\$ 13,212,150</u>	<u>\$ 13,552,392</u>	<u>\$ (340,242)</u>

This year the school's major capital additions were:

Building improvements - \$54,580

More detailed information about the School's capital assets is presented in Note 4 to the financial statements.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

### **Budget Highlights for the Fiscal Year Ending June 30, 2023**

Amounts available for appropriation in the general fund are expected to be approximately \$4.68 million, which is consistent with 2022 actual program revenues.

Budgeted expenditures are expected to increase slightly over 2022 actual expenditures at approximately \$4.68 million. If these estimates are realized, the School's general fund balance is expected to remain the same at the end of fiscal 2023.

### **CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT**

This financial report is designed to provide interested parties with a general overview of the School's finances and to demonstrate the School's accountability for the money it receives. Should additional information be required, please contact the School's administrative offices at 10948 N. Central Avenue Tampa, FL 33612.





## Independent Auditor's Report

To the Board of Directors of Brooks DeBartolo Charities, Inc.,  
d/b/a Brooks DeBartolo Collegiate High School, a Charter School  
and Component Unit of the District School Board of Hillsborough County, Florida

### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Brooks DeBartolo Charities, Inc., d/b/a Brooks DeBartolo Collegiate High School, (the "School"), a Charter School and Component Unit of the District School Board of Hillsborough County, Florida as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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 Brooks DeBartolo Charities, Inc., d/b/a Brooks DeBartolo Collegiate High School, a Charter School and Component Unit of the District School Board of Hillsborough County, Florida as of and for the year ended June 30, 2022, 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.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Schools' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with

generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension liability be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 October 6, 2022, 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.

*McCrary & Associates, PLLC*

Altamonte Springs, Florida  
September 27, 2022

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**BROOKS DEBARTOLO CHARITIES, INC.**  
**d/b/a BROOKS DEBARTOLO COLLEGIATE HIGH SCHOOL**

**A Charter School and Component Unit of the  
District School Board of Hillsborough County, Florida**

**Statement of Net Position**

**June 30, 2022**

	<b>Governmental Activities</b>
	<hr/>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 3,356,219
Due from other agencies	125,656
Other assets	750
Capital assets:	
Land	1,975,000
Buildings and improvements	14,609,294
Vehicles	109,540
Furniture, fixtures and equipment	755,498
Less accumulated depreciation	<u>(4,237,182)</u>
Total capital assets, net	<u>13,212,150</u>
Total assets	<u>\$ 16,694,775</u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	<u>\$ 235,384</u>
Total liabilities	<u>235,384</u>
<b>NET POSITION</b>	
Net Investment in capital assets	13,212,150
Restricted	152,643
Unrestricted	<u>3,094,598</u>
Total net position	<u><u>\$ 16,459,391</u></u>

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

**BROOKS DEBARTOLO CHARITIES, INC.**  
**d/b/a BROOKS DEBARTOLO COLLEGIATE HIGH SCHOOL**

**A Charter School and Component Unit of the  
District School Board of Hillsborough County, Florida**

**Statement of Activities**

**For the Year Ended June 30, 2022**

	<u>Program Revenues</u>				<u>Net (Expenses) Revenues and Changes in Net Position</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Total</u>
Governmental Activities:						
Instruction	\$ 2,271,116	\$ -	\$ 27,135	\$ -	\$ (2,243,981)	\$ (2,243,981)
Pupil personnel services	114,467	-	101,521	-	(12,946)	(12,946)
Instructional staff training	12,603	-	-	-	(12,603)	(12,603)
Instructional-related technology	547,133	-	-	-	(547,133)	(547,133)
Board	28,327	-	-	-	(28,327)	(28,327)
General administration	36,787	-	-	-	(36,787)	(36,787)
School administration	624,118	-	-	-	(624,118)	(624,118)
Fiscal services	18,449	-	-	-	(18,449)	(18,449)
Food services	188,018	-	-	-	(188,018)	(188,018)
Central services	2,199	-	-	-	(2,199)	(2,199)
Transportation	33,148	-	-	-	(33,148)	(33,148)
Operation of plant	499,199	-	-	309,521	(189,678)	(189,678)
Community services	125,772	-	-	-	(125,772)	(125,772)
Unallocated depreciation	394,822	-	-	-	(394,822)	(394,822)
<b>Total primary government</b>	<b>\$ 4,896,158</b>	<b>\$ -</b>	<b>\$ 128,656</b>	<b>\$ 309,521</b>	<b>(4,457,981)</b>	<b>(4,457,981)</b>
General revenues:						
State and local sources					4,356,412	4,356,412
Contributions and other revenue					352,866	352,866
Total general revenues					<u>4,709,278</u>	<u>4,709,278</u>
Changes in net position					251,297	251,297
Net position at beginning of year					<u>16,208,094</u>	<u>16,208,094</u>
Net position at end of year					<u>\$ 16,459,391</u>	<u>\$ 16,459,391</u>

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

**BROOKS DEBARTOLO CHARITIES, INC.  
d/b/a BROOKS DEBARTOLO COLLEGIATE HIGH SCHOOL**

**A Charter School and Component Unit of the  
District School Board of Hillsborough County, Florida**

**Balance Sheet - Governmental Funds**

**June 30, 2022**

	<b>General Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 3,356,219	\$ -	\$ 3,356,219
Due from other agencies	-	125,656	125,656
Deposits	750	-	750
Due from other governmental fund	125,656	-	125,656
Total assets	\$ 3,482,625	\$ 125,656	\$ 3,608,281
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 235,384	\$ -	\$ 235,384
Due to general fund	-	125,656	125,656
Total liabilities	235,384	125,656	361,040
<b>FUND BALANCES</b>			
Nonspendable			
Deposits	750	-	750
Restricted Funds	152,643	-	152,643
Committed Funds	1,023,664	-	1,023,664
Spendable			
Unassigned	2,070,184	-	2,070,184
Total fund balances	3,247,241	-	3,247,241
Total liabilities and fund balance	\$ 3,482,625	\$ 125,656	\$ 3,608,281

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

**BROOKS DEBARTOLO CHARITIES, INC.  
d/b/a BROOKS DEBARTOLO COLLEGIATE HIGH SCHOOL**

**A Charter School and Component Unit of the  
District School Board of Hillsborough County, Florida**

**Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position**

**June 30, 2022**

**Total fund balances - governmental activities** \$ 3,247,241

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The cost of the assets at year end consist of:

Capital assets	17,449,332
Accumulated depreciation	<u>(4,237,182)</u>

**Total net position - governmental activities** \$ 16,459,391

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

**BROOKS DEBARTOLO CHARITIES, INC.  
d/b/a BROOKS DEBARTOLO COLLEGIATE HIGH SCHOOL**

**A Charter School and Component Unit of the  
District School Board of Hillsborough County, Florida**

**Statement of Revenues, Expenditures and  
Changes in Fund Balances of Governmental Funds**

**For the Year Ended June 30, 2022**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Federal sources passed through local school district	\$ -	\$ -	\$ 128,656	\$ 128,656
State and local sources	4,356,412	309,521	-	4,665,933
Contributions and other revenues	352,866	-	-	352,866
Total revenues	<u>4,709,278</u>	<u>309,521</u>	<u>128,656</u>	<u>5,147,455</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	2,243,981	-	27,135	2,271,116
Pupil personnel services	12,946	-	101,521	114,467
Instructional staff training	12,603	-	-	12,603
Instructional-related technology	547,133	-	-	547,133
Board	28,327	-	-	28,327
General administration	36,787	-	-	36,787
School administration	624,118	-	-	624,118
Fiscal services	18,449	-	-	18,449
Food services	188,018	-	-	188,018
Central services	2,199	-	-	2,199
Transportation	33,148	-	-	33,148
Operation of plant	189,678	309,521	-	499,199
Community services	125,772	-	-	125,772
Capital outlay	54,580	-	-	54,580
Total expenditures	<u>4,117,739</u>	<u>309,521</u>	<u>128,656</u>	<u>4,555,916</u>
Net changes in fund balances	591,539	-	-	591,539
Fund balances at beginning of year	2,655,702	-	-	2,655,702
Fund balances at end of year	<u>\$ 3,247,241</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,247,241</u>

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



**BROOKS DEBARTOLO CHARITIES, INC.**  
**d/b/a BROOKS DEBARTOLO COLLEGIATE HIGH SCHOOL**

**A Charter School and Component Unit of the  
District School Board of Hillsborough County, Florida**

**Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances of Governmental Funds  
to the Statement of Activities**

**For the Year Ended June 30, 2022**

<b>Net change in fund balances - governmental funds</b>	\$ 591,539
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 and reported as depreciation expense. This is the amount incurred for the period ended:	
Capital outlay	54,580
Depreciation expense	<u>(394,822)</u>
<b>Change in net position of governmental activities</b>	<u><u>\$ 251,297</u></u>

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

**BROOKS DEBARTOLO CHARITIES, INC.  
d/b/a BROOKS DEBARTOLO COLLEGIATE HIGH SCHOOL**

**A Charter School and Component Unit of the  
District School Board of Hillsborough, Florida**

**Notes to Financial Statements**

**For the Year Ended June 30, 2022**

**1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Brooks DeBartolo Charities, Inc., d/b/a Brooks DeBartolo Collegiate High School (the “School”) is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes and the Florida Not-for-Profit Corporation Act. The general operating authority of 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 Hillsborough County Florida, (the “School Board”). The School is considered a component unit of the School Board and meets the definition of a governmental entity under the Governmental Accounting Standards Board (“GASB”).

**Charter Contract**

The current charter will expire on June 30, 2032. Upon the expiration of the charter, the School Board may elect not to renew the charter under grounds specified in the charter. However, the School Board may terminate the current charter at any time if good cause is shown. In the event of termination of the charter, any property purchased by the School with public funds and any unencumbered public funds revert back to the School Board.

**Basis of Presentation**

Based on the guidance provided in the American Institute of Certified Public Accountants Audit and Accounting Guide – *Audits for States and Local Governments* and provisions in the Florida Statutes, the School is considered as a governmental organization for financial statement reporting purposes. The School is required by its agreement with the School Board to use the governmental reporting model and follow the fund and accounting structure provided in the “Financial and Program Cost Accounting and Reporting for Florida Schools – The Red Book” issued by the Florida Department of Education (“FDOE”).

**Government-Wide Financial Statements**

The government-wide financial statements provide both short-term and long-term information about the School in a manner similar to a private-sector business. The statement of net position and statement of activities are designed to provide financial information about the School as a whole on an accrual basis of accounting. The statement of net position provides information about the School’s financial position, its assets and its liabilities, using an economic resources measurement focus.

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**A Charter School and Component Unit of the  
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**Notes to Financial Statements  
(continued)**

The statement of activities presents a comparison between direct expenses and program revenue for each function or program of the School's governmental activities. Direct expenses are those specifically associated with a program or function, therefore, are clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of goods and services offered by the program and grants and contributions that are restricted for meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues.

**Fund Financial Statements**

The governmental fund financial statements report detailed information about the School's most significant funds, not the School as a whole. A fund is a group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The School uses fund accounting to ensure and demonstrate compliance with finance related requirements. Certain funds are established by law while others are created by grant agreements. The following are individual governmental funds reported in the fund financial statements:

- General Fund – the School's primary operating fund that accounts for all financial resources of the school, except those that are required to be accounted for in another fund.
- Capital Projects Fund – to account for all resources for the acquisition of capital items by the School purchased with capital outlay funds.
- Special Revenue Fund – to account for the proceeds of specific revenue sources restricted or committed to expenditures for a specific purpose.

For the purpose of these statements, the general and capital projects funds are considered the major funds. The special revenue fund is non-major and reported as other governmental funds.

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**A Charter School and Component Unit of the  
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**Notes to Financial Statements  
(continued)**

**Basis of Accounting**

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

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

The governmental fund financial statements are reported using the modified accrual basis of accounting. Under this method, revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectable within a current period. The School considers revenues to be available if they are collected within 60 days after 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, revenues is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from the acquisition of long-term debt are reported as other financing sources.

**Budgetary Basis Accounting**

Budgets are prepared using the modified accrual basis of accounting and the governing board must approve all budgets and amendments. During the fiscal year, expenditures were controlled at the object level. Budgets may be amended by resolution of the Board prior to the date of the annual report.

**Cash and Cash Equivalents**

The School's cash and cash equivalents consist primarily of demand deposits with financial institutions.

The School maintains its cash accounts with a financial institution subject to insurance coverage issued by the Federal Deposit Insurance Corporation ("FDIC"). Under FDIC rules, the School is entitled to aggregate coverage of \$250,000 per account type per separate legal entity per financial institution. As of June 30, 2022, the School's cash balances exceeded FDIC coverage by approximately \$3 million. The School has not experienced any losses in such accounts. Additionally, the School does not anticipate any future losses.

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**Notes to Financial Statements  
(continued)**

**Interfund Receivables and Payables**

Activities between the funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as due to/from other funds. The general fund has recorded total receivables of approximately \$125,700 which relates to amounts paid by the special revenue fund on behalf of the general fund.

**Interfund Transfers**

The School reports its general, capital projects and special revenue funds expenditures in separate funds. For the year ended June 30, 2022, no transfers were made between funds.

**Capital Assets and Depreciation**

The School's capital assets with useful lives of more than one year are stated at historical cost and are reported in the statement of net assets in the government-wide financial statements. Donated capital assets are recorded at their estimated fair value on the date donated. The School capitalizes assets with a cost of \$750 or more. Expenditures of normal maintenance and repair that do not add to the asset value or extend the useful life are not capitalized. Depreciation is computed using the straight-line method. Estimated useful lives of the assets are as follows:

	<u>Years</u>
Buildings	40
Furniture, fixtures and equipment	7
Vehicles	5
Computers	5

Information related to the change in capital assets is described in Note 3.

**Net Position and Fund Balance Classifications**

*Government-wide financial statements*

Net position is classified and reported in three components:

- Net Investment in Capital Assets— consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are attributed to the acquisition or improvement of those assets.
- Restricted – consists of amounts with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments.
- Unrestricted – all other amounts that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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**Notes to Financial Statements  
(continued)**

*Fund financial statements*

GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be reported within one of the following fund balance categories:

- 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). All nonspendable fund balances at year end relate to assets that are in nonspendable form.
- Restricted – fund balance that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- Committed – fund balance that can be used only for the specific purposes determined by a formal action of the School’s Board of Governance.
- Assigned – fund balance that is intended to be used by the School’s management for specific purposes but does not meet the criteria to be classified as restricted or committed.
- Unassigned – fund balance that is the residual amount for the School’s general fund and includes all spendable amounts not contained in the other classifications.

This statement also clarifies the definition of the special revenue fund to denote it may be used to account for the proceeds of specific revenue sources (other than trusts for individual, private organizations or other governmental agencies or for major capital projects) legally restricted to expenditures for specified purposes.

**Order of Fund Balance Spending Policy**

The School’s policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. First, nonspendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including nonspendable amounts). Any remaining fund balance amounts for the non-general funds are to be classified as restricted fund balance. It is possible for the non-general funds to be 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 amount of restricted fund balances for specific purposes exceed the positive fund balance for the non-general fund.

**Revenue Sources**

Revenues for operations are provided primarily from the District School Board of Hillsborough County, Florida 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 reports the number of full-time equivalent (FTE) students and related data to the School Board. Under provisions of Section 1011.62, Florida Statutes, the School Board reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through

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**Notes to Financial Statements  
(continued)**

the Florida Education Finance Program (FEFP). Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey period. The School Board receives a 2% administrative fee from the School, which is withheld from the respective FEFP payments. The administrative fee is reflected as a general administration expense/expenditure in the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances – governmental funds. The administration fee is calculated on the FEFP Revenue, for up to 250 students.

The basic amount of funding through the FEFP under Section 1011.62 is the product of (1) the School's unweighted FTE, multiplied by (2) the cost factor for each program, multiplied by (3) the base student allocation established by the Florida legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. For the 2021-2022 school year, the School reported 585 unweighted FTE.

FEFP funding may also be adjusted as a result of subsequent FTE audits conducted by the Auditor General pursuant to Section 1010.305, Florida Statutes, and Rule 6A-1.0453, Florida Administrative Code (FAC). Schools are required to maintain the following documentation for three years or until the completion of an FTE audit:

- Attendance and membership documentation (Rule 6A-1.044, FAC)
- Teacher certificates and other certification documentation (Rule 6A-1.0503, FAC)
- Procedural safeguards for weighted programs (Rule 6A-6.03411, FAC)
- Evaluation and planning documents for weighted programs (Section 1011.62(1)(e), Florida Statutes, and Rule 6A-6.03411, FAC)

The School received additional funding under other state grants. This assistance is generally received based on applications submitted to various granting agencies. For and state grants in which funding is awarded based on incurring eligible expenditures, revenue is recognized as the amount of eligible expenditures have been incurred.

The School is also eligible for charter school capital outlay funding. The amounts received under this program are based on the School's actual and projected student enrollment during the fiscal year. Funds received under this program may only be used for lawful capital outlay expenditures.

**Use of Estimates**

In preparing the financial statements in conformity with accounting principles generally accepted in the United States, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the balance sheet and revenues and expenses/expenditures for the period presented. Actual results could differ significantly from those estimates.

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**Notes to Financial Statements  
(continued)**

**Recently Issued Accounting Pronouncements**

In June 2017, the GASB issued Statement No. 87, *Leases*. This pronouncement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this pronouncement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, thereby enhancing the relevance and consistency of information about a school's leasing activities. The cumulative effect of any changes implemented to conform to this pronouncement would be reported as a restatement of beginning net position and fund balance. The original effective implementation date was June 30, 2021. However, GASB Statement No. 95 postponed the implementation of this statement to be effective for reporting periods beginning after June 15, 2021. Therefore, management's adoption of this Statement did not result in any adjustments to the prior year's financial statements as the School is not currently engaged in leasing activities.

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This Statement would now require interest costs incurred before the end of construction period to be recognized as an expense in the period in which the cost is incurred under the economic resource measurement focus. The effective implementation date is June 30, 2022. Currently, the School is not engaged in any construction projects but is aware of the effect of the adoption of this Statement for future projects.

**2 FAIR VALUE MEASUREMENTS**

Accounting principles generally accepted in the United States (GAAP) define fair value for an investment generally as the price an organization would receive upon selling the investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The information available to measure fair value varies depending on the nature of each investment and its market or markets. Accordingly, GAAP recognizes a hierarchy of "inputs" an organization may use in determining or estimating fair value. The inputs are categorized into "levels" that relate to the extent to which an input is objectively observable and the extent to which markets exist for identical or comparable investments. In determining or estimating fair value, an organization is required to maximize the use of observable market data (to the extent available) and minimize the use of unobservable inputs. The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical items (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).



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**Notes to Financial Statements  
(continued)**

The fair value hierarchy distinguishes between independent observable inputs and unobservable inputs used to measure fair value as follows:

*Level 1:* Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

*Level 2:* Inputs other than quoted market prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

*Level 3:* Unobservable inputs for an asset or liability. Level 3 inputs should be used to measure fair value to the extent that observable level 1 or 2 inputs are not available.

This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The School's significant financial instruments are cash, accounts receivable, accounts payable, short term borrowings, and other short term assets and liabilities. For these financial instruments (level 1), carrying values approximate fair value because of the short maturity of these instruments.

**3 DUE FROM OTHER AGENCIES**

Due from other agency includes approximately \$126,000 from federal funding. Management has evaluated the collectability and an allowance for doubtful accounts is not considered necessary.

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**A Charter School and Component Unit of the  
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**Notes to Financial Statements  
(continued)**

**4 CAPITAL ASSETS**

Capital asset activity during the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Capital assets:</b>				
Land	\$ 1,975,000	\$ -	\$ -	\$ 1,975,000
Buildings and improvements	14,554,714	54,580	-	14,609,294
Furniture, fixtures & equipment	340,785	-	-	340,785
Computers	222,291	-	-	222,291
Library	73,005	-	-	73,005
Vehicles	109,540	-	-	109,540
Assets under capital lease	119,417	-	-	119,417
Total capital assets	<u>17,394,752</u>	<u>54,580</u>	<u>-</u>	<u>17,449,332</u>
<b>Accumulated depreciation:</b>				
Buildings and improvements	(3,053,808)	(379,705)	-	(3,433,513)
Furniture, fixtures & equipment	(332,120)	(4,163)	-	(336,283)
Computers	(222,291)	-	-	(222,291)
Library	(73,005)	-	-	(73,005)
Vehicles	(41,990)	(10,954)	-	(52,944)
Assets under capital lease	(119,146)	-	-	(119,146)
Total accumulated depreciation	<u>(3,842,360)</u>	<u>(394,822)</u>	<u>-</u>	<u>(4,237,182)</u>
Capital assets, net	<u>\$ 13,552,392</u>	<u>\$ (340,242)</u>	<u>\$ -</u>	<u>13,212,150</u>

Depreciation expense was approximately \$395,000 for the year ended June 30, 2022 and reported as unallocated depreciation on the accompanying Statement of Activities.

**5 ACCOUNTS PAYABLE AND ACCRUED EXPENSES**

Accounts payable and accrued liabilities consist of the following at June 30, 2022:

Accrued payroll	\$ 155,226
Vendor accounts payable	<u>80,158</u>
Total	<u>\$ 235,384</u>

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**A Charter School and Component Unit of the  
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**Notes to Financial Statements  
(continued)**

**6 SCHEDULE OF STATE AND LOCAL REVENUE SOURCES**

**District School Board of Hillsborough County, Florida:**

Florida Education Finance Program	\$ 2,948,620
Class size reduction	544,897
Capital outlay	309,521
Discretionary local efforts	254,916
Supplemental academic instruction	133,332
Discretionary millage funds	108,968
Teacher salary increase	106,112
Instructional materials	44,587
Miscellaneous state revenue	41,230
ESE guaranteed allocation	40,750
Additional allocation	31,640
Safe school	28,678
Reading allocation	25,418
Mental health	22,587
Funds compression allocation	15,190
Lead teacher	9,088
Digital classroom allocation	399
	<hr/>
Total	<u>\$ 4,665,933</u>

The administrative fee paid to the School Board during the year ended June 30, 2022 totaled approximately \$37,000, which is reflected as a general administration expense/expenditure in the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances of governmental funds.

**7 RISK MANAGEMENT PROGRAM**

Workers' compensation coverage, health and hospitalization, general liability, professional liability and property coverage are being provided through purchased commercial insurance with minimum deductibles for each line of coverage. Settled claims resulting from these risks have not historically exceeded commercial coverage.

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**A Charter School and Component Unit of the  
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**Notes to Financial Statements  
(continued)**

**8 COMMITMENTS AND CONTINGENT LIABILITIES**

**Grants**

The School participates in state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at year end may be impaired.

In the opinion of the School, there are no significant contingent liabilities related to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

**Legal Matters**

In the normal course of conducting its operations, the School occasionally becomes party to various legal actions and proceedings. In the opinion of management, the ultimate resolution of such legal matters will not have a significant adverse effect on the accompanying financial statements.

**9 INCOME TAXES**

The School qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3), and is therefore, exempt from income taxes. Accordingly, no tax provision has been made in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related notes to the financial statements. The School's income tax returns for the three previous years are subject to examination by tax authorities, and may change upon examination.

**10 SUBSEQUENT EVENTS**

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through September 27, 2022, which is the date the financial statements were available to be issued.

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**A Charter School and Component Unit of the  
District School Board of Hillsborough County, Florida**

**Required Supplementary Information  
Budgetary Comparison Schedule - General Fund**

**For the Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
State and local sources	\$ 4,261,710	\$ 4,356,412	\$ 4,356,412	\$ -
Contributions and other revenues	114,007	352,866	352,866	-
Total revenues	<u>4,375,717</u>	<u>4,709,278</u>	<u>4,709,278</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	2,497,143	2,243,981	2,243,981	-
Pupil personnel services	108,226	12,946	12,946	-
Media services	500	-	-	-
Instructional development	10,000	-	-	-
Instructional staff training	9,500	12,603	12,603	-
Instructional-related technology	299,394	547,133	547,133	-
Board	51,800	28,327	28,327	-
General administration	32,636	36,787	36,787	-
School administration	499,471	624,118	624,118	-
Fiscal services	16,000	18,449	18,449	-
Food services	159,662	188,018	188,018	-
Transportation	18,432	33,148	33,148	-
Operation of plant	538,953	189,678	189,678	-
Community services	55,000	125,772	125,772	-
Capital outlay	79,000	54,580	54,580	-
Total expenditures	<u>4,375,717</u>	<u>4,115,540</u>	<u>4,115,540</u>	<u>-</u>
Net changes in fund balances	-	593,738	593,738	-
Fund balances at beginning of year	<u>2,655,702</u>	<u>2,655,702</u>	<u>2,655,702</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 2,655,702</u></u>	<u><u>\$ 3,249,440</u></u>	<u><u>\$ 3,249,440</u></u>	<u><u>\$ -</u></u>

Independent Auditor's Report.



McCRAZY & ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters Based  
on an Audit of Financial Statements Performed in Accordance  
With Government Auditing Standards**

To the Board of Directors of Brooks DeBartolo Charities, Inc.,  
d/b/a Brooks DeBartolo Collegiate High School, a Charter School  
and Component Unit of the District School Board of Hillsborough County, Florida

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Brooks DeBartolo Charities, Inc., d/b/a Brooks DeBartolo Collegiate High School (the "School"), a charter school and component unit of the District School Board of Hillsborough County, Florida, as of and for the year ended June 30, 2022, 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 27, 2022.

**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 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.

*McCrary & Associates, PLLC*

Altamonte Springs, Florida  
September 27, 2022

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**Additional Information Required by  
Rules of the Auditor General,  
Chapter 10.850, *Audits of Charter Schools  
and Similar Entities***





**Management Letter as Required by Rules of the Florida Auditor General,  
Chapter 10.850, Florida Statutes, *Charter School Audits***

To the Board of Directors of Brooks DeBartolo Charities, Inc.  
d/b/a Brooks DeBartolo Collegiate High School, a Charter School  
and Component Unit of the District School Board of Hillsborough County, Florida

**Report on the Financial Statements**

We have audited the financial statements of Brooks DeBartolo Charities, Inc., d/b/a Brooks DeBartolo Collegiate High School (the "School") as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated September 27, 2022.

**Auditor's 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 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, if applicable, which is dated, September 27, 2022, should be considered in conjunction with this management letter.

**Prior Audit Findings**

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

**Official Title**

Section 10.854(1)(e)5. Rules of the Auditor General, requires the name or official title of the entity be disclosed in this management letter. The official title of the entity is Brooks DeBartolo Charities, Inc., d/b/a Brooks DeBartolo Collegiate High School. The School code is 6634.

**Financial Condition and Management**

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

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

### **Transparency**

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the 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 that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note 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 Hillsborough County School Board and is not intended to be and should not be used by anyone other than these specified parties.

*McCrary & Associates, PLLC*

Altamonte Springs, Florida  
September 27, 2022

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