

**Micanopy Area Cooperative School,  
Inc.**

**(A Component Unit of the Alachua  
County District School Board)**

**Basic Financial Statements and  
Supplemental Information**

**For the year ended  
June 30, 2022**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Micanopy Area Cooperative School, Inc.  
Micanopy, Florida

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Micanopy Area Cooperative School, Inc. (the "School"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the of Micanopy Area Cooperative School, Inc. 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 School as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows if thereof 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 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.

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 Micanopy Area Cooperative School's 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 and *Government*

### ***Auditor's Responsibilities for the Audit of the Financial Statements (continued)***

*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 and *Government 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 Micanopy Area Cooperative 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 Micanopy Area Cooperative 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 and budgetary comparison information on pages 4–7 and 25–27 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 Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering School's internal control over financial reporting and compliance.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
October 15, 2022

## **Management's Discussion and Analysis**

This discussion and analysis of the School's financial performance provides an overview of the School's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the School's financial statements, which follow this section.

The following are various financial highlights for fiscal year 2022:

- The School's overall net position increased by approximately \$16,000.
- Unrestricted net position at June 30, 2022, was \$740,941.
- The School had total expenses for the year of approximately \$2,288,000, compared to revenues of approximately \$2,304,000.
- The School served 212 and 196 students in the school years ending in 2022 and 2021, respectively, in grades K through 5. The School also provides VPK services and served 20 and 28 students in the school years ending in 2022 and 2021, respectively.

## **OVERVIEW OF THE BASIC FINANCIAL STATEMENTS**

This annual report contains government-wide financial statements that report on the School's activities as a whole and fund financial statements that report on the School's individual funds.

### **Government-wide Financial Statements**

The first financial statement is the Statement of Net Position. This statement includes all of the School's assets and liabilities using the accrual basis of accounting. Accrual accounting is similar to the accounting used by most private-sector companies. All of the current year revenues and expenses are recorded, regardless of when cash is received or paid. Net position - the difference between assets and liabilities - can be used to measure the School's financial position.

The second financial statement is the Statement of Activities. This statement is also shown using the accrual basis of accounting. It shows the increases and decreases in net position during the fiscal year. Over time, the increases or decreases in net position are useful indicators of whether the School's financial health is improving or deteriorating. However, other non-financial factors, such as enrollment levels or changes in state funding, must also be considered when assessing the overall health of the School.

In these statements, all of the School's activities are considered to be governmental activities. The School has no business-type activities, which are generally financed in whole or in part by fees charged to external parties for goods or services.

### **Fund Financial Statements**

Following the government-wide financial statements are the fund financial statements. They provide more detailed information about the School's funds.

The School maintains three individual governmental funds, the General Fund, Special Revenue Fund and Capital Outlay Fund. These funds are considered to be major funds and, accordingly, they are separately displayed.

Governmental funds are accounted for using modified accrual accounting. Modified accrual accounting focuses on available cash and other financial assets that can readily be converted to cash. This provides a shorter-term view of the governmental fund's financial position. A reconciliation is provided with these statements, which helps to explain the differences between the fund financial statements and the government-wide financial statements.

## CONDENSED FINANCIAL INFORMATION

The following table presents condensed, government-wide current year and prior year data about net position and changes in net position.

### Micanopy Area Cooperative School, Inc. Statement of Net Position

	Governmental Activities		
	June 30, 2022	June 30, 2021	Variance
<b>ASSETS</b>			
Current and other assets	\$ 886,078	\$ 887,746	\$ (1,668)
Capital assets, net	1,870,813	1,955,420	(84,607)
Total assets	2,756,891	2,843,166	(86,275)
<b>LIABILITIES</b>			
Current liabilities	219,100	152,094	67,006
Non-current liabilities	181,729	351,029	(169,300)
Total liabilities	400,829	503,123	(102,294)
<b>NET POSITION</b>			
Net investment in capital assets	1,615,121	1,528,116	87,005
Unrestricted	740,941	811,927	(70,986)
Total net position	\$ 2,356,062	\$ 2,340,043	\$ 16,019

**Micanopy Area Cooperative School, Inc.**  
**Statement of Activities**

	<b>Governmental Activities</b>		
	<b>2022</b>	<b>2021</b>	<b>Variance</b>
Revenues:			
Program revenues:			
Charges for services	\$ 86,034	\$ 82,460	\$ 3,574
Operating grants and contributions	97,892	101,906	(4,014)
Capital grants and contributions	111,457	102,577	8,880
General revenues			
USAC E-Rate Grant	30,347	4,962	25,385
Title I grant	-	46,789	(46,789)
Title II grant	13,841	5,318	8,523
Title IV grant	3,284	9,986	(6,702)
ESSER	233,127	-	233,127
One Mill	121,010	-	121,010
Florida education finance program	1,446,450	1,530,932	(84,482)
Other state revenues	15,849	5,168	10,681
Other local revenues	144,342	133,113	11,229
Unrestricted investment earnings	350	521	(171)
Debt forgiveness	-	253,400	(253,400)
Total revenues	<u>2,303,983</u>	<u>2,277,132</u>	<u>26,851</u>
Expenses:			
Instruction	1,314,102	1,191,654	(122,448)
Instructional support services	149,554	116,577	(32,977)
General support	735,742	597,704	(138,038)
Community services	21,192	4,831	(16,361)
Maintenance of plant	53,986	65,458	11,472
Interest on long-term debt	13,388	18,701	5,313
Total expenses	<u>2,287,964</u>	<u>1,994,925</u>	<u>(293,039)</u>
Change in net position	16,019	282,207	(266,188)
Net position - beginning	<u>2,340,043</u>	<u>2,057,836</u>	<u>282,207</u>
Net position - ending	<u>\$ 2,356,062</u>	<u>\$ 2,340,043</u>	<u>\$ 16,019</u>

**OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS**

Governmental Activities. The governmental activities generated \$295,383 in program revenues and \$2,008,600 of general revenues and incurred \$2,287,964 of program expenses. This resulted in a \$16,019 increase in net position.



## **THE SCHOOL'S INDIVIDUAL FUNDS**

**General Fund** - The fund balance of the General Fund has decreased by \$57,574, from \$853,014 to \$795,440.

**Special Revenue Fund** - The fund balance of the Special Revenue Fund remained the same at \$0 which means that all grant funds were spent during the year. This is expected due to the nature of the Title II, Title IV, One Mill, ESSER and CARES grant funds.

**Capital Projects Fund** - The fund balance of the Capital Projects Fund remained at \$0. All revenues for the year were expended on eligible costs.

## **BUDGETARY HIGHLIGHTS**

**General Fund** - The School amended the original budget to reflect increased revenues and decreased expenditures. There were no differences between the final budget and actual amounts.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets** - The School disposed of an asset during the year. Please refer to a note to the accompanying financial statements entitled Capital Assets and Depreciation for more detailed information about the School's capital asset activity.

**Debt Administration** - The School made scheduled payments on its existing debt. Please refer to a note to the accompanying financial statements entitled Long-Term Liabilities for more detailed information about the School's long-term debt activity.

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

In fiscal year 2022, the State of Florida continued to include a teacher salary increase allocation (TSIA) of \$550 million. The capital outlay funding pool ended up at \$183.2 million. In addition to the TSIA, teachers also received a compensation increase to align overall salaries with district levels.

For fiscal year 2023, the teacher salary increase allocation will be \$800 million and will continue to be part of FEFP funding. A 2% merit increase for all staff was included in the budget. All other expenditures are budgeted in alignment with enrollment changes and the School's strategic objectives.

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

This financial report is designed to provide a general overview of the School's finances and to show the School's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Brenda Maynard (Director), Micanopy Area Cooperative School, 802 NW Seminary Avenue, Micanopy, Florida 32667.

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**STATEMENT OF NET POSITION**

**June 30, 2022**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 691,186
Grants receivable	158,121
Prepaid expenses	36,771
Capital assets:	
Non-depreciable capital assets	234,161
Depreciable capital assets, net	<u>1,636,652</u>
	<u>2,756,891</u>
<b>LIABILITIES AND NET POSITION</b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable	60,862
Salaries payable	29,776
Long-term liabilities:	
Due within one year	128,462
Due in more than one year	<u>181,729</u>
Total current liabilities	<u>400,829</u>
<b>NET POSITION</b>	
Net investment in capital assets	1,615,121
Unrestricted	<u>740,941</u>
Total net position	<u><u>\$ 2,356,062</u></u>

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

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**STATEMENT OF ACTIVITIES**

**Year Ended June 30, 2022**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ (1,314,102)	\$ 51,881	\$ 47,866	\$ -	\$ (1,214,355)
Instructional support services	(149,554)	-	-	-	(149,554)
General support	(735,742)	34,153	50,026	98,069	(553,494)
Community service	(21,192)	-	-	-	(21,192)
Maintenance of plant	(53,986)	-	-	-	(53,986)
Interest on long-term debt	(13,388)			13,388	-
Total governmental activities	<u>\$ (2,287,964)</u>	<u>\$ 86,034</u>	<u>\$ 97,892</u>	<u>\$ 111,457</u>	<u>(1,992,581)</u>
General revenues:					
Federal:					
USAC E-Rate grant					
					30,347
Federal through state:					
Title II grant					
					13,841
Title IV grant					
					3,284
ESSER					
					233,127
One Mill					
					121,010
State revenue					
Florida education finance program					
					1,446,450
Other state revenues					
					15,849
Other local revenues					
					144,342
Unrestricted investment earnings					
					350
Total general revenues					<u>2,008,600</u>
Change in net position					16,019
Net position at July 1, 2021					<u>2,340,043</u>
Net position at June 30, 2022					<u>\$ 2,356,062</u>

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

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**BALANCE SHEET - GOVERNMENTAL FUNDS**

**June 30, 2022**

	General Fund	Special Revenue Fund	Capital Outlay Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 691,186	\$ -	\$ -	\$ 691,186
Grants receivable	158,121	-	-	158,121
Prepaid expenditures	36,771	-	-	36,771
Total assets	<u>\$ 886,078</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 886,078</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 60,862	\$ -	\$ -	\$ 60,862
Salaries payable	29,776	-	-	29,776
Total liabilities	<u>90,638</u>	<u>-</u>	<u>-</u>	<u>90,638</u>
<b>FUND BALANCES</b>				
Nonspendable - prepaids	36,771	-	-	36,771
Unassigned	758,669	-	-	758,669
Total fund balances	<u>795,440</u>	<u>-</u>	<u>-</u>	<u>795,440</u>
Total liabilities and fund balances	<u>\$ 886,078</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 886,078</u>

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

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET POSITION**

**June 30, 2022**

Fund balances - total governmental funds	\$ 795,440
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Amounts reported for Governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not reported in the governmental funds.

Capital assets - net of accumulated depreciation	1,870,813
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Long-term liabilities are not reported in the governmental funds.

Loans payable	(255,692)
Compensated absences	<u>(54,499)</u>

Net position of governmental activities	<u>\$ 2,356,062</u>
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The accompanying notes are an integral part of these financial statements.

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS**

**Year Ended June 30, 2022**

	General Fund	Special Revenue Fund	Capital Outlay Fund	Total Governmental Funds
Revenues				
Federal:				
USAC E-Rate grant	\$ 30,347	\$ -	\$ -	\$ 30,347
Federal through state:				
Title II grant	-	13,841	-	13,841
Title IV grant	-	3,284	-	3,284
ESSER grant	-	233,127	-	233,127
One Mill grant	-	121,010	-	121,010
VPK CARES grant	-	18,752	-	18,752
National school lunch	-	50,026	-	50,026
State revenue:				
Florida education finance program	1,446,450	-	-	1,446,450
Public education capital outlay	-	-	111,457	111,457
Voluntary prekindergarten	47,866	-	-	47,866
Other state revenues	15,849	-	-	15,849
Local revenue:				
Meal service revenue	34,153	-	-	34,153
Other local revenues	177,821	-	-	177,821
Total revenues	<u>1,752,486</u>	<u>440,040</u>	<u>111,457</u>	<u>2,303,983</u>
Expenditures				
Current:				
Instruction	924,088	390,014	-	1,314,102
Instructional support services	149,554	-	-	149,554
General support	587,697	50,026	-	637,723
Community services	21,192	-	-	21,192
Maintenance of plant	53,986	-	-	53,986
Debt service:				
Principal	73,543	-	98,069	171,612
Interest	-	-	13,388	13,388
Total expenditures	<u>1,810,060</u>	<u>440,040</u>	<u>111,457</u>	<u>2,361,557</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(57,574)</u>	<u>-</u>	<u>-</u>	<u>(57,574)</u>
Other financing sources (uses)				
Debt proceeds	-	-	-	-
Net change in fund balances	(57,574)	-	-	(57,574)
Fund balances at July 1, 2021	853,014	-	-	853,014
Fund balances at June 30, 2022	<u>\$ 795,440</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 795,440</u>

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

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES**

**Year Ended June 30, 2022**

Excess of revenues over expenditures - total governmental funds	\$	(57,574)
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Amounts reported for governmental activities in the statement of activities  
are different because:

Governmental funds report capital outlays as expenditures.  
However, in the statement of activities, the cost of those assets  
is depreciated over their estimated useful lives.

Current year expenditures for capital assets	-		
Current year depreciation expense	<u>(84,606)</u>		(84,606)

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

Net change in compensated absences		(13,413)
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Issuance of long-term debt provides current financial resources to  
governmental funds, but has no effect on net position. Repayment of  
principal is an expenditure in governmental funds, but reduces long-term  
liabilities in the Statement of Net Position.

Current year principal payments		<u>171,612</u>
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Change in net position of governmental activities	\$	<u><u>16,019</u></u>
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The accompanying notes are an integral part of these financial statements.

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022**

**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Micanopy Area Cooperative School, Inc. conform to generally accepted accounting principles as applicable to governments. The more significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

**1. Reporting entity**

Micanopy Area Cooperative School, Inc. is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes. The not-for-profit corporation conducts business as Micanopy Area Cooperative School (the "School"). The governing body of the School is the not-for-profit corporation's Board of Directors.

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 Alachua County District School Board (the District). The current charter is effective until June 30, 2026 and may be renewed up to an additional 10 years provided that a program review demonstrates that certain criteria addressed in Section 1002.33(7), Florida Statutes, have been successfully accomplished. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter, in which case the District is required to notify the School in writing at least 90 days prior to the charter's expiration. Pursuant to Section 1002.33(8)(e), Florida Statutes, the charter school contract provides that in the event the School is dissolved or terminated, any unencumbered funds and all School property purchased with public funds automatically revert to the District. During the term of the charter, the District may also terminate the charter if good cause is shown. The School is considered a component unit of the District.

Criteria for determining if other entities are potential component units of the School which should be reported with the School's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600. The application of these criteria provide for identification of any entities for which the School is financially accountable and other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the School's basic financial statements to be misleading or incomplete. Based on these criteria, no component units are included within the reporting entity of the School.



**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022**

**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(continued)**

2. Government-wide financial statements

The government-wide financial statements consist of a statement of net position and a statement of activities. These statements report information on all of the nonfiduciary activities of the School. Governmental activities are reported separately from business-type activities, which rely on fees charged to external parties as their primary revenues. The School has no business-type activities.

Any internal inter-fund activity has been eliminated from the government-wide financial statements.

The Statement of Net Position reports the School's financial position as of the end of the fiscal year. In this statement, the School's net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position.

The Statement of Activities is displayed using a net-cost format and reports the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges for services that are directly related to a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

3. Fund financial statements

The financial transactions of the School are reported in individual funds in the fund financial statements. The governmental fund statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The following funds are used by the School:

**GOVERNMENTAL FUNDS**

General Fund - The General Fund is the general operating fund of the School. It is used to account for all financial resources, except those associated with grants that are restricted to specified uses.

Special Revenue Fund - The Special Revenue Fund is used to account for financial resources associated with Title II, Title IV, One Mill, ESSER, and CARES grants that are restricted to operational uses.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources associated with grants that are restricted to capital uses.

In the accompanying fund financial statements, the General Fund, Special Revenue Fund and Capital Projects Fund are all considered to be major funds and, therefore, are separately displayed. The School has no non-major funds.

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022**

**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(continued)**

4. Measurement focus and basis of accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Most revenues are considered to be susceptible to accrual and have been measured in the current fiscal period. Certain other items are considered to be measurable and available only when cash is received.

5. Cash and cash equivalents

Cash consists of deposits in financial institutions. Such deposits qualify as public deposits and are insured by Florida's Public Deposits Program as defined in Section 280.02, Florida Statutes. The School has no policy regarding deposit custodial credit risk.

6. Receivables

Receivables consist of amounts due from other agencies, and the local school district at June 30, 2022. The School's management determined that 100% of receivables are fully collectible. Therefore, no allowance for doubtful accounts has been provided.

7. Interfund receivables and payables

Activity 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.

**Micanopy Area Cooperative School, Inc.  
(A Component Unit of the Alachua County District School Board)**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022**

**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(continued)**

**8. Capital assets and depreciation**

Capital assets are defined by the School as assets with an initial, individual cost of \$3,000 or more and an estimated useful life of more than one year. These assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value on the date of donation.

Capital assets of the School are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives (years)</u>
Buildings	5 - 39
Improvements	5 - 30
Furniture, Fixtures and Equipment	5 - 10

**9. Prepaid items**

Payment made to vendors for services that will benefit periods beyond June 30, 2022, are recorded as prepaid expenses in both the government-wide and fund financial statements.

**10. Compensated absences**

The School's personnel policies allow a limited accumulation and vesting of unused employee vacation and sick leave. The liability of compensated absences is accrued when incurred in the government-wide financial statements. In the fund financial statements, a liability for compensated absences is reported to the extent that the liability will be liquidated with expendable available financial resources. Compensated absences are liquidated from the General Fund.

**11. Long-term liabilities**

Long-term debt and other long-term obligations are reported in the government-wide financial statements. Long-term liabilities are not reported in the governmental funds because governmental funds use the current financial resources measurement focus.

**12. Revenue recognition**

Student funding is provided by the State of Florida through the School District. Such funding is recorded as State passed through local school district in the government-wide financial statements and fund financial statements and is net of the 5% administration fee retained by the School District. This funding is received on a prorate basis over the twelve month period and is adjusted for changes in full-time equivalent (FTE) student population.

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022**

**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(continued)**

13. Revenue sources

Revenues for current operations are received primarily from the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Florida Statutes the District reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Educational Finance Program and the actual weighted FTE students reported by the School during the designated FTE student survey periods. The School also receives other financial assistance. This assistance is generally based on applications submitted to and approved by the granting agency.

14. Income taxes

Micanopy Area Cooperative School, Inc. is a charter school, which qualifies as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code, and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

Management has analyzed the School's various federal and state filing positions, including those pertaining to charter academy contracts and tax exempt status, and believes that its income tax filing positions and deductions are well documented and supported, and that no accruals for tax liabilities are necessary. Therefore, no reserves for uncertain income tax positions have been recorded. The School remains subject to the examination by the Internal Revenue Service for the three years prior to June 30, 2022.

15. Net Position

Net position represents the difference between assets and liabilities and is reported in three categories as hereafter described. *Net investment in capital assets* represents capital assets, net of accumulated depreciation and any outstanding debt related to those assets. Net position is reported as *restricted* when there are legal limitations imposed on their use by legislation, or external restrictions imposed by other governments, creditors, or granters. The balance of the net position is reported as *unrestricted*. When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, and then unrestricted resources as they are needed.

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022**

**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(continued)**

16. Fund Balance Classifications

Governmental funds report separate classifications of fund balance.

**Non-Spendable** - The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**Restricted** - The restricted fund balance is defined as having restrictions (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed** - Committed fund balance is defined as amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School's Board of Directors.

**Assigned** - Assigned fund balance is defined as amounts that are constrained by the intent of the School's Board of Directors to be used for specific purposes, but are neither restricted nor committed. The School has given the authority to assign fund balance to the School's Director. Assigned fund balance includes spendable fund balance amounts established by the Director that are intended to be used for specific purposes that are neither considered restricted nor committed. Assignment of fund balance may be (a) made for a specific purpose that is narrower than the general purposes of the government itself; and/or (b) used to reflect the appropriation of a portion of existing unassigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues. Assigned fund balance shall reflect management's intended use of resources as set forth each year by the Director. Assigned fund balance may or may not be appropriated for expenditure in the subsequent year depending on the timing of the project/reserve for which it was assigned.

**Unassigned** - Unassigned fund balance is the residual classification for the general fund.

It is the policy of the School that they will use restricted resources to the extent which they are available, then committed resources, followed by assigned resources. Once these are consumed, the School will then use unassigned resources. The School does not have a formal policy requiring a minimum fund balance.

17. Use of estimates

The process of preparing financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022**

**NOTE 1 - REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(continued)**

18. Recent GASB implementation

GASB issued Statement No. 87, Leases, in June 2017. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions in GASB 87 were implemented in the year ended June 30, 2022. The implementation of the new pronouncement did not have any impact on the financial statements as the School does not hold any leases.

**NOTE 2 - CAPITAL ASSETS AND DEPRECIATION**

Changes in capital assets were as follows for the year ended June 30, 2022:

	Balance at July 1, 2021	Additions	Deletions	Balance at June 30, 2022
Capital assets not being depreciated:				
Land	\$ 234,161	\$ -	\$ -	\$ 234,161
Capital assets being depreciated:				
Buildings	2,258,679	-	-	2,258,679
Improvements other than buildings	224,520	-	-	224,520
Furniture, fixtures and equipment	35,755	-	3,207	32,548
Total capital assets	2,753,115	-	3,207	2,749,908
Accumulated depreciation:				
Buildings	643,664	69,756	-	713,420
Improvements other than buildings	130,215	11,683	-	141,898
Furniture, fixtures and equipment	23,817	3,167	3,207	23,777
Total accumulated depreciation	797,696	84,606	3,207	879,095
Net capital assets	\$ 1,955,419	\$ (84,606)	\$ -	\$ 1,870,813

Depreciation was charged to functions/programs as follows:

General support	\$ 84,606
Total	\$ 84,606

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022**

**NOTE 3 - CASH**

Custodial Credit Risk - Custodial credit risk is the risk that in the event of bank failure, the School's deposits may not be returned to it. The School does not have a formal policy regarding custodial credit risk. The School maintains its cash balances in a financial institution insured by the Federal Deposit Insurance Corporation ("FDIC"). Under the FDIC program, all of the School's cash balances maintained in accounts at the financial institution are fully guaranteed by the FDIC up to \$250,000.

At June 30, 2022, the School's cash exceeded the FDIC limit by \$442,249. The School's deposits are part of the Qualified Public Deposit program and are insured for more than the \$250,000 FDIC limit.

**NOTE 4 - LONG-TERM LIABILITIES**

The following is a summary of changes in long-term obligations of the School for the year ended June 30, 2022:

	<b>Long-term Obligations at July 1, 2021</b>	<b>Additions</b>	<b>Reductions</b>	<b>Long-term Obligations at June 30, 2022</b>	<b>Amount Due in 1 Year</b>
Compensated Absences	\$ 41,087	\$ 13,412	\$ -	\$ 54,499	\$ 29,776
Ameris Bank Loan	427,304	-	171,612	255,692	98,684
<b>Total</b>	<u>\$ 468,391</u>	<u>\$ 13,412</u>	<u>\$ 171,612</u>	<u>\$ 310,191</u>	<u>\$ 128,460</u>

In April, 2016, the School borrowed money from Ameris Bank to add a modular building and build a cafetorium. The agreement is amortized over 240 months with an interest rate of 4.15% until April 2022. The rate is then adjusted to a fixed rate based on five year US treasury plus 3%. The loan matures in April 2026. Monthly payments are \$4,735.

In October 2020, the School's requested that the finance committee create a 5-year plan to reduce its Ameris Bank debt. The finance committee met and recommended the School pay an additional \$50,000 annually on the existing loan. The committee requested a new amortization schedule from the bank that shows an interest rate of 3.85%, monthly payments of \$5,000, and an annual payment of \$50,000 in October.

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022**

**NOTE 4 - LONG-TERM LIABILITIES (continued)**

The following is a schedule of future minimum debt service requirements:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 98,684	\$ 11,316	\$ 110,000
2024	102,588	7,412	110,000
2025	54,420	3,317	57,737
	<u>\$ 255,692</u>	<u>\$ 22,045</u>	<u>\$ 277,737</u>

**NOTE 5 - EMPLOYEE RETIREMENT PLAN**

The School made contributions on behalf of its employees to a defined contribution 403(b) Tax-Sheltered Annuity Plan, managed by The Legend Group. The employer matches employee contributions up to five percent of each eligible employee's gross pay for the contract year. The Board of Directors has the authority to amend or terminate the plan, although it has not expressed an intention to do so. The following is a schedule of contributions to the plan for 2022:

<u>Years ending June 30</u>	<u>Employee Contributions</u>	<u>Employer Contributions</u>
2022	\$ 34,430	\$ 28,481



**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2022**

**NOTE 6 - RISKS AND UNCERTAINTIES**

*Risk management*

The School is exposed to various risks of loss, including general liability, personal injury, workers compensation, and errors and omissions. To manage its risks, the School has purchased commercial insurance. Settled claims resulting from these risks have not exceeded commercial coverage in the current and previous two years.

*COVID-19*

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the School’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global pandemic situation.

**NOTE 7 - SUBSEQUENT EVENTS**

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through October 15, 2022 which is the date the financial statements were available to be issued.

## **REQUIRED SUPPLEMENTAL INFORMATION**

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND**

**Year Ended June 30, 2022**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenue				
Federal:				
USAC E-Rate Grant	\$ 15,000	\$ 30,347	\$ 30,347	\$ -
State Revenue				
Florida education finance program	1,454,599	1,446,450	1,446,450	-
Public education capital outlay	100,000	-	-	-
Voluntary prekindergarten	60,000	47,866	47,866	-
Other state revenues	-	15,849	15,849	-
Local Revenue:				
Meal service revenue	40,000	34,153	34,153	-
Other local revenues	27,500	177,821	177,821	-
Total revenues	<u>1,697,099</u>	<u>1,752,486</u>	<u>1,752,486</u>	<u>-</u>
Expenditures				
Current:				-
Instruction	1,114,270	924,088	924,088	-
Instructional support services	217,743	149,554	149,554	-
General support	527,810	587,697	587,697	-
Community services	-	21,192	21,192	-
Maintenance of plant	56,392	53,986	53,986	-
Debt service:				
Principal	60,000	73,543	73,543	-
Total expenditures	<u>1,976,215</u>	<u>1,810,060</u>	<u>1,810,060</u>	<u>-</u>
Excess (deficiency) of revenues over				
(under) expenditures	<u>(279,116)</u>	<u>(57,574)</u>	<u>(57,574)</u>	<u>-</u>
Net change in fund balances	(279,116)	(57,574)	(57,574)	-
Fund balance at July 1, 2021	<u>8,969</u>	<u>853,014</u>	<u>853,014</u>	<u>-</u>
Fund balance at June 30, 2022	<u>\$ (270,147)</u>	<u>\$ 795,440</u>	<u>\$ 795,440</u>	<u>\$ -</u>

See accompanying note to required supplemental information.

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND**

**Year Ended June 30, 2022**

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenue				
Federal through State:				
Title II grant	\$ -	\$ 13,841	\$ 13,841	\$ -
Title IV grant	-	3,284	3,284	-
ESSER grant	136,626	233,127	233,127	-
One Mill grant	119,646	121,010	121,010	-
VPK CARES grant	-	18,752	18,752	-
National school lunch	40,000	50,026	50,026	-
Total revenues	<u>296,272</u>	<u>440,040</u>	<u>440,040</u>	<u>-</u>
Expenditures				
Current:				
Instruction	-	390,014	390,014	-
General support	<u>-</u>	<u>50,026</u>	<u>50,026</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>440,040</u>	<u>440,040</u>	<u>-</u>
Excess (deficiency) of revenues over				
(under) expenditures	<u>296,272</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at July 1, 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at June 30, 2022	<u><u>\$ 296,272</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying note to required supplemental information.

**Micanopy Area Cooperative School, Inc.**  
**(A Component Unit of the Alachua County District School Board)**

**NOTE TO REQUIRED SUPPLEMENTAL INFORMATION**

**June 30, 2022**

**NOTE A - BUDGETARY INFORMATION**

Budgetary basis of accounting

Annual budgets are adopted for the entire operations and may be amended by the Board of Directors (the "Board"). The budgets presented for fiscal year ended June 30, 2022, have been amended according to Board procedures. Budgets are adopted on the modified accrual basis of accounting. The legal level of budgetary control is the fund level.

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

## **SUPPLEMENTAL INFORMATION**



### ***Partners***

W. Ed Moss, Jr.  
Joe M. Krusick  
Cori G. Cameron  
Bob P. Marchewka  
Ric Perez  
Thomas F. Regan  
Ernie R. Janvrin  
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Renee C. Varga  
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American Institute of  
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## **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**

To the Board of Directors  
Micanopy Area Cooperative School, Inc.  
Micanopy, 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 Micanopy Area Cooperative School, which is a component unit of the School District of Alachua County, Florida as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Micanopy Area Cooperative School's basic financial statements, and have issued our report thereon dated October 15, 2022.

### **Report on Internal Control Over Financial Reporting**

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

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Micanopy Area Cooperative 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 and 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.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
October 15, 2022





### ***Partners***

W. Ed Moss, Jr.  
Joe M. Krusick  
Cori G. Cameron  
Bob P. Marchewka  
Ric Perez  
Thomas F. Regan  
Ernie R. Janvrin  
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Accountants

## **MANAGEMENT LETTER**

To the Board of Directors  
Micanopy Area Cooperative School, Inc.  
Micanopy, Florida

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

We have audited the financial statements of Micanopy Area Cooperative School, Inc. (the "School"), which is a component unit of the School District of Alachua County, Florida as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated October 15, 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 on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports and schedules, which are dated October 15, 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. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the prior year.

### **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 is Micanopy Area Cooperative School, Inc., and the school code assigned by the Florida Department of Education is 01-0951.

### **Financial Condition and Management**

Section 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 condition(s) described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that Micanopy Area Cooperative 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 the financial information provided by same.

Section 10.854(1)(e)3, Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have 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 us to communicate noncompliance with provisions of contracts or grant agreements, or abuse that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### **Purpose of this Letter**

Our management letter is intended solely for the information and use of Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, The Florida Auditor General, Federal and other granting agencies, Micanopy Area Cooperative School's management, Micanopy Area Cooperative School, Inc., the School District of Alachua County, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
October 15, 2022

## **MANAGEMENT FINDINGS, RECOMMENDATIONS, AND RESPONSES**

For the year ended June 30, 2022, there are no management recommendations.