

**TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY**

FINANCIAL STATEMENTS

JUNE 30, 2022

**TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
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JUNE 30, 2022**

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INDEPENDENT AUDITORS' REPORT

To the Governing Board,
Twin Oaks Juvenile Development, Inc.
d/b/a Waypoint Charter Academy:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Twin Oaks Juvenile Development, Inc. d/b/a Waypoint Charter Academy (the "Waypoint Charter Academy" a charter School under Twin Oaks Juvenile Development, Inc. and a component unit of the School Board of Madison County, Florida) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Waypoint Charter Academy's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Waypoint Charter Academy as of 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 (GAAS) and the standards applicable to the 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 Waypoint Charter Academy 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

Waypoint Charter Academy's 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 Waypoint Charter Academy's ability to continue as a going concern for twelve months after the date of the financial statements including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 opinion. Reasonable assurance is a high level of assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 the 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 Waypoint Charter Academy'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Waypoint Charter Academy'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.

Emphasis of Matter

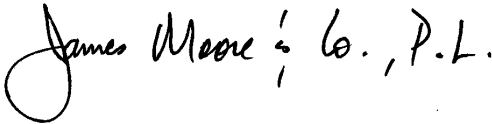
As described in Note 1, the accompanying financial statements referred to above present only the financial position of the Waypoint Charter Academy at June 30, 2022, and the respective changes in financial position for the year then ended, and is not intended to be a complete presentation of Twin Oaks Juvenile Development, Inc. These financial statements do not purport to and do not present fairly the financial position of Twin Oaks Juvenile Development, Inc. as of June 30, 2022 and its changes in financial position of the year then ended in conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2022 on our consideration of Waypoint Charter Academy's internal control over financial reporting and 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 Waypoint Charter Academy's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large, looped initial "J".

Tallahassee, Florida
December 7, 2022

**TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

This section of Twin Oaks Juvenile Development, Inc. d/b/a Waypoint Charter Academy’s (the “School”) annual financial report presents our discussion and analysis of the School’s financial performance during the fiscal year that ended on June 30, 2022. Please read it in conjunction with the School’s financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

The financial statements presented herein include all of the activities of the School using the integrated approach as prescribed by GASB Statement Number 34.

The Government-Wide Financial Statements present the financial picture of the School from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities. These statements include all assets of the School as well as all liabilities. Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables and receivables.

The Fund Financial Statements include statements for the governmental activities. The Governmental Funds are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

The Primary unit of the government is the School Board of Madison County, Florida.

REPORTING THE SCHOOL AS A WHOLE

The Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and the *Statement of Activities* report information about the School as a whole and about its activities. These statements include *all* assets and liabilities of the School using the accrual basis accounting, which is similar to the accounting used by most private-sector companies. All of the current year revenues and expenses are considered regardless of when cash is received or paid.

These two statements report the School’s *net position* and changes in them. Net position is the difference between assets and liabilities and is one way to measure the School’s financial health, or *financial position*. Over time, *increases or decreases* in the School’s net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the School’s revenue base and the condition of the School’s capital assets.

The relationship between revenues and expenses is the School’s operating results. Since the Board’s responsibility is to provide services to our students and not to generate profit as commercial entities do, one must consider other factors when evaluating the overall health of the School. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

In the *Statement of Net Position* and the *Statement of Activities*, we designate the School activities as follows:

Governmental activities—All of the School’s services are reported in this category, revenues received from the Florida Education Finance Program through the Madison County Public School system.

**TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

REPORTING THE SCHOOL’S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the School as a whole. Some funds are required to be established by State law. However, management may establish various funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies that it receives.

Governmental funds—The School’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School’s general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the School’s programs.

THE SCHOOL AS A WHOLE

Changes in Net Position

The results of this year’s operations for the School as a whole are reported in the Statement of Activities on page 8. Table 1 takes the information from the Statement and rearranges it slightly to more readily identify the total revenues for the year.

Table 1

	June 30, 2022	June 30, 2021
Revenues		
General Revenues		
State of florida education finance program	\$ 283,331	\$ 189,392
Related party contribution	95,704	52,350
Total Revenues	379,035	241,742
Expenses		
Instruction-related services	355,098	238,055
Maintenance and operation of plant	23,937	3,687
Total expenses	379,035	241,742
Change in Net Position	\$ -	\$ -

**TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

THE SCHOOL’S FUNDS

As the School completed this year, the governmental funds reported a combined fund balance of \$0 (Table 2).

Table 3

	Fund Balance June 30, 2022	Fund Balance June 30, 2021
General Fund	\$ -	\$ -
Totals	\$ -	\$ -

General Fund Budgetary Highlights

The Governing Board adopts its initial budget based on projected enrollment and the corresponding projected revenues. Amendments are primarily required to reflect changes in revenue estimates from the State of Florida Education Finance Program (FEFP) as actual enrollments are determined. A schedule showing the School’s original and final budget amounts compared with actual amounts paid and received is provided in budgetary comparison schedules as noted in the table of contents.

SIGNIFICANT ACTIVITIES DURING FISCAL YEAR 2021-2022 ARE NOTED BELOW:

- The School’s enrollment was 35 students.

ECONOMIC FACTORS

The economic position of the school for general operating is closely tied to that of the State. The formula for determining funding for education is set by Statute. State funds to charter schools are provided primarily by legislative appropriations from the State’s general revenue funds under the Florida Education Finance Program (FEFP), and the State funding for operations is primarily from sales, gasoline, and corporate income taxes. Additionally, the level of tourism in the State heavily influences the amount of taxes collected. Significant changes in State revenue collections could directly impact future School revenue allocations.

CONTACTING THE SCHOOL’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and creditors with a general overview of the School’s finances and to show the School’s accountability for the money it receives. If you have questions about this report or need any additional financial information, please write to Waypoint Charter Academy at 823 SW Greenville Hills Road, Greenville, Florida 32331.

TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
STATEMENT OF NET POSITION
JUNE 30, 2022

Assets	
Current Assets	
Cash and Cash Equivalents	\$ -
Total Current Assets	<u>-</u>
Total Assets	<u><u>\$ -</u></u>
Liabilities	
Current Liabilities	
Accounts Payable	\$ -
Total Current Liabilities	<u>-</u>
Total Liabilities	<u><u>\$ -</u></u>
Net Position	
Unrestricted	\$ -
Total Net Position	<u><u>\$ -</u></u>

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

**TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Basic Instruction	\$ 339,128	\$ -	\$ -	\$ -	\$ (339,128)
Instructional Staff Training	2,974	-	-	-	(2,974)
School Administration	12,996	-	-	-	(12,996)
Operation of Plant	23,937	-	-	-	(23,937)
Total Governmental Activities	<u>\$ 379,035</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (379,035)</u>

General revenues:

State aid not restricted to specific purposes	283,331
Related party contribution	95,704
Total General Revenues	<u>379,035</u>

Change in Net Position

Net Position - Beginning	-
Net Position - Ending	<u>\$ -</u>

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

**TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022**

	General Fund
Assets	
Current Assets	
Cash and cash equivalents	\$ -
Total Assets	\$ -
 Liabilities and Fund Balances	
Current Liabilities	
Accounts payable	\$ -
Total Liabilities	\$ -
 Fund Balances	
Unassigned	\$ -
Total Fund Balances	-
Total Liabilities and Fund Balances	\$ -

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

**TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022**

	General Fund
Revenues	
State	\$ 283,331
Related party contribution	95,704
Total Revenues	379,035
Expenditures	
Basic Instruction	339,128
Instructional Staff Training	2,974
School Administration	12,996
Operation of Plant	23,937
Total expenditures	379,035
Change in fund balance	-
Fund Balances, Beginning of year	-
Fund Balances, Ending of year	\$ -

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

TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

(1) **Summary of Significant Accounting Policies:**

(a) **Financial reporting entity**— Waypoint Charter Academy (the “School”) entered into a contract with the School Board of Madison County, Florida (“Sponsor”) to provide an educational program for K-12 students. The School receives a majority of its funding through the Sponsor based on a formula of student attendance which is identical to that of other Madison County, Florida public K-12 schools. The current charter is in effect from July 1, 2020 through June 30, 2024, and may be renewed based on academic performance, by mutual agreement between the School and the Sponsor. At the end of the term of the charter, the Sponsor may choose not to renew the charter under grounds specified in the charter, in which case the Sponsor is required to notify the School in writing at least 90 days prior to the charter’s expiration. During the term of the charter, the Sponsor may also terminate the charter if good cause is shown. The School is considered a component unit of the School Board of Madison County, Florida.

The accompanying financial statements referred to above are intended to present the basic financial statements and related notes of only that portion of Twin Oaks Juvenile Development, Inc. that is attributable to the transactions of Waypoint Charter Academy and is not intended to, be a complete presentation of the basic financial statements and related notes of Twin Oaks Juvenile Development, Inc., as of June 30, 2022, and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

(b) **Description of government wide financial statements**—The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities, are normally supported by intergovernmental revenues, and other nonexchange transactions.

(c) **Basis of presentation—government wide financial statements**—While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental fund. Separate financial statements are provided for governmental funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

(d) **Basis of presentation—fund financial statements**—The fund financial statement provides information about the government’s funds. A separate statement for the governmental fund category is presented. The School currently only has one governmental fund, the General Fund. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Major individual governmental funds are reported as separate columns in the fund financial statements.

The School uses the following major governmental fund:

General Fund—The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the School for any purpose provided it is expended or transferred according to the general laws of Florida.

TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

(1) **Summary of Significant Accounting Policies:** (Continued)

(d) **Basis of presentation—fund financial statements** (Continued)

During the course of operations, the School can have activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. As applicable, balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. The School only has one fund presented in the current period, the General Fund.

Further, certain activity can occur during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. As applicable, transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. The School only has one fund presented in the current period, the General Fund.

(e) **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 recognized in the period earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Amounts reported as program revenues include charges for services, operating grants and contributions, and capital grants and contributions. Items not properly included among program revenues, such as monies received from the Madison County School Board, are reported as general revenues.

All governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues, except for certain grant revenues, are recognized in the accounting period in which they become both measurable and available. Available means collectible within the current period, or soon enough thereafter to be used 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. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, state, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. The principal exceptions to this are: principal and interest on general long-term debt, which are recorded as expenditures only when payment is due.

(f) **Net position flow assumption**—Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

(1) **Summary of Significant Accounting Policies:** (Continued)

(g) **Fund balance flow assumptions**—Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

(h) **Revenues**—Amounts reported as program revenues include operating grants and contributions. Items not properly included among program revenues, such as monies received from the Madison County District School Board, are reported as general revenues.

(i) **Fund balance policies**—The School classifies governmental fund balances in various categories based on the nature of limitations requiring the use of resources for specific purposes as follows:

Non-spendable—amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted—amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.

Committed—amounts that are constrained for specific purposes, are internally imposed by the School’s governing Board, and do not lapse at year-end.

Assigned—amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. Fund balance minimums may be assigned by management.

Unassigned—all other spendable amounts.

(j) **Budgetary data**—The budgetary process is prescribed by provisions of the laws of Florida and requires the governing board to adopt an operating budget each year. The School governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major function at year end.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for, no amendments noted in the current period.

(k) **Subsequent events**—Subsequent events have been evaluated through December 7, 2022, which is the date the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

(2) **Related Party Transactions:**

Waypoint Charter Academy is a component of Twin Oaks Juvenile Development, Inc. For the year ended June 30, 2022, Twin Oaks Juvenile Development, Inc. contributed \$95,704 to Waypoint Charter Academy to assist with expenses related to payroll, educational services, professional fees, etc.

The School has a vendor relationship with Liberty Wilderness Crossroads Camp, Inc (“LWCC”). LWCC is an organization that provides management services including financial records assistance, human resources, and risk management. Officers of the Twin Oaks Juvenile Development, Inc. own and control Liberty Wilderness Crossroads Camp, Inc. (“LWCC”). LWCC owns 100% of Jackson Oaks, LLC and Twin Oaks Madison, LLC which are single member LCCs.

Twin Oaks Juvenile Development, Inc. d/b/a Waypoint Charter Academy entered into an agreement with LWCC effective July 1, 2021. For the year ended June 30, 2022, the School paid LWCC \$7,680 for services provided under the terms of the agreement.

(3) **401(k) Retirement Plan:**

Twin Oaks Juvenile Development, Inc. sponsors a Retirement Plan allowed by Section 401(k) of the Internal Revenue Code. This plan covers Twin Oaks Juvenile Development, Inc. and Waypoint Charter Academy. The plan covers all full-time employees, eligible after six months of employment. This is a deduction only plan for School employees, employer matching is up to 6% of an employee’s total salary. For the year ended June 30, 2022, the School contributed \$1,620.

(4) **Recent Accounting Pronouncements:**

The Governmental Accounting Standards Board (“GASB”) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the School’s financial statements:

GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, in May 2020. provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The School is currently evaluating the effect that Statement No. 96 will have on its financial statements.

TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

(5) Risk Management:

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters and is provided through purchased commercial insurance. Health and hospitalization insurance coverage is provided to school employees through purchased commercial insurance. Insurance coverage for fiduciary and student accident are provided by commercial insurance. Settled claims resulting from insurance coverage above have not exceeded purchased insurance coverage for the past three fiscal years.

(6) Implementation of Accounting Standards:

GASB Statement No. 87, *Leases* 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. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The School evaluated the effect of the implementation of the new standard and have determined no recognition is necessary.

REQUIRED SUPPLEMENTARY INFORMATION

**TWIN OAKS JUVENILE DEVELOPMENT, INC.
D/B/A WAYPOINT CHARTER ACADEMY
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budget</u>		<u>Actual</u>	<u>Variance - Positive (Negative) Final to Actual</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
State	180,000	\$ 180,000	\$ 283,331	\$ 103,331
Related party contribution	-	-	95,704	95,704
Total Revenues	<u>180,000</u>	<u>180,000</u>	<u>379,035</u>	<u>199,035</u>
Expenditures				
Basic Instruction	84,623	84,623	339,128	(254,505)
Instructional Staff Training	1,200	1,200	2,974	(1,774)
School Administration	1,200	1,200	12,996	(11,796)
Operation of Plant	15,561	15,561	23,937	(8,376)
Total Expenditures	<u>102,584</u>	<u>102,584</u>	<u>379,035</u>	<u>(276,451)</u>
Net Change in Fund Balance	<u>77,416</u>	<u>77,416</u>	<u>-</u>	<u>(77,416)</u>
Fund balance, Beginning of year	-	-	-	-
Fund balance, Ending of year	<u>\$ 77,416</u>	<u>\$ 77,416</u>	<u>\$ -</u>	<u>\$ (77,416)</u>

The accompanying notes are an integral part of this schedule.

**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 Governing Board,
Twin Oaks Juvenile Development, Inc.
d/b/a Waypoint Charter Academy:

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 and each major fund of Twin Oaks Juvenile Development, Inc. d/b/a Waypoint Charter Academy (“Waypoint Charter Academy” a charter School under Twin Oaks Juvenile Development, Inc. and a component unit of the School Board of Madison County, Florida) as of and for the year ended June 30, 2022, and related notes to the financial statements which collectively comprise Waypoint Charter Academy’s basic financial statements and have issued our report thereon dated December 7, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Waypoint Charter Academy’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 Waypoint Charter Academy’s internal control. Accordingly, we do not express an opinion on the effectiveness of Waypoint Charter Academy’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.

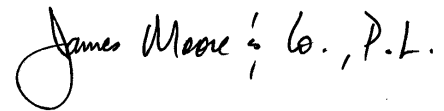
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 Waypoint Charter Academy'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 did not disclose 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.

James Moore & Co., P.L.

Tallahassee, Florida
December 7, 2022



**MANAGEMENT LETTER OF INDEPENDENT AUDITORS’
REQUIRED BY CHAPTER 10.850, RULES OF THE AUDITOR GENERAL**

To the Governing Board,
Twin Oaks Juvenile Development, Inc.
d/b/a Waypoint Charter Academy:

Report on the Financial Statements

We have audited the financial statements of Twin Oaks Juvenile Development, Inc. d/b/a Waypoint Charter Academy (“Waypoint Charter Academy” a charter School under Twin Oaks Juvenile Development, Inc. and a component unit of the School Board of Madison County, Florida), as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated December 7, 2022.

Auditor’s Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated December 7, 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 except as noted in the table below.

Tabulation of Uncorrected Audit Findings			
Description	Current Year Finding #	2020-21 FY Finding #	2019-20 FY Finding #
Accounting Records	2022-001	2021-001	NA
Transparency	2022-002	2021-002	NA
Parental Representative	NA	2021-003	NA
Charter Filing Requirements	2022-003	2021-004	NA

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the School code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the School code assigned by the Florida Department of Education of the entity are Waypoint Charter Academy and 400931.

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 to communicate whether or not Waypoint Charter Academy 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 Waypoint Charter Academy 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, require that we apply financial condition assessment procedures for Waypoint Charter Academy. It is management's responsibility to monitor Waypoint Charter Academy'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 note one such finding below.

Finding 2022-001 Accounting Records - In connection with our audit, we determined that Waypoint Charter Academy did not present accounting records under Redbook format in accordance with Florida Statute 1002.33(9)(g).

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require that we apply appropriate procedures to determine whether Waypoint Charter Academy maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that Waypoint Charter Academy did not maintain on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Finding 2022-002 Transparency - In connection with our audit, we determined that Waypoint Charter Academy did not maintain a web site during the 2022 fiscal year.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires that 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 note such findings below.

Finding 2022-003: Charter Filing Requirements

During the audit period, it was noted Waypoint Charter Academy did not fulfill certain financial filing requirements timely as outlined in the District charter. We recommend the Waypoint Charter Academy file all required reports with the District School board as required by the charter.

Finding 2022-004: Budgets

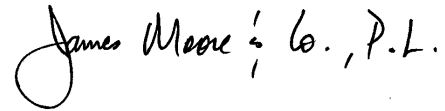
During the audit period, it was noted Waypoint Charter Academy actual expenses exceeded the final budget. We recommend the Waypoint Charter Academy take an active approach to amending the budget during the fiscal year.

Waypoint Charter Academy’s Response to Finding

Waypoint Charter Academy’s response to finding identified in our audit is described in the accompanying corrective action plan. Waypoint Charter Academy’s response was not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

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, Madison County District School Board, 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.



Tallahassee, Florida
December 7, 2022



Waypoint Charter Academy

742 SW Greenville Hills Road

Greenville, FL 32331

FEI#59-3512790



December 7, 2022

James Moore & Co., P.L.
2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308

This corrective action letter is provided in connection with your audit of the financial statements of Twin Oaks Juvenile Development, Inc. d/b/a Waypoint Charter Academy as of June 30, 2022 and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of Twin Oaks Juvenile Development, Inc. d/b/a Waypoint Charter Academy in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Finding 2022-001 Accounting Records – Per Florida Statute 1002.33(9)(g), Waypoint Charter Academy has obtained the Redbook format and will present accounting records to Madison County School District in the appropriate format. It is our understanding that we started reporting according to this format, but we will seek additional training from the MCSB to make sure that the Redbook is followed.

Finding 2022-002 Transparency – Per Florida Statute 1002.33(9)(p), Waypoint Charter Academy will add and maintain an appropriate web site. The Waypoint Charter Academy was added to the Twin Oaks website with link to Waypoint Charter Academy but needs to be updated and appropriate information added.

Finding 2022-003 Charter Filing Requirements – Waypoint Charter Academy, with the new Redbook format in hand, will fulfill financial filing requirements timely as outlined in the Charter. We will maintain more open lines of communication to make sure these filings are timely and accurate.

Finding 2022-004 Budgets – Waypoint Charter Academy will take an active approach to updating the budget as more capacity is added that changes Revenue and Expenses.

Name of Chief Financial Officer and Title