

EASTERSEALS CHARTER SCHOOL
A DIVISION OF EASTERSEALS
NORTHEAST CENTRAL FLORIDA, INC.
SPECIAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2023

EASTERSEALS NORTHEAST CENTRAL FLORIDA, INC.

SPECIAL PURPOSE FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Easterseals Charter School,
A Division of Easterseals Northeast Central Florida, Inc.:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Easterseals Charter School (the School), a division of Easterseals Northeast Central Florida, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Auditors' 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 opinion.

Nonrenewal of Charter

As discussed in Note (1), the School operated under a charter of the sponsoring school district which ended June 29, 2023, and the School was closed.

Other Matter

The financial statements of the School for the year ended June 30, 2022, were audited by another auditor who expressed an unmodified opinion on those statements on January 4, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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 auditors' report that includes our opinion. 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 GAAS and *Government 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 GAAS 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 School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2023, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 the School's internal control over financial reporting and compliance.



Daytona Beach, Florida
December 14, 2023

EASTERSEALS CHARTER SCHOOL
A DIVISION OF EASTERSEALS NORTHEAST CENTRAL FLORIDA, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2023
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2022)

	2023	2022
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	\$ 73,009	\$ 84,525
Prepaid expenses	-	4,200
Total current assets	73,009	88,725
Noncurrent assets		
Property and equipment, net	13,353	19,325
Total assets	\$ 86,362	\$ 108,050
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities		
Accounts payable	\$ 63,117	\$ 368
Accrued expenses	23,245	93,592
Intercompany advances	-	254,501
Deferred revenue	-	57,154
Total current liabilities	86,362	405,615
Net assets		
Without donor restrictions	-	(297,565)
Total liabilities and net assets	\$ 86,362	\$ 108,050

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

EASTERSEALS CHARTER SCHOOL
A DIVISION OF EASTERSEALS NORTHEAST CENTRAL FLORIDA, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2022)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2023 Total</u>	<u>2022 Total</u>
Support and revenues				
State government	\$ 255,844	\$ -	\$ 255,844	\$ 1,158,580
School meal reimbursement	40,266	-	40,266	66,243
Donation from EasterSeals	495,839	-	495,839	213
Total support and revenues	<u>791,949</u>	<u>-</u>	<u>791,949</u>	<u>1,225,036</u>
Expenses				
Classroom instruction	163,144	-	163,144	720,136
Operational costs	108,729	-	108,729	122,961
School administration	95,319	-	95,319	264,160
Food services	60,121	-	60,121	76,239
General administration	32,540	-	32,540	92,676
Fiscal services	17,310	-	17,310	27,930
Transportation services	6,519	-	6,519	49,816
Depreciation	5,972	-	5,972	5,871
Maintenance	4,730	-	4,730	14,135
Total expenses	<u>494,384</u>	<u>-</u>	<u>494,384</u>	<u>1,373,924</u>
Increase (decrease) in net assets	<u>297,565</u>	<u>-</u>	<u>297,565</u>	<u>(148,888)</u>
Net assets, beginning of year	(297,565)	-	(297,565)	(148,677)
Net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (297,565)</u>

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

EASTERSEALS CHARTER SCHOOL
A DIVISION OF EASTERSEALS NORTHEAST CENTRAL FLORIDA, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2022)

	2023	2022
Cash flows from operating activities		
Increase (decrease) in net assets	\$ 297,565	\$ (148,888)
Adjustments to reconcile increase (decrease) in net assets to net cash used in operating activities:		
Depreciation expense	5,972	5,871
Intercompany advances recognized as donations	(254,501)	-
Change in:		
Prepaid expenses	4,200	(100)
Accounts payable	62,749	(48,561)
Accrued expenses	(70,347)	28,696
Deferred revenue	(57,154)	(5,405)
Net cash used in operating activities	(11,516)	(168,387)
Cash flows from investing activities		
Purchase of leasehold improvements	-	(3,550)
Net cash used in investing activities	-	(3,550)
Cash flows from financing activities		
Intercompany advances	-	127,176
Net cash provided by financing activities	-	127,176
Net decrease in cash and cash equivalents	(11,516)	(44,761)
Cash and cash equivalents, beginning of year	84,525	129,286
Cash and cash equivalents, end of year	\$ 73,009	\$ 84,525

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

**EASTERSEALS CHARTER SCHOOL
A DIVISION OF EASTERSEALS
NORTHEAST CENTRAL FLORIDA, INC.
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2023**

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

The following is a summary of the more significant accounting policies of Easterseals Charter School (the School), a division of Easterseals Northeast Central Florida, Inc., (the Organization) which affect significant elements of the accompanying basic financial statements.

(a) **Nature of organization**—The School is a division of Easterseals Northeast Central Florida, Inc., formerly known as Easter Seal Society of Volusia and Flagler Counties, Inc. The Organization is a not-for-profit corporation that provides services to children and adults with disabilities or other special needs and their families. The Organization offers a broad range of services including the following: physical, occupational, speech and language therapies; autism early diagnosis and functional assessments; pre-school; camping and recreation; and family community education. These programs are operated at various locations in Volusia, Flagler, Putnam, Lake, and Sumter Counties in the State of Florida. The governing body of the School is the Board of Directors of the Organization which is comprised of voluntary members. The Principal of the School oversees its daily functions and reports directly to the President of the Organization who in turn reports directly to the Board of Directors. The purpose of the School is to improve learning and academic achievement by providing classroom instruction and interventions to achieve optimum learning for children with special needs to master developmental objectives with their non-disabled peers. For the school year ended June 30, 2023, the Organization operated two School sites, one in Daytona Beach and the other in DeLand.

The general operating authority of the School is contained in Section 1002.33 of the Florida Statutes. The School operates under a charter of the sponsoring school district, which is the School Board of Volusia County, Florida (the District) and began operations in September 2005. The current charter was effective July 1, 2018, through June 29, 2023, but was not renewed and the School terminated June 29, 2023. Pursuant to the Florida Statutes, in the event the School is dissolved or terminated, any property purchased by the School with public funds and any unencumbered public funds, except capital outlay funds, revert back to the District. Any unencumbered capital outlay funds revert back to the Florida Department of Education to be redistributed among eligible charter schools. During the term of the charter, the District may also terminate the charter if good cause is shown. The School is a Florida public school and is subject to supervisory jurisdiction of the District and accountable to the District for performance, as provided by the charter agreement and Florida Statutes.

(b) **Basis of accounting**—The School uses the accrual basis of accounting, which recognizes revenue when earned and expenses as incurred. The special purpose financial statements present the statements of financial position, activities and cash flows for the School. The accounts of the School are maintained in accordance with the principles of fund accounting.

(c) **Basis of presentation**—The School utilizes the standard state codification of accounts as contained in the “Financial and Program Cost Accounting and Reporting for Florida Schools” as a means of codifying all transactions pertaining to its operations for the purpose of submitting year end reports to the District. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in ASC 958, *Not-for-Profit Entities Presentation of Financial Statements*. Under those standards, the Organization is required to report information regarding its financial position and activities based on the existence or absence of donor-imposed restrictions.

EASTERSEALS CHARTER SCHOOL
A DIVISION OF EASTERSEALS
NORTHEAST CENTRAL FLORIDA, INC.
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2023

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

Accordingly, net assets are classified and reported as follows:

Net Assets Without Donor Restrictions—Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

In general, net assets without donor restrictions of the School may be used at the discretion of the School's management and the Board of Directors to support the School's purposes and operations.

Net Assets With Donor Restrictions—Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity.

When the donor stipulated the investment of the gift corpus in perpetuity, the income generated from the investment of corpus is available for the School's operations in accordance with the donor restrictions. Appreciation related to the net assets with donor restrictions, if not specifically restricted otherwise, follows the donor's income restriction, and is included in the appropriate net asset class based on existence or absence of donor-imposed restrictions.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expiration of donor restrictions on net assets that are temporary in nature (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions. It is the School's policy to record donor-restricted contributions on which restrictions are met in the same reporting period as contributions without donor restrictions.

(d) **Cash and cash equivalents**—For purposes of the statement of cash flows, the School considers all highly liquid investments with an original maturity of three months or less from the date of purchase to be cash equivalents.

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

(f) **Income taxes**—The School is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and Florida Statutes, except for taxes on unrelated business income. The School had no net unrelated taxable business income during the year ended June 30, 2023. As a result, no provisions for income taxes are included in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related notes to the financial statements.

**EASTERSEALS CHARTER SCHOOL
A DIVISION OF EASTERSEALS
NORTHEAST CENTRAL FLORIDA, INC.
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2023**

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

(g) **Property and equipment**—The School capitalizes all expenditures in excess of \$1,000 for property and equipment. The fair value of donated assets is simultaneously capitalized and recognized as support.

Property and equipment are carried at cost for purchased assets and at fair market value at date of donation for donated assets. Depreciation is calculated using the straight-line method over the following estimated lives:

Asset Class	Estimated Useful Lives
Building and improvements	7 – 39
Furniture, fixture, and equipment	5 – 10
Leasehold improvements	Shorter of useful life or lease term

Betterments and large renewals which extend the life of an asset are capitalized, whereas repairs and maintenance costs are charged to expense as incurred.

(h) **Revenue sources**—Revenue from Exchange Transactions: The School recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition.

Revenues for current operations are received primarily from the District School Board pursuant to the funding provisions included in the School’s charter. In accordance with the funding provisions of the charter and Section 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the District School Board. Under the provisions of Section 1011.62, Florida Statutes, the District School Board reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the School is monthly during the fiscal year and is adjusted to reflect revised calculations by the FDOE under the FEFP and actual FTE students reported by the School during the semi-annual designated FTE survey periods. Payments are based upon the revenue estimate for the enrollment adjusted retroactively for the actual FTE count and adjusted for prior payments.

The School receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62 of the Florida Statutes. Funds are based upon a capital outlay plan submitted to the District and are generally limited to capital expenditures, lease, rent or construction of school facilities and related insurance expenses for the school.

**EASTERSEALS CHARTER SCHOOL
A DIVISION OF EASTERSEALS
NORTHEAST CENTRAL FLORIDA, INC.
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2023**

(2) **Revenues:**

As described in Note (1)(h), the District provides operating funds from FEFP on a monthly basis based on FTE students, and capital outlay funds on a monthly basis based on the School's capital outlay plan submitted to the District. State government revenue in the statement of activities is comprised of the following for the year ended June 30, 2023:

Florida Education Finance Program	\$	229,446
Capital Outlay Program		26,398
Total State Government Revenue		\$ 255,844

FEFP revenues are net of \$6,279 for District administrative fees withheld by the District for the year ended June 30, 2023.

(3) **Property and Equipment:**

Property and equipment consisted of the following at June 30, 2023:

Equipment	\$	10,768
Leasehold improvements		20,157
Less: accumulated depreciation		(17,572)
Property and equipment, net		\$ 13,353

Depreciation expense was \$5,972 for the year ended June 30, 2023.

Upon termination of the School, all equipment purchased with public funds automatically reverts to the District.

(4) **Related Party Information:**

For the year ended June 30, 2023, the School recognized donations from the Organization totaling \$495,839 to cover current and prior year operating costs.

(5) **Retirement Plan:**

Eligible School employees participate in the Organization's 401(k) retirement plan. Under this plan, the School contributes 50% of employee contributions up to a maximum of 3% of the employee's compensation. The employer matching contributions are made on a bi-weekly basis to the plan. The School's matching contribution expense totaled \$3,009 for the year ended June 30, 2023.

(6) **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; and natural disasters for which the School carries commercial insurance.

EASTERSEALS CHARTER SCHOOL
A DIVISION OF EASTERSEALS
NORTHEAST CENTRAL FLORIDA, INC.
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2023

(7) Commitments and Contingencies:

The School's share of the lease commitment for its DeLand, Florida site was \$30,337 for the year ended June 30, 2023. The School was closed on June 29, 2023, and there are no continuing lease commitments.

The School participates in state and federal school funding programs which are governed by various rules and regulations of grantor agencies. Costs charged to the respective programs are subject to audit and adjustment by the grantor agencies. In the opinion of the School's management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the School's funding programs and accordingly, no provision has been recorded in the accompanying financial statements for any such contingencies.

In the normal course of operations, the School could become a party to various legal actions and proceedings. The School has no legal actions or pending proceedings in progress.

(8) Concentration of Risk:

The School receives a substantial portion of its revenue from federal, state and local sources, passed through the District, which subjects the School to changes in government funding allocations.

Financial instruments that subject the School to concentration of credit risk include cash. While the School attempts to limit its financial exposure, its deposit balances may at times exceed federally insured limits.

(9) Liquidity and Availability of Financial Assets:

Financial assets available for general expenditure that are without donor or other restrictions limiting their use, within one year of the statement of financial position date, consist of cash and cash equivalents totaling \$73,009 at June 30, 2023.

(10) Compensated Absences:

Employees of the Organization, including the School's employees, are entitled to paid personal time off (PTO) benefits for vacation and sick days depending on length of services. The Organization's policy is to recognize PTO when earned by employees. The current policy of the Organization effective January 1, 2019, provides that employees may rollover up to 40 hours of PTO hours not used during the calendar year. Upon termination, all unused PTO is forfeited. Prior to this, employees were eligible to carryover up to one year of PTO hours depending on length of services. All earned PTO balances on December 31, 2015, were frozen. These earned PTO balances are payable to the employees upon termination or can be used in addition to any annual PTO received under the current policy if approved. There were no balances payable to eligible employees by the School for PTO that was earned but not used at June 30, 2023.

**EASTERSEALS CHARTER SCHOOL
A DIVISION OF EASTERSEALS
NORTHEAST CENTRAL FLORIDA, INC.
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
JUNE 30, 2023**

(11) Schedule of Functional Expenses:

<u>Expenses</u>	<u>Direct Services</u>	<u>Supporting Services</u>		<u>2023 Total</u>	<u>2022 Total</u>
		<u>Management and General</u>	<u>Fundraising</u>		
Salaries and benefits	\$ 163,144	\$ 95,319	\$ -	\$ 258,463	\$ 873,136
Professional fees	66,254	-	-	66,254	183,338
Supplies	57,525	2,785	-	60,310	73,850
Occupancy	57,198	-	-	57,198	116,213
Depreciation and amortization	2,616	3,356	-	5,972	5,871
Small equipment and maintenance	4,730	-	-	4,730	7,617
Travel	2,419	690	-	3,109	5,552
Telecommunications	1,550	300	-	1,850	7,964
Printing and publications	250	1,250	-	1,500	2,745
Conferences and meetings	1,242	-	-	1,242	428
Insurance	1,164	-	-	1,164	5,102
Postage and shipping	52	-	-	52	178
	<u>358,144</u>	<u>103,700</u>	<u>-</u>	<u>461,844</u>	<u>1,281,994</u>
Allocation of management and general	<u>25,233</u>	<u>7,307</u>		<u>32,540</u>	<u>91,930</u>
Total governmental activities	<u>\$ 383,377</u>	<u>\$ 111,007</u>	<u>\$ -</u>	<u>\$ 494,384</u>	<u>\$ 1,373,924</u>

Functional expenses present the natural classification detail of expenses by function. among the direct and supporting services benefited based on estimates made by management. Although the methods of allocation used are considered reasonable and appropriate, other methods could be used that would produce different results.

(12) Subsequent Events:

Management has evaluated subsequent events through December 14, 2023, the date which the financial statements were available to be issued, and determined no subsequent events are required to be recognized or disclosed.

**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 of
Easterseals Charter School,
A Division of Easterseals Northeast Central Florida, Inc.:

We have audited, 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, the financial statements of the Easterseals Charter School (the School), a division of Easterseals Northeast Central Florida, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 14, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) 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 the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

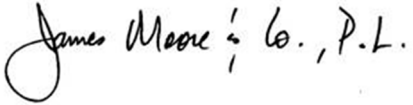
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Daytona Beach, Florida
December 14, 2023

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

To the Board of Directors of
Easterseals Charter School,
A Division of Easterseals Northeast Central Florida, Inc.

Report on the Financial Statements

We have audited the financial statements of the Easterseals Charter School (the School), a division of Easterseals Northeast Central Florida, Inc., as of and for the fiscal year ended June 30, 2023, and have issued our report thereon dated December 14, 2023.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on 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 14, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title

Section 10.854(1)(e)5, Rules of the Auditor General, requires the name or official title of the entity 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 Easterseals Charter School, School Code 649895.

Financial Condition and Management

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

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

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

Transparency

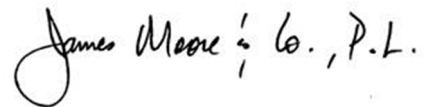
Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor general, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the School maintains on its Website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Website the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of the Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

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

Daytona Beach, Florida
December 14, 2023