

**WAVERLY ACADEMY  
CHARTER SCHOOL  
(A division of  
Growing Great Girls, Inc.)**

**Basic Financial Statements and  
Supplemental Information**

**March 31, 2023**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Waverly Academy Charter School  
Jacksonville, 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 Waverly Academy Charter School (the "School"), a division of Growing Great Girls, Inc. (the "Charterholder"), which is a component unit of Duval County District School Board, as of March 31, 2023 and for the nine-month period then ended, and the related notes to the financial statements, which collectively comprise the School's 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 March 31, 2023, and the respective changes in financial position, for the nine-month period 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.

**Substantial Doubt about the Company's Ability to Continue as a Going Concern**

The accompanying financial statements have been prepared assuming that the School will continue as a going concern. As discussed in Note A to the financial statements, the School ceased operations on March 31, 2023 as it did not have enough students to receive funds to make required lease payments and to cover operating expenses, and the School was closed. Management's evaluation of the events and conditions regarding those matters are also described in Note A. Our opinion is not modified with respect to that matter.

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 – 8 and 27 – 28 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 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 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  
September 28, 2023

## Management's Discussion and Analysis

As management of Waverly Academy Charter School (the "School"), a division of Growing Great Girls, Inc. (the "Charterholder"), which is a component unit of Duval County District School Board, we offer readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the period from July 1, 2022 to March 31, 2023 to (a) assist the reader in focusing on significant financial issues, (b) provide an overview and analysis of the School's financial activities, (c) identify changes in the School's financial position, (d) identify material deviations from the approved budget, and (e) highlight significant issues in individual funds.

Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the Basic Financial Statements found starting on page 9.

### Financial Highlights

- The assets of the School exceeded its liabilities at the close of the School on March 31, 2023 by \$5,223 (net position).
- The School's total net position decreased by \$166,017 during the nine-month period ended March 31, 2023.
- As of March 31, 2023, the School's governmental funds reported combined ending fund balances of \$41,136.
- The School ceased operations on March 31, 2023, citing declining enrollment, teacher shortages and challenges with finding certified teachers, the inability to certify adjunct teachers, continuing unfunded/underfunded mandates, and excessive teacher tardies and call-outs.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the School's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the most recent period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected funding and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the School that are principally supported by district, state, and federal funding (governmental activities). Basic instruction, exceptional instruction, and fiscal services are examples of the School's governmental activities.

The government-wide financial statements include only the School itself.

The government-wide financial statements can be found on pages 9 - 10 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the operations of the School are presented in governmental funds only.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the period. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, special revenue fund, and capital outlay fund, all of which are considered to be major funds.

The School adopts an annual appropriated budget for its operations. Budgetary comparison statements with required notes have been provided to demonstrate compliance with this budget and can be found on page 27 of this report.

The basic governmental fund financial statements can be found on pages 11 - 14 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 17 of this report.

## Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the School's financial position. In the case of the School, assets exceeded liabilities by \$5,223 at the close of the School on March 31, 2023.

A portion of the School's net position reflects its investment in capital assets (e.g., furniture and equipment and computers), less any related debt used to acquire those assets that is still outstanding. The School uses these capital assets to provide services to students; consequently, these assets are not available for future spending.

Comparison of the condensed statement of net position and the statement of activities are provided below:

The School's net position was as follows:

	<b>Governmental Activities</b>		
	<b>March 31, 2023</b>	<b>June 30, 2022</b>	<b>Variance</b>
<b>ASSETS</b>			
Current assets	\$ 198,001	\$ 270,220	\$ (72,219)
Capital assets - net of accumulated depreciation	23,494	15,368	8,126
Total assets	<u>221,495</u>	<u>285,588</u>	<u>(64,093)</u>
Current liabilities	156,865	47,954	108,911
Non-current liabilities	59,407	66,394	(6,987)
Total liabilities	<u>216,272</u>	<u>114,348</u>	<u>101,924</u>
<b>NET POSITION</b>			
Investment in capital assets	23,494	15,368	8,126
Restricted	-	38,904	(38,904)
Unrestricted	(18,271)	116,968	(135,239)
Net position (deficit)	<u>\$ 5,223</u>	<u>\$ 171,240</u>	<u>\$ (166,017)</u>

The School closed on March 31, 2023. The increase in current liabilities is related to accrual of remaining operating expenditures through the end of the School's lease agreement on June 30, 2023 and employee payroll.



The School's activities were as follows for the nine-month period ended March 31, 2023 and year ended June 30, 2022:

	<b>Governmental Activities</b>		
	<b>2023</b>	<b>2022</b>	<b>Variance</b>
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 915	\$ 15,309	\$ (14,394)
Operating grants and contributions	142,882	147,944	(5,062)
Capital grants	56,700	113,851	(57,151)
General revenues:			
State passed through local school board	375,721	586,338	(210,617)
Other income	7,524	26,103	(18,579)
Debt forgiveness	-	115,500	(115,500)
<b>Total revenue</b>	<b>583,742</b>	<b>1,005,045</b>	<b>(421,303)</b>
<b>Expenses:</b>			
Basic instruction	116,653	260,128	(143,475)
Exceptional instruction	40,554	49,520	(8,966)
Instructional support	-	1,167	(1,167)
Instructional training	11,303	61,034	(49,731)
General support	548	1,035	(487)
School administration	296,377	244,155	52,222
Fiscal services	31,078	22,701	8,377
Food services	14,009	30,518	(16,509)
Operation of plant	216,734	212,211	4,523
Maintenance of plant	15,863	6,180	9,683
Community services	3,076	-	3,076
Interest	3,564	4,820	(1,256)
<b>Total expenses</b>	<b>749,759</b>	<b>893,469</b>	<b>(143,710)</b>
Change in net position	(166,017)	111,576	(277,593)
Net position - beginning	171,240	59,664	111,576
<b>Net position (deficit) - ending</b>	<b>\$ 5,223</b>	<b>\$ 171,240</b>	<b>\$ (166,017)</b>

**Governmental activities.** Governmental activities decreased the School's net position by \$166,017 for the nine-month period ended March 31, 2023, citing declining enrollment, teacher shortages and challenges with finding certified teachers, the inability to certify adjunct teachers and continuing unfunded/underfunded mandates, and excessive teacher tardies and call-outs.

### **Financial Analysis of the Government's Funds**

As noted previously, the School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the School's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a School's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the School. At March 31, 2023, the unassigned fund balance was \$41,136 in the general fund.

The special revenue fund is to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. At March 31, 2023, special revenue fund has an ending fund balance of \$0.

The capital outlay fund is to account for the financial resources to be used for education capital outlay needs. At March 31, 2023, capital outlay fund has an ending balance of \$0.

**Custodial funds.** Custodial fund is used to report assets held in a fiduciary capacity for the benefit of external parties, such as parent-teacher organizations or student clubs. The School has one custodial fund which is a student activity fund. This fund is formed for educational and school purposes. The custodial fund financial statement can be found on pages 15 - 16 of this report. The assets and liabilities of this fund are not included in the government-wide statement of net position. In its fiduciary capacity, the School is responsible for ensuring that the assets reported in this fund are used only for their intended purpose.

### **General Fund Budgetary Highlights**

Revenues and expenses were less than budgeted amounts for the nine-month period ended March 31, 2023. Enrollment decreased for the period which resulted in an inability to meet budgeted revenues. The School maintained tight budgetary control in an attempt to control spending as much as possible and had a positive budget variance in expenditures prior to closure of the School.

### **Capital Asset and Debt Administration**

**Capital assets.** The School's investment in capital assets for its governmental activities as of March 31, 2023 amounts to \$23,494 (net of accumulated depreciation). This investment in capital assets includes furniture, equipment and computers. During the nine-month period ended March 31, 2023, the School purchased \$12,500 of furniture and equipment. Additional information on the School's capital assets can be found in Note C.

### **Significant Activities during Fiscal Year 2022-2023**

The School offers classes for girls in grades 6 - 8. The School's enrollment was 64 students for fiscal 2023 compared to 83 for fiscal 2022. The School had an 8<sup>th</sup> grade class of 27 for the 2022 - 2023 fiscal year.

### **Economic Factors and Next Year's Budget**

As of March 31, 2023, the School closed and ceased operations for the upcoming year. Therefore, a budget is not required for 2023 - 2024.

### **Request for Information**

This financial report is designed to provide a general overview of Waverly Academy Charter School's finances for all those with an interest in the School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the School District of Duval County District School Board, 1701 Prudential Drive, Jacksonville, Florida 32207.

**WAVERLY ACADEMY CHARTER SCHOOL**  
**(A division of Growing Great Girls, Inc.)**

**STATEMENT OF NET POSITION**

**March 31, 2023**

	Governmental Activities
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash	\$ 165,717
Accounts receivable	32,284
Total current assets	198,001
 <b>CAPITAL ASSETS</b>	
Capital assets, net of accumulated depreciation:	
Furniture and equipment	23,494
Total capital assets	23,494
Total assets	221,495
 <b>LIABILITIES AND NET POSITION</b>	
<b>CURRENT LIABILITIES</b>	
Accrued expenses	9,968
Accounts payable	133,951
Due to other agencies	12,946
Total current liabilities	156,865
 <b>LONG-TERM LIABILITIES</b>	
Due within one year	9,989
Due in more than one year	49,418
Total liabilities	216,272
 <b>NET POSITION</b>	
Investment in capital assets	23,494
Unrestricted	(18,271)
Total net position	\$ 5,223

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

**WAVERLY ACADEMY CHARTER SCHOOL**  
**(A division of Growing Great Girls, Inc.)**

**STATEMENT OF ACTIVITIES**

**Nine-Month Period Ended March 31, 2023**

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:					
Basic instruction	\$ 116,653	\$ -	\$ 111,302	\$ -	\$ (5,351)
Exceptional instruction	40,554	-	-	-	(40,554)
Instructional training	11,303	-	-	-	(11,303)
General support	548	-	-	-	(548)
School administration	296,377	-	-	-	(296,377)
Fiscal services	31,078	-	-	-	(31,078)
Food services	14,009	915	31,580	-	18,486
Operation of plant	216,734	-	-	56,700	(160,034)
Maintenance of plant	15,863	-	-	-	(15,863)
Community services	3,076	-	-	-	(3,076)
Interest	3,564	-	-	-	(3,564)
Total governmental activities	<u>\$ 749,759</u>	<u>\$ 915</u>	<u>\$ 142,882</u>	<u>\$ 56,700</u>	<u>(549,262)</u>
General revenues:					
State passed through local school board					375,721
Other income					7,524
Total general revenues					<u>383,245</u>
Change in net position					(166,017)
Net position at July 1, 2022					171,240
Net position at March 31, 2023					<u>\$ 5,223</u>

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

**WAVERLY ACADEMY CHARTER SCHOOL**  
**(A division of Growing Great Girls, Inc.)**

**BALANCE SHEET - GOVERNMENTAL FUNDS**

**March 31, 2023**

	General Fund	Special Revenue Fund	Capital Outlay Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 165,717	\$ -	\$ -	\$ 165,717
Accounts receivable	1,254	31,030	-	32,284
Due from special revenue fund	31,030	-	-	31,030
Total assets	\$ 198,001	\$ 31,030	\$ -	\$ 229,031
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accrued expenses	\$ 9,968	\$ -	\$ -	\$ 9,968
Accounts payable	133,951	-	-	133,951
Due to other funds	-	31,030	-	31,030
Due to agencies	12,946	-	-	12,946
Total liabilities	156,865	31,030	-	187,895
<b>FUND BALANCES</b>				
Unassigned	41,136	-	-	41,136
Total fund balances	41,136	-	-	41,136
Total liabilities and fund balances	\$ 198,001	\$ 31,030	\$ -	\$ 229,031

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

**WAVERLY ACADEMY CHARTER SCHOOL**  
**(A division of Growing Great Girls, Inc.)**

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

**March 31, 2023**

Fund balances - total governmental funds	\$	41,136
The net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:		
Furniture and equipment, and computers, net of \$429,557 accumulated depreciation		
	<u>\$</u>	<u>23,494</u>
Total capital assets		23,494
Long-term liabilities are not due and payable in the current period and, therefore, not reported in the general fund.		
Notes payable		<u>(59,407)</u>
Total net position of governmental activities	<u>\$</u>	<u>5,223</u>

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

**WAVERLY ACADEMY CHARTER SCHOOL**  
(A division of Growing Great Girls, Inc.)

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

**Nine-Month Period Ended March 31, 2023**

	General Fund	Special Revenue Fund	Capital Outlay Fund	Total Governmental Funds
<b>Revenues</b>				
Federal passed through local school board				
Federal grant revenue	\$ -	\$ 111,302	\$ -	\$ 111,302
Meal sales	915	-	-	915
National school lunch, breakfast and snack program	-	31,580	-	31,580
State passed through local school board	375,721	-	56,700	432,421
Other income	7,524	-	-	7,524
Total revenues	<u>384,160</u>	<u>142,882</u>	<u>56,700</u>	<u>583,742</u>
<b>Expenditures</b>				
Current:				
Basic instruction	-	112,279	-	112,279
Exceptional instruction	-	40,554	-	40,554
Instructional training	11,303	-	-	11,303
General support	548	-	-	548
School administration	296,377	-	-	296,377
Fiscal services	31,078	-	-	31,078
Food services	-	26,509	-	26,509
Operation of plant	157,698	-	59,036	216,734
Maintenance of plant	15,755	108	-	15,863
Community services	3,076	-	-	3,076
Debt service				
Interest	3,564	-	-	3,564
Principal	6,987	-	-	6,987
Total expenditures	<u>526,386</u>	<u>179,450</u>	<u>59,036</u>	<u>764,872</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(142,226)</u>	<u>(36,568)</u>	<u>(2,336)</u>	<u>(181,130)</u>
Net change in fund balances	(142,226)	(36,568)	(2,336)	(181,130)
Fund balances at July 1, 2022	183,362	36,568	2,336	222,266
Fund balances at March 31, 2023	<u>\$ 41,136</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,136</u>

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

**WAVERLY ACADEMY CHARTER SCHOOL  
(A division of Growing Great Girls, Inc.)**

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

**Nine-Month Period Ended March 31, 2023**

Net change in fund balances - total government funds \$ (181,130)

The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.

Depreciation	\$ (4,374)	
Additions	<u>12,500</u>	
Total capital assets		8,126

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal payment on long-term debt		<u>6,987</u>
Change in net position of governmental activities		<u>\$ (166,017)</u>

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



**WAVERLY ACADEMY CHARTER SCHOOL**  
**(A division of Growing Great Girls, Inc.)**

**STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUND**

**March 31, 2023**

	<u>Custodial Fund</u>
<b><i>ASSETS</i></b>	
Cash	<u>\$ 8,487</u>
Total assets	<u><u>\$ 8,487</u></u>
<b><i>FIDUCIARY NET POSITION</i></b>	
Restricted for:	
Individuals and organizations	<u>\$ 8,487</u>
Total net fiduciary position	<u><u>\$ 8,487</u></u>

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

**WAVERLY ACADEMY CHARTER SCHOOL**  
**(A division of Growing Great Girls, Inc.)**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CUSTODIAL FUND**

**Nine-Month Period Ended March 31, 2023**

	<u>Custodial Fund</u>
<b><i>ADDITIONS</i></b>	
Student fees	<u>\$ 4,021</u>
Total additions	<u>4,021</u>
<b><i>DEDUCTIONS</i></b>	
Supplies and gifts	<u>660</u>
Total deductions	<u>660</u>
Change in fiduciary net position	3,361
Fiduciary net position - beginning	<u>5,126</u>
Fiduciary net position - ending	<u><u>\$ 8,487</u></u>

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

**Waverly Academy Charter School  
(A division of Growing Great Girls, Inc.)**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2023**

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

1. Reporting entity

Waverly Academy Charter School (the "School") is a division of Growing Great Girls, Inc. (the "Charterholder"), which 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 governing body of the School is the Board of Directors (the "Board"), which is composed of five members. The financial information presented is that of Waverly Academy Charter School only.

The general operating authority of Waverly Academy Charter School is contained in Section 1002.33, Florida Statutes. The School operates under a charter from the sponsoring school district, which is The School Board of Duval County, Florida (the "School Board"). The current charter was for a term of two school years commencing with the 2017 - 2018 school year and expiring on June 30, 2019. It was renewed through June 30, 2027. The charter may be renewed as provided in Section 1002.33, Florida Statutes, upon mutual consent of the parties and execution of a written renewal. At the end of the term of the charter, the School Board may choose not to renew the charter under grounds specified in the charter in which case the School Board 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 School Board may also terminate the charter if good cause is shown. The School is considered a division of the Charterholder, and the Charterholder is a component unit of The School Board of Duval County, Florida. On March 31, 2023, the School ceased operations and closed.

2. Government-wide and fund 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. As part of the consolidation process, all interfund activities are eliminated from these statements. Both statements report only governmental activities as the School does not engage in any business-type activities.

Net position, the difference between assets and liabilities, as presented in the statement of net position, are subdivided into three categories: amounts invested in capital assets; restricted net assets; and unrestricted net assets. Net assets are reported as restricted when constraints are imposed on the use of the amounts either externally by creditors, grantors, contributors, or laws or regulations of other governments, or enabling legislation.

**Waverly Academy Charter School  
(A division of Growing Great Girls, Inc.)**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2023**

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

2. Government-wide and fund financial statements (continued)

The statement of activities presents a comparison between the direct and indirect expenses of a given function and its program revenues, and displays the extent to which each function contributes to the change in net position for the fiscal year. Direct expenses are those that are clearly identifiable to a specific function. Indirect expenses are costs the School has allocated to various functions. Program revenues consist of charges for services, operating grants and contributions, and capital grants and contributions. Charges for services refer to amounts received from those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Grants and contributions consist of revenues that are restricted to meeting the operational or capital requirements of a particular function. Revenues not classified as program revenues are reported as general revenues.

Separate fund financial statements report detailed information about the School's governmental funds. The focus of the governmental fund financial statements is on major funds. Therefore, major funds are reported in separate columns on the fund financial statements. Three of the School's funds were deemed to be major funds. Reconciliations are provided that convert the results of governmental fund accounting to the government-wide presentation.

3. Measurement focus, basis of accounting, and financial statement presentation

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.

All governmental fund financial statements are reported using a current financial resources measurement focus on a 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 to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days. 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. However, principal and interest on general long-term debt is recorded as expenditures only when payment is due.

**Waverly Academy Charter School  
(A division of Growing Great Girls, Inc.)**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2023**

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

3. Measurement focus, basis of accounting, and financial statement presentation (continued)

The School's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. Accordingly, the financial statements are organized on the basis of funds. A fund is an accounting entity having a self-balancing set of accounts for recording assets, liabilities, fund equity, revenues, expenditures, and other financing sources and uses.

The governmental fund financial statements present fund balances based on the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This Statement provides more clearly defined fund balance classifications and also sets a hierarchy which details how the School may spend funds based on certain constraints. The following are the fund balance classifications used in the governmental fund financial statements:

**Nonspendable:** This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The School classifies inventories, prepaid items, long-term notes receivable and deposits as nonspendable since they are not expected to be converted to cash or are not expected to be converted to cash within the next year.

**Restricted:** This classification includes amounts that are restricted for specific purposes by external parties such as grantors and creditors or are imposed by law through constitutional provisions or enabling legislation.

**Committed:** This classification includes amounts that can be used for specific purposes voted on through formal action of the Board of Directors (the highest level of decision making authority). The committed amount cannot be used for any other purpose unless the Board of Directors removes or changes the commitment through formal action.

**Assigned:** This classification includes amounts that the Board of Directors intends to use for a specific purpose but they are neither restricted nor committed. The School classifies existing fund balance to be used in the subsequent year's budget for elimination of a deficit as assigned.

**Unassigned:** This classification includes amounts that have not been restricted, committed or assigned for a specific purpose within the general fund.

The details of the fund balances are included in the Governmental Fund Balance Sheet on page 11.

**Waverly Academy Charter School  
(A division of Growing Great Girls, Inc.)**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2023**

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

3. Measurement focus, basis of accounting, and financial statement presentation (continued)

When the School incurs expenditures for which restricted or unrestricted fund balance is available, the School would consider restricted funds to be spent first. When the School has expenditures for which committed, assigned or unassigned fund balance is available, the School would consider committed funds to be spent first, then assigned funds and lastly unassigned funds.

Resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The School reports the following major governmental funds:

General Fund - the general operating fund of the School. It is used to account for all financial resources not required to be accounted for in another fund.

Special Revenue Fund - to account for the proceeds of specific revenue sources restricted or committed to the expenditures for a specific purpose, including all federal grant revenues passed through the School District (i.e., Title I, Title IV, ESSER II, ESSER III, and national student lunch program).

Capital Outlay Fund - to account for financial resources to be used for educational capital outlay needs.

Additionally, the School reports the following custodial fund type:

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

4. Cash

Cash consists of cash on hand at the School and checking accounts held at financial institutions. The School has no cash equivalents.

5. Receivables

Receivables consist of amounts due from other agencies at March 31, 2023. The School's management determined that 100% of receivables are fully collectible. Therefore, no allowance for doubtful accounts has been provided.

6. Interfund receivables and payables

Activity between the funds that are representative of lending/borrowing arrangements outstanding at the end of the period are referred to as due to/from other funds.

**Waverly Academy Charter School  
(A division of Growing Great Girls, Inc.)**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2023**

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

7. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Loan issuance costs are expensed as incurred.

8. Capital assets

Capital assets are reported in the applicable governmental columns on the government-wide financial statements. Capital assets are defined by the School as assets with an initial individual cost of more than \$500 and an estimated useful life of more than one year. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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>
Furniture and equipment	3 - 5
Computers	3

9. Revenue sources

Revenues for current operations are received primarily from the State of Florida passed through the School Board to the Charterholder and then to the School 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 School Board. Under the provisions of Section 1011.62, Florida Statutes, the School Board reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect revised calculations by the FDOE under the Florida Education Finance Program and actual weighted FTE students reported by the School during designated FTE student survey periods.

**Waverly Academy Charter School  
(A division of Growing Great Girls, Inc.)**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2023**

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

9. Revenue sources (continued)

The School receives federal awards for the enhancement of various educational programs. This assistance is generally based on applications submitted to and approved by various granting agencies. These federal awards may have requirements whereby the issuance of grant funds is withheld until qualifying expenditures are incurred. Revenues for these awards are recognized only to the extent that eligible expenditures have been incurred. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

10. Revenue recognition

Student funding is provided by the State of Florida through the School Board. 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 5% administration fee retained by the School Board. 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.

11. Income taxes

The School is a charter school under Growing Great Girls, Inc., 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.

12. Use of estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America 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.



**Waverly Academy Charter School  
(A division of Growing Great Girls, Inc.)**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2023**

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

13. New GASB implementation

GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs), in May 2020. GASB 96 increases the usefulness of governments' financial statements by requiring recognition of certain assets and liabilities for SBITAs that previously recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for SBITAs accounting based on the foundational principle that SBITAs are financings of the right to use an underlying asset. The provisions in GASB 96 were implemented in the nine-month period ended March 31, 2023. The implementation of the new pronouncement had no impact on the financial statements as the School does not hold any SBITAs.

14. Subsequent events

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through September 28, 2023, which is the date the financial statements were available to be issued.

The School ceased operation on March 31, 2023 as enrollment totaled 64 students for fiscal 2023 and projected enrollment for fiscal 2024 was less than 100 students. An enrollment of 88 students was necessary to allow for successful operations. The reduced number of students resulted in a loss of revenue and ultimately the closure of the School on March 31, 2023. This matter raises substantial concerns about the School's ability to continue as a going concern.

**NOTE B - 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 financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC") or the National Credit Union State Insurance Fund ("NCUSIF"). Under the FDIC and NCUSIF programs, all of the School's cash balances maintained in accounts at the financial institution are fully guaranteed up to \$250,000.

At March 31, 2023, the School does not hold any cash balances exceeding FDIC or NCUSIF coverage limits.

**Waverly Academy Charter School  
(A division of Growing Great Girls, Inc.)**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2023**

**NOTE C - CAPITAL ASSETS**

Changes in capital assets were as follows for the nine-month period ended March 31, 2023:

	Balance at July 1, 2022	Additions	Deletions	Balance at March 31, 2023
Capital assets depreciated:				
Furniture and equipment	\$ 295,275	\$ 12,500	\$ -	\$ 307,775
Computers	145,276	-	-	145,276
Total assets depreciated	<u>440,551</u>	<u>\$ 12,500</u>	<u>\$ -</u>	<u>453,051</u>
Less accumulated depreciation:				
Furniture and equipment	279,907	\$ 4,374	\$ -	284,281
Computers	145,276	-	-	145,276
Total accumulated depreciation	<u>425,183</u>	<u>\$ 4,374</u>	<u>\$ -</u>	<u>429,557</u>
Total governmental activities capital assets, net	<u>\$ 15,368</u>			<u>\$ 23,494</u>

Depreciation expense for the nine-month period ended March 31, 2023 of \$4,374 was charged to basic instruction.

**NOTE D - LONG-TERM DEBT**

Debt activity for the nine-month period ended March 31, 2023, was as follows:

	Long-term obligations at July 1, 2022	Additions	Reductions	Long-term obligations at March 31, 2023	Due within one year
Note payable	\$ 66,394	\$ -	\$ 6,987	\$ 59,407	\$ 9,989
	<u>\$ 66,394</u>	<u>\$ -</u>	<u>\$ 6,987</u>	<u>\$ 59,407</u>	<u>\$ 9,989</u>

In June 2013, the School entered into a note totaling \$130,000 to aide in moving into new facilities. The note payable is due in monthly installments of \$1,080 commencing July 2013 for 15 years, including interest of 5.75%. Current year principal payments on the note were \$6,987. Current year interest expense on the note was \$3,564.

Due to the closure of the School, any future obligation under the note payable will be assumed by the charter holder, Growing Great Girls, Inc.

**Waverly Academy Charter School  
(A division of Growing Great Girls, Inc.)**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2023**

**NOTE E - COMMITMENTS AND CONTINGENCIES**

*Operating lease with a related party*

The School has entered into a non-cancellable operating lease for use of its facility with a company that is owned by an officer of the School. The lease began on October 31, 2012 and was extended through June 30, 2023. Rent expenses totaled \$102,000 for the nine-month period ended March 31, 2023. The lease was not renewed.

**NOTE G - RISKS AND UNCERTAINTIES**

The School is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, general liabilities, and natural disasters for which the School carries commercial insurance. Under the plan for property insurance, the School's liability is \$10,000 per occurrence. Settled claims resulting from the risks described above have not exceeded the insurance coverage during the nine-month period ended March 31, 2023.

**Waverly Academy Charter School  
(A division of Growing Great Girls, Inc.)**

**NOTES TO FINANCIAL STATEMENTS**

**March 31, 2023**

**NOTE F - CONCENTRATIONS**

Revenue sources

As stated in Note A-9, the School receives revenues for current operations primarily from the State of Florida through the School Board. The following is a schedule of revenue sources and amounts:

Source	Amount
State of Florida Passed Through Duval County	
District School Board	
FEFP Basic	\$ 202,983
ESE	64,573
Instructional Material	4,960
Digital Classroom Allocation	(1)
Safe Schools	3,821
Class Size	43,845
SAI	11,493
Research Based Reading Instruction Allocation	2,427
Teacher Salary Increase Allocation	12,409
Subtotal	346,510
Title I	(3,402)
ESSER	18,318
ESSER II	27,823
ESSER III	68,563
Sales Surtax	56,700
Capital Outlay	29,211
Total Passed Through Duval County	543,723
District School Board	543,723
Other Revenues:	
National School Lunch Program	31,580
Other Income	7,524
Meal Sales	915
	\$ 583,742

The administrative fee paid to the School Board during the nine-month period ended March 31, 2023 totaled \$16,704 and is reflected as a school administrative expense/expenditure in the accompanying financial statements.

**REQUIRED SUPPLEMENTAL INFORMATION**

**WAVERLY ACADEMY CHARTER SCHOOL**  
**(A division of Growing Great Girls, Inc.)**

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

**Nine-Month Period Ended March 31, 2023**

	Budgeted Amounts		Actual General Fund	Variance with Final Budget
	Original	Final		
Revenues				
State passed through local school district	\$ 808,344	\$ 539,272	\$ 375,721	\$ (163,551)
Meal sales	23,704	23,704	915	(22,789)
Other income	90,857	90,857	7,524	(83,333)
Total revenues	922,905	653,833	384,160	(269,673)
Expenditures				
Current:				
Basic instruction	267,471	202,832	-	202,832
Exceptional instruction	47,500	47,500	-	47,500
Instructional support	25,920	25,920	-	25,920
Instructional training	-	-	11,303	(11,303)
General support	10,000	10,000	548	9,452
School administration	264,499	213,263	296,377	(83,114)
Fiscal services	20,800	20,800	31,078	(10,278)
Food services	25,000	25,000	-	25,000
Operation of plant	240,240	240,240	157,698	82,542
Community services	-	-	3,076	(3,076)
Maintenance of plant	3,000	3,000	15,755	(12,755)
Interest	14,000	14,000	3,564	10,436
Principal	-	-	6,987	(6,987)
Total expenditures	918,430	802,555	526,386	276,169
Excess (deficiency) of revenues over (under) expenditures	4,475	(148,722)	(142,226)	6,496
Net change in fund balance	4,475	(148,722)	(142,226)	6,496
Fund balance at July 1, 2022	183,362	183,362	183,362	-
Fund balance at March 31, 2023	\$ 187,837	\$ 34,640	\$ 41,136	\$ 6,496

See notes to required supplemental information.

**Waverly Academy Charter School  
(A division of Growing Great Girls, Inc.)**

**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION**

**March 31, 2023**

**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"). 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 for which a legally adopted budget exists.

**SUPPLEMENTAL INFORMATION**





**Partners**

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Cori G. Cameron  
Bob P. Marchewka  
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American Institute of  
Certified Public  
Accountants

Florida Institute of  
Certified Public  
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors of  
Waverly Academy Charter School  
Jacksonville, 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 Waverly Academy Charter School (the "School"), a division of Growing Great Girls, Inc. (the "Charterholder"), which is a component unit of the Duval County District School Board, as of March 31, 2023 and for the nine-month period then ended, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 28, 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.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
September 28, 2023



**Partners**

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Cori G. Cameron  
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Certified Public  
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Florida Institute of  
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**MANAGEMENT LETTER**

To the Board of Directors of  
Waverly Academy Charter School  
Jacksonville, Florida

**Report on the Financial Statements**

We have audited the financial statements of Waverly Academy Charter School (the “School”), a division of Growing Great Girls, Inc. (the “Charterholder”), which is a component unit of Duval County District School Board, as of March 31, 2023 and for the nine-month period then ended, and have issued our report thereon dated September 28, 2023.

**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 that report, which is dated September 28, 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. In connection with our audit, the School did not have prior year findings.

**Official Title**

Section 10.854(1)(e)5, Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity is *Waverly Academy Charter School* (161331), a division of Growing Great Girls, Inc. (“Charterholder”), which is a component unit of Duval County District School Board.

**Financial Condition and Management**

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, requires 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 Waverly Academy Charter School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the 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, required that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

### **Transparency**

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Web site the information specified in section 1002.33(9)(p), Florida Statutes.

### **Additional Matters**

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. 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, Waverly Academy Charter School's management, Duval County District School Board, the Board of Directors, and applicable management, and Growing Great Girls, Inc., 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  
September 28, 2023

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

For the nine-month period ended March 31, 2023, there are no management findings, recommendations or responses.