

**Don Soffer Aventura High School**  
(A Special Revenue Fund of the  
City of Aventura, Florida)

Basic Financial Statements  
And Supplementary Information  
For the Year Ended June 30, 2021



# Don Soffer Aventura High School

## Table of Contents

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Independent Auditor's Report	1-2
Management's Discussion and Analysis (Not Covered by Independent Auditor's Report)	3-8
<b>Basic Financial Statements</b>	
Government-wide Financial Statements:	
Statement of Net Position (Deficit)	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet - Governmental Fund	11
Reconciliation of the Balance Sheet - Governmental Fund to the Statement of Net Position (Deficit)	12
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund	13
Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balance - Governmental Fund to the Statement of Activities	14
Notes to Basic Financial Statements	15-22
<b>Required Supplementary Information</b>	
Schedule of Revenues and Expenditures - Budget and Actual - General Fund	23
Note to Required Supplementary Information	24
<b>Other Independent Auditor's Reports</b>	
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 <i>Government Auditing Standards</i>	25-26
Management Letter in Accordance with the Rules of the Auditor General of the State of Florida	27-28

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the  
City Commission of the City of Aventura  
Don Soffer Aventura High School  
Aventura, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Don Soffer Aventura High School (the "School"), a Special Revenue Fund of the City of Aventura, Florida (the "City") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the School, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 1, the financial statements of the School present only the Special Revenue Fund of the City and they do not purport to, and do not, present fairly the financial position of the City as of June 30, 2021, and its changes in financial position or budgetary comparisons, where applicable, for the year ended June 30, 2021 in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### **Other Matters**

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2021, 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 the School's internal control over financial reporting and compliance.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
August 25, 2021

# MANAGEMENT'S DISCUSSION AND ANALYSIS



**Don Soffer Aventura High School  
Management's Discussion and Analysis  
June 30, 2021**

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As management of Don Soffer Aventura High School (the "School"), a Special Revenue Fund of the City of Aventura, Florida, we offer readers of the School's basic financial statements this narrative overview and analysis of the financial activities of the School for the year ended June 30, 2021 and 2020.

Management's discussion and analysis is included at the beginning of the School's basic financial statements to provide, in layman's terms, the past and current position of the School's financial condition. This summary should not be taken as a replacement for the audit which consists of the basic financial statements and other supplementary information.

### **Financial Highlights**

Our basic financial statements provide these insights into the results of this year's operations.

- The School's net position (deficit) was \$ (1,531,673) as of June 30, 2021. Of this amount, \$ (2,004,352) represents unrestricted net position (deficit) and \$ 472,679 represent net investment in capital assets.
- The School's net position decreased by \$ 191,816 during the current fiscal year as a result of this year's operations.
- As of June 30, 2021, the School's fund balance (deficit) was \$ (1,978,408), which was a decrease of \$ 659,151 from its prior year.

### **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 are comprised of three components: 1) government-wide basic financial statements, 2) fund basic financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Basic Financial Statements:** The government-wide basic 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, and deferred inflows/outflows of resources, 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. However, as a governmental entity, the School's activities are not geared toward generating profit as are the activities of commercial entities. Other factors such as School safety and the quality of education, must be considered in order to reasonably assess the School's overall performance.

The statement of activities presents information showing how the School's net position changed during the year. 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 revenues and services rendered, but unpaid).

The government-wide basic financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instruction and instructional support services.

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

**Fund Basic 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 has only one (1) category of funds – governmental funds.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide basic financial statements. However, unlike the government-wide basic financial statements, governmental fund basic financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School'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 School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains one individual governmental fund. Information is presented in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balance.

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

**Notes to Basic Financial Statements:** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 15 through 22 of this report.

**Required Supplementary Information:** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the School's adopted budget to actual results.

## **Government-Wide Financial Analysis**

The School has been in operation for two years; therefore, comparative government-wide data is presented. The School's net position (deficit) was \$ (1,531,673) at June 30, 2021, which represents unrestricted net position (deficit) of \$ (2,004,352) and net investment in capital assets of \$ 472,679. The School's restated net position (deficit) was \$ (1,339,857) at June 30, 2020. This amount represented unrestricted net position (deficit).

**Don Soffer Aventura High School  
Management's Discussion and Analysis  
June 30, 2021**

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Our analysis in the table below focuses on the net position of the School's governmental activities, as of June 30, 2021 and 2020:

Don Soffer Aventura High School Summary of Net Position (Deficit)		
	June 30, 2021	June 30, 2020
	<u>                    </u>	<u>                    </u>
Assets:		
Current and other assets	\$ 105,345	\$ 682,914
Capital assets, net of depreciation	472,679	-
	<u>578,024</u>	<u>682,914</u>
Total assets		
Liabilities:		
Current liabilities	2,103,211	2,017,621
Noncurrent liabilities	6,486	5,150
	<u>2,109,697</u>	<u>2,022,771</u>
Total liabilities		
Net Position (Deficit):		
Net investment in capital assets	472,679	-
Unrestricted (deficit)	(2,004,352)	(1,339,857)
	<u>(1,531,673)</u>	<u>(1,339,857)</u>
Total net position (deficit) \$		

Current and other assets decreased due to a reduction in the funds due from the City of Aventura. Capital assets, net of depreciation increased due to the purchase of computers, furniture, fixtures and other equipment. Current liabilities increased primarily due to an increase in the amount due to the City of Aventura.

**Governmental Activities**

The results of this year's operations for the School as a whole are reported in the statement of activities on page 10. The table below provides a condensed presentation of the School's revenues and expenses for the years ended June 30, 2021 and 2020:

Don Soffer Aventura High School Summary of Changes in Net Position		
	June 30, 2021	June 30, 2020
	<u>                    </u>	<u>                    </u>
Revenues:		
General revenues and transfers	\$ 3,304,440	\$ 1,558,509
Program revenues	939,617	333,140
	<u>4,244,057</u>	<u>1,891,649</u>
Total revenues		
Functions/Program Expenses:		
Instruction	2,467,060	1,294,570
Instructional support services	1,591,737	1,245,039
Non-instructional expenses	377,076	249,955
	<u>4,435,873</u>	<u>2,789,564</u>
Total expenses		
Change in net position	\$ (191,816)	\$ (897,915)

General revenues and transfers increased year-over-year due to an increase in the School's enrollment with the addition of a grade level. Florida Education Finance Program (FEFP) funds also increased with the new Teacher Salary Allocation funding. Program revenues increased due to the inclusion of new grant funds. Total expenses increased in alignment with the school's enrollment changes requiring additional instructional and non-instructional services.



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

As noted earlier, the School uses fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The focus of the School's governmental fund 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 the School's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2020/21 the School's governmental fund reported a deficit fund balance of \$ (1,978,408). Although the School's second year of operations was fiscal year 2020/21, the Charter High School Fund was established in fiscal year 2017/18. Through an Advance from the City's General Fund, fees related to the planning phase and costs associated with the charter school application and contract process were incurred and covered which resulted in a fund deficit.

In fiscal year 2018/19 the Charter High School Fund incurred additional start-up expenditures so that the School would be ready to open for the 2019/20 School Year in August of 2019. These costs increased the fund deficit over the prior year and were again covered through a planned and budgeted Advance from the City's General Fund.

In fiscal year 2019/20 the School opened and enrolled 200 9<sup>th</sup> grade students and was planned to operate at a deficit since it would not be operating at full enrollment. Again the deficit was covered by a planned and budgeted Advance from the City's General Fund.

In fiscal year 2020/21 the School opened and enrolled 417 9<sup>th</sup> and 10<sup>th</sup> grade students and was planned to operate at a deficit since it would not be operating at full enrollments. Again, the deficit was covered by a planned and budgeted Advance from the City's General Fund.

The School will likely operate at a deficit, (which the City is committed to covering) through a planned and budgeted Advance from the City's General Fund at least until the School reaches build-out in two (2) years. The hope would be that once expenditures begin to level out, the School Fund could over time repay the Advance from the City's General Fund.

### **Capital Assets and Debt Administration**

At June 30, 2021, the School had capital assets of \$ 472,679 net of accumulated depreciation, as compared to \$ 0 at June 30, 2020. A detailed schedule is on pages 19 and 20 in the notes to the basic financial statements.

The School has no outstanding debt.

### **General Fund Budgetary Highlights**

The 2020/21 school year represents the 2<sup>nd</sup> year of the School's operations. During the year, the budget was built around the educational requirements to accommodate 417 9<sup>th</sup> and 10<sup>th</sup> grade students as well as to begin to employ the leadership staff necessary to meet the full capacity of the school as it grows. The budget was prepared based on information and input provided by members from several divisions from Charter Schools USA ("CSUSA") and the School's principal.

Total revenues were unfavorable to the budget in state sources due to lower FEFP funding. Total expenditures were slightly unfavorable to the budget by approximately \$ 16,000 due to increased spending in building repairs and maintenance.

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

Facts, decisions or conditions that are expected to have a significant effect on the financial position or results of operations of the School in fiscal year 2021/22 include the following:

- At the time this Special Purpose Financial Report was prepared, we were and continue to be in the middle of the Coronavirus ("COVID-19") global pandemic crisis. For more than a year, COVID-19 has caused major disruption in international and U.S. economies and markets. Due to the fear of further spread of the virus, many of our societal norms have been sidelined due to quarantines, the cancellation of events and the overall reduction in business and economic activity.
- For fiscal year 2022, the Florida Education Finance Program funding and the capital outlay revenue assumed at a flat rate in comparison to the current rate per student. The teacher salary allocation will continue to be a part of the base FEFP funding. A 2% merit increase for all staff was included in the budget. All other expenditures are budgeted in alignment with enrollment changes in the School's strategic objectives.

The following are the major highlights of the 2021/22 budget:

- The school budget is based on a projected enrollment of 620 9<sup>th</sup>, 10<sup>th</sup> and 11<sup>th</sup> grade students.
- A City subsidy of \$ 477,628 (consistent with the prior year estimate) from the City's General Fund was required to balance the budget in order to maintain the following:
  - Adopt a Pay Plan that allows the School to maintain, attract and retain highly-qualified teachers at competitive salary levels; and to
  - Continue to meet the educational and technology/digital priorities established by the City Commission.
- CSUSA has once again agreed to provide a subsidy to the School in an effort to assist the City in balancing the budget. In the coming year, CSUSA will increase their subsidy from the current year amount of \$ 154,498 to \$ 217,521 by reducing their management fee and by not charging the School for services normally provided and charged to other schools that they manage.
- The total number of employees includes 47 full-time equivalent employees at a projected cost of \$ 3,726,622.
- Vendor Services includes contracted pupil transportation for two (2) buses to transport students that live two (2) miles or more from the School at a cost of \$ 123,785.
- In order to continue implementation of the flexible digital learning environment designed to prepare the students for the future, more than \$ 250,000 has been budgeted for instructional licenses and textbooks under Instructional Expenditures.

Capital expenditures includes \$ 267,584 for costs associated with acquiring computer hardware and software, IT infrastructure, audio-visual equipment, and FF&E.

**Compensation for Personnel Services:** Total Compensation for Personnel Services is budgeted at \$ 3,726,622 or 63.00% of the total budget or 68.53% of total operating revenue. This category includes 47 full-time equivalent employees (46 full-time and 2 part-time), including 11.5 administrative staff positions and 35.5 instructional staff positions. In order to maintain, attract, and retain highly qualified teachers, salaries for this category reflect the School's proposed Pay Plan and stipends of \$ 127,750 in lieu of the Miami-Dade County Referendum. All employees are under contract with CSUSA.

### **Requests for Information**

If you have any questions about this report or need additional information, please contact Vivien Tsirkas, Controller-Schools; Charter Schools USA, 800 Corporate Drive, Suite 700, Fort Lauderdale, Florida 33334.

# BASIC FINANCIAL STATEMENTS

**Don Soffer Aventura High School**  
**Statement of Net Position (Deficit)**  
**June 30, 2021**

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	<b>Governmental Activities</b>
<b>Current Assets:</b>	
Cash and cash equivalents	\$ 91,739
Accounts receivable	53
Prepaid items	1,048
Deposits	<u>12,505</u>
Total current assets	<u>105,345</u>
<b>Noncurrent Assets:</b>	
Capital assets, net of accumulated depreciation	<u>472,679</u>
Total assets	<u>578,024</u>
<b>Current Liabilities:</b>	
Accounts payable and accrued expenses	28,027
Due to the City of Aventura	1,776,501
Due to management company	42,556
Salaries and wages payable	236,669
Compensated absences	<u>19,458</u>
Total current liabilities	<u>2,103,211</u>
<b>Noncurrent Liabilities:</b>	
Compensated absences	<u>6,486</u>
Total noncurrent liabilities	<u>6,486</u>
Total liabilities	<u>2,109,697</u>
<b>Net Position (Deficit):</b>	
Net investment in capital assets	472,679
Unrestricted (deficit)	<u>(2,004,352)</u>
Total net position (deficit)	<u>\$ (1,531,673)</u>

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

**Don Soffer Aventura High School  
Statement of Activities  
For the Year Ended June 30, 2021**

	<u>Expenditures</u>	<u>Program Revenues</u>			<u>Governmental</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Activities Net Revenue (Expense) and Change in Net Position</u>
<b>Functions/Programs:</b>					
Instruction	\$ 2,467,060	\$ 15,082	\$ 7,392	\$ -	\$ (2,444,586)
Student support services	258,766	-	-	-	(258,766)
Instructional media services	2,811	-	-	-	(2,811)
Instruction and curriculum development services	831	-	-	-	(831)
Instructional staff training services	13,294	-	-	-	(13,294)
Instruction related technology	65,649	-	-	-	(65,649)
Board	18,614	-	-	-	(18,614)
School administration	609,467	-	-	-	(609,467)
Fiscal services	194,411	-	-	-	(194,411)
Food services	77,675	22,480	71,340	-	16,145
Central services	86,376	-	-	-	(86,376)
Pupil transportation	102,590	-	16,699	-	(85,891)
Operation of plant	326,270	-	591,645	214,979	480,354
Maintenance of plant	212,059	-	-	-	(212,059)
Total governmental activities	\$ <u>4,435,873</u>	\$ <u>37,562</u>	\$ <u>687,076</u>	\$ <u>214,979</u>	<u>(3,496,256)</u>
General revenues:					
FTE nonspecific revenues					3,121,186
Interest income					40
Contributions					33,214
Transfer in from City of Aventura					<u>150,000</u>
Total general revenues and transfers					<u>3,304,440</u>
Change in net position					(191,816)
Net position (deficit), July 1, 2020, as restated (Note 11)					<u>(1,339,857)</u>
Net position (deficit), June 30, 2021					\$ <u><u>(1,531,673)</u></u>

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

**Don Soffer Aventura High School  
Balance Sheet - Governmental Fund  
June 30, 2021**

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	<b>General Fund</b>
<b>Assets:</b>	
Cash and cash equivalents	\$ 91,739
Accounts receivable	53
Deposits	12,505
Prepaid items	<u>1,048</u>
Total assets	<u>\$ 105,345</u>
<b>Liabilities:</b>	
Accounts payable and accrued expenses	\$ 28,027
Due to City of Aventura	1,776,501
Due to management company	42,556
Salaries and wages payable	<u>236,669</u>
Total liabilities	<u>2,083,753</u>
<b>Fund Balance (Deficit):</b>	
Nonspendable:	
Prepaid items	1,048
Deposits	12,505
Unassigned (deficit)	<u>(1,991,961)</u>
Total fund balance (deficit)	<u>(1,978,408)</u>
Total liabilities and fund balance	<u>\$ 105,345</u>

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

**Don Soffer Aventura High School  
 Reconciliation of the Balance Sheet - Governmental Fund  
 to the Statement of Net Position (Deficit)  
 June 30, 2021**

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**Total Fund Balance - Governmental Fund** \$ (1,978,408)

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

Capital assets used in governmental activities are not financial resources and; therefore, are not reported in the governmental fund:

Cost of capital assets	\$	566,737	
Less accumulated depreciation		<u>(94,058)</u>	472,679

Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental fund:

Compensated absences		<u>(25,944)</u>	
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**Net Position (Deficit) of Governmental Activities** \$ (1,531,673)

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



**Don Soffer Aventura High School  
Statement of Revenues, Expenditures and  
Change in Fund Balance - Governmental Fund  
For the Year Ended June 30, 2021**

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	<b>General Fund</b>
<b>Revenues:</b>	
Federal Sources	\$ 651,409
State sources	3,360,256
Local sources	<u>82,392</u>
Total revenues	<u>4,094,057</u>
<b>Expenditures:</b>	
Instruction	2,367,658
Student support services	258,766
Instruction media services	2,811
Instruction and curriculum development services	831
Instructional staff training services	13,294
Instruction related technology	65,649
Board	18,614
School administration	609,467
Fiscal services	194,411
Food services	77,675
Central services	86,376
Pupil transportation	102,590
Operation of plant	326,270
Maintenance of plant	212,059
Capital outlay	<u>566,737</u>
Total expenditures	<u>4,903,208</u>
Excess (deficiency) of revenues over expenditures	<u>(809,151)</u>
<b>Other Financing Sources:</b>	
Transfers in from City of Aventura	<u>150,000</u>
Net change in fund balance	<u>(659,151)</u>
<b>Fund Balance (Deficit), July 1, 2020, as Restated (Note 11)</b>	<u>(1,319,257)</u>
<b>Fund Balance (Deficit), June 30, 2021</b>	<u>\$ (1,978,408)</u>

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

**Don Soffer Aventura High School  
 Reconciliation of the Statement of Revenues,  
 Expenditures and Change in Fund Balance -  
 Governmental Fund to the Statement of Activities  
 For the Year Ended June 30, 2021**

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**Change in Fund Balance - Governmental Fund** \$ (659,151)

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

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the costs of those assets are depreciated over their estimated useful lives as provision for depreciation.

Capital outlay	\$	566,737	
Current year provision for depreciation		<u>(94,058)</u>	472,679

Certain items reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental fund:

Change in compensated absences			<u>(5,344)</u>
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**Change in Net Position of Governmental Activities** \$ (191,816)

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

### **Note 1 - Organization and Operations**

Don Soffer Aventura High School (the "School") is a special revenue fund of the financial statements of the City of Aventura, Florida (the "City"). The School commenced operations in August 2019 in the City to serve students from ninth to twelfth grades. In its second year of operations, the School served students in ninth through tenth grade. The School has an enrollment of 417 for the year ended June 30, 2021. The School is funded from public funds based on enrollment and can also be eligible for grants in accordance with state and federal guidelines, including food service and capital outlay. The School can accept private donations and the City can incur debt for the operation of the School.

### **Note 2 - Summary of Significant Accounting Policies**

**Reporting entity:** The School operates under a charter granted by the sponsoring school district, the Miami-Dade County Public School District (the "District"). The current charter is effective until June 30, 2034 but provides for a renewal of up to 15 years by mutual agreement of both parties. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter in which case the District is required to notify the School in writing at least 90 days prior to the charter's expiration. During the term of the charter, the District may also terminate the charter for good cause as defined.

The School is owned and operated by the City, is part of the City's government and is not a separate legal entity or otherwise organized apart from the City. The City was incorporated in November 1995. The City operates under a Commission-Manager form of government. In accordance with Chapter 10.850, *Rules of the Auditor General of the State of Florida*, the School is required to prepare special purpose financial statements. Section 10.855(4) states that the special purpose financial statements should present the charter school's financial position including the charter school's current and capital assets and current and long-term liabilities, and net position; and the changes in financial position. The financial statements contained herein present only the operations of the School and do not purport to, and do not, present the financial position and changes in financial position of the City. Only capital assets acquired with School revenues are reported. The facility used by the School is owned by the City and the capital assets and related debt for the facilities are not included in this report.

**Basis of presentation:** Based on the guidance presented in the American Institute of Certified Public Accountants Audit and Accounting Guide - Not-for-Profit Organizations and provisions of Section 228.056, Florida Statutes, the School is presented as a governmental organization for financial statement reporting purposes.

**Government-wide financial statements:** The School's basic financial statements include both government-wide (reporting the School as a whole) and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the School's activities are classified as governmental activities.

In the government-wide statement of net position, the governmental activities column is reported on a full accrual, economic resource basis, which recognizes all current and noncurrent assets and all current and noncurrent liabilities. The School's net position is reported in three (3) categories: investment in capital assets; restricted; and unrestricted, as applicable.

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The net costs, by function, are supported by general revenues. The statement of activities reduces gross expenses by related program revenues. Program revenues must be directly associated with the function. Operating grants include operating specific and discretionary grants while the capital grants column reflects capital-specific grants.

**Note 2 - Summary of Significant Accounting Policies (continued)**

**Fund financial statements:** The School's accounts are organized on the basis of funds. The operations of the fund is accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues and expenditures.

The Charter School operating fund is a governmental fund type and is used to account for all of the School's financial transactions.

**Measurement focus and basis of accounting:** Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the basic financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. Governmental funds use the current financial resources measurement focus and the government-wide statement uses the economic resources measurement focus.

Governmental activity in the government-wide financial statements is presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows.

The governmental fund financial statements are presented on the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). Revenues susceptible to accrual include FTE nonspecific revenue, transportation funds, capital grant funds, operating grants and contributions and investment earnings. Intergovernmental revenues are recognized when all eligibility requirements have been met, if available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within two (2) months of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred. However, expenditures related to compensated absences are recorded only when paid from expendable available financial resources.

**Cash and cash equivalents:** The School's cash and cash equivalents are maintained by the City in a pooled account for all funds. This enables the City to invest large amounts of idle cash for short periods of time and to optimize earnings potential. Cash and cash equivalents represent the amount owned by the Charter School operating fund. The City is responsible for all risks related to the School's cash and cash equivalents.

**Prepaid items:** Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**Capital assets:** Capital assets purchased or acquired with an original cost of \$ 750 or more are capitalized at historical cost or estimated historical cost and are reported in the government-wide financial statement. Donated capital assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on computer equipment and furniture, fixtures and equipment is provided on the straight-line basis over the respective estimated useful lives ranging from 3 to 5 years.

## Note 2 - Summary of Significant Accounting Policies (continued)

Within governmental funds, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported within the governmental fund financial statements.

**Deferred outflows/inflows of resources:** In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.

**Unearned revenue:** Unearned revenue arises when the School receives resources before it has a legal claim to them.

**Compensated absences:** The School's policy permits employees to accumulate earned but unused paid time off, which is eligible for payment upon separation from service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Payments for compensated absences are paid out of the General Fund.

**State funding (primary source of revenue):** Student funding is provided by the State of Florida through the School Board of Miami-Dade County, Florida. In accordance with the Charter Agreement, the School Board retains 5% as an administrative fee. This funding is received on a pro rata basis over the twelve-month period and is adjusted for changes in full-time equivalent student population. After review and verification of Full-Time Equivalent ("FTE") reports and supporting documentation, the Florida Department of Education may adjust subsequent fiscal period allocations of FTE funding for prior year's errors disclosed by its review as well as to prevent the statewide allocation from exceeding the amount authorized by the State Legislature. Normally, such adjustments are reported in the year the adjustments are made.

**Net position:** Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets.
- Restricted - consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.

**Note 2 - Summary of Significant Accounting Policies (continued)**

- Unrestricted - indicates that portion of net position that will need to be provided by future operations.

**Fund balance:** The governmental fund financial statements present fund balances based on the provisions of 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 City Commission (the highest level of decision making authority). The committed amount cannot be used for any other purpose unless the City Commission removes or changes the commitment through formal action.
- Assigned - this classification includes amounts that the School intends to use for a specific purpose but they are neither restricted nor committed. Assignments can be made by the City Manager, which the City Commission Members, by resolution, delegated such authority at their direction. 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 Funds Balance Sheet on page 11.

When the School incurs expenditures for which restricted or unrestricted fund balance is available, the School would consider restricted funds to be spent first unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. 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.

**Encumbrances:** Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration.

**Note 2 - Summary of Significant Accounting Policies (continued)**

Encumbrances are recorded at the time a purchase order or other commitment is entered into. Encumbrances outstanding at year-end represent the estimated amount of expenditures which would result if unperformed purchase orders and other commitments at year-end are completed. Encumbrances lapse at year-end; however, the City and School generally intends to honor purchase orders and other commitments in process. As a result, encumbrances outstanding at year-end are re-appropriated in the next fiscal year and are therefore presented as committed or assigned fund balance for the subsequent year.

As of June 30, 2021, there were no encumbrances outstanding.

**Use of estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Date of management review:** Subsequent events were evaluated by management through August 25, 2021, which is the date that the financial statements were available to be issued.

**Note 3 - Cash and Cash Equivalents**

At June 30, 2021, the carrying amount of the deposits and cash on hand totaled \$ 91,739, with a bank balance of \$ 130,495.

State statutes require, and it is the School’s policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as “qualified public depositories” as defined by Chapter 280 of the Florida Statutes. This Statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity’s funds. The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and reporting requirements of the qualified public depositor to the Treasurer is defined by the Statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should the need arise. The School’s deposits are held in a qualified public depository. They are covered by the collateral pool, as the School has identified itself as a public entity at June 30, 2021.

**Note 4 - Capital Assets**

	Balance at July 1, 2020	Additions	Deletions	Balance at June 30, 2020
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Capital assets, depreciable:				
Computer hardware	\$ -	\$ 115,450	\$ -	\$ 115,450
Furniture, fixtures and equipment	<u>-</u>	<u>451,287</u>	<u>-</u>	<u>451,287</u>
Total capital assets, depreciable	<u>-</u>	<u>566,737</u>	<u>-</u>	<u>566,737</u>
Accumulated depreciation:				
Computer hardware	-	21,052	-	21,052
Furniture, fixtures and equipment	<u>-</u>	<u>73,006</u>	<u>-</u>	<u>73,006</u>
Total accumulated depreciation	<u>-</u>	<u>94,058</u>	<u>-</u>	<u>94,058</u>
Net capital assets	<u>\$ -</u>	<u>\$ 472,679</u>	<u>\$ -</u>	<u>\$ 472,679</u>

**Note 4 - Capital Assets (continued)**

Provision for depreciation was charged to governmental activities as follows:

Instruction	\$ <u>94,058</u>
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**Note 5 - Commitments**

**Management agreement:** The City has a contract with Charter Schools USA, Inc. (“CSUSA”) for administrative and educational management services for the operations of the School. All staff of the School are employees of CSUSA. Total fees paid to the management company for fiscal year 2020/2021 were approximately \$ 187,000. The majority of other reimbursed expenditures by the City to CSUSA relate to teachers’ salaries and benefits.

The current agreement with CSUSA will expire on June 30, 2024. This agreement provides an additional renewal term of up to five years upon agreement of both parties and provided the Miami-Dade County School Board extends the charter granted to the City. The fee for services will be negotiated upon reaching a renewal agreement.

**Post-retirement benefits:** The School does not provide post-retired benefits to retired employees.

**Note 6 - Long-Term Liabilities**

Changes in the School’s long-term liabilities for fiscal year ended June 30, 2021, are as follows:

	<u>Balance at July 1, 2020</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at June 30, 2021</u>	<u>Amount Due Within One Year</u>
Compensated absences	\$ <u>20,600</u>	\$ <u>13,394</u>	\$ <u>8,050</u>	\$ <u>25,944</u>	\$ <u>19,458</u>

**Note 7 - Employee Benefit Plan**

During the year ended June 30, 2021, the School offered all of its full-time employees who had attained 21 years of age, a retirement plan (the “Plan”) under Internal Revenue Code Section 401(k). The employee is allowed to contribute up to a maximum of 100% of his/her annual gross compensation, subject to certain limitations. The Plan provides for a discretionary employer matching contribution of the participant’s annual elective deferral to the Plan. As determined annually by the School’s management, the School may also make a discretionary profit sharing contribution, which is allocated among the participants based on a pro rata formula. Participants are immediately vested in their own contributions and earnings on those contributions. Participants become vested in School contributions and earnings on School contributions according to the following schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1	25%
2	50%
3	75%
4	100%



**Note 7 - Employee Benefit Plan (continued)**

Nonvested contributions are forfeited upon termination of employment and such forfeitures are used to reduce any employer contribution. For the Plan year ending December 31, 2020, the School had no forfeitures. For the year ended June 30, 2021, the School contributed a matching amount of \$ 10,033.

**Note 8 - Risk Financing**

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The School has obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There have been no claims in excess of insurance coverage limits during the past two years.

As disclosed in Note 5, CSUSA employs all of the employees of the School. As a result, the School is not exposed to medical or workers' compensation claims for these individuals. In addition, CSUSA carries all required insurance including, but not limited to, general liability and errors and omissions insurance.

**Note 9 - Fund Balance Deficit**

At the end of fiscal year 2020/21 the School's governmental fund reported a deficit fund balance of \$ 1,978,408. Although the School's second year of operations was fiscal year 2020/21, the Charter High School Fund was established in fiscal year 2017/18. Through a planned and budgeted advance from the General Fund, fees related to the planning phase and costs associated with the charter school application and contract process were incurred and covered which resulted in a fund deficit.

In fiscal year 2018/19 the Charter High School Fund incurred additional start-up expenditures so that the School would be ready to open for the 2019/20 School Year in August of 2019. These costs increased the fund deficit over the prior year and were again covered through a planned and budgeted advance from the City's General Fund.

In fiscal year 2019/20 the School opened and enrolled 200 ninth grade students and was planned to operate at a deficit since it would not be operating at full enrollment. Again, the deficit was covered by a planned and budgeted advance from the City's General Fund.

In fiscal year 2020/21 the School enrolled 417 students and was planned to operate at a deficit since it would not be operating at full enrollment. The deficit was covered by a planned and budgeted advance from the City's General Fund.

The School will likely operate at a deficit, (which the City is committed to covering) through a planned and budgeted advance from the City's General Fund at least until the School reaches build-out in two (2) years. Once expenditures begin to level out, the School Fund could over time repay the advance from the City's General Fund.

**Note 10 - Risk and Uncertainties**

The coronavirus (COVID-19) outbreak has caused disruption in international and U.S. economies and markets. The coronavirus and fear of further spread has caused quarantines, cancellation of events, and overall reduction in business and economic activity. On March 11, 2020, the *World Health Organization* designated the coronavirus outbreak as a pandemic. Management and the City Commission continue to evaluate and monitor the potential adverse effect that this event may have on the School's financial position and operations. The full impact of COVID-19 is unknown at this time and cannot be reasonably estimated as these events are still developing.

**Note 11 - Prior Period Adjustments**

Fund balance (deficit), June 30, 2020	\$	(1,339,857)
Removal of compensated absences		<u>20,600</u>
Restated fund balance (deficit), June 30, 2020	\$	<u>(1,319,257)</u>
Net position (deficit), June 30, 2020	\$	(1,360,457)
Overstatement of compensated absences		<u>20,600</u>
Restated net position (deficit), June 30, 2020	\$	<u>(1,339,857)</u>

REQUIRED  
SUPPLEMENTARY INFORMATION

**Don Soffer Aventura High School  
Schedule of Revenues and Expenditures -  
Budget and Actual - General Fund  
For the Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
Federal through state	\$ 286,021	\$ 682,425	\$ 651,409	\$ (31,016)
State sources	3,357,117	3,521,087	3,360,256	(160,831)
Local sources	178,070	45,862	82,392	36,530
	<u>3,821,208</u>	<u>4,249,374</u>	<u>4,094,057</u>	<u>(155,317)</u>
<b>Total revenues</b>				
<b>Expenditures:</b>				
Instruction	2,333,055	2,340,370	2,367,658	(27,288)
Student support services	210,507	252,590	258,766	(6,176)
Instructional media services	-	-	2,811	(2,811)
Instruction and curriculum development services	-	-	831	(831)
Instructional staff training services	37,778	37,913	13,294	24,619
Instruction related technology	86,915	81,277	65,649	15,628
Board	12,726	14,392	18,614	(4,222)
School administration	594,312	624,784	609,467	15,317
Fiscal services	186,751	186,751	194,411	(7,660)
Food services	74,679	58,431	77,675	(19,244)
Central services	99,853	102,426	86,376	16,050
Pupil transportation	115,668	115,668	102,590	13,078
Operation of plant	347,984	338,184	326,270	11,914
Maintenance of plant	108,851	116,827	212,059	(95,232)
Capital outlay	250,000	617,632	566,737	50,895
	<u>4,459,079</u>	<u>4,887,245</u>	<u>4,903,208</u>	<u>(15,963)</u>
<b>Total expenditures</b>				
Excess (deficiency) of revenues over expenditures	<u>(637,871)</u>	<u>(637,871)</u>	<u>(809,151)</u>	<u>(171,280)</u>
<b>Other Financing Sources:</b>				
Advance from the City of Aventura General Fund	487,871	487,871	-	(487,871)
Transfers in from City of Aventura	150,000	150,000	150,000	-
	<u>637,871</u>	<u>637,871</u>	<u>150,000</u>	<u>(487,871)</u>
<b>Total other financing sources</b>				
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (659,151)</u>	<u>\$ (659,151)</u>

See notes to required supplementary information.

**Don Soffer Aventura High School  
Note to Required Supplementary Information  
For the Fiscal Year Ended June 30, 2021**

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**Note 1 - Budgets and Budgetary Accounting**

The School formally adopted a budget for the year ended June 30, 2021. Budgeted amounts may be amended by resolution or ordinance by the City Commission. The budget has been prepared in accordance with accounting principles generally accepted in the United States of America. A comparison of the actual results of operations to the budgeted amounts for the operating fund is presented as required supplementary information.

OTHER INDEPENDENT  
AUDITOR'S REPORTS



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*

Honorable Mayor and Members of the  
City Commission of the City of Aventura  
Don Soffer Aventura High School  
Aventura, 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 Don Soffer Aventura High School (the "School"), a Special Revenue Fund of the City of Aventura, Florida, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated August 25, 2021.

### 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 may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
August 25, 2021



## INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS

Honorable Mayor and Members of the  
City Commission of the City of Aventura  
Don Soffer Aventura High School  
Aventura, Florida

### Report on the Financial Statements

We have audited the financial statements of Don Soffer Aventura High School (the "School"), a Special Revenue Fund of the City of Aventura, Florida, as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated August 25, 2021.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent 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 August 25, 2021, 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 audit report.

### Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education are Don Soffer Aventura High School and 0950.

### **Financial Condition and Management**

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

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

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

### **Transparency**

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its 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 have any such findings.

### **Purpose of this Letter**

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

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
August 25, 2021