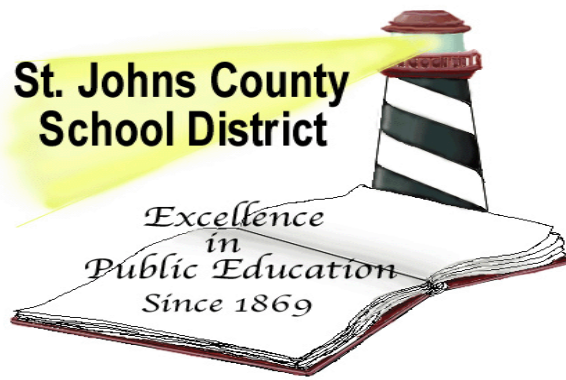


**St. Johns County
School District**



St. Johns County School District

**Charter School Review
2012/2013**

Prepared By:



**Internal Auditors
March 7, 2013**

Table of Contents

Transmittal Letter 1

Executive Summary 2 - 9

Background 10 -14

Objectives and Approach 15 - 16

Individual Charter School Educational Data and Financial Conditions Overview

 ABLE School..... 17 - 25

 First Coast Technical College..... 26 - 31

 St. Augustine Public Montessori..... 32 - 38

 St. Johns Community Campus 39 - 46

 St. Paul School of Excellence..... 47 - 55

 Therapeutic Learning Center 56 - 63

District Level Observations 64 - 65

Appendix

 Sample Charter School Questionnaire

 Sample District Financial Report

 Sample Document/Reporting Tracking Dashboard

March 7, 2013

The Audit Committee of
St. Johns County School District
40 Orange Street
St Augustine, Florida 32084

Pursuant to the St. Johns County School District ("District") approved Audit Plan for 2012/2013, we hereby submit our report covering a review of the six (6) Charter Schools which are sponsored by the District. We will be presenting this report to the Audit Committee at the next scheduled meeting on March 19, 2013.

Our report is organized in the following sections:

Executive Summary	This provides a summary of the issues related to our review of the Charter Schools.
Background	This provides an overview of Charter Schools.
Objectives and Approach	The internal audit objectives and focus are expanded upon in this section as well as a review of the various phases of our approach.
Individual Charter School Review	This section contains an overview of each charter school, any issues identified during our onsite visit, recommended action and charter school Management's response. Other matters noted during our procedures are also outlined within this section.
District Level Observations	This section provides a description of the overall District level observations.

We would like to thank the various schools, departments, the District and all those involved in assisting our firm in connection with our review of the Charter Schools.

Respectfully Submitted,



Executive Summary

Executive Summary

The primary focus of our review of the District's 6 charter schools was on finance and compliance related matters. Over the past several years, school districts in Florida have faced significant budget cuts. The reduction in public education funds raises the risk of financial viability for all public schools. This includes the charter schools. We have provided current comparative financial and other data for each charter school in their section of the report, which includes the following categories:

- Date charter school opened
- Charter school contract period
- Student Membership statistics
- Selected Financial Data
- Charter School Grades
- Governing Board
- Sponsor
- Charter School Administration
- Comments – identification of any other significant data that may affect the financial condition
- Material weaknesses, significant deficiencies, and other management letter comments (if any) identified in the external auditor's report

Our approach consisted of gathering the data for the categories noted above from the District, the respective charter schools, and the external auditor reports. We collected the selected educational and financial data for periods ranging from fiscal years ended 2009-2013 to provide the opportunity for trend analysis for Student Membership, Selected Financial Data, and Charter School Grades. We performed onsite testing for each of the 6 individual charter schools on a day of their preference during the month of February 2013.

During the course of our review of the District's charter schools, we reviewed the District's current practices of charter school monitoring, communication, contract verbiage, etc. We have noted continuous monitoring of the charter schools by the District. The District has formed a strong relationship with the charter schools and has knowledge of their operational challenges and concerns. As the number of charter schools continues to grow, currently approximately 20% of schools, this becomes more and more important. The details of the best practice observations are included within this report.

St. Johns School District sponsors the following Charter schools:

Charter School	Area of Focus	FY 2012 School Grade	FY 2013 FTE
The Academy of Business and Leadership Education (ABLE)	5-8	B	116
First Coast Technical College	Florida's first post secondary Charter School	N/A	1,075
St. Augustine Public Montessori	1-6	N/A	37
St. Johns Community Campus*	Enable students (18-22) identified with intellectual disabilities to discover their own unique interests and preferences	**N/A	11
St. Paul School of Excellence	K-5	N/A	46
Therapeutic Learning Center*	Pre-k education and therapy to children ages birth to 5 with special needs	**N/A	18

*Components of The Arc of the St Johns, Inc.

**N/A per State School Board Rule - 6A-1.09981 Implementation of Florida's System of School Improvement and Accountability

Executive Summary - continued

Financial and Compliance Highlights

None of the 4 charter schools with audited financial statements as of June 30, 2012, were identified as being in a state of financial emergency or deteriorating condition by the external auditors as of June 30, 2012. Two additional charter schools opened during the 2012-2013 school year, St. Augustine Public Montessori and St. Paul School of Excellence, and are showing signs of financial strain per the monthly financial reports.

St. Augustine Public Montessori

We reviewed the monthly financial results for October 2012 through January 2013, noting as summarized in the table below, the school has reported deficits of revenues under expenditures in 4 of the past 4 months reviewed.

	Oct 2012	Nov 2012	Dec 2012	Jan 2013
Revenues	\$ 70,333	\$ 88,433	\$ 109,555	\$ 128,846
Expenditures	\$ 79,060	\$ 104,797	\$ 122,319	\$ 140,439
Surplus (Deficit)	\$ (8,727)	\$ (16,364)	\$ (12,764)	\$ (11,593)

The continued deficit could impair the St Augustine Public Montessori's ability to meet certain required obligations, which is an indication of a deteriorating financial condition as defined in Florida Statue 1002.345(1)(a)3).

St. Paul School of Excellence

We reviewed the monthly financial results for October 2012 through January 2013, noting as summarized in the table below, the school has reported deficits of revenues under expenditures in 4 of the past 4 months reviewed.

	Oct 2012	Nov 2012	Dec 2012	Jan 2013
Revenues	\$ 93,220	\$ 118,469	\$ 142,402	\$ 167,928
Expenditures	\$ 133,687	\$ 166,565	\$ 190,757	\$ 214,703
Surplus (Deficit)	\$ (40,467)	\$ (48,096)	\$ (48,335)	\$ (46,775)

The following financial highlights were noted during our review:

- The financial statements disclose a negative cash position of \$1,487 as of January 31, 2013.
- On January 25, 2013, the charter school received a notification of cancellation of their general liability Certificate of Insurance, effective February 14, 2013 due to non-receipt of payment of \$293.19 (normal payment \$193.19 plus late fee \$10), which was originally due on January 20, 2013.
- The charter school has an outstanding invoice from the District, dated January 9, 2013 in the amount of \$4,106.88, in which the District has not received payment as of March 6, 2013.

St. Paul School of Excellence is showing signs of the inability to meet certain required obligations, and the continued deficit of expenditures over revenues could continue to impair the charter school's ability to meet certain required obligations. This is an indication of a deteriorating financial condition as defined in Florida Statue 1002.345(1)(a)3).

The District should continue to closely monitor the financial condition of St. Augustine Public Montessori and St. Paul School of Excellence. We note that the District is in constant communication with these charter schools and should be prepared to notify the governing body of these charter schools (within the 7 day requirement) to prepare a Corrective Action Plan.

Each issue/observation identified is assigned a relative risk factor. Relative risk is an evaluation of the severity of the concern and the potential impact on operations. Items rated as "High" risk are considered to be of immediate concern and could cause significant operational issues if not addressed. Items rated as "Moderate" risk may also cause operational issues and do not require immediate attention, but should be addressed as soon as possible. Items rated as "Low" risk could escalate into operational issues, but can be addressed through the normal course of conducting business. The following is a high level summary of the major issues identified at each of the five charter schools. The details of these issues are included within this report.

Individual Charter School Issues		Risk Rating
Internal Audit Charter School Review Findings		
1. <u>Financial Results:</u> We reviewed the audited financial statements as of the years ended June 30, 2011 and June 30, 2012, the unaudited monthly financial statements for July through December 2012, and the 2012-2013 Budget prepared by the School, noting the following: <ul style="list-style-type: none">The school's net assets decreased by \$108,012 from \$268,340 for FY 2011 to \$160,328 for FY 2012.The school's unrestricted net assets decreased by \$82,319 from \$198,463 for FY 2011 to \$116,144 for FY 2012.The school reported a surplus of revenues over expenditures of \$4,495 as of December 2012.Actual revenues were \$56,786 less than budget for the six months ending December 2012.Actual expenses were \$53,390 less than budget for the six months ending December 2012.The school's current budget is based on a student projection of 132 students, while the actual enrollment as of February 2013 is 126. As such, the current budget does not reflect the actual student membership. The school's projected state source revenue as of December 2012 is overstated by approximately \$44,000 due to this change in headcount. Based on the school's budget as of December 2012, the decrease in state source revenue would cause a deficit of expenditures over revenues of approximately \$28,468 for FY 2013.	Moderate	
2. <u>Financial Reporting:</u> Per review of the monthly financial statements submitted to the District, the budget as presented is based on the initial budget and is not updated as needed to reflect adjustments based on actual data received to date. The school's initial forecast was based on 132 FTE, and as noted above, the actual headcount at October 2012 was 126 FTE.	High	
3. <u>Authorized Check Signers:</u> The authorized check signers for 2 of the 3 bank accounts included the school's former bookkeeper, who stopped working for the school in November 2012. We also noted that there was only one other authorized signer.	High	
4. <u>Cash Receipts:</u> We noted the following during our testing of cash receipts: <ul style="list-style-type: none">There was no supporting documentation for 2 of the 5 cash receipts tested.For 3 out of the 5 cash receipts tested, there was no documented record of when the monies were received to verify timely deposit at the bank.	High	
5. <u>Cash Balances on Financial Statements:</u> We noted that the December 2012 cash balances were not properly presented on the monthly financial statement. The operating cash line item was understated by \$1,327, and the savings cash line item was overstated by the same amount.	Low	
6. <u>Background Screenings:</u> We noted the following during our testing of background screenings: <ul style="list-style-type: none">The school does not maintain documentation of background screening clearances for the employees and governing board members.None of the 5 governing board members had been fingerprinted as of our audit testing.Background screenings were completed after the hire date for 2 of the 5 employees sampled.	High	
7. <u>Qualified Public Depository:</u> We noted that the school's funds are on deposit in a financial institution that is not a designated qualified public depository.	Moderate	
8. <u>Filing of Doing Business As (dba) Name:</u> We noted that the registration of the school's "doing business as" (dba) name, The Academy of Business and Leadership Education, expired on 12/31/2011.	Moderate	
9. <u>Chart of Accounts:</u> We noted that the school's chart of accounts contained 9 account numbers that were not consistent with the standard state codification of accounts, as required by the charter contract.	Low	
10. <u>Identification of Governing Board Members:</u> We noted that the names and contact information of the governing board members have not been provided to parents of the school's students.	High	
11. <u>Governing Board Responsibilities:</u> There was no documentation of the governing board's approval of the school's annual budget or review and approval of the annual financial audit report.	High	
As Reported from the External Independent Auditor's Report for Fiscal Year 2012		
12. <u>Recommendation to Improve Financial Management:</u> The Auditor noted several instances where the School pays sales tax on purchases. In addition, they noted that the School's telecommunications service provider has been including the communications service tax on its invoices and therefore the School has been paying that tax.	Management Letter Comment	
13. <u>Immaterial Noncompliance:</u> The School did not file IRS Form 990, Return of Organization Exempt from Income Taxes, in a timely manner.	Management Letter Comment	

Individual Charter School Issues		Risk Rating
<i>Internal Audit Charter School Review Findings</i>		
1. <u>Financial Reporting</u> : During our review of the school's monthly financial statements, we noted that the incorrect monthly Statement of Net Assets was submitted to the District for September 2012. The submitted statement was labeled "September 30, 2012," but actually contained the August statement figures. The school was unable to locate the accurate September monthly financial statement in District format.		Moderate
2. <u>Background Screening</u> : We noted the following during our testing of background screenings: <ul style="list-style-type: none"> • None of the 7 governing board members had been fingerprinted as of our audit testing. • The school did not have copies of the documentation of background screening clearances for 3 of the 5 selected employees. 		High
3. <u>Reporting Student Enrollment</u> : The school submitted the Survey 2 FTE results approximately 4 business days past the district due date.		Low
<i>As Reported from the External Independent Auditor's Report for Fiscal Year 2012</i>		
None Noted		N/A

Individual Charter School Issues		Risk Rating
Internal Audit Charter School Review Findings		
1. <u>Financial Results:</u> We reviewed the unaudited monthly financial statements for August through December 2012 and the 2012-2013 Budget prepared by the School, noting the following: <ul style="list-style-type: none">The school's net assets decreased by \$4,053 from \$67,872 for the month ending August 2012 to \$63,819 for the month ending December 2012.The school's unrestricted net assets increased by \$717 from \$47,946 for the month ending August 2012 to \$48,663 for the month ending December 2012.Expenditures have exceeded revenues as of the end of each of the five months ending August through December 2012.The school reported a deficit of expenditures over revenues of \$12,764 as of December 2012.Actual revenues were \$59,751 less than budget for the six months ending December 2012.Actual expenses were \$55,924 less than budget for the six months ending December 2012.The school's most recent budget projects an excess of expenditures over revenue of \$7,672 for the year ending June 30, 2013.	High	
2. <u>Financial Reporting:</u> Per review of the monthly financial statements submitted to the District, the budget as presented is based on the initial budget and is not updated as needed to reflect adjustments based on actual data received to date. The school's initial forecast was based on 36 FTE, and as noted above, the actual headcount at October 2012 was 37 FTE.	Moderate	
3. <u>Cash Disbursements:</u> For 2 of 5 disbursements tested, there was no documentation of prior approval of the expenditure.	High	
4. <u>Cash Receipts:</u> We noted the following during our testing of cash receipts: <ul style="list-style-type: none">For 1 of the 5 cash receipts tested, there was no supporting documentation and no documented record of when the monies were received to verify timely deposit at the bank.We were unable to trace this deposit to the bank statement as there was no record of which deposit it was included on.	Moderate	
5. <u>Background Screening:</u> We noted the following during our testing of background screenings: <ul style="list-style-type: none">The school does not maintain documentation of background screening clearances for the employees and governing board members.Two of the 5 governing board members had not been fingerprinted as of our audit testing.The other 3 governing board members were not screened prior to approval of the charter agreement, as required by the charter contract, section 8.I. They were screened approximately 5 months after approval of the charter contract.For one of the 4 employees sampled, the background screening was completed approximately one month after the employee's hire date.	High	
6. <u>Insurance Requirements:</u> We noted the following during our testing of compliance with the insurance requirements in the charter contract: <ul style="list-style-type: none">Crime - The school's crime insurance coverage amount is \$150,000, while the charter contract calls for coverage of \$1,000,000 per occurrence/\$2,000,000 annual aggregate, Section 7.H.4.Property Insurance - Although the school subleases the building utilized, the school had not obtained property insurance for its contents as of our audit testing, as required by the charter contract, Section 7.I.	High	
7. <u>Qualified Public Depository:</u> We noted that the school's funds are on deposit in a financial institution that is not a designated qualified public depository.	Moderate	
8. <u>Chart of Accounts:</u> We noted that the school's chart of accounts contained seven account numbers that were not consistent with the standard state codification of accounts, as required by the charter contract.	Low	
As Reported from the External Independent Auditor's Report for Fiscal Year 2012		
Not Applicable – First year in operation		N/A

Individual Charter School Issues	Risk Rating
<i>Internal Audit Charter School Review Findings</i>	
<p>1. <u>Financial Results:</u> We reviewed the audited financial statements as of the years ended September 30, 2011 and September 30, 2012, the unaudited monthly financial statements for October through December 2012, and the 2012-2013 Budget prepared by the School, noting the following:</p> <ul style="list-style-type: none"> • The school's net assets increased by \$35,984 from \$99,990 for FY 2011 to \$135,974 for FY 2012. • The school reported a surplus of revenues over expenditures of \$14,105 as of December 2012. • Actual revenues were \$11,208 more than budget for the three months ending December 2012. • Actual expenses were \$2,367 more than budget for the three months ending December 2012. • The school's budget as of December 2012 projects \$94,500 of state source revenue, which is approximately \$43,000 higher than the projections done by the District using the updated FTE survey results and amounts paid to date. Based on the school's budget as of December 2012, the decrease in projected state source revenue would cause a deficit of expenditures over revenues of approximately \$21,542 for FY 2013. 	Moderate
<p>2. <u>Financial Reporting:</u> We noted the following:</p> <ul style="list-style-type: none"> • The school's monthly financial statements submitted to the District did not include a year-to-date comparison of budgeted versus actual revenues and expenditures. • Per review of the monthly financial statements submitted to the District, the budget as presented is based on the initial budget and is not updated as needed to reflect adjustments based on actual data received to date. The school's initial forecast was based on 16 FTE, and as noted above, the actual headcount at October 2012 was 11 FTE. 	High
<p>3. <u>Cash Receipts:</u> We noted the following during our testing of cash receipts:</p> <ul style="list-style-type: none"> • One of the 5 cash receipts tested was not posted correctly. The receipt was for Lead Teacher payments received from the District. The monies received were all posted to the St. Johns Community Campus account, but half of the amount should have been posted to the Therapeutic Learning Center account. • One of the 5 cash receipts was not documented at initial collection in a log as required by the school's Financial Policy and Procedures. 	High
<p>4. <u>Authorized Check Signers:</u> The authorized check signers for the bank accounts included inappropriate individuals as noted below:</p> <ul style="list-style-type: none"> • Three former board members. • The school's Finance Director, whose other financial duties are not compatible with check signing authority (preparing bank reconciliations, safeguarding of funds). <p>We also noted that the Board Treasurer was not an authorized check signer, although the school's Financial Policy and Procedures state that the Treasurer should be a signer.</p>	High
<p>5. <u>Background Screening:</u> Twelve of the 13 governing board members had not undergone background screening as of our audit testing.</p>	High
<p>6. <u>Filing of Doing Business As (dba) Name:</u> We noted that the school had not filed a registration of their "doing business as" (dba) name, St. Johns Community Campus, as of our testing.</p>	Moderate
<p>7. <u>Governing Board Responsibilities:</u> We noted the following during our review of board documentation:</p> <ul style="list-style-type: none"> • The governing board's meeting minutes did not include documentation of the board's ongoing oversight of the school's operations. • There was no documentation of the governing board's approval of the school's annual budget. • Board attendance and meeting minutes were not documented for the school's October board meeting. • We noted that the school did not hold public meetings of the governing board as required by Florida Statutes. 	High
<i>As Reported from the External Independent Auditor's Report for Fiscal Year 2012</i>	
None Noted	N/A

Individual Charter School Issues		Risk Rating
Internal Audit Charter School Review Findings		
1. <u>Financial Results:</u> We reviewed the unaudited monthly financial statements for August through December 2012 and the 2012-2013 Budget prepared by the School, noting the following: <ul style="list-style-type: none">The school's net assets decreased by \$7,862 from \$12,889 for the month ending August 2012 to \$5,027 for the month ending December 2012.The school's unrestricted net asset deficit increased by \$8,393 from a deficit of \$1,962 for the month ending August 2012 to a deficit of \$10,355 for the month ending December 2012.Expenditures have exceeded revenues as of the end of each of the months ending August through December 2012.The school reported a deficit of expenditures over revenues of \$48,355 as of December 2012.Actual revenues were \$35,058 less than budget for the six months ending December 2012.Actual expenses were \$20,285 more than budget for the six months ending December 2012. The largest variance was in the category of facilities acquisition and construction expenses, which were \$38,935 more than budget for this period.The school's most recent budget projects an excess of expenditures over revenue of \$3,234 for the year ending June 30, 2013.	High	
2. <u>Financial Reporting:</u> Per review of the monthly financial statements submitted to the District, the budget as presented is based on the initial budget and is not updated as needed to reflect adjustments based on actual data received to date. We noted the following: <ul style="list-style-type: none">The school's initial forecast was based on 48 FTE, and as noted above, the actual headcount at October 2012 was 46 FTE.The school's budget has not been updated to reflect the interest payments due on the \$38,000 line of credit taken September 2012.	High	
3. <u>Authorized Check Signers:</u> The authorized check signers for the school's bank accounts included two individuals not on the governing board or employed by the school.	High	
4. <u>Cash Receipts:</u> We noted the following during our testing of cash receipts: <ul style="list-style-type: none">There was no supporting documentation for 2 of the 5 cash receipts tested.For the same 2 cash receipts, there was also no documented record of when the monies were received to verify timely deposit at the bank.	High	
5. <u>Cash Disbursements:</u> We noted the following during our testing of cash disbursements: <ul style="list-style-type: none">For 1 of the 5 cash disbursements tested, the check was not signed.One of 5 cash disbursements tested was paid on an invoice that was not mathematically accurate. The invoice overstated the amount due by \$20.	High	
6. <u>Bank Reconciliation:</u> We noted that the September 2012 bank reconciliation was performed prior to completion of all entries related to the month. Cash per the bank reconciliation was \$865 higher than shown on the monthly financial statement.	Moderate	
7. <u>Background Screening:</u> We noted the following during our testing of background screenings: <ul style="list-style-type: none">Five of the initial governing board members were not screened prior to approval of the charter agreement, as required by the charter contract, Section 8.I. All of these board members were screened by June 2, 2012.The background screening for 1 of the 2 board members added during the school year was completed approximately 2 months after appointment.	High	
8. <u>Insurance Requirements:</u> We noted the following during our testing of compliance with the insurance requirements in the charter contract: <ul style="list-style-type: none">Property Insurance - The school had not obtained property insurance as of our audit testing, as required by the charter contract, Section 7.I.Employee Dishonesty/Crime Insurance - The school had not obtained employee dishonesty/crime insurance as of our audit testing, as required by the charter contract, Section 7.H.4.	High	
9. <u>Chart of Accounts:</u> We noted that the school's chart of accounts contained 4 account numbers that were not consistent with the standard state codification of accounts, as required by the charter contract.	Low	
As Reported from the External Independent Auditor's Report for Fiscal Year 2012		
Not Applicable – First year in operation		N/A

Individual Charter School Issues		Risk Rating
Internal Audit Charter School Review Findings		
1. <u>Financial Results:</u> We reviewed the audited financial statements as of the years ended September 30, 2011 and September 30, 2012, the unaudited monthly financial statements for October through December 2012, and the 2012-2013 Budget prepared by the School, noting the following: <ul style="list-style-type: none">The school's net assets increased by \$23,013 from \$378,969 for FY 2011 to \$401,982 for FY 2012.The school reported a surplus of revenues over expenditures of \$7,820 as of December 2012.Actual revenues were \$2,192 more than budget for the three months ending December 2012.Actual expenses were \$6,453 more than budget for the three months ending December 2012.	Low	
2. <u>Cash Receipts:</u> Three of the 5 selected cash receipts were not deposited within 5 days of initial collection. The receipts were deposited between 12 and 13 business days after initial collection.	High	
3. <u>Authorized Check Signers:</u> The authorized check signers for the bank accounts included inappropriate individuals as noted below: <ul style="list-style-type: none">Three former board members.The school's Finance Director, whose other financial duties are not compatible with check signing authority (preparing bank reconciliations, safeguarding of funds). We also noted that the Board Treasurer was not an authorized check signer, although the school's Financial Policy and Procedures state that the Treasurer should be a signer.	High	
4. <u>Financial Reporting:</u> The school's monthly financial statements submitted to the District did not include a year-to-date comparison of budgeted versus actual revenues and expenditures.	High	
5. <u>Background Screening:</u> Twelve of the 13 governing board members had not undergone background screening as of our audit testing.	High	
6. <u>Filing of Doing Business As (dba) Name:</u> We noted that the school had not filed a registration of their "doing business as" (dba) name, Therapeutic Learning Center, as of our testing.	Moderate	
7. <u>Governing Board Responsibilities:</u> We noted the following during our review of board documentation: <ul style="list-style-type: none">The governing board's meeting minutes did not include documentation of the board's ongoing oversight of the school's operations.There was no documentation of the governing board's approval of the school's annual budget.Board attendance and meeting minutes were not documented for the school's October board meeting.We noted that the school did not hold public meetings of the governing board as required by Florida Statutes.	High	
As Reported from the External Independent Auditor's Report for Fiscal Year 2012		
None Noted	N/A	

Background

Background

What are Charter Schools?

Charter schools are governed by Florida Statute. These statutes require each school to have a sponsor. For those charter schools in St. John's County, the District is that sponsor. This means, pursuant to Florida Statute 1002.33 (5) and 1002.34(4), the terms and conditions for the operation of a charter school are set forth by the sponsor and the applicant in a written contractual agreement called a charter. As with any agreement, the sponsor should monitor and review the charter school in its progress towards the goals established in the charter as well as the financial condition of the charter school.

The purpose of charter schools as stated in Florida Statute 1002.33 (2) is to:

- Improve student learning and academic achievement.
- Increase learning opportunities for all students, with special emphasis on low-performing students and reading.
- Encourage the use of innovative learning methods.
- Require the measurement of learning outcomes.
- Create innovative measurement tools.
- Provide rigorous competition within the public school district to stimulate continual improvement in all public schools.
- Expand the capacity of the public school system.
- Mitigate the educational impact created by the development of new residential dwelling units.
- Create new professional opportunities for teachers, including ownership of the learning program at the school.

There is one charter technical career center for which the District is the sponsor, First Coast Technical College. The purpose of charter technical career centers as stated in Florida Statute 1002.34(2) is to:

- Develop a competitive workforce to support local business and industry and economic development.
- Create a training and education model that is reflective of marketplace realities.
- Offer a continuum of career educational opportunities using a school-to-work, tech-prep, technical, academy, and magnet school model.
- Provide career pathways for lifelong learning and career mobility.
- Enhance career and technical training.

The following are the financial results of the operation of the charter schools for the year ended June 30, 2012:

Charter School	Student Membership 2012/2013	Total Revenue	Total Expenditures	Net	Net Assets
ABLE	116	\$ 825,215	\$ 933,227	\$ (108,012)	\$ 160,328
First Coast Technical College	1,075	\$ 10,367,702	\$ 10,280,777	\$ 86,925	\$ 3,636,428
St Augustine Public Montessori	37	N/A	N/A	N/A	N/A
St. Johns Community Campus*	11	\$ 231,844	\$ 195,860	\$ 35,984	\$ 135,974
St. Paul School of Excellence	46	N/A	N/A	N/A	N/A
Therapeutic Learning Center*	18	\$ 323,451	\$ 300,349	\$ 23,102	\$ 401,982
	1,303	\$ 11,748,212	\$ 11,710,213	\$ 37,999	\$ 4,334,712
*As of school's fiscal year end, September 30, 2012.					

Background - continued

Relationship with the District

Charter schools are reported as discretely presented component units in accordance with GASB Statement 14. The District considers the Therapeutic Learning Center Charter School and the St. John Community Campus Charter School operated by The ARC of the St. Johns, Inc., for inclusion in its reporting entity; however, because The ARC of the St. Johns, Inc., is a component unit of a nongovernmental not-for-profit organization, the charter schools do not meet the criteria for inclusion as District component units. Each charter school reports FTE data to the District, which ultimately is reported to the Department of Education ("DOE"). Per the contract with the District, the charter schools provide monthly financial statements to the District including a balance sheet, and a statement of revenues and expenditures and changes in fund balances. The financial statements should be prepared in accordance with Generally Accepted Accounting Principles and in a format to include a detail of all revenue and expenditure activities relating to its operations. Florida Statute 1002.33(9)(g)(1) states that In order to provide financial information that is comparable to that reported for other public schools, charter schools are to maintain all financial records that constitute their accounting system in accordance with the accounts and codes prescribed in the most recent issuance of the publication titled "Financial and Program Cost Accounting and Reporting for Florida Schools."

The District receives all funds from the DOE and 'passes' them through to the charter school. The District withholds five percent of the available funds as a fee for the support provided, for enrollment for up to and including 250 students. The support includes contract management services, FTE and data reporting, exceptional student education administration, services related to federal school lunch program eligibility and reporting, test administration, processing of teacher certificate data, background screening monitoring and follow-up and information services in accordance with Florida Statute 1002.33(20)(a).

District's Duties as the Charter School Sponsor

The following excerpt from F.S.1002.33(5)(b) describes the District's duties as the Sponsor of a charter school:

- a) The sponsor shall monitor and review the charter school in its progress toward the goals established in the charter.
- b) The sponsor shall monitor the revenues and expenditures of the charter school and perform the duties provided in s. 1002.345.
- c) The sponsor may approve a charter for a charter school before the applicant has identified space, equipment, or personnel, if the applicant indicates approval is necessary for it to raise working funds.
- d) The sponsor's policies shall not apply to a charter school unless mutually agreed to by both the sponsor and the charter school.
- e) The sponsor shall ensure that the charter is innovative and consistent with the state education goals established by s. 1002.33.
- f) The sponsor shall ensure that the charter school participates in the state's education accountability system. If a charter school falls short of performance measures included in the approved charter, the sponsor shall report such shortcomings to the Department of Education.
- g) The sponsor shall not be liable for civil damages under state law for personal injury, property damage, or death resulting from an act or omission of an officer, employee, agent, or governing body of the charter school.
- h) The sponsor shall not be liable for civil damages under state law for any employment actions taken by an officer, employee, agent, or governing body of the charter school.
- i) The sponsor's duties to monitor the charter school shall not constitute the basis for a private cause of action.
- j) The sponsor shall not impose additional reporting requirements on a charter school without providing reasonable and specific justification in writing to the charter school.

For charter technical career centers, the District's duties are as stated in the following excerpt from F.S. 1002.34(6)(f): "The sponsor shall monitor and review the center's progress toward charter goals and shall monitor the center's revenues and expenditures. The sponsor shall perform the duties provided in s. 1002.345." These duties are shown in the Financial Condition Statutory Requirements section below.

Background - continued

District's Duties as the Charter School Sponsor - continued

The following describes the notification requirements and corrective actions for the identified financial conditions:

Conditions	Notification Requirements	Corrective Action
1. Failure to provide an audit required by s. 218.39, F.S.	If a charter school fails to provide for an audit required by s. 218.39, F.S., or fails to comply with reporting requirements pursuant to s. 1002.33 (9), F.S., A sponsor shall notify the governing board within 7 business days after conditions 1 and/or 2 occurs.	Creation of Corrective Action Plan
2. Failure to comply with reporting requirements pursuant to s. 1002.33(9), F.S.		
3. Charter schools is experiencing a deteriorating financial condition	If a deteriorating financial condition is identified through an annual audit pursuant to s. 218.39(5), F.S., or a monthly financial report pursuant to s. 1002.33(9)(g) or s. 1002.34(11)(f), the sponsor shall notify the charter school governing board within 7 business days after the condition occurs.	Corrective Action Plan – for deteriorating condition.
4. Failure to pay loans or debt service when due as a result of lack of funds	<p>The existence of one or more of these conditions constitutes a state of financial emergency.</p> <p>In an audit that reveals that one of the conditions in s. 218.503(1) has occurred or will occur if action is not taken to assist the charter school or charter technical career center, the auditor shall notify the governing board of the charter school or charter technical career center, the sponsor, and the Commissioner of Education within business 7 days after the finding is made.</p> <p>If one of the conditions in s. 218.503(1) has occurred or will occur if action is not taken to assist the charter school, the sponsor shall notify the governing board within 7 business days after the condition occurs.</p>	Corrective Action Plan – for deteriorating or emergency condition.
5. Failure to pay uncontested claims to creditors within 90 days as a result of lack of funds		
6. Failure to transfer taxes, social security or retirements/benefits for employees		
7. Failure for one pay period to pay wages, salaries or retirement benefits to employees		

Background - continued

Financial Condition Statutory Requirements

Effective July 1, 2009, Senate Bill 278 amended ss. 218.503 and 1002.33, and creates s. 1002.345, related to a charter school's financial conditions which include the following:

Conditions	Statute Excerpts
1. Failure to provide for an audit required by s. 218.39, F.S.	<p>If a charter school or charter technical career center has not been notified by the first day of the fiscal year that a financial audit for that fiscal year will be performed by the Auditor General, the charter school or charter technical career center shall have an annual financial audit completed within 9 months after the end of its fiscal year by an independent CPA retained by it and paid from its public funds (s. 218.39(1)(e) and (f)).</p> <p>If the charter school fails to provide the audit, the school will be subject to expedited review by the sponsor (s. 1002.345(1)(a)1).</p>
2. Failure to comply with reporting requirements pursuant to s. 1002.33(9), or 1002.34(11)(f) or (14), F.S.	<p>Charter schools shall provide annual financial report and program cost report information in the state-required formats for inclusion in district reporting. A charter school shall provide a monthly financial statement to the sponsor in a form prescribed by the DOE (s. 1002.33(9)(g)).</p> <p>The governing board shall report its progress annually to its sponsor. The DOE developed accountability report shall include a financial status component which must include revenues and expenditures at a level of detail that allows for analysis of the ability to meet financial obligations and timely repayment of debt (s. 1002.33(9)(k)).</p> <p>If the charter school fails to comply with the reporting requirements, the school will be subject to expedited review by the sponsor (s. 1002.345(1)(a)2).</p>
3. Charter schools is experiencing a deteriorating financial condition	<p>A deteriorating financial condition, identified through an annual audit or a monthly financial statement, means a circumstance that significantly impairs the ability of a charter school or a charter technical career center to generate enough revenues to meet its expenditures without causing the occurrence of a condition described in s. 218.503(1). (s. 1002.345(1)(a)3).</p> <p>The charter school is subject to expedited review by the sponsor if a deteriorating financial condition is identified (s. 1002.345(1)(a)3).</p>
4. Failure to pay loans or debt service when due as a result of lack of funds	<p>Failure within the same fiscal year in which due to pay short-term loans or failure to make bond debt service or other long-term debt payments when due, as a result of a lack of funds s. 218.503(1)(a).</p> <p>The charter school is subject to expedited review by the sponsor if notification that this condition has occurred or will occur if action is not taken to assist the school (s. 1002.345(1)(a)4).</p>
5. Failure to pay uncontested claims to creditors within 90 days due to lack of funds	<p>Failure to pay uncontested claims from creditors within 90 days after the claim is presented, as a result of lack of funds s. 218.503(1)(b).</p> <p>The charter school is subject to expedited review by the sponsor if notification that this condition has occurred or will occur if action is not taken to assist the school (s. 1002.345(1)(a)4).</p>

Background - continued

Financial Condition Statutory Requirements - continued

Conditions	Statute Excerpts
6. Failure to transfer taxes, social security or retirements/benefits for employees due to lack of funds	<p>Failure to transfer at the appropriate time, due to lack of funds:</p> <ul style="list-style-type: none"> • Taxes withheld on the income of employees; or • Employer and employee contributions for: Federal social security; or • Any pension, retirement, or benefit plan of an employee. <p>s. 218.503(1)(c)</p> <p>The charter school is subject to expedited review by the sponsor if notification that this condition has occurred or will occur if action is not taken to assist the school (s. 1002.345(1)(a)4).</p>
7. Failure for one pay period to pay wages, salaries or retirement benefits to employees due to lack of funds	<p>Failure for one pay period to pay, due to lack of funds:</p> <ul style="list-style-type: none"> • Wages and salaries owed to employees, or; • Retirement benefits owed to former employees. <p>s. 218.503(1)(d)</p> <p>The charter school is subject to expedited review by the sponsor if notification that this condition has occurred or will occur if action is not taken to assist the school (s. 1002.345(1)(a)4).</p>

The following represents the recommended steps for creating a corrective action plan:

1. A sponsor shall notify the governing board within 7 business days after one or more of the conditions resulting in the establishment of a corrective action plan occur.
2. The governing board and the sponsor shall develop a corrective action plan and file the plan with the Commissioner of Education within 30 business days after notification is received.
3. If the governing board and the sponsor are unable to agree on a corrective action plan, the Commissioner of Education shall determine the components of the plan.
4. The governing board shall implement the final plan.
5. The governing board shall include the corrective action plan and the status of the implementation in the annual progress report to the sponsor.
6. If the governing board fails to implement the corrective action plan within 1 year after one or more of the conditions resulting in the establishment of a plan occur, the State Board of Education shall prescribe any steps necessary for the charter school or charter technical career center to comply with state requirements.
7. The chair of the governing board shall annually appear before the State Board of Education and report on the implementation of the State Board of Education's requirements referenced above (6).

Finally, if the charter school or charter technical career center is found to be in a state of financial emergency the following steps should be performed:

1. The charter school shall develop and submit a financial recovery plan to the Commissioner of Education for review and approval within 30 days of being notified that the charter school is in a state of financial emergency and a financial recovery plan is needed.
2. The charter school shall file the approved financial recovery plan with the Commissioner.
3. The governing board shall monitor the financial recovery plan in order to ensure compliance.
4. The governing board shall include the financial recovery plan and the status of its implementation in the annual progress report to the sponsor.
5. The sponsor may decide not to renew or may terminate a charter if the charter school or charter technical career center fails to correct the deficiencies noted in the corrective action plan within 1 year after being notified of the deficiencies or exhibits one or more financial emergency conditions for 2 consecutive years.

Objectives and Approach

Objectives and Approach

Objectives

Our review was limited primarily to finance and compliance related matters and did not include a review of the charter schools' operations such as education, child care or any other non-financial areas. The review covered the following areas:

- Financial Operations, including external audit deficiencies reported for the year ended June 30, 2012
- Teacher Certification and Staff Screening
- Sponsor Contract and Compliance with Florida Statutes
- Governance - Board Minutes and Members

Approach

Our review approach consisted of three phases:

Understanding and Documentation of the Process

We conducted interviews with the Director for Guidance and Choice, the District CFO, and the Director of Accounting and Payroll. We discussed the scope and objectives of the audit work, obtained preliminary data, and established working arrangements. We obtained copies of contracts, June 30, 2012 external financial audits, board meeting minutes and other documents deemed necessary. We reviewed the applicable Florida Statutes and District Policies.

We reviewed all the findings from the June 30, 2012 audited financial statements and noted within each charter school section of the report the significant items.

Detailed Testing

The purpose of this phase was to test compliance and controls. Our fieldwork testing was conducted at the charter school sites utilizing sampling and other auditing techniques to meet our audit objectives outlined above.

Our detailed testing was broken into two distinct areas as follows:

I. ***District Review*** - We conducted testing of District operations in the following areas:

- Contract compliance and oversight
- Controls surrounding monitoring of compliance
- Communication with charter schools

Objectives and Approach - continued

Approach – continued

- II. ***Specific Charter School and Charter Technical Career Center Review*** - To test compliance with Florida Statutes and the Sponsor (District) contract, we conducted onsite school visits at the five charter schools and one charter technical career center.

We conducted detailed testing in the following areas where applicable:

- Submission of monthly and annual financial reporting
- Financial statement review by the District
- Governance and screening of the charter schools' board members
- Board meeting minutes
- Cash disbursements
- Cash receipts
- Bank reconciliations
- Florida Education Finance Program (FEFP) revenue
- Corporate status
- Tax exempt status
- Transportation
- Staff certification and screening to include fingerprinting
- Insurance
- Certificates of Occupancy
- Building lease
- Status of any deficiencies noted in the external auditors' report as of June 30, 2012

Sample sizes, where appropriate, were determined based upon the preliminary risk assessment as described above.

Findings identified are included in the individual charter school's overview and issue section of this report.

Reporting

During this phase, we summarized our findings of the individual charter schools. We reviewed the results of our testing with the individual charter schools and District personnel.

Individual Charter School Review

ABLE (The Academy of Business and Leadership Education)

7 Williams Street
St. Augustine, FL 32084

Charter School Contract Entered and School Open Dates:

July 2006 and August 5, 2006

Charter Contract Date:

July 1, 2012 through June 30, 2016

Membership:

Fiscal Year	Student Membership				
	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
School's Initial Forecast	132	154	157	154	132
Head Count for Year	116	129	163	133	126

Financial Data:

	Audited June 30, 2010	Audited June 30, 2011	Audited June 30, 2012
Cash and Equivalents	\$253,568	\$243,916	\$153,491
Net Assets	\$275,021	\$268,340	\$160,328
Change in Net Assets	\$32,756	\$(6,681)	\$(108,012)
Fund Balance	\$217,707	\$198,463	\$116,144

Charter School Grade:

Per Florida Department of Education: Florida School Grades

Grade	2008-2009	2009-2010	2010-2011	2011-2012
	A	C	A	B

Governing Board:

Board Chair: Steve Brandvold
Treasurer: Karl Vierck
Secretary: Gene Griffin
Board Member: Shannon Millican
Board Member: Rene Rockefeller

School Administration:

Principal: Scott Beebe
Sponsor: St. Johns County School District

Comments:

Management Agreement: N/A

Debt: N/A

Lease: The school leases land and buildings under a renewable operating lease agreement with Tricat, LLP, through July 31, 2013. The lease provides for payments of \$9,261 per month (\$111,132/year). The lease has an option to renew with terms subject to negotiation. In the event of renewal, the rent will increase at least 5% per year on the anniversary date of the lease.

ABLE - continued

Comments: - continued

Subleases: The school subleases part of one of the leased buildings to Cap'n Kids Galley, Inc., a restaurant, under a sublease agreement that ends September 30, 2013. The agreement provides for payments of \$850 per month (\$10,200/year).

The school also subleases part of one of the leased buildings to St. Augustine Montessori Community, Inc., under a sublease agreement that ends June 30, 2013. The agreement provides for payments of \$2,050 per month (\$24,600/year). The sublease agreement also states that the cafeteria and athletic fields will be considered shared space between St. Augustine Public Montessori School and ABLE School, with scheduled usage by both parties.

Related Parties: N/A

Other: ABLE School has contracted with the District to provide bus transportation to their students. The school's monthly financial statements are compiled by Waler & Waler CPAs, and Kattell and Company, P.L. serves as the school's external auditor.

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Rating	Issues	Recommendation																
Financial Operations																		
Moderate	1. Financial Results																	
	<p>We reviewed the audited financial statements as of the years ended June 30, 2011 and June 30, 2012, the unaudited monthly financial statements for July through December 2012, and the 2012-2013 Budget prepared by the School, noting the following:</p> <ul style="list-style-type: none">• The school's net assets decreased by \$108,012 from \$268,340 for FY 2011 to \$160,328 for FY 2012.• The school's unrestricted net assets decreased by \$82,319 from \$198,463 for FY 2011 to \$116,144 for FY 2012.• Actual revenues were \$56,786 less than budget for the six months ending December 2012.• Actual expenses were \$53,390 less than budget for the six months ending December 2012.• The school's current budget is based on a student projection of 132 students, while the actual enrollment as of February 2013 is 126. As such, the current budget does not reflect the actual student membership. The school's projected state source revenue as of December 2012 is overstated by approximately \$44,000 due to this change in headcount. Based on the school's budget as of December 2012, the decrease in state source revenue would cause a deficit of expenditures over revenues of approximately \$28,468 for FY 2013. <p>We reviewed the monthly financial results for October 2012 through December 2012, noting revenues and expenditures as summarized in the table below:</p> <table><tr><th></th><th>Oct 2012</th><th>Nov 2012</th><th>Dec 2012</th></tr><tr><td>Revenues</td><td>\$ 232,245</td><td>\$ 297,179</td><td>\$ 354,371</td></tr><tr><td>Expenditures</td><td>\$ 211,125</td><td>\$ 290,473</td><td>\$ 349,876</td></tr><tr><td>Surplus/(Deficit)</td><td>\$ 21,120</td><td>\$ 6,706</td><td>\$ 4,495</td></tr></table>		Oct 2012	Nov 2012	Dec 2012	Revenues	\$ 232,245	\$ 297,179	\$ 354,371	Expenditures	\$ 211,125	\$ 290,473	\$ 349,876	Surplus/(Deficit)	\$ 21,120	\$ 6,706	\$ 4,495	<p>We recommend that the school continue to monitor current and projected financial results.</p>
	Oct 2012	Nov 2012	Dec 2012															
Revenues	\$ 232,245	\$ 297,179	\$ 354,371															
Expenditures	\$ 211,125	\$ 290,473	\$ 349,876															
Surplus/(Deficit)	\$ 21,120	\$ 6,706	\$ 4,495															

ABLE

Rating	Issues	Recommendation
Financial Operations		
High	2. Financial Reporting	
	Per review of the monthly financial statements submitted to the District, the budget as presented is based on the initial budget and is not updated as needed to reflect adjustments based on actual data received to date. The school's initial forecast was based on 132 FTE, and as noted above, the actual headcount at October 2012 was 126 FTE.	We recommend that the school update budget projections after receipt/knowledge of items that would affect the initial projections, and include in the monthly financial statements submitted to the District. For example, FTE counts, staffing changes, principal/interest payments, other.

Rating	Issues	Recommendation
Financial Operations		
High	3. Authorized Check Signers	
	<p>The authorized check signers for 2 of the 3 bank accounts included the school's former bookkeeper, who stopped working for the school in November 2012. We also noted that there was only one other authorized signer.</p> <p>Only appropriate school employees or members of the school's governing board should be authorized check signers on the school's bank accounts. Failure to restrict access to check signing may result in unauthorized disbursements or misappropriation of funds.</p>	<p>We recommend the school update the list of authorized signers with the bank to remove the inappropriate individual.</p> <p>We also recommend that each of the school's bank accounts have at least two authorized check signers to ensure timely disbursement when one of the signers is not available. If the school does not require dual signatures on checks, the second authorized signer should not be the school's bookkeeper as this impedes segregation of duties.</p>

Rating	Issues	Recommendation
Financial Operations		
High	4. Cash Receipts	
	<p>We noted the following during our testing of cash receipts:</p> <ul style="list-style-type: none"> There was no supporting documentation for 2 of the 5 cash receipts tested. For 3 out of the 5 cash receipts tested, there was no documented record of when the monies were received to verify timely deposit at the bank. <p>Without the proper controls surrounding cash collections, funds could be misappropriated. In addition, incomplete and delayed deposits could result in errors in records and misappropriation of funds.</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> The school should implement a log or other record for all monies collected that will document the source, amount, and date received for each collection. The school should ensure that all monies received are deposited within five working days after receipt. As recommended by Red Book Chapter8, Section 1.4.c.

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Rating	Issues	Recommendation												
Financial Operations														
Low	<p>5. Cash Balances on Financial Statements</p> <p>We noted that the December 2012 cash balances were not properly presented on the monthly financial statement as follows:</p> <table><tr><th>Cash Account</th><th>Per General Ledger</th><th>Per Financial Statement</th><th>Difference</th></tr><tr><td>Operating</td><td>\$18,444</td><td>\$17,117</td><td>\$1,327</td></tr><tr><td>Savings</td><td>\$98,769</td><td>\$100,096</td><td>(\$1,327)</td></tr></table> <p>This error was caused by improperly mapping one of the school's two checking accounts to the Cash-Savings line item on the financial statements. The financial statements are prepared by the school's contract accountant.</p> <p>Failure to perform a review of the monthly financial statements and bank reconciliations may cause delays in the identification of potential errors and / or irregularities.</p>	Cash Account	Per General Ledger	Per Financial Statement	Difference	Operating	\$18,444	\$17,117	\$1,327	Savings	\$98,769	\$100,096	(\$1,327)	<p>We recommend that bank reconciliations be compared to the financial statements as part of the review process.</p> <p>Complete bank reconciliation reviews will help ensure that potential cash issues and/or irregularities are identified and resolved in a timely manner.</p>
Cash Account	Per General Ledger	Per Financial Statement	Difference											
Operating	\$18,444	\$17,117	\$1,327											
Savings	\$98,769	\$100,096	(\$1,327)											

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Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
High	6. Background Screening	
	<p>We noted the following during our testing of background screenings:</p> <ul style="list-style-type: none"> The school does not maintain documentation of background screening clearances for the employees and governing board members. None of the 5 governing board members had been fingerprinted as of our audit testing. Background screenings were completed after the hire date for 2 of the 5 employees sampled. <p>Section 1012.32(2)(b) of the Florida State Statutes states the following: <i>"Instructional and noninstructional personnel who are hired or contracted to fill positions in any charter school and members of the governing board of any charter school, in compliance with s. 1002.33(12)(g), must, upon employment, engagement of services, or appointment, undergo background screening... by filing with the district school board for the school district in which the charter school is located a complete set of fingerprints taken by an authorized law enforcement agency or an employee of the school or school district who is trained to take fingerprints."</i></p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> All governing board members undergo background screening immediately. The school obtains and maintains written evidence/confirmation for each one of its staff and governing board members to ensure that every employee and governing board member has been properly screened. <p>Unless the school monitors and maintains records relating to the results of the screening, they are unable to guarantee compliance with Florida Statutes and risk the viability of the school's charter and continued existence.</p>

Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
Moderate	7. Qualified Public Depository	
	<p>We noted that the school's funds are on deposit in a financial institution that is not a designated qualified public depository.</p> <p>Section 280.03(1)(b) of the Florida State Statutes states the following: <i>"Public deposits shall be made in a qualified public depository unless exempted by law."</i></p> <p>Florida's Qualified Public Deposit Program protects public depositors from loss of public funds deposited in state financial institutions.</p>	<p>We recommend the school move their funds to a bank authorized to hold public deposits through designation as a qualified public depository, as required by Florida Statute. The list of active qualified public depositories can be found on the Florida Department of Financial Services website at:</p> <p>https://apps8.fldfs.com/CAP_Web/PublicDeposits/ActiveQPDDisplayList.aspx.</p>

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Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
Moderate	8. Filing of Doing Business As (dba) Name	
	<p>We noted that the registration of the school's "doing business as" (dba) name, The Academy of Business and Leadership Education, expired on 12/31/2011.</p> <p>According to Florida Statutes, Section 865.09 <i>Fictitious Name (name under which business is transacted other than legal name) (3), Registration – "a person may not engage in business under a fictitious name unless the person first registers the name with the division by filing a sworn statement listing: (a) The name to be registered. (b) The mailing address of the business. (c) The name and address of each owner and, if a corporation, its federal employer's identification number and Florida incorporation or registration number."</i></p>	We recommend the school file a renewal of their fictitious name registration.

Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
Low	9. Chart of Accounts	
	<p>We noted that the school's chart of accounts contained 9 account numbers that were not consistent with the standard state codification of accounts, as required by the charter contract.</p> <p>Section 4.F of the charter school renewal contract between the school and the District states that: "The school shall utilize the standard state codification of accounts as contained in the most recent issue of the publication titled Financial and Program Cost Accounting and Reporting for Florida Schools (the "Red Book") as a means of codifying all transactions pertaining to its operations."</p>	We recommend the school update their chart of accounts to be consistent with Red Book.

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Rating	Issues	Recommendation
Governance - Board Minutes and Members		
High	10. Identification of Governing Board Members	
	<p>We noted that the names and contact information of the governing board members have not been provided to parents of the school's students.</p> <p>Section 8.G of the charter school renewal contract between the school and the District states that: "The school shall provide to the parents of its students and to the sponsor, in writing, the names of the members of the school's governing board and a means by which they may be contacted."</p>	We recommend that the school provide the names and contact information of the governing board members in writing to parents of the students.

Rating	Issues	Recommendation
Governance - Board Minutes and Members		
High	11. Governing Board Responsibilities	
	<p>There was no documentation of the governing board's approval of the school's annual budget or review and approval of the annual financial audit report.</p> <p>Section 1002.33(9) of the Florida Statutes requires the governing board to annually adopt and maintain an operating budget and review and approve the annual financial audit report, including audit findings and recommendations.</p> <p>The board's governance activities should be properly documented to evidence compliance with statutory requirements.</p>	We recommend that the approval of the following be formally documented in the minutes of the governing board meeting: review and approval of the school's annual financial audit report, and review and approval of the school's annual operating budget.

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Board Member Questions and Responses

Questions	1	2	3	4	5
Are you a member of the Governing Board or the Corporate Board?	Yes	Yes	Yes	Governing	Governing
How long have you been on the Charter School's Board?	9/2010	9/2010	5 years	9/18/2012	9/2011
Are you a voting or non-voting member of the Board?	Voting	Voting	Voting	Voting	Voting
Do you regularly attend the Board meetings?	Yes	Yes	Yes	Yes	Yes
If so, how often are Board meetings held?	Monthly	Monthly	Monthly	Monthly	Monthly
Were you initially elected in a public meeting?	Yes	Yes	Yes	Yes	Yes
Have you been fingerprinted?	Yes	Yes	Yes	Yes	No
If so, when was the last date of fingerprinting?	2012	4/2011	N/A	3/2011	N/A
Have you received a copy of the Articles of Incorporation of ABLE?	Yes	Yes	Yes	No	Yes
Have you received a copy of the By-Laws?	Yes	Yes	Yes	No	Yes
Have you received a copy of the charter between ABLE and St. Johns County School District?	Yes	Yes	Yes	No	Yes
At the Board meetings do you regularly receive financial reports?	Yes	Yes	Yes	No	Yes
If so, does the Board discuss these financial reports?	Yes	Yes	Yes	Annually	Yes
Does the Board approve the budget?	Yes	Yes	Yes	Yes	Yes
Does the Board approve amendments to the budget?	Yes	Yes	Yes	Yes	Yes
Describe any related party transactions with ABLE.	None	None	None	None	None

Please provide a brief summary of your qualifications as they relate to the Board of Directors of ABLE:

Board Member	Response
1	Parent and Managing Director of multiple companies. Not for profit involvement. Previous experience on Board of a school.
2	15 years in Mtg. Financing and Real Estate, Committee Member of several Committees acting as Chair, Co-chair and Secretary.
3	My child attends the school, I have a business and a B.S. in civil engineering, My first child attended and has been in top academic classes in high school.
4	Parent and insurance agency owner. Previously on the SAC committee of another school.
5	Parent of child attending ABLE and acquaintance of previous board member and other parents Business owner in the community.

(A) Did not receive response as of the report issuance

First Coast Technical College

2980 Collins Avenue
St. Augustine, FL 32084

Charter School Contract Entered and School Open Date:

July 1, 2009

Charter Contract Date:

July 1, 2012 through June 30, 2013

Membership:

Fiscal Year	Student Membership				
	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
School's Initial Forecast	N/A	N/A	N/A	N/A	N/A
Head Count for Year	1451	1238	1084	1209	1075

Financial Data:

	Audited June 30, 2010	Audited June 30, 2011	Audited June 30, 2012
Cash and Equivalents	\$1,282,282	\$855,614	\$1,519,082
Net Assets	\$3,453,320	\$3,767,178	\$3,636,428
Change in Net Assets	\$366,742	\$313,858	\$86,925
Fund Balance	\$2,017,793	\$1,730,714	\$1,915,726

Charter School Grade:

Grade	Per Florida Department of Education: Florida School Grades			
	2008-2009	2009-2010	2010-2011	2011-2012
	N/A	N/A	N/A	N/A

Governing Board:

Board Chair: Michael Curtis
Vice Chair: Mark Fontana
Board Member: Dana Jones
Board Member: Carol Saviak
Board Member: Chief Ty Silcox
Board Member: Carol M. Alford
Board Member: John Browning

School Administration:

President: Sandra Raburn
Sponsor: St. Johns County School District

Comments:

Management Agreement: N/A

Debt: N/A

Lease: The college leases buildings and equipment under non-cancelable operating leases. Future minimum rental payments as of June 30, 2012, required by these leases are as follows:

2013	\$ 205,068
2014	205,068
2015	205,068
2016	182,268
2017	68,268
Total	\$ 865,740

First Coast Technical College - continued

Comments: - continued

Related Parties: The college is a component unit of St. Johns County School District. The majority of the college's revenues are provided by the School Board of St. John's County. These revenues are used for current operations and program activities. The college reimbursed the School Board for certain costs such as payroll, transportation services, insurance premiums, supplies and other miscellaneous expenses. Total payments to the School Board for the year ended June 30, 2012 were \$6,467,049.

Other: First Coast Technical College does not provide bus transportation to their students. The school's monthly financial statements are compiled by the school's Chief Financial Officer and Dufresne & Associates serves as the school's external auditor.

Financial Results

We reviewed the audited financial statements as of the years ended June 30, 2011 and June 30, 2012, the unaudited monthly financial statements for July through December 2012, and the 2012-2013 Budget prepared by the School, noting the following:

- The school's net assets decreased by \$130,750 from \$3,767,178 for FY 2011 to \$3,636,428 for FY 2012.
- The school's unrestricted net assets increased by \$103,251 from \$1,118,950 for FY 2011 to \$1,222,201 for FY 2012.
- Revenues have exceeded expenditures as of months ending July through December 2012.
- Actual revenues were \$90,293 more than budget for the six months ending December 2012.
- Actual expenses were \$272,973 less than budget for the six months ending December 2012.

We reviewed the monthly financial results for October 2012 through December 2012, noting revenues and expenditures as summarized in the table below:

	Oct 2012	Nov 2012	Dec 2012
Revenues	\$3,258,953	\$4,461,101	\$5,342,419
Expenditures	\$2,798,977	\$3,984,982	\$4,832,223
Surplus/(Deficit)	\$ 459,976	\$ 476,119	\$ 510,196

First Coast Technical College

Rating	Issues	Recommendation
Financial Operations		
Moderate	1. Financial Reporting	
	<p>During our review of the school's monthly financial statements, we noted that the incorrect monthly Statement of Net Assets was submitted to the District for September 2012. The submitted statement was labeled "September 30, 2012," but actually contained the August statement figures. The school was unable to locate the accurate September monthly financial statement in District format.</p> <p>Section 1002.34(11)(f) of the Florida State Statutes states the following: <i>"A center shall provide a monthly financial statement to the sponsor...The monthly financial statement shall be in a form prescribed by the Department of Education."</i></p> <p>Incomplete or inaccurate financial reporting prevents the District from fulfilling its statutory duty as the school's sponsor to monitor the revenue and expenditures of the charter school.</p>	<p>We recommend that the school ensure the monthly financial statements are accurate and that the school retains a copy of the financial statements after submission for their own records.</p>

First Coast Technical College

Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
High	2. Background Screening	
	<p>We noted the following during our testing of background screenings:</p> <ul style="list-style-type: none"> • None of the 7 governing board members had been fingerprinted as of our audit testing. • The school did not have copies of the documentation of background screening clearances for 3 of the 5 selected employees. While those 3 are District employees, it is the school's responsibility to confirm that background screenings have been obtained and maintained supporting documentation of clearance for all required individuals. <p>The school's charter contract, Section 7.1.8, Required Screening, states that: "the school shall comply with applicable requirements of the Jessica Lunsford Act, as embodied in Florida Statutes 1012.32, 1012.465, and 1012.467, and applicable Board screening standards."</p> <p>Section 1012.32(2)(b) of the Florida Statutes states the following: <i>"Instructional and noninstructional personnel who are hired or contracted to fill positions in any charter school and members of the governing board of any charter school, in compliance with s. 1002.33(12)(g), must, upon employment, engagement of services, or appointment, undergo background screening... by filing with the district school board for the school district in which the charter school is located a complete set of fingerprints taken by an authorized law enforcement agency or an employee of the school or school district who is trained to take fingerprints."</i></p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> • The governing board members undergo background screening immediately. • The school obtain and maintain written evidence/confirmation for each one of its staff and governing board members to ensure that every employee and governing board member has been properly screened. Unless the school monitors and maintains records relating to the results of the screening, they are unable to guarantee compliance with Florida Statutes and risk the viability of the school's charter and continued existence.

First Coast Technical College

Rating	Issues	Recommendation
<i>Sponsor Contract and Compliance with Florida Statutes</i>		
Low	3. Reporting Student Enrollment	
	<p>The school submitted the Survey 2 FTE results 4 business days past the Department of Education due date.</p> <p>The schools charter contract, Section 5.2, Reporting of Student Enrollment, states that: "the school shall accurately report its student enrollment to the sponsor as required in Section 1011.62, Florida Statutes...at the agreed upon intervals."</p> <p>Failure to submit FTE information according to district guidelines prevents the District from addressing data rejections or validation errors during the period the State's reporting database is available.</p>	<p>We recommend the school ensure that the FTE information is submitted in a timely fashion.</p>

First Coast Technical College

Board Member Questions and Responses

Questions	1	2	3	4	5	6	7
Are you a member of the Governing Board or the Corporate Board?	A	Yes	Yes	Yes	Governing	Yes	Yes
How long have you been on the Charter School's Board?	A	7/1/99	11/2007	8/2009	2/2010	12/2012	N/A
Are you a voting or non-voting member of the Board?	A	Votive	Voting	Yes	Voting	Voting	Voting
Do you regularly attend the Board meetings?	A	Yes	Yes	Yes	Yes	Yes	Yes
If so, how often are Board meetings held?	A	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Were you initially elected in a public meeting?	A	Yes	Yes	Yes	Yes	Yes	Yes
Have you been fingerprinted?	A	No	Yes	No	No	No	Yes
If so, when was the last date of fingerprinting?	A	N/A	1995	N/A	N/A	N/A	12/2012
Have you received a copy of the Articles of Incorporation of First Coast Technical College?	A	Yes	Yes	Yes	Yes	Yes	Yes
Have you received a copy of the By-Laws?	A	Yes	Yes	Yes	Yes	Yes	Yes
Have you received a copy of the charter between First Coast Technical College and St. Johns County School District?	A	Yes	Yes	Yes	Yes	Yes	Yes
At the Board meetings do you regularly receive financial reports?	A	Yes	Yes	Yes	Yes	Yes	Yes
If so, does the Board discuss these financial reports?	A	Yes	Yes	Yes	Yes	Yes	Yes
Does the Board approve the budget?	A	Yes	Yes	Yes	Yes	Yes	Yes
Does the Board approve amendments to the budget?	A	Yes	Yes	Yes	Yes	Yes	Yes
Describe any related party transactions with First Coast Technical College.	A	None	None	**	None	***	None

Please provide a brief summary of your qualifications as they relate to the Board of Directors of First Coast Technical College:

Board Member	Response
1	A
2	I am a lifelong resident of Putnam county I graduated from Palatka High, graduated from FSU and serve on numerous boards.
3	Business owner since 1973, served on the Board of Directors for Putnam County Chamber of Commerce, serving as Chairman in 2003.
4	Forty years of Mgt experience with fiduciary, expert in aerospace manufacturing processes, in-depth knowledge of database develop.
5	As chamber president I stay in tuned to business and industry training needs and employment trends. I am a graduate of EDI and IOM.
6	20 yrs of policy and government relations experience. Currently work on economic development section for the Chamber and workforce issues
7	25 yrs of Municipal Govern exp 12 yrs as Fire Chief of Municipal Fire Depart. I hold a Masters of public admin. And teach in an under graduate program.

***I am a manager at Northrop Grumman in St. Augustine, I helped establish an agreement between FCTC and Northrop Grumman to provide technical information and material subsidy to the college's Aerospace Certificate program. In addition, I helped expedite a continuing agreement between the college and the Firefighter unit at the site. In all these contractual matters, I have gone on record and recused myself during the specific Board Meetings.*

****FCTC is a member of the St. Johns County Chamber of Commerce and the Chamber partners with FCTC on special events on occasion.(A) Did not receive response as of the report issuance*

St. Augustine Public Montessori

7 Williams Street
St. Augustine, FL 32084

Charter School Entered and School Open Dates:

February 12, 2012 and August 20, 2012

Charter Contract Date:

July 1, 2012 through June 30, 2016

Membership:

Fiscal Year	Student Membership				
	2008-2009	2009-2010	2010-2011	2011-2012	2011-2013
School's Initial Forecast	N/A	N/A	N/A	N/A	36
Head Count for Year	N/A	N/A	N/A	N/A	37

Financial Data:

	Audited June 30, 2010	Audited June 30, 2011	Audited June 30, 2012
Cash and Equivalents	N/A	N/A	N/A
Net Assets	N/A	N/A	N/A
Change in Net Assets	N/A	N/A	N/A
Fund Balance	N/A	N/A	N/A

Charter School Grade:

Grade	Per Florida Department of Education: Florida School Grades			
	2008-2009	2009-2010	2010-2011	2011-2012
	N/A	N/A	N/A	N/A

Governing Board:

President:	Jean McDowell	Board Member :	Irene Arriola
Vice-President:	Roman Pytel	Board Member :	Jeannie Buskirk
Secretary:	Carrie Morgan		

School Administration:

Director:	Judi Dunlap
Sponsor:	St. Johns County School District

Comments:

Financial Condition

The school has reported deficits of revenues under expenditures in 4 of the past 4 months reviewed. The continued deficit could impair the St Augustine Public Montessori's ability to meet certain required obligations, which is an indication of a deteriorating financial condition as defined in Florida Statue 1002.345(1)(a)3).

Management Agreement: N/A and **Debt:** N/A

Lease: The school subleases land and part of a building under an operating lease agreement with sublessor ABLE School, Inc., through June 30, 2013. The lease provides for payments of \$2,050 per month (\$24,600/year).

Related Parties: N/A

Other: The school does not provide transportation to its students. The school's monthly financial statements are compiled by Sharon P. Fourakre, CPA. The school had not selected a financial statement auditor as of our review.

The school had a beginning fund balance of \$38,561, comprised of private donations to the school.

St. Augustine Public Montessori

Rating	Issues	Recommendation																				
Financial Operations																						
High	<p>1. Financial Results</p> <p>We reviewed the unaudited monthly financial statements for August through December 2012 and the 2012-2013 Budget prepared by the School, noting the following:</p> <ul style="list-style-type: none">• The school's net assets decreased by \$4,053 from \$67,872 for the month ending August 2012 to \$63,819 for the month ending December 2012.• The school's unrestricted net assets increased by \$717 from \$47,946 for the month ending August 2012 to \$48,663 for the month ending December 2012.• Expenditures have exceeded revenues as of the end of each of the five months ending August through December 2012.• Actual revenues were \$59,751 less than budget for the six months ending December 2012.• Actual expenses were \$55,924 less than budget for the six months ending December 2012.• The school's most recent budget projects an excess of expenditures over revenue of \$7,672 for the year ending June 30, 2013. <p>We reviewed the monthly financial results for October 2012 through January 2013, noting as summarized in the table below, the school has reported deficits of revenues under expenditures in 4 of the past 4 months reviewed.</p> <table><tr><th></th><th>Oct 2012</th><th>Nov 2012</th><th>Dec 2012</th><th>Jan 2013</th></tr><tr><td>Revenues</td><td>\$ 70,333</td><td>\$ 88,433</td><td>\$ 109,555</td><td>\$ 128,846</td></tr><tr><td>Expenditures</td><td>\$ 79,060</td><td>\$ 104,797</td><td>\$ 122,319</td><td>\$ 140,439</td></tr><tr><td>Surplus (Deficit)</td><td>\$ (8,727)</td><td>\$ (16,364)</td><td>\$ (12,764)</td><td>\$ (11,593)</td></tr></table> <p>The continued deficit could impair the St Augustine Public Montessori's ability to meet certain required obligations, which is an indication of a deteriorating financial condition as defined in Florida Statue 1002.345(1)(a)3).</p>		Oct 2012	Nov 2012	Dec 2012	Jan 2013	Revenues	\$ 70,333	\$ 88,433	\$ 109,555	\$ 128,846	Expenditures	\$ 79,060	\$ 104,797	\$ 122,319	\$ 140,439	Surplus (Deficit)	\$ (8,727)	\$ (16,364)	\$ (12,764)	\$ (11,593)	<p>We recommend that the school closely monitor current and projected financial results and provide the District their plan to improve the financial condition of the school.</p> <p>The District should continue to closely monitor the financial condition of St. Augustine Public Montessori. We note that the District is in constant communication with this charter school and should be prepared to notify the governing body to prepare a Corrective Action Plan.</p>
	Oct 2012	Nov 2012	Dec 2012	Jan 2013																		
Revenues	\$ 70,333	\$ 88,433	\$ 109,555	\$ 128,846																		
Expenditures	\$ 79,060	\$ 104,797	\$ 122,319	\$ 140,439																		
Surplus (Deficit)	\$ (8,727)	\$ (16,364)	\$ (12,764)	\$ (11,593)																		

St. Augustine Public Montessori

Rating	Issues	Recommendation
Financial Operations		
Moderate	2. Financial Reporting	
	Per review of the monthly financial statements submitted to the District, the budget as presented is based on the initial budget and is not updated as needed to reflect adjustments based on actual data received to date. The school's initial forecast was based on 36 FTE, and as noted above, the actual headcount at October 2012 was 37 FTE.	We recommend that the school update budget projections after receipt/knowledge of items that would affect the initial projections, and include in the monthly financial statements submitted to the District. For example, FTE counts, staffing changes, principal/interest payments, other.

Rating	Issues	Recommendation
Financial Operations		
High	3. Cash Disbursements	
	For 2 of 5 disbursements tested, there was no documentation of prior approval of the expenditure. Disbursements without the proper authorization and/or prior approval could result in overspending of the budget and/or misappropriations of funds.	We recommend that the school establish a process to ensure that documented approval is evidenced for all expenditures and maintained with the supporting documentation for the disbursement.

Rating	Issues	Recommendation
Financial Operations		
Moderate	4. Cash Receipts	
	We noted the following during our testing of cash receipts: <ul style="list-style-type: none"> For 1 of the 5 cash receipts tested, there was no supporting documentation and no documented record of when the monies were received to verify timely deposit at the bank. We were unable to trace this deposit to the bank statement as there was no record of which deposit it was included on. Without the proper controls surrounding cash collections, funds could be misappropriated. In addition, incomplete and delayed deposits could result in errors in records and misappropriation of funds.	We recommend the following: <ul style="list-style-type: none"> The school should implement a log or other record for all monies collected that will document the source, amount, and date received for each collection. The school should ensure that all monies received are deposited within five working days after receipt, as recommended by Red Book, Chapter 8, Section 1.4.c.

St. Augustine Public Montessori

Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
High	5. Background Screening	
	<p>We noted the following during our testing of background screenings:</p> <ul style="list-style-type: none"> The school does not maintain documentation of background screening clearances for the employees and governing board members. Two of the 5 governing board members had not been fingerprinted as of our audit testing. The other 3 governing board members were not screened prior to approval of the charter agreement, as required by the charter contract, section 8.I. They were screened approximately 5 months after approval of the charter contract. For 1 of the 4 employees sampled, the background screening was completed approximately one month after the employee's hire date. <p>Section 1012.32(2)(b) of the Florida Statutes states the following: <i>"Instructional and noninstructional personnel who are hired or contracted to fill positions in any charter school and members of the governing board of any charter school, in compliance with s. 1002.33(12)(g), must, upon employment, engagement of services, or appointment, undergo background screening... by filing with the district school board for the school district in which the charter school is located a complete set of fingerprints taken by an authorized law enforcement agency or an employee of the school or school district who is trained to take fingerprints."</i></p> <p>Section 8.I of the charter contract between the school and the District states that: "Members of the governing board of the school and its chief administrator shall also be fingerprinted at their cost in a manner similar to that provided in Section 1012.32, Florida Statutes, within ten (10) days of their appointment and, if initial members of the governing Board, prior to approval of this charter."</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> The remaining governing board members undergo background screening immediately. The school obtains and maintains written evidence/confirmation for each one of its staff and governing board members to ensure that every employee and governing board member has been properly screened. Unless the school monitors and maintains records relating to the results of the screening, they are unable to guarantee compliance with Florida Statutes and risk the viability of the school's charter and continued existence.

St. Augustine Public Montessori

Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
High	6. Insurance Requirements	
	<p>We noted the following during our testing of compliance with the insurance requirements in the charter contract:</p> <ul style="list-style-type: none"> • Crime - The school's crime insurance coverage amount is \$150,000, while the charter contract calls for coverage of \$1,000,000 per occurrence/\$2,000,000 annual aggregate, Section 7.H.4. • Property Insurance – Although the school subleases the building utilized, the school had not obtained property insurance for its contents as of our audit testing, as required by the charter contract, Section 7.I. 	We recommend that the school properly remediate the identified insurance requirements to be in compliance with the charter contract.

Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
Moderate	7. Qualified Public Depository	
	<p>We noted that the school's funds are on deposit in a financial institution that is not a designated qualified public depository.</p> <p>Section 280.03(1)(b) of the Florida State Statutes states the following: <i>"Public deposits shall be made in a qualified public depository unless exempted by law."</i></p> <p>Florida's Qualified Public Deposit Program protects public depositors from loss of public funds deposited in state financial institutions.</p>	<p>We recommend the school move their funds to a bank authorized to hold public deposits through designation as a qualified public depository, as required by Florida Statute. The list of active qualified public depositories can be found on the Florida Department of Financial Services website at:</p> <p>https://apps8.fldfs.com/CAP_Web/PublicDeposits/ActiveQPDDisplayList.aspx.</p>

St. Augustine Public Montessori

Rating	Issues	Recommendation
<i>Sponsor Contract and Compliance with Florida Statutes</i>		
Low	8. Chart of Accounts	
	<p>We noted that the school's chart of accounts contained seven account numbers that were not consistent with the standard state codification of accounts, as required by the charter contract.</p> <p>Section 4.F of the charter contract between the school and the District states that: "The school shall utilize the standard state codification of accounts as contained in the most recent issue of the publication titled <i>Financial and Program Cost Accounting and Reporting for Florida Schools</i> (the "Red Book") as a means of codifying all transactions pertaining to its operations."</p>	<p>We recommend the school update their chart of accounts to be consistent with Red Book.</p>

St. Augustine Public Montessori

Board Member Questions and Responses

Questions	1	2	3	4	5
Are you a member of the Governing Board or the Corporate Board?	Yes	Yes	Yes	Yes	Governing
How long have you been on the Charter School's Board?	9/2/2011	9/21/2011	9/21/2011	9/2011	1/2011
Are you a voting or non-voting member of the Board?	Voting	Voting	Voting	Voting	Voting
Do you regularly attend the Board meetings?	Yes	Yes	Yes	Yes	Yes
If so, how often are Board meetings held?	Monthly	Monthly	Monthly	Monthly	Monthly
Were you initially elected in a public meeting?	Yes	Yes	Yes	Yes	Yes
Have you been fingerprinted?	Yes	Yes	Yes	Yes	Yes
If so, when was the last date of fingerprinting?	7/2012	(A)	7/2012	(A)	7/2012
Have you received a copy of the Articles of Incorporation of St. Augustine Public Montessori?	Yes	Yes	Yes	Yes	Yes
Have you received a copy of the By-Laws?	Yes	Yes	Yes	Yes	Yes
Have you received a copy of the charter between St. Augustine Public Montessori and St. Johns County School District?	Yes	yes	yes	yes	yes
At the Board meetings do you regularly receive financial reports?	Yes	Yes	Yes	Yes	Yes
If so, does the Board discuss these financial reports?	Yes	Yes	Yes	Yes	Yes
Does the Board approve the budget?	Yes	Yes	Yes	Yes	Yes
Does the Board approve amendments to the budget?	Yes	Yes	Yes	Yes	Yes
Describe any related party transactions with St. Augustine Public Montessori.	None	None	None	None	None

Please provide a brief summary of your qualifications as they relate to the Board of Directors of St. Augustine Public Montessori:

Board Member	Response
1	Previous experience on government boards, staff for non-profit organization, legal knowledge, knowledge and experience in Montessori Schools.
2	Business consultant, parent, and a degree in Political Science.
3	I am Board secretary with experience in minute keeping, technical writing and editing.
4	Real Estate Broker, member of the Cultural Council Board, Chair of Code Enforcement Adjustments and Appeals Board for the City of St. Augustine.
5	Montessori teacher/school owner-director, FL Prof. Teacher's Cert., previous opening Director-teacher of two other charter schools .

(A) Did not receive response as of the report issuance

St. Johns Community Campus

62 Cuna Street
St. Augustine, FL 32084

Charter School Contract Entered and School Open Dates:

July 1, 2010 and August 23, 2010

Charter Contract Date:

July 1, 2010 through June 30, 2013

Membership:

Student Membership

Fiscal Year	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
School's Initial Forecast	N/A	N/A	20	15	16
Head Count for Year	N/A	N/A	*	*	11

*Not available from the District

Financial Data:

	Audited September 30, 2010	Audited September 30, 2011	Audited September 30, 2012
Cash and Equivalents	\$51,538	\$75,948	\$121,805
Net Assets	\$82,926	\$99,990	\$135,974
Change in Net Assets	\$94,634	\$17,064	\$35,984

Charter School Grade:

Per Florida Department of Education: Florida School Grades

	2008-2009	2009-2010	2010-2011	2011-2012
Grade	N/A	N/A	**	**

**N/A per State School Board Rule - 6A-1.09981 Implementation of Florida's System of School Improvement and Accountability

Governing Board:

President:	Rob Matthews III	Board Member:	Michael Degutis
Vice President:	Bob Bergstrom	Board Member:	MJ DeNardo
Treasurer:	Aaron Johnson	Board Member:	Sylvi Herrick
Secretary:	Andy Norman	Board Member:	Grant Misterly
Board Member:	Ronald Brown	Board Member:	Kris Phillips
Board Member:	Ronald Davidson	Board Member:	Clyde Wolfe
Board Member:	Michael Davis		

School Administration:

Principal:	Lynne Funcheon
Sponsor:	St. Johns County School District

Comments:

Management Agreement: N/A

Debt: N/A **Lease:** N/A

Related Parties: The school is a component unit of The Arc of the St. Johns, Inc. The school relies on the Arc's administrative staff for accounting, human resources and management oversight. The school conducts its education programs in a facility owned by the Arc. A portion of the facility expenses are allocated to the school.

Other: The school provides transportation to its students. The school's monthly financial statements are compiled by the Assistant Finance Director of The Arc of the St. Johns, and Neville Breidenstein CPAs serves as the school's external auditor.

St. Johns Community Campus

Rating	Issues	Recommendation																
Financial Operations																		
Moderate	1. Financial Results																	
	<p>We reviewed the audited financial statements as of the years ended September 30, 2011 and September 30, 2012, the unaudited monthly financial statements for October through December 2012, and the 2012-2013 Budget prepared by the School, noting the following:</p> <ul style="list-style-type: none">• The School's net assets increased by \$35,984 from \$99,990 for FY 2011 to \$135,974 for FY 2012.• Actual revenues were \$11,208 more than budget for the three months ending December 2012.• Actual expenses were \$2,367 more than budget for the three months ending December 2012.• The school's budget as of December 2012 projects \$94,500 of state source revenue, which is approximately \$43,000 higher than the projections done by the District using the updated FTE survey results and amounts paid to date. Based on the school's budget as of December 2012, the decrease in projected state source revenue would cause a deficit of expenditures over revenues of approximately \$21,542 for FY 2013. <p>We reviewed the monthly financial results for October 2012 through December 2012, noting revenues and expenditures as summarized in the table below:</p> <table><tr><th></th><th>Oct 2012</th><th>Nov 2012</th><th>Dec 2012</th></tr><tr><td>Revenues</td><td>\$30,842</td><td>\$39,061</td><td>\$61,458</td></tr><tr><td>Expenditures</td><td>\$14,527</td><td>\$33,489</td><td>\$47,353</td></tr><tr><td>Surplus/(Deficit)</td><td>\$ 16,315</td><td>\$ 5,572</td><td>\$ 14,105</td></tr></table>		Oct 2012	Nov 2012	Dec 2012	Revenues	\$30,842	\$39,061	\$61,458	Expenditures	\$14,527	\$33,489	\$47,353	Surplus/(Deficit)	\$ 16,315	\$ 5,572	\$ 14,105	<p>We recommend that the school continue to monitor current and projected financial results.</p>
	Oct 2012	Nov 2012	Dec 2012															
Revenues	\$30,842	\$39,061	\$61,458															
Expenditures	\$14,527	\$33,489	\$47,353															
Surplus/(Deficit)	\$ 16,315	\$ 5,572	\$ 14,105															

St. Johns Community Campus

Rating	Issues	Recommendation
Financial Operations		
High	2. Financial Reporting	
	<p>The school's monthly financial statements submitted to the District did not include a year-to-date comparison of budgeted versus actual revenues and expenditures.</p> <p>We also noted per review of the monthly financial statements submitted to the District, the budget as presented is based on the initial budget and is not updated as needed to reflect adjustments based on actual data received to date. The school's initial forecast was based on 16 FTE, and as noted above, the actual headcount at October 2012 was 11 FTE.</p> <p>Section 1002.33(9)(g) of the Florida State Statutes states the following: <i>"A charter school shall provide a monthly financial statement to the sponsor...The financial statement required under this paragraph shall be in a form prescribed by the Department of Education."</i></p> <p>The financial statement form prescribed by the Department of Education is described in State Board of Education Rule 6A-1.0081, which lists the following information to be included in the financial statements:</p> <ul style="list-style-type: none"> • Projected enrollment for current school year upon which the school's budget is based. • Actual enrollment at time statement is submitted. • A balance sheet with assets, liabilities, and fund balances. • Year-to-date comparison of budgeted versus actual revenues and expenditures. <p>Incomplete financial reporting prevents the District from fulfilling its statutory duty as the school's sponsor to monitor the financial components of the charter school.</p>	<p>We recommend that the school ensure the monthly financial statements are in the format prescribed by the Department of Education, as described in State Board of Education Rule 6A-1.0081(1).</p> <p>We recommend that the school update budget projections after receipt/knowledge of items that would affect the initial projections, and include in the monthly financial statements submitted to the District. For example, FTE counts, staffing changes, principal/interest payments, other.</p>

St. Johns Community Campus

Rating	Issues	Recommendation
Financial Operations		
High	3. Cash Receipts	
	<p>We noted the following during our testing of cash receipts:</p> <ul style="list-style-type: none"> One of the 5 cash receipts tested was not posted correctly. The receipt was for Lead Teacher payments received from the District. The monies received were all posted to the St. Johns Community Campus account, but half of the amount should have been posted to the Therapeutic Learning Center account. One of the 5 cash receipts was not documented at initial collection in a log as required by the school's Financial Policy and Procedures. <p>Without the proper controls surrounding cash collections, funds could be misappropriated. In addition, incomplete and delayed deposits could result in errors in records and misappropriation of funds.</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> The school should ensure that all monies collected are posted to the correct school and correct account. The school should ensure that all monies collected are processed in accordance with the school's Financial Policy and Procedures.

Rating	Issues	Recommendation
Financial Operations		
High	4. Authorized Check Signers	
	<p>The authorized check signers for the bank accounts included inappropriate individuals as noted below:</p> <ul style="list-style-type: none"> Three former board members. The school's Finance Director, whose other financial duties are not compatible with check signing authority (preparing bank reconciliations, safeguarding of funds). <p>We also noted that the Board Treasurer was not an authorized check signer, although the school's Financial Policy and Procedures state that the Treasurer should be a signer.</p> <p>Only appropriate school employees or members of the school's governing board should be authorized check signers on the school's bank accounts. Failure to restrict access to check signing may result in unauthorized disbursements or misappropriation of funds.</p>	<p>We recommend the school update the list of authorized signers with the bank to remove inappropriate individuals and add the Board Treasurer.</p>

St. Johns Community Campus

Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
High	5. Background Screening	
	<p>Twelve of the 13 governing board members had not undergone background screening as of our audit testing.</p> <p>Section 1012.32(2)(b) of the Florida State Statutes states the following: <i>"Instructional and noninstructional personnel who are hired or contracted to fill positions in any charter school and members of the governing board of any charter school, in compliance with s. 1002.33(12)(g), must, upon employment, engagement of services, or appointment, undergo background screening... by filing with the district school board for the school district in which the charter school is located a complete set of fingerprints taken by an authorized law enforcement agency or an employee of the school or school district who is trained to take fingerprints."</i></p>	We recommend that the remaining governing board members undergo background screening immediately.

Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
Moderate	6. Filing of Doing Business As (dba) Name	
	<p>We noted that the school had not filed a registration of their "doing business as" (dba) name, St. Johns Community Campus, as of our testing.</p> <p>According to Florida Statutes, Section 865.09 <i>Fictitious Name (name under which business is transacted other than legal name) (3), Registration – "a person may not engage in business under a fictitious name unless the person first registers the name with the division by filing a sworn statement listing: (a) The name to be registered. (b) The mailing address of the business. (c) The name and address of each owner and, if a corporation, its federal employer's identification number and Florida incorporation or registration number."</i></p>	We recommend the school file a registration of their dba name immediately.

St. Johns Community Campus

Rating	Issues	Recommendation
Governance - Board Minutes and Members		
High	7. Governing Board Responsibilities	
	<p>We noted the following during our review of board documentation:</p> <ul style="list-style-type: none"> The governing board's meeting minutes did not include documentation of the board's ongoing oversight of the school's operations. There was no documentation of the governing board's approval of the school's annual budget. Board attendance and meeting minutes were not documented for the school's October board meeting. We noted that the school did not hold public meetings of the governing board as required by Florida Statutes. <p>Section 1002.33(9) of the Florida Statutes requires the governing board to oversee operations of the charter school and to annually adopt and maintain an operating budget. Section 1.15 of the school's charter contract states that "public notice of all meetings of the school's board must be published and minutes must be kept."</p> <p>Section 1002.33(7)(d)2 of the Florida Statutes states the following: <i>"Each charter school's governing board must hold at least two public meetings per school year in the school district. The meetings must be noticed, open, and accessible to the public, and attendees must be provided an opportunity to receive information and provide input regarding the charter school's operations. The appointed representative and charter school principal or director, or his or her equivalent, must be physically present at each meeting."</i></p> <p>The board's governance activities should be properly documented to evidence compliance with statutory requirements.</p>	<p>We recommend that the following be formally documented in the minutes of the governing board meeting: oversight of the school's ongoing operations, and approval of the school's annual operating budget.</p> <p>Minutes should be kept of all board meetings to evidence the board's governance activities and board member attendance.</p> <p>We recommend the school plan and hold public meetings as required by Florida Statutes.</p>

St. Johns Community Campus

Board Member Questions and Responses - Board is the same for both Schools St. Johns Community Campus and Therapeutic Learning Center

Questions	1	2	3	4	5	6	7
Are you a member of the Governing Board or the Corporate Board?	Yes	Governing	Yes	A	Yes	Governing	Yes
How long have you been on the Charter School's Board?	10/07	2012	8/2011	A	2008	1/2012	11/2012
Are you a voting or non-voting member of the Board?	Voting	Voting	Voting	A	Voting	Voting	Voting
Do you regularly attend the Board meetings?	Yes	Yes	Yes	A	Yes	Yes	Yes
If so, how often are Board meetings held?	Monthly	Monthly	Monthly	A	Monthly	Monthly	Monthly
Were you initially elected in a public meeting?	No	No	No	A	N/A	No	No
Have you been fingerprinted?	Yes	No	No	A	No	No	No
If so, when was the last date of fingerprinting?	2010	N/A	N/A	A	N/A	N/A	N/A
Have you received a copy of the Articles of Incorporation of St. Johns Community Campus?	Yes	Yes	Yes	A	Yes	Yes	Yes
Have you received a copy of the By-Laws?	Yes	Yes	Yes	A	Yes	Yes	Yes
Have you received a copy of the charter between St. Johns Community Campus and St. Johns County School District?	No	No	Yes	A	Yes	No	No
At the Board meetings do you regularly receive financial reports?	Yes	Yes	Yes	A	Yes	Yes	Yes
If so, does the Board discuss these financial reports?	Yes	Yes	Yes	A	Yes	Yes	Yes
Does the Board approve the budget?	Yes	Yes	Yes	A	Yes	Yes	Yes
Does the Board approve amendments to the budget?	Yes	Yes	Yes	A	Yes	Yes	Yes
Describe any related party transactions with St. Johns Community Campus.	1	None	None	A	None	None	2

Please provide a brief summary of your qualifications as they relate to the Board of Directors of St. Johns Community Campus:

Board Member	Response
1	Civil Engineer with 16 years experience and I have owned and operated my own engineering firm for the last 8 years.
2	Business Professional and Lawyer, served on other similar Boards in past.
3	Local business owner, heavy community involvement and local charity fundraising history.
4	A
5	Bachelor and Master's degrees in education; seven years college teaching and administration, Lawyer practicing in local government law.
6	Publisher of St. Augustine Record and St. Augustine.com; served on various charitable boards for many years.
7	A

(1) My Company designed the TLC campus. This was a pro-bono donation to the ARC and no compensation was received.

(2) I own the company that built the building and I was a fund raising chair for the building.

(A) Did not receive response as of the report issuance

St. Johns Community Campus - continued

Board Member Questions and Responses - Board is the same for both Schools St. Johns Community Campus and Therapeutic Learning Center

Questions	8	9	10	11	12	13
Are you a member of the Governing Board or the Corporate Board?	Yes	Yes	A	Governing	Governing	Yes
How long have you been on the Charter School's Board?	11/12	2 years	A	2012	10/2011	2012
Are you a voting or non-voting member of the Board?	Voting	Voting	A	Yes	Voting	Voting
Do you regularly attend the Board meetings?	Yes	Yes	A	Yes	Yes	Yes
If so, how often are Board meetings held?	Monthly	Monthly	A	Monthly	Monthly	Monthly
Were you initially elected in a public meeting?		No	A	No	No	No
Have you been fingerprinted?	Yes	No	A	No	No	Yes
If so, when was the last date of fingerprinting?	N/A	N/A	A	N/A	N/A	N/A
Have you received a copy of the Articles of Incorporation of St. Johns Community Campus?	N/A	Yes	A	No	Yes	Yes
Have you received a copy of the By-Laws?	N/A	Yes	A	No	Yes	Yes
Have you received a copy of the charter between St. Johns Community Campus and St. Johns County School District?	No	No	A	No	No	No
At the Board meetings do you regularly receive financial reports?	Yes	Yes	A	Yes	Yes	Yes
If so, does the Board discuss these financial reports?	Yes	Yes	A	Yes	Yes	Yes
Does the Board approve the budget?	Yes	Yes	A	Yes	Yes	Yes
Does the Board approve amendments to the budget?	Yes	Yes	A	Yes	Yes	Yes
Describe any related party transactions with St. Johns Community Campus.	None	None	A	None	None	None

Please provide a brief summary of your qualifications as they relate to the Board of Directors of St. Johns Community Campus:

Board Member	Response
8	Have been a Florida finance officer at various levels for over 25 years, dealt with charter schools on all kinds of issues and bring that experience .
9	Professionally and civically have experiencing managing, teams, budgets and fund raising.
10	A
11	Professional Engineer with keen understanding of capital improvements and budgeting.
12	I am the owner of 2 local radio stations. I have 2 teenaged children, one with special needs who spent a year at the St. Johns Community Campus; I have served on several charitable boards.
13	Circuit Judge.

(A) Did not receive response as of the report issuance

St. Paul School of Excellence

85 M. L. King Avenue
St. Augustine, FL 32084

Charter School Contract Entered and School Open Dates:

February 14, 2012 and August 20, 2012

Charter Contract Date:

July 1, 2012 through June 30, 2016

Membership:

Student Membership					
Fiscal Year	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
School's Initial Forecast	N/A	N/A	N/A	N/A	48
Head Count for Year	N/A	N/A	N/A	N/A	46

Financial Data:

	Audited June 30, 2010	Audited June 30, 2011	Audited June 30, 2012
Cash and Equivalents	N/A	N/A	N/A
Net Assets	N/A	N/A	N/A
Change in Net Assets	N/A	N/A	N/A
Fund Balance	N/A	N/A	N/A

Charter School Grade:

Per Florida Department of Education: Florida School Grades				
	2008-2009	2009-2010	2010-2011	2011-2012
Grade	N/A	N/A	N/A	N/A

Governing Board:

President:	Rev. Ron Rawls
Vice President:	Ina Backman
Treasurer:	Jacqueline Bryant
Board Member:	Martha Brennan
Board Member:	Karen Rowe
Board Member:	Tyrone Ramsey
Board Member:	Mary Ford

School Administration:

Principal:	Mary Hemphill-Davis
Sponsor:	St. Johns County School District

Comments:

Financial Condition

St. Paul School of Excellence is showing signs of the inability to meet certain required obligations, and the continued deficit of expenditures over revenues could continue to impair the charter school's ability to meet certain required obligations. This is an indication of a deteriorating financial condition as defined in Florida Statue 1002.345(1)(a)3.

Management Agreement: N/A

St. Paul School of Excellence - continued

Comments: - continued

Debt: Effective September 28, 2012, the school entered a Commercial Line of Credit Agreement with Prosperity Bank, with credit limit of \$38,000, and a maturity date of July 26, 2013. The outstanding balance is subject to an initial interest rate of 4.25%. The interest rate is variable and at each change date, updated to equal the Wall Street Journal Prime rate plus 1%. The post-maturity interest rate is equal to 18% per annum. Five of the current board members and one former board member signed guaranties in support of the credit agreement.

Lease: The school leases a building under an operating lease agreement with St. Paul African Methodist Episcopal Church, through June 30, 2013. No rental fee is required under the lease. After the lease term ends, the lease automatically renews from month to month.

Related Parties: N/A

Other: St. Paul School of Excellence has contracted with the District to provide bus transportation to their students. The school's monthly financial statements are compiled by Waler & Waler CPAs, and Darryl R. Jackson, CPA, will serve as the school's external auditor.

St. Paul School of Excellence

Rating	Issues	Recommendation																				
Financial Operations																						
High	<p>1. Financial Results</p> <p>We reviewed the unaudited monthly financial statements for August through December 2012 and the 2012-2013 Budget prepared by the School, noting the following:</p> <ul style="list-style-type: none">The school's net assets decreased by \$7,862 from \$12,889 for the month ending August 2012 to \$5,027 for the month ending December 2012.The school's unrestricted net asset deficit increased by \$8,393 from a deficit of \$1,962 for the month ending August 2012 to a deficit of \$10,355 for the month ending December 2012.Expenditures have exceeded revenues as of the end of each of the months ending August through December 2012.Actual revenues were \$35,058 less than budget for the six months ending December 2012.Actual expenses were \$20,285 more than budget for the six months ending December 2012. The largest variance was in the category of facilities acquisition and construction expenses, which were \$38,935 more than budget for this period.The school's most recent budget projects an excess of expenditures over revenue of \$3,234 for the year ending June 30, 2013. <p>We reviewed the monthly financial results for October 2012 through January 2013, noting as summarized in the table below, the school has reported deficits of revenues under expenditures in 4 of the past 4 months reviewed.</p> <table><tr><th></th><th>Oct 2012</th><th>Nov 2012</th><th>Dec 2012</th><th>Jan 2013</th></tr><tr><td>Revenues</td><td>\$ 93,220</td><td>\$ 118,469</td><td>\$ 142,402</td><td>\$ 167,928</td></tr><tr><td>Expenditures</td><td>\$ 133,687</td><td>\$ 166,565</td><td>\$ 190,757</td><td>\$ 214,703</td></tr><tr><td>Surplus (Deficit)</td><td>\$ (40,467)</td><td>\$ (48,096)</td><td>\$ (48,335)</td><td>\$ (46,775)</td></tr></table> <p>Also, the following financial highlights were noted during our review:</p> <ul style="list-style-type: none">The financial statements disclose a negative cash position of \$1,487 as of January 31, 2013.On January 25, 2013, the charter school received a notification of cancellation of their general liability Certificate of Insurance, effective February 14, 2013 due to non-receipt of payment of \$293.19 (normal payment \$193.19 plus late fee \$10), which was originally due on January 20, 2013.The charter school has an outstanding invoice from the District, dated January 9, 2013 in the amount of \$4,106.88, in which the District has not received payment as of March 6, 2013. <p>St. Paul School of Excellence is showing signs of the inability to meet certain required obligations, and the continued deficit of expenditures over revenues could continue to impair the charter school's ability to meet certain required obligations. This is an indication of a deteriorating financial condition as defined in Florida Statue 1002.345(1)(a)3).</p>		Oct 2012	Nov 2012	Dec 2012	Jan 2013	Revenues	\$ 93,220	\$ 118,469	\$ 142,402	\$ 167,928	Expenditures	\$ 133,687	\$ 166,565	\$ 190,757	\$ 214,703	Surplus (Deficit)	\$ (40,467)	\$ (48,096)	\$ (48,335)	\$ (46,775)	<p>We recommend that the school closely monitor current and projected financial results and provide the District their plan to improve the financial condition of the school.</p> <p>The District should continue to closely monitor the financial condition of St. Paul School of Excellence. We note that the District is in constant communication with this charter school and should be prepared to notify the governing body to prepare a Corrective Action Plan.</p>
	Oct 2012	Nov 2012	Dec 2012	Jan 2013																		
Revenues	\$ 93,220	\$ 118,469	\$ 142,402	\$ 167,928																		
Expenditures	\$ 133,687	\$ 166,565	\$ 190,757	\$ 214,703																		
Surplus (Deficit)	\$ (40,467)	\$ (48,096)	\$ (48,335)	\$ (46,775)																		

St. Paul School of Excellence

Rating	Issues	Recommendation
Financial Operations		
High	2. Financial Reporting	
	<p>Per review of the monthly financial statements submitted to the District, the budget as presented is based on the initial budget and is not updated as needed to reflect adjustments based on actual data received to date. We noted the following:</p> <ul style="list-style-type: none"> The school's initial forecast was based on 48 FTE, and as noted above, the actual headcount at October 2012 was 46 FTE. The school's budget has not been updated to reflect the interest payments due on the \$38,000 line of credit taken September 2012. 	<p>We recommend that the school update budget projections after receipt/knowledge of items that would affect the initial projections, and include in the monthly financial statements submitted to the District. For example, FTE counts, staffing changes, principal/interest payments, other.</p>

Rating	Issues	Recommendation
Financial Operations		
High	3. Authorized Check Signers	
	<p>The authorized check signers for the school's bank accounts included two individuals not on the governing board or employed by the school.</p> <p>Only appropriate school employees or members of the school's governing board should be authorized check signers on the school's bank accounts. Failure to restrict access to check signing may result in unauthorized disbursements or misappropriation of funds.</p>	<p>We recommend the school update the list of authorized signers with the bank to remove inappropriate individuals.</p>

St. Paul School of Excellence

Rating	Issues	Recommendation
Financial Operations		
High	4. Cash Receipts	
	<p>We noted the following during our testing of cash receipts:</p> <ul style="list-style-type: none"> There was no supporting documentation for 2 of the 5 cash receipts tested. For the same 2 cash receipts, there was also no documented record of when the monies were received to verify timely deposit at the bank. <p>Without the proper controls surrounding cash collections, funds could be misappropriated. In addition, incomplete and delayed deposits could result in errors in records and misappropriation of funds.</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> The school should implement a log or other record for all monies collected that will document the source, amount, and date received for each collection. The school should ensure that all monies received are deposited within five working days after receipt, as recommended by Red Book, Chapter 8, Section 1.4.c.

Rating	Issues	Recommendation
Financial Operations		
High	5. Cash Disbursements	
	<p>We noted the following during our testing of cash disbursements:</p> <ul style="list-style-type: none"> For 1 of the 5 cash disbursements tested, the check was not signed. One of 5 cash disbursements tested was paid on an invoice that was not mathematically accurate. The invoice overstated the amount due by \$20. <p>Disbursements without the proper authorization and/or prior approval could result in overspending of the budget and/or misappropriations of funds.</p>	<p>We recommend the following:</p> <ul style="list-style-type: none"> The school should ensure that all checks are reviewed, compared to supporting documentation, and properly signed before distribution. The school should review all invoices for accuracy prior to payment.

St. Paul School of Excellence

Rating	Issues	Recommendation								
Financial Operations										
Moderate	6. Bank Reconciliation We noted that the September 2012 bank reconciliation was performed prior to completion of all entries related to the month. The bank reconciliation did not match the monthly financial statement as shown below: <table><tr><th>Month</th><th>Per Bank Reconciliation</th><th>Per Financial Statement</th><th>Difference</th></tr><tr><td>Sept.</td><td>\$2,957</td><td>\$2,092</td><td>\$865</td></tr></table> This error was caused because the two entries were made in QuickBooks after the bank reconciliation was completed. The bank reconciliations are prepared by the school's contract bookkeeper. Failure to perform a review of the monthly financial statements and bank reconciliations may cause delays in the identification of potential errors and / or irregularities.	Month	Per Bank Reconciliation	Per Financial Statement	Difference	Sept.	\$2,957	\$2,092	\$865	 We recommend that bank reconciliations be compared to the financial statements as part of the review process. Complete bank reconciliation reviews will help ensure that potential cash issues and/or irregularities are identified and resolved in a timely manner.
Month	Per Bank Reconciliation	Per Financial Statement	Difference							
Sept.	\$2,957	\$2,092	\$865							

St. Paul School of Excellence

Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
High	7. Background Screening	
	<p>We noted the following during our testing of background screenings:</p> <ul style="list-style-type: none"> Five of the initial governing board members were not screened prior to approval of the charter agreement, as required by the charter contract, Section 8.I. All of these board members were screened by June 2, 2012. The background screening for 1 of the 2 board members added during the school year was completed approximately 2 months after appointment. <p>Section 1012.32(2)(b) of the Florida Statutes states the following: <i>"Instructional and noninstructional personnel who are hired or contracted to fill positions in any charter school and members of the governing board of any charter school, in compliance with s. 1002.33(12)(g), must, upon employment, engagement of services, or appointment, undergo background screening... by filing with the district school board for the school district in which the charter school is located a complete set of fingerprints taken by an authorized law enforcement agency or an employee of the school or school district who is trained to take fingerprints."</i></p> <p>Section 8.I of the charter contract between the school and the District states that: "Members of the governing board of the school and its chief administrator shall also be fingerprinted at their cost in a manner similar to that provided in Section 1012.32, Florida Statutes, within ten (10) days of their appointment and, if initial members of the governing Board, prior to approval of this charter."</p>	<p>We recommend that that the school ensures that all future governing board members undergo background screening in accordance with Florida statutes and charter contract requirements.</p>

St. Paul School of Excellence

Rating	Issues	Recommendation
<i>Sponsor Contract and Compliance with Florida Statutes</i>		
High	8. Insurance Requirements	
	<p>We noted the following during our testing of compliance with the insurance requirements in the charter contract:</p> <ul style="list-style-type: none"> Property Insurance - The school had not obtained property insurance as of our audit testing, as required by the charter contract, Section 7.I. Employee Dishonesty/Crime Insurance - The school had not obtained employee dishonesty/crime insurance as of our audit testing, as required by the charter contract, Section 7.H.4. 	We recommend that the school properly remediate the identified insurance requirements to be in compliance with the charter contract.

Rating	Issues	Recommendation
<i>Sponsor Contract and Compliance with Florida Statutes</i>		
Low	9. Chart of Accounts	
	<p>We noted that the school's chart of accounts contained 4 account numbers that were not consistent with the standard state codification of accounts, as required by the charter contract.</p> <p>Section 4.F of the charter contract between the school and the District states that: "The school shall utilize the standard state codification of accounts as contained in the most recent issue of the publication titled <i>Financial and Program Cost Accounting and Reporting for Florida Schools</i> (the "Red Book") as a means of codifying all transactions pertaining to its operations."</p>	We recommend the school update their chart of accounts to be consistent with Red Book.

St. Paul School of Excellence

Board Member Questions and Responses

Questions	1	2	3	4	5	6	7
Are you a member of the Governing Board or the Corporate Board?	Yes	Yes	Yes	Governing	Yes	Governing	Governing
How long have you been on the Charter School's Board?	9/22/11	Incept	Incept	9/22/11	5/11	1/24/13	12/7/12
Are you a voting or non-voting member of the Board?	Voting	Voting	Voting	Voting	Voting	Voting	Voting
Do you regularly attend the Board meetings?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
If so, how often are Board meetings held?	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
Were you initially elected in a public meeting?	Yes	Yes	Yes	Yes	No	Yes	Yes
Have you been fingerprinted?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
If so, when was the last date of fingerprinting?	2/27/12	4/19/12	2/24/12	(A)	7/12	4/20/12	1/25/13
Have you received a copy of the Articles of Incorporation of St. Paul School of Excellence?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Have you received a copy of the By-Laws?	Yes	yes	Yes	Yes	Yes	Yes	Yes
Have you received a copy of the charter between St. Paul School of Excellence and St. Johns County School District?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
At the Board meetings do you regularly receive financial reports?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
If so, does the Board discuss these financial reports?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Does the Board approve the budget?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Does the Board approve amendments to the budget?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Describe any related party transactions with St. Paul School of Excellence.	None	None	None	None	None	None	None

Please provide a brief summary of your qualifications as they relate to the Board of Directors of St. Paul School of Excellence:

Board Member	Response
1	Serve as president of SPDC, a private foundation, which operates a daycare facility, Pastor of St. Paul AME Church and a community leader.
2	Over 35 years of working with employment and personnel issues, public, developing and monitoring contracts, worked with deaf students.
3	Serve as Treasurer in many organizations.
4	30 years in marketing for 501(c) 3 organizations. I chair the Fundraising Committee.
5	Retired Educator.
6	Retired Principal.
7	Retired educator, instructional leader (principal).

(A) Did not receive response as of the report issuance

Therapeutic Learning Center

2109 Arc Drive
St. Augustine, FL 32084

Charter School Contract Entered and School Open Dates:

July 1, 2008 and August 2008

Charter Contract Date:

July 1, 2008 through June 30, 2013

Membership:

Student Membership

Fiscal Year	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
School's Initial Forecast	8	12	20	15	18
Head Count for Year	*	*	*	*	18

*Not available from the District

Financial Data:

	Audited September 30, 2010	Audited September 30, 2011	Audited September 30, 2012
Cash and Equivalents	\$335,841	\$285,559	\$287,321
Net Assets	\$377,691	\$378,969	\$401,982
Change in Net Assets	\$88,419	\$1,278	\$23,012

Charter School Grade:

Per Florida Department of Education: Florida School Grades

Grade	2008-2009	2009-2010	2010-2011	2011-2012
	**	**	**	**

**N/A per State School Board Rule - 6A-1.09981 Implementation of Florida's System of School Improvement and Accountability

Governing Board:

President:	Rob Matthews III	Board Member:	Michael Degutis
Vice President:	Bob Bergstrom	Board Member:	MJ DeNardo
Treasurer:	Aaron Johnson	Board Member:	Sylvi Herrick
Secretary:	Andy Norman	Board Member:	Grant Misterly
Board Member:	Ronald Brown	Board Member:	Kris Phillips
Board Member:	Ronald Davidson	Board Member:	Clyde Wolfe
Board Member:	Michael Davis		

School Administration:

Principal:	Paulette Hudson
Sponsor:	St. Johns County School District

Comments:

Management Agreement: N/A

Debt: N/A **Lease:** N/A

Related Parties: The school is a component unit of The Arc of the St. Johns, Inc. The school relies on the Arc's administrative staff for accounting, human resources and management oversight. The school conducts its education programs in a facility owned by the Arc. A portion of the facility expenses are allocated to the school.

Other: Transportation is not provided to students.

The school's monthly financial statements are compiled by the Assistant Finance Director of The Arc of the St. Johns, and Neville Breidenstein CPAs serves as the school's external auditor.

Therapeutic Learning Center

Rating	Issues	Recommendation																
Financial Operations																		
Low	1 Financial Results .																	
	<p>We reviewed the audited financial statements as of the years ended September 30, 2011 and September 30, 2012, the unaudited monthly financial statements for October through December 2012, and the 2012-2013 Budget prepared by the School, noting the following:</p> <ul style="list-style-type: none">• The school's net assets increased by \$23,013 from \$378,969 for FY 2011 to \$401,982 for FY 2012.• Actual revenues were \$2,192 more than budget for the three months ending December 2012.• Actual expenses were \$6,453 more than budget for the three months ending December 2012. <p>We reviewed the monthly financial results for October 2012 through December 2012, noting revenues and expenditures as summarized in the table below:</p> <table><tr><th></th><th>Oct 2012</th><th>Nov 2012</th><th>Dec 2012</th></tr><tr><td>Revenues</td><td>\$28,626</td><td>\$55,618</td><td>\$82,942</td></tr><tr><td>Expenditures</td><td>\$24,548</td><td>\$52,343</td><td>\$75,122</td></tr><tr><td>Surplus/(Deficit)</td><td>\$ 4,078</td><td>\$ 3,275</td><td>\$ 7,820</td></tr></table>		Oct 2012	Nov 2012	Dec 2012	Revenues	\$28,626	\$55,618	\$82,942	Expenditures	\$24,548	\$52,343	\$75,122	Surplus/(Deficit)	\$ 4,078	\$ 3,275	\$ 7,820	<p>We recommend that the school continue to monitor current and projected financial results.</p>
	Oct 2012	Nov 2012	Dec 2012															
Revenues	\$28,626	\$55,618	\$82,942															
Expenditures	\$24,548	\$52,343	\$75,122															
Surplus/(Deficit)	\$ 4,078	\$ 3,275	\$ 7,820															

Rating	Issues	Recommendation
Financial Operations		
High	2. Cash Receipts	
	<p>Three of the 5 selected cash receipts were not deposited within 5 days of initial collection. The receipts were deposited between 12 and 13 business days after initial collection.</p> <p>Delayed deposits could result in errors in records and misappropriation of funds.</p>	We recommend that the school ensure that all monies collected are deposited within five working days after receipt, as recommended by Red Book, Chapter 8, Section 1.4.c.

Therapeutic Learning Center

Rating	Issues	Recommendation
Financial Operations		
High	3. Authorized Check Signers	
	<p>The authorized check signers for the bank accounts included inappropriate individuals as noted below:</p> <ul style="list-style-type: none">• Three former board members.• The school's Finance Director, whose other financial duties are not compatible with check signing authority (preparing bank reconciliations, safeguarding of funds). <p>We also noted that the Board Treasurer was not an authorized check signer, although the school's Financial Policy and Procedures state that the Treasurer should be a signer.</p> <p>Only appropriate school employees or members of the school's governing board should be authorized check signers on the school's bank accounts. Failure to restrict access to check signing may result in unauthorized disbursements or misappropriation of funds.</p>	<p>We recommend the school update the list of authorized signers with the bank to remove inappropriate individuals and add the Board Treasurer.</p>

Therapeutic Learning Center

Rating	Issues	Recommendation
Financial Operations		
High	4. Financial Reporting	
	<p>The school's monthly financial statements submitted to the District did not include a year-to-date comparison of budgeted versus actual revenues and expenditures.</p> <p>Section 1002.33(9)(g) of the Florida State Statutes states the following: <i>"A charter school shall provide a monthly financial statement to the sponsor...The financial statement required under this paragraph shall be in a form prescribed by the Department of Education."</i></p> <p>The financial statement form prescribed by the Department of Education is described in State Board of Education Rule 6A-1.0081, which lists the following information to be included in the financial statements:</p> <ul style="list-style-type: none"> • Projected enrollment for current school year upon which the school's budget is based. • Actual enrollment at time statement is submitted. • A balance sheet with assets, liabilities, and fund balances. • Year-to-date comparison of budgeted versus actual revenues and expenditures. <p>Incomplete financial reporting prevents the District from fulfilling its statutory duty as the school's sponsor to monitor the financial components of the charter school.</p>	<p>We recommend that the school ensure the monthly financial statements are in the format prescribed by the Department of Education, as described in State Board of Education Rule 6A-1.0081(1).</p>

Therapeutic Learning Center

Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
High	5. Background Screening	
	<p>Twelve of the 13 governing board members had not undergone background screening as of our audit testing.</p> <p>Section 1012.32(2)(b) of the Florida State Statutes states the following: <i>"Instructional and noninstructional personnel who are hired or contracted to fill positions in any charter school and members of the governing board of any charter school, in compliance with s. 1002.33(12)(g), must, upon employment, engagement of services, or appointment, undergo background screening... by filing with the district school board for the school district in which the charter school is located a complete set of fingerprints taken by an authorized law enforcement agency or an employee of the school or school district who is trained to take fingerprints."</i></p>	We recommend that the remaining governing board members undergo background screening immediately.

Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
Moderate	6. Filing of Doing Business As (dba) Name	
	<p>We noted that the school had not filed a registration of their "doing business as" (dba) name, Therapeutic Learning Center, as of our testing.</p> <p>According to Florida Statutes, Section 865.09 <i>Fictitious Name (name under which business is transacted other than legal name) (3), Registration – "a person may not engage in business under a fictitious name unless the person first registers the name with the division by filing a sworn statement listing: (a) The name to be registered. (b) The mailing address of the business. (c) The name and address of each owner and, if a corporation, its federal employer's identification number and Florida incorporation or registration number."</i></p>	We recommend the school file a registration of their dba name immediately.

Therapeutic Learning Center

Rating	Issues	Recommendation
Sponsor Contract and Compliance with Florida Statutes		
High	7. Governing Board Responsibilities	
	<p>We noted the following during our review of board documentation:</p> <ul style="list-style-type: none"> The governing board's meeting minutes did not include documentation of the board's ongoing oversight of the school's operations. There was no documentation of the governing board's approval of the school's annual budget. Board attendance and meeting minutes were not documented for the school's October board meeting. We noted that the school did not hold public meetings of the governing board as required by Florida Statutes. <p>Section 1002.33(9) of the Florida Statutes requires the governing board to oversee operations of the charter school and to annually adopt and maintain an operating budget. Section 1.15 of the school's charter contract states that "public notice of all meetings of the school's board must be published and minutes must be kept."</p> <p>Section 1002.33(7)(d)2 of the Florida Statutes states the following: <i>"Each charter school's governing board must hold at least two public meetings per school year in the school district. The meetings must be noticed, open, and accessible to the public, and attendees must be provided an opportunity to receive information and provide input regarding the charter school's operations. The appointed representative and charter school principal or director, or his or her equivalent, must be physically present at each meeting."</i></p> <p>The board's governance activities should be properly documented to evidence compliance with statutory requirements.</p>	<p>We recommend that the following be formally documented in the minutes of the governing board meeting: oversight of the school's ongoing operations, and approval of the school's annual operating budget.</p> <p>Minutes should be kept of all board meetings to evidence the board's governance activities and board member attendance.</p> <p>We recommend the school plan and hold public meetings as required by Florida Statutes.</p>

Therapeutic Learning Center

Board Member Questions and Responses - Board is the same for both Schools St. Johns Community Campus and Therapeutic Learning Center

Questions	1	2	3	4	5	6	7
Are you a member of the Governing Board or the Corporate Board?	Yes	Governing	Yes	A	Yes	Governing	Yes
How long have you been on the Charter School's Board?	10/07	2012	8/2011	A	2008	1/2012	11/2012
Are you a voting or non-voting member of the Board?	Voting	Voting	Voting	A	Voting	Voting	Voting
Do you regularly attend the Board meetings?	Yes	Yes	Yes	A	Yes	Yes	Yes
If so, how often are Board meetings held?	Monthly	Monthly	Monthly	A	Monthly	Monthly	Monthly
Were you initially elected in a public meeting?	No	No	No	A	N/A	No	No
Have you been fingerprinted?	Yes	No	No	A	No	No	No
If so, when was the last date of fingerprinting?	2010	N/A	N/A	A	N/A	N/A	N/A
Have you received a copy of the Articles of Incorporation of St. Johns Community Campus?	Yes	Yes	Yes	A	Yes	Yes	Yes
Have you received a copy of the By-Laws?	Yes	Yes	Yes	A	Yes	Yes	Yes
Have you received a copy of the charter between St. Johns Community Campus and St. Johns County School District?	No	No	Yes	A	Yes	No	No
At the Board meetings do you regularly receive financial reports?	Yes	Yes	Yes	A	Yes	Yes	Yes
If so, does the Board discuss these financial reports?	Yes	Yes	Yes	A	Yes	Yes	Yes
Does the Board approve the budget?	Yes	Yes	Yes	A	Yes	Yes	Yes
Does the Board approve amendments to the budget?	Yes	Yes	Yes	A	Yes	Yes	Yes
Describe any related party transactions with St. Johns Community Campus.	1	None	None	A	None	None	2

Please provide a brief summary of your qualifications as they relate to the Board of Directors of St. Johns Community Campus:

Board Member	Response
1	Civil Engineer with 16 years experience and I have owned and operated my own engineering firm for the last 8 years.
2	Business Professional and Lawyer, served on other similar Boards in past.
3	Local business owner, heavy community involvement and local charity fundraising history.
4	A
5	Bachelor and Master's degrees in education; seven years college teaching and administration, Lawyer practicing in local government law.
6	Publisher of St. Augustine Record and St. Augustine.com; served on various charitable boards for many years.
7	A

(1) My Company designed the TLC campus. This was a pro-bono donation to the ARC and no compensation was received.

(2) I own the company that built the building and I was a fund raising chair for the building.

(A) Did not receive response as of the report issuance

Therapeutic Learning Center - continued

Board Member Questions and Responses - Board is the same for both Schools St. Johns Community Campus and Therapeutic Learning Center

Questions	8	9	10	11	12	13
Are you a member of the Governing Board or the Corporate Board?	Yes	Yes	A	Governing	Governing	Yes
How long have you been on the Charter School's Board?	11/12	2 years	A	2012	10/2011	2012
Are you a voting or non-voting member of the Board?	Voting	Voting	A	Yes	Voting	Voting
Do you regularly attend the Board meetings?	Yes	Yes	A	Yes	Yes	Yes
If so, how often are Board meetings held?	Monthly	Monthly	A	Monthly	Monthly	Monthly
Were you initially elected in a public meeting?		No	A	No	No	No
Have you been fingerprinted?	Yes	No	A	No	No	Yes
If so, when was the last date of fingerprinting?	N/A	N/A	A	N/A	N/A	N/A
Have you received a copy of the Articles of Incorporation of St. Johns Community Campus?	N/A	Yes	A	No	Yes	Yes
Have you received a copy of the By-Laws?	N/A	Yes	A	No	Yes	Yes
Have you received a copy of the charter between St. Johns Community Campus and St. Johns County School District?	No	No	A	No	No	No
At the Board meetings do you regularly receive financial reports?	Yes	Yes	A	Yes	Yes	Yes
If so, does the Board discuss these financial reports?	Yes	Yes	A	Yes	Yes	Yes
Does the Board approve the budget?	Yes	Yes	A	Yes	Yes	Yes
Does the Board approve amendments to the budget?	Yes	Yes	A	Yes	Yes	Yes
Describe any related party transactions with St. Johns Community Campus.	None	None	A	None	None	None

Please provide a brief summary of your qualifications as they relate to the Board of Directors of St. Johns Community Campus:

Board Member	Response
8	Have been a Florida finance officer at various levels for over 25 years, dealt with charter schools on all kinds of issues and bring that experience.
9	Professionally and civically have experiencing managing, teams, budgets and fund raising.
10	A
11	Professional Engineer with keen understanding of capital improvements and budgeting.
12	I am the owner of 2 local radio stations. I have 2 teenaged children, one with special needs who spent a year at the St. Johns Community Campus; I have served on several charitable boards.
13	Circuit Judge

(A) Did not receive response as of the report issuance

District Level Observations

District Level Observations

Based on the results of our audits at the 5 charter schools and the charter technical career center, discussions with representatives from the schools, discussions with District personnel, and benchmarking to other Florida School Districts with charter schools, we have noted continuous monitoring of the charter schools by the District. The District has formed a strong relationship with the charter schools and have knowledge of operational challenges and concerns. As the number of charter schools continues to grow, currently approximately 20% of schools, we recommend 'formalizing' the following "best practices".

Continued Enhancements to the District's Monitoring Process

Observation

As the sponsor, the District is required by Florida Statutes Section 1002.33(5)(b) and 1002.34(6)(f) to monitor and review the charter schools and charter technical career center in their progress towards their goals established in the charter and monitor the revenues and expenditures of the charter school. Currently, on a monthly basis, the charter schools are required provide to financial statements to the District. The District reviews the monthly financial statements in order to understand each charter school's current financial viability for strategic plan, educational and fiscal impact. The monthly financial reports are presented to the School Board on a monthly for acceptance.

Recommended Action

We believe as the percent of charter schools rise, a formal documented monitoring program will benefit the District in ensuring timely receipt and review of the required documentation from the charter school. Late submissions by a school to the District could indicate that a school is experiencing financial or operational issues that could escalate and lead to a deteriorating financial condition.

We recommend that the District continue to refine its financial monitoring tool and include (but not limited to) the following financial monitoring activities:

- Develop and provide a monthly checklist and financial reporting template to the charter schools that captures the required financial information pursuant to the charter contract and applicable Florida Statutes. We have provided a sample checklist and template tool in the appendix of this report. The benefit of the school's use of this document is that the school demonstrates that they have taken ownership for completeness of reporting.
- Designate the monitoring of timely submission of all charter school documentation as the responsibility of the Office of Guidance and Choice. The designee for monitoring in the Office of Guidance and Choice should be copied on submission of the monthly financial statements.
- Enhance the current charter school monitoring process by developing an all inclusive tracking form that lists all reports/documents required to be submitted to the District by each charter school in order to ensure that all items have been received by the due date and in order to be able to effectively follow up on pending items when necessary. This will assist in identifying patterns of noncompliance with due dates or other requirements, enabling the District to perform timely follow up. In addition, develop a consolidated dashboard to be maintained by the Office of Guidance and Choice, with specific detailed monitoring steps with signoffs, which documents any issues with their disposition for each compliance area. The issues should be reviewed and any significant items that may affect the viability of the charter or be detrimental to the District (as Sponsor) should be documented and communicated to the Director for Guidance and Choice, the Charter School Administration and its Governing Body, District Administration, Superintendent and District School Board as deemed necessary. We have provided a sample monitoring tool and dashboard in the appendix of this report.

District Level Observations - continued

Background Screenings

Observation

Currently, the District maintains, verifies and monitors background screening records for all charter school employees and board members that have undergone screening through the District. Five of the six schools had not maintained documentation that indicates the employees and board members had undergone screening and were properly cleared pursuant to Section 1012.32 of the Florida Statutes.

Chapter 1002.33(12)(g) of the Florida State Statutes states the following:

“A charter school shall employ or contract with employees who have undergone background screening as provided in s. 1012.32. Members of the governing board of the charter school shall also undergo background screening in a manner similar to that provided in s. 1012.32.”

Unless the schools maintain records relating to the results of the screening, they are unable to guarantee compliance with Florida Statutes and risk the viability of the school's charter and continued existence.

Recommended Action

We recommend that the District communicate the following to the charter schools:

- Responsibility of monitoring and ensuring that all background screenings have been obtained and/or are up to date is that of the individual charter school as stipulated in Chapter 1002.33(12)(g) of the Florida Statute.
- It is the responsibility of the charter school to maintain documented evidence/confirmation for each one of its staff and board members to ensure that every employee and board member has been properly screened.
- The District is available for assistance with background screenings, as needed.

Appendix

Our Promise to YOU

At McGladrey, it's all about understanding our clients -

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Your aspirations,

Your challenges.

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